GEORGE
THE CITY FOR ALL REASONS

ANNUAL REPORT

2023/2024

DRAFT ANNUAL REPORT

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CHAPTER 1: EXECUTIVE MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: EXECUTIVE MAYOR'S FOREWORD



The recent census data from Statistics South Africa delineates the remarkable growth trajectory of the city of George. Between 2011 and 2022, the population of George surged from 193 672 to 294 929, representing a significant expansion over the eleven-year period.

This growth is also reflected in the number of households, which increased from 53 549 to 85 931. As a result, George has solidified its position as the largest municipality in the Western Cape, second only to Cape Town, and the province's largest intermediary city.

While a more detailed analysis of the census data is forthcoming, these preliminary figures underscore the need to anticipate and plan for further development and infrastructure demands. The rapid expansion of George necessitates proactive, forward-thinking, and strategic urban planning to support the city's growing community.

The growth is reflected in the following indicators which show the increase in economic activity:

Indicators	2020/21	2021/22	2022/23	2023/24
Outeniqua Sensitive Coastal Areas Regulations applications	34	53	62	42
Rezoning applications	25	33	40	35
Subdivision applications	27	26	35	27
Applications received	1 650	1 999	2 106	1853
Applications approved	1 434	1 565	1 712	1864
Value of plans approved	R1, 443, 348, 738	R1,953,317,592.	R246,393,295.	R 2,111,168,189.
Total applications processed (new and amended) (Total/Value)	1440 – R1,642,713,604.	2244 – R2,351,174,929.	3967 – R6,392,969,500.	4093 – R5,586,737,196.
Cubic metres of water used by Industry	439 786	552 075	672 145	672 145

In order to continue on our trajectory to be the city of choice for investment and prosperity, we remain committed to our five strategic objectives, namely:

- Develop and Grow George;
- Safe, Clean, Green, and Responsive;
- Affordable Quality Service;
- Participative Partnerships; and
- Good Governance and Human Capital.

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All our strategic documents have been aligned with Provincial and National Government policies and directives, including the following:

- Sustainable Development Goals
- National Development Plan
- The Twelve Government Outcomes
- National Spatial Development Perspective
- Western Cape Government's Vision-Inspired Priorities; namely:
- Safe and Cohesive Communities;
- Growth and Jobs;
- Empowering People;
- Mobility and Spatial Transformation; and
- Innovation and Culture.
- Other frameworks include:
- Integrated Urban Development Framework;
- Medium-Term Strategic Framework;
- Western Cape Provincial Spatial Development Framework; and
- Garden Route District IDP.

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Our vision to position George as a forward-thinking, nationally competitive, and globally connected business hub is ambitious. By focusing on SMART technology, resource efficiency, and strategic land use, George is laying a groundwork for a sustainable future. Prioritizing increased densities within the city not only strengthens urban efficiency but also enhances accessibility to opportunities for residents. The GoGeorge transport system exemplifies this commitment to connectivity, playing a vital role in bringing people closer to economic and social opportunities.

Building safe communities, achieving service delivery excellence, and ensuring that basic services are accessible in informal settlements and backyard dwellings reflect George's commitment to inclusivity and social cohesion. This holistic approach, with a strong emphasis on integrated development, not only addresses current needs but also paves the way for a future where economic inclusion and shared prosperity are within reach for all residents. This foundation will enable future generations to enjoy a city that is resilient, inclusive, and rich with opportunities.

I wish to share some noteworthy achievements over the past year:

- In 2022, George Municipality achieved an impressive third place ranking in Ratings Afrika's Municipal Financial Sustainability Index (MFSI), a notable accomplishment given the Index's comprehensive assessment across South Africa's largest municipalities. Out of 257 municipalities, the MFSI evaluated 112 municipalities and eight metros, scoring each on a scale of one to 100 across six key financial components: operating performance,

liquidity management, debt governance, budget practices, affordability, and infrastructure development. This high-ranking highlights George Municipality's solid financial practices, reflecting its effective management and commitment to long-term financial health, which bolsters its capacity to provide sustainable services and infrastructure to its growing population.

- In the May 2023 Budget Speech, the significant growth in George Municipality's Capital Budget, now nearing R2.5 billion over the next three years, was highlighted. This record investment, doubling the Expenditure Budget from 2020 to 2024 at an annual growth rate of 19%, contrasts sharply with the prior five years' slower growth rate of 8%. Managing this growth requires a careful balance of revenue streams, internally generated funds, grants, and cost-reflective tariffs, supplemented by strategic loans to support infrastructure expansion. Revenue enhancement projects, such as leveraging GIS, implementing smart meters, ensuring accurate water readings, addressing leaks, and correct billing, are pivotal to sustaining this accelerated development.
- The low economic forecast and growth, the increase in unemployment and the above inflation increases in the general costs of living have impacted on the affordability of municipal accounts. The debtor's collection rate of 93.67% is a 2% increase from the 91.87% reported in the previous financial year. This improvement has brought our performance closer to the norm of 95%.
- George Municipality aligned its Indigent Policy with National Treasury guidelines and Auditor-General recommendations, specifically updating the definition of "household income." These adjustments are phased in as indigent statuses and household incomes are reassessed. The policy offers significant relief to registered indigent households, including full subsidies on water and electricity basic charges, as well as additional free services such as refuse removal and sewerage disposal, helping to ease the cost burden for vulnerable households. The municipality provides the following relief:

  - Water: 100% subsidy on the basic charge and 6kl free per month (per household);
  - Electricity: 100% subsidy on the basic charge (20Amp and higher) and up to 70kWh free per month (per household). This is 20kwh in excess of 50kwh which is the permitted norm. Indigent households that use less than 400kwh (inclusive of the 70kwh) of electricity per month are charged at a lower electricity tariff;
  - Eskom supply area: Free 50kWh units per month;
  - Refuse removal: 100% subsidy per month;
  - Sewerage disposal: 100% subsidy per month; and
  - Council also assists with the writing off of arrears and with the repairs of water leakages and faulty electricity pre-paid meters for those who are indigent

The details of the increase in indigent benefits are as follows:

Benefit	Approved Indigents Benefit:	
	2022/23	2023/24
	Rand	Rand
Water basic charge	127.65 (111.00 + 15%)	159.98 (139.11 + 15%)
Water: 6kl	134.14 (6 x 19.44 x 1.15)	135.45 (6 x 19.63 x 1.15)
Property tax	102.74 (150 000 x 0.008219)	112.05 (230 000 x 0.0058455)
Sewerage	312.66 (271.88 x 1.15)	340.80 (296.35 x 1.15)
Refuse	318.55 (277.00 x 1.15)	340.40 (296.00 x 1.15)
Electricity: 70 FBE	126.90 (70 x 181.28/100)	145.61 (70 x 208.02/100)

The Municipality has made substantial progress in modernizing its aging water distribution infrastructure. Through extensive repairs and upgrades, raw water pipelines received investments, targeting previous issues to ensure improved reliability and service delivery. These improvements are further supported by new installations of meters, valves, and telemetry systems, reinforcing the overall effectiveness of the water distribution network.

SMART water meters are being installed across George Municipality, providing accurate digital readings and allowing the early detection of leaks, improved efficiency, and enhanced water billing accuracy. This initiative marks a significant step in modernizing the municipality's infrastructure and resource management.

In the 2021/22 Annual Report, the challenges posed by Eskom's struggles to local government were highlighted. Addressing load-shedding remains a priority, with a series of projects planned over the next three years to establish sustainable, alternative power sources and reduce dependence on Eskom. Among these initiatives is the wheeling project, launched in May 2021, which enables the transfer of power across networks, allowing businesses to generate or source electricity independently. The project includes an automated billing system, enhancing the wheeling process for broader future applications and paving the way for a more resilient local energy landscape.

George Municipality is committed to enhancing its infrastructure to support future economic growth and improve service delivery. In the three-year Medium-Term Revenue and Expenditure Framework (MTREF) beginning with the 2022/23 financial year, the Municipality has allocated R2.479 billion for capital infrastructure investment. This amount represents an increase of R1.434 billion, or 137.26%, compared to the previous MTREF budget period, underscoring a significant investment in the region's development.

In our commitment to long-term sustainability, operational excellence for the City of George is essential. This report highlights our progress toward achieving this vital goal. I extend my heartfelt gratitude to all officials for their dedication and tireless efforts in making George a beacon of hope for our community. Your hard work sets us apart from others. I am confident that the skills and commitment of our outstanding Administration, who will continue to drive us forward, ensuring that future citizens enjoy even greater happiness, health, and prosperity than we do today.

As we commenced drafting this Annual Report, Statistics South Africa (STATSSA) released the results of the October 2022 national census. These results proved that which we have all long suspected – that the city of George is flourishing, and we need to prepare for a growth trajectory hitherto unseen.

Alderman Jacqulique von Brandis
Executive Mayor

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COMPONENT B: MUNICIPAL MANAGER'S OVERVIEW



George continues to be the largest economic hub in the Garden Route District, contributing 40% of the district's GDP and serving as the primary regional node for service provision. Over the past five years, the City has encountered significant challenges, including drought, load-shedding, devastating floods, and the global COVID-19 pandemic. These trials have tested the resilience of our residents, officials, management team, and stakeholders. Nevertheless, the City has demonstrated remarkable strength, maintaining continuity in basic service delivery and expanding its reach. This collective resilience positions us well for a promising future.

Throughout the financial year, we successfully maintained a positive payment culture through effective credit control measures. This achievement is reflected in the Municipality's ability to fund its operations and meet its debt obligations. We remain committed to providing affordable, high-quality services efficiently and effectively to all residents.

The Municipality has completed another year of enhanced service delivery without compromising liquidity. We have sustainably contributed to our reserves, allowing for future capital expansion and refurbishment. We improved our financial sustainability, reporting a cash and cash equivalent balance of R843.8 million. Our current ratio stood at 1.5:1 (current assets to current liabilities), aligning well with the acceptable range of 1.5 to 2:1.

The traceability of all debtors remains a significant challenge in our debt collection process. Factors such as a low economic forecast, rising unemployment, and above-inflation increases in the general cost of living have negatively impacted residents' ability to afford municipal accounts. The payment ratio was closely monitored monthly and various credit control actions were strictly implemented, including the collection of arrear debts through prepaid meters. This yielded positive results as there is an increase of 2% year on year in the collection ratio.

This notable increase in planned capital expenditure underscores the Municipality's strategic focus on prioritizing infrastructure maintenance, replacement, and improvement to enable effective service delivery.

Our Capital Cost (interest paid and redemption) accounted for 4.12% of total operating expenditure, slightly up from 3.6% in the prior year, and remains below the norm of 6% to 8%. This indicates our capacity to take on additional financing through borrowing for infrastructure projects. Furthermore, our debt-to-revenue ratio stand at 14% on June 30, 2024, increased from 13.83% the previous year and well below the National Treasury norm of 45%. This suggests that there is further room for financing capital expenditure through external loan funds in the coming financial years. Additional details regarding our financial viability are provided within this report.

George has firmly established itself as a preferred investment destination for both international and local investors. Our commitment to strong governance provides a welcoming environment for investors, ensuring a seamless and premium investment experience. By focusing on automation, accessibility, and innovation, we streamline municipal processes and continually seek ways to improve our operations.

Enterprise-wide risk management remains a top priority for George Municipality and is consistently included as a standing item on management meeting agendas. This approach fosters the early identification and mitigation of risks. Over the past year, we have updated the risk register to include several key considerations.

Through these measures, we strive to enhance our risk management practices, ensuring a resilient environment that supports ongoing investment and growth in George.

Amongst the top strategic risks identified were:

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- The construction and operations of the new District landfill site;
- Attracting investment and providing an enabling environment for growth in George;
- Electricity, energy and load-shedding resilience and mitigation;
- Climate change resilience and mitigation;
- Water security and water management; and
- Invasion and illegal occupation of land

Further details of the strategic risks are captured in the Annual Report.

The Auditor-General of South Africa (AGSA) conducted the mandated external audit in compliance with the Public Audit Act requirements and has issued an unqualified opinion on the 2023/24 annual financial statements. Notably, there were no material findings related to compliance matters or the annual performance report. This marks the third consecutive year since the 2020/2021 financial year that we have achieved this commendable result, often referred to as a "clean audit." This accomplishment reflects the diligent efforts of our administration to continuously enhance service delivery while maintaining the highest standards in our administrative processes.

Our clean audit not only reflects our commitment to transparency and accountability but also enhances our eligibility for additional grant opportunities. We are actively applying for these grants, which will significantly benefit the broader George community, particularly in areas that require upliftment. The Auditor-General has recognized the substantial progress our municipality has made over the past financial years, specifically commending the implementation of consequence management. This initiative ensures that officials are held accountable and perform their duties diligently and efficiently.

We remain steadfast in our commitment to clean governance and will continue striving to improve and modernize our systems and processes throughout the municipality.

I would like to extend my heartfelt gratitude to everyone who contributed to making the 2023/234 financial year a success. While we acknowledge that there is still much work to be done, we are encouraged by the progress we have made. Our focus and innovative spirit drives us to find new ways to deliver basic services and enhance the quality of life for all our valued citizens. Together, we will continue to build a brighter future for the community of George.

Mr Godfrey Louw
Acting Municipal Manager

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COMPONENT C: EXECUTIVE SUMMARY AND MUNICIPAL OVERVIEW

1.1 Introduction

This 2023/24 Annual Report addresses the performance of the George Municipality, in the Western Cape, South Africa, in respect of its core legislative obligations. Local government must create a participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the municipal councils provide regular and predictable reporting on programme performance and the general state of affairs in their locality.

The report reflects on the performance of the George Municipality for the period of 1 July 2023 to 30 June 2024. The layout of the annual report is prepared in terms of Section 121(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), in terms of which the Municipality must prepare for each financial year.

The Annual Report comprises six chapters with the following broad overview:

Chapter 1: An overview of the Municipality's overarching strategy, accountability processes, social and demographic profile, and key highlights and challenges regarding finance, institutional transformation, and key basic service delivery.

Chapter 2: Details about the governmental workings of the Municipality and addressing the key aspects of good governance.

Chapter 3: Highlights the Municipality's performance for the year, with a focus on service delivery and the Municipality's predetermined objectives.

Chapter 4: Provides insight into the Municipality's human resources and organisational management areas, focussing on organisational structure and legislation.

Chapter 5: An overview of the Municipality's financial performance, reflecting on the Municipality's financial position, assets, cash flow, and intergovernmental grants received by the Municipality.

Chapter 6: An overview of the audit key findings as per the Auditor-General of South Africa.

Appendices

The purpose is to establish a transformed and well-governed municipal environment that remains robust and will continue to stimulate the growth and well-being of the constituents of the George municipal areas.

The report aims to reflect the City's commitment to a measured and integrated approach to strategy and operational or business practices; as well reporting on its economic, social, and environmental impacts. By using an integrated reporting format, and applying globally recognised governance and sustainability reporting frameworks, it aims to offer stakeholders a clear view of how the City's strategy, governance, performance, and prospects – i.e., in the context of its external environment – lead to the creation of value over the short-, medium- and long-term.

The City aims to establish and maintain constructive and informed relationships with its various stakeholders.

The integrity of the integrated annual report is overseen by the Municipal Public Accounts Committee (MPAC), as well as the Audit Committee who considered this report as part of Council's oversight process between January and March 2025. The Auditor General South Africa audited the municipal reported financial and non-financial performance. The report has also been made available to all stakeholders.

The report is limited to performance reporting as it relates to the Municipality during the 2023/24 financial year. This Draft Annual Report was tabled to Council in January 2025 for the period 1 July 2023 to 30 June 2024. The Council of the Municipality of George acknowledges its responsibility to ensure the integrity of the 2023/24 Annual Report and confirms having collectively reviewed the content of the Report and agrees that it addresses issues that are material and provides a fair representation of the integrated annual performance of the Municipality.

VISION AND MISSION STATEMENT



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THE GEORGE MUNICIPALITY HAS COMMITTED ITSELF TO THE FOLLOWING VISION AND MISSION:

Vision

"A City for a Sustainable Future"

Mission

To deliver affordable quality services; develop and grow George; keep George clean, safe and green; ensure good governance and human capital in George and to participate in George

IN ALL OUR WORK AND ENGAGEMENTS WITH THE COMMUNITY AND OTHER STAKEHOLDERS, WE SUBSCRIBE TO THE FOLLOWING

Values

Equal Opportunity
As servants of the public, we undertake to perform the functions and operations of the Municipality in an honest and ethical manner.

Compassion
As responsible public servants, we pledge to perform our duties in a manner that is open to oversight and public scrutiny. This commitment is shaped by our understanding to give an account of our actions to individuals, groups and organisations.

Sustainability
We, as custodians of hope, will work tirelessly at transforming our Municipality, communities and broader society by unlocking the endless possibilities that our valley holds and treasures. This commitment is shaped by our understanding of the historical, spatial, social and economic inequalities in our valley.

Good Governance and Integrity
We will continuously review our systems, procedures and processes to make them less bureaucratic and more responsive to customer needs. We will acknowledge and reward initiatives that show creativity and ingenuity. The Municipality is a responsive municipal entity with zero tolerance for corruption and illegal actions.

Innovation and Entrepreneurial Solutions
As a Municipality, we will strive to deliver excellent services for all areas within the greater George.

1.2 Strategic Objectives

The strategic objectives within a Municipality are the building blocks of the Council's strategy. The strategic objectives as depicted in the diagram below illustrate the expansion of the vision statement and create structure around how the Municipality will achieve its strategic goals. The SDBIP is developed in a more detailed way to indicate the deliverables against the activities that should be met in a certain timeframe.

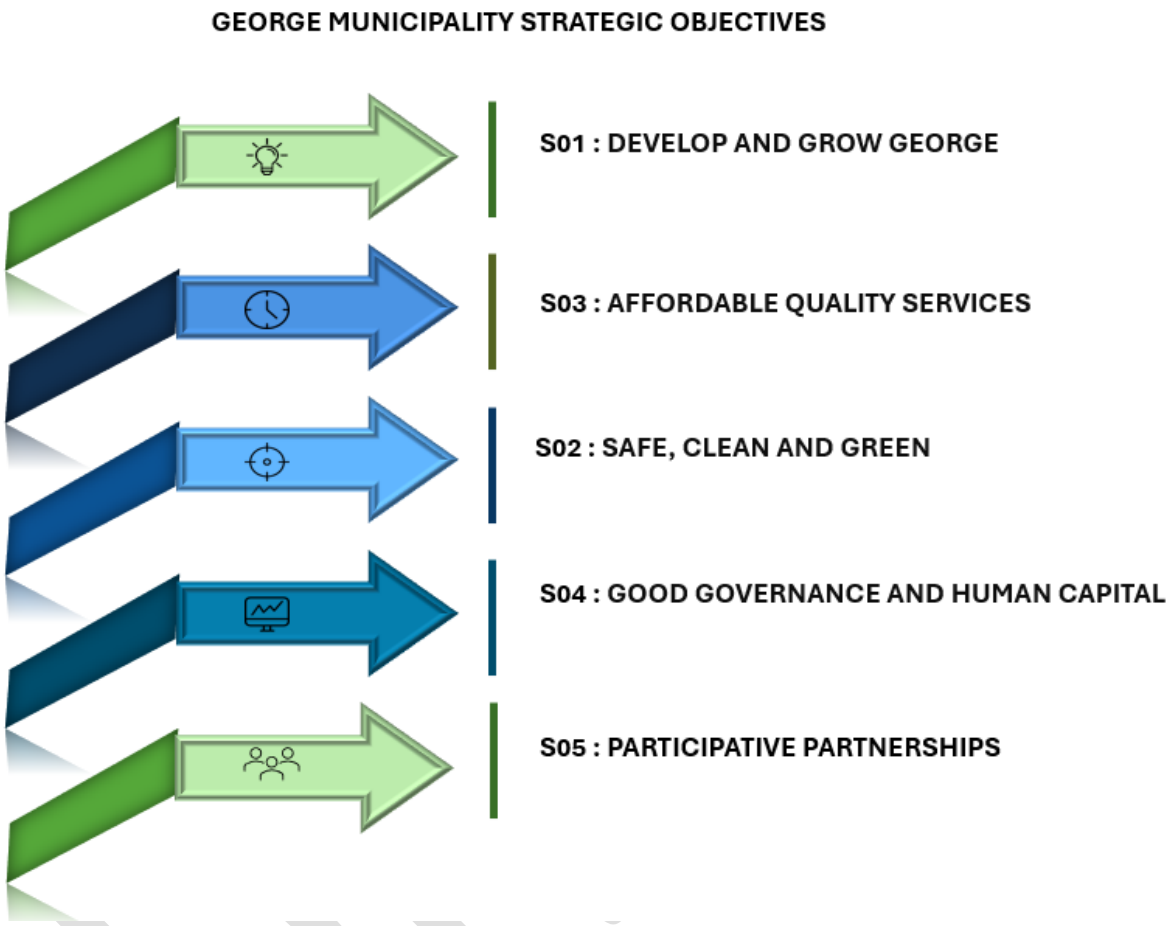


Figure 1: Strategic Objectives

1.3 Core Principles in Executing the Strategy

This section refers to the linkage between political leadership, the administration and the community. The diagram below illustrates the three components a Municipality should encompass:

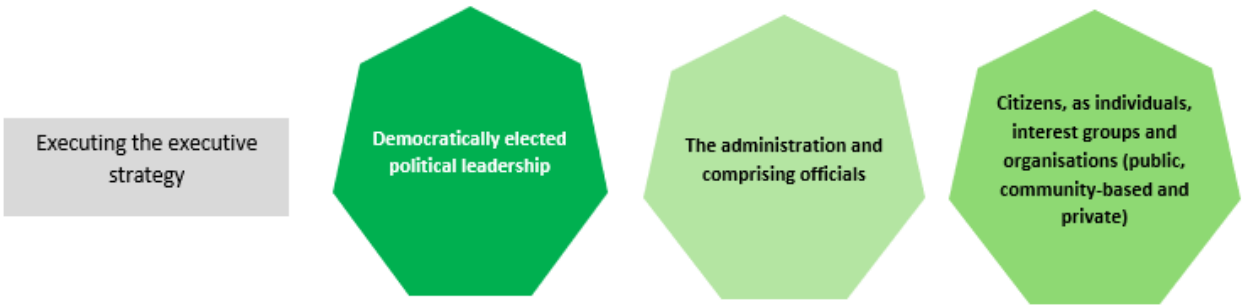


Figure 2: Core Principles in Executing Strategy

For municipal management to be sustainable, close collaboration between political leadership and the administration is essential. Democratically elected political leadership is ultimately accountable for determining the course of policy. The administration implements policy and offers counsel.

The only way to achieve sustainable urban management, according to international best practices, is through meaningful community partnerships in which residents assume complete responsibility for the improvement of their neighbourhoods. George Municipality is dedicated to ensuring that its most impoverished communities experience genuine social and economic progress by means of meaningful community participation and ownership. The fact that communities are legally a part of the Municipality is not widely recognised. Nevertheless, due to this circumstance, local communities are unable to assume the roles of mere critics or passive observers. Participation of local communities in the planning and execution of initiatives and projects within their respective localities is essential.

Ward-based planning is an element of community participation that aims to achieve the following result: a ward-specific plan for each of the twenty-eight wards. With evident ties to IDPs, ward-based plans are a form of participatory planning intended to encourage community action. These strategies galvanise citizens and communities to assume accountability for their own futures and articulate the outcomes that communities perceive as desirable. Additionally, these strategies aid in expediting the execution of the IDP. This ensures that community members, ward councillors, ward committees, the business community, non-governmental organisations (NGOs), and community-based organisations (CBOs), as well as all other stakeholders in the greater George, assume collective responsibility for the IDP's priority areas.

Participatory processes afford forward-thinking local leaders the chance to execute a unified agenda and demonstrate concrete and quantifiable outcomes by collectively attending to the priorities of the ward.

1.4 Institutional Structures and Processes Alignment

The Municipality prioritises judicious arrangements that ensure congruence between its organisational strategies and external environments. This provides the most effective assistance in carrying out the organization's long-term objectives and purposes, which necessitates that all external and internal stakeholder engagements are in agreement with and dedicated to realising the organization's vision.

By placing a strong emphasis on action in relation to deliverables, the administration ensures that decision-making is effective and efficient and that services are provided to all citizens.

To mitigate the risk of unanticipated problems and facilitate rapid decision-making, planning techniques bridge the distance between local experiential knowledge, the technical requirements of strategy development, and the need for

strategic frameworks that can accommodate such decisions. By means of comprehensive, structured information exchange and strategic planning seminars, this process seeks to establish a foundational stance regarding the direction of the town's development and administration. In support of the strategy, provisions are established to influence present-day decisions and shape future endeavours, and the initial plan is formulated. The strategy serves as the foundational strategic framework upon which technical work is subsequently constructed.

1.5 Governance Tools

Policy: entails establishing the stance of the government and providing guidance for action on matters where there are distinct alternatives (e.g., whether to concentrate on public or private transport, whether to expand or confine a settlement).

Planning: Defining the form, location, and timing of resource concentrations in a functional or spatial manner constitutes planning.

Legislation: (potentially) directing, constraining, and rewarding the conduct of various social actors (in the interest of all citizens).

Regulation: In the best interests of all citizens, regulation is the process of directing, constraining, and potentially rewarding (potentially) the behaviour of various actors in society.

Fiscal measures consist of taxes, service fees, and charges that are implemented to direct action in support of policy and legislation (as fiscal "incentives").

Financial measures: comprise investments in infrastructure, facilities, and programmes that support spatial, sectoral, or functional area policies and plans, as well as the priorities and areas of government expenditure.

Institutional measures: include decision-making structures, the distribution of responsibilities and powers, agreements and relationships between the government and other actors, the capacity and competency of human resources, and measurement mechanisms within and between the government and other actors.



Asset management: The strategy implemented for the administration of government assets, including land and public facilities.

Knowledge and information management: the government's investment in and distribution of information regarding current or anticipated conditions that necessitate management.

Advocacy: The "positive" and "negative" stances adopted by the government on various issues constitute advocacy. This may be accomplished via the media, public engagements and meetings, and other such events.

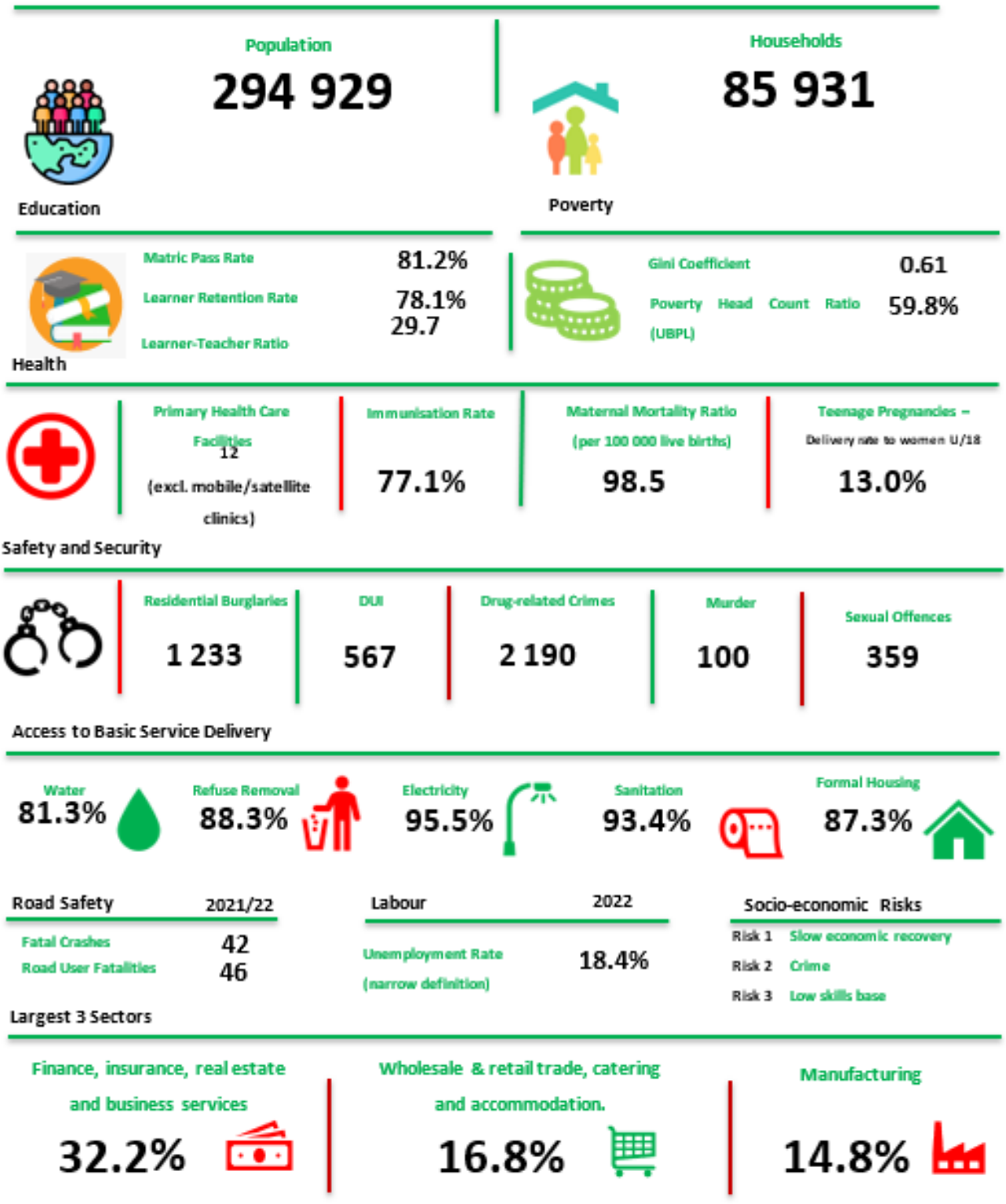
To ensure alignment between Council's strategic processes is adhered to, the municipal accountability cycle needs to be implemented:

Figure 3: Accountability Process Flow

1.6 Demographical Overview of the Greater George at a Glance

Table 1: Socio-economic Summary

Demographics



Source: Western Cape, Social–Economic Profile 2023

1.7 State of the Greater George

The municipal area is 5191 km2 and spans the Southern Cape and Little Karoo regions of the Western Cape Province and is situated halfway between Cape Town and Port Elizabeth. The area administered by the George Municipality forms part of the larger Garden Route District Municipality's jurisdictional area. The George Municipal Area is bordered by the Oudtshoorn- and Mossel Bay Municipal areas (Western Cape province; Garden Route District) in the west and north-west and by the Dr Beyers Naude- and Kou-Kamma Municipal areas to the north, north-east and east (Eastern Cape province: Sarah Baartman District) and by the Knysna- and Bitou Municipalities (Western Cape province; Garden Route District) to the south and southeast. George Municipality administers a vast and diverse geographic area that extends from the dry and climatically extreme Little Karoo in the north to the wetter more temperate Garden Route in the south. It is an area of considerable natural assets and beauty, including expansive mountains and forests, wilderness areas, a varied coastline, and extensive lakes, rivers and estuaries. Its natural assets include parts of the Garden Route National Park and the Baviaanskloof Wilderness Area. The municipal area also includes fertile farmlands and timber plantations along the coastal plain, fruit orchards in the Langkloof and arid grazing areas in the Little Karoo.

Three important national roads/ routes, the N2, N9 (R62) and N12, traverse the area, and George Regional Airport serves the Southern Cape and Little Karoo, including the neighbouring towns of Mossel Bay, Oudtshoorn, Knysna and Plettenberg Bay. The George City area is the primary urban centre of the Municipality. 84% of the municipal area's population is located here. Wilderness, Uniondale and Haarlem respectively host the bulk of the remaining urban population. 9% of the municipal area's population is rural. The rural population is declining evidenced by a negative population growth rate per annum of -4% between 2011 and 2016 (StatsSA, 2016).

George is identified, as the primary service centre of the entire Garden Route region, offering most of the higher order services and facilities one would expect to receive in a metropolitan city, including modern airport infrastructure. It houses the primary administrative and regional offices of companies (and government departments) offering services in the region but is also the heart of the vast tourism offering and a thriving agricultural sector specialising in export quality berries and other agricultural produce used in beer making and other Agri-processing activities. The Regional Scholarship and Innovation Fund (RSIF) also notes the importance of the continuity of critical biodiversity areas. The Garden Route District IDP (2021 Review) supports investment in George based on its role as a regional node but also places emphasis on the protection of the Garden Route (Southern Cape Coastal belt) as a global biodiversity hotspot (Conservation International) and part of the Cape Floristic Region (CFR) (World Heritage status: UNESCO and IUCN).

George has a significantly higher population (double) than the largest town in the Garden Route, Mossel Bay (DSD2021). In 2019, George Municipality contributed over 40% (R18.6 billion) of the GDPR to the economy of the Garden Route. The economy of George is more than twice as big as the next biggest Garden Route municipal economy of Mossel Bay, and almost four times as big as the third biggest Garden Route economy: Knysna. It is worth noting that between 2015 and 2019, whilst the annual average economic growth rate of both the Garden Route and Western Cape averaged 1% during this period, George Municipality grew at an average annual growth rate of 1.5% per annum – indicative of a more vibrant and resilient economy (Western Cape Provincial Treasury – Municipal Economic Review (MERO) 2021).

Other main towns include Uniondale and Wilderness with service hinterlands geographically separated from George and surrounds. Small rural or tourism settlements include Haarlem, Herold's Bay, Victoria Bay, Touwsranten, Hoekwil and Kleinkrantz as well as various hamlets and rural places such as Avontuur, De Vlugt, Herold and Noll. Main Routes include the N9 to Graaf Reinette, the N12 linking to Oudtshoorn, Beaufort West and linking to the N1, together with the R62 in the Langkloof connecting the rural hinterland to the east (Gqeberha) and the N2. This is the 'coastal corridor" linking Cape Town to Gqeberha.

Below is a map of the municipalities of Garden Route District:

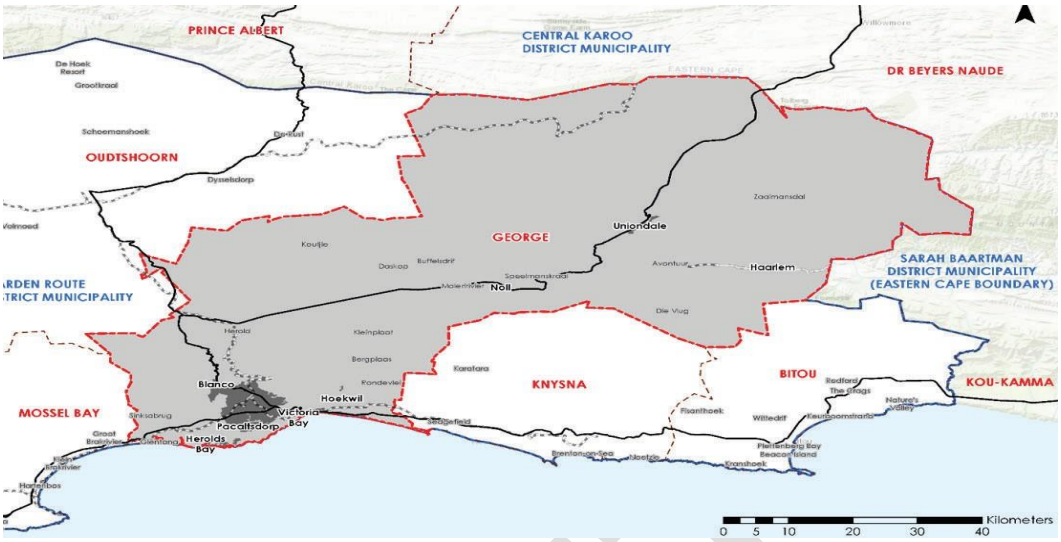


Figure 4: Locality Map of Greater Geroge in Relation to Garden Route District Boundaries

Below is a map of the Garden Route District in relation to the provincial district boundaries. The Western Cape Province makes up 10.6% of the country's land surface and encompasses an area of 129 462 km2. The province spatial area includes 1 metropolitan area (City of Cape Town), 5 district municipal areas (Central Karoo, Garden Route, Overberg, Cape Winelands and West Coast) and 24 local municipalities.

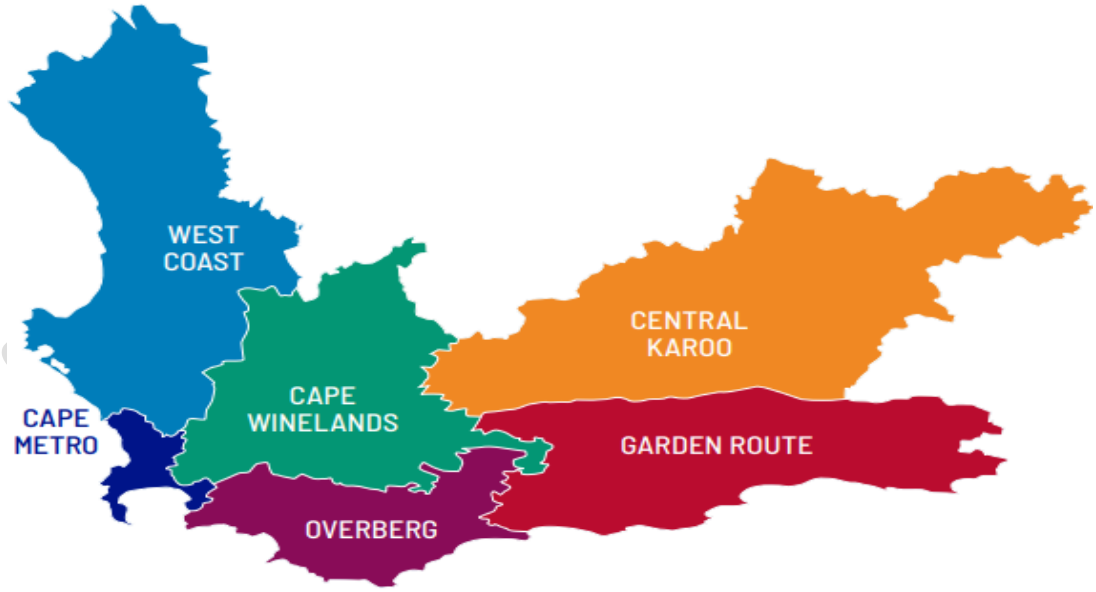


Figure 5: Locality of Garden Route District in Relation to Provincial Boundaries

1.8 Ward Demarcation

The George Municipality is currently structured into the following 28 wards:

Table 2: Municipal Ward Demarcation

Ward	Areas
1	Die Rus, Golden Valley, Kingston Gardens, Riverlea
2	Denneoord, Fernridge

Ward	Areas
3	Rooirivierrif, Highlands, Village Ridge, Glen Barrie, Heatherlands, King George Park, Sports Park, Portion of Kingswood Golf Estate, Golf Park 3
4	Hoekwil, Kleinkrantz, Kleinkrantz Farms 192, Pine Dew, Touwsranten, Wilderness, Wilderness Heights, The Dunes, Drie Valleyen 186, Boven Lange Valley 189
5	Le Vallia, Portion of Protea Park
6	Bossiegif, Portion of Protea Park, Urbansville, Portion of Rosemoor
7	Lawaaikamp, Maraiskamp, Portion of Ballotsview
8	Ballotsview, Parkdene
9	Thembalethu Zone 7, Blondie, Ikapa, Mdywadini, Zone 9, Portion of Zone 8, Portion of Zone 4, Portion of Zone 3
10	Zabalaza, Nyama Land, Portion of Zone 6, Portion of Zone 5
11	Blue Mountain, Blue Mountain Gardens, Victoria Bay, Garden Route East, Garden Route Mall, Thembalethu Portion of Zone 4, Portion of Zone 5, Greenfields, Portion of Ballots Bay
12	Thembalethu Zone 8, France, All Brick, Portion of Zone 9
13	Thembalethu Zone 1, Zone 2, Zone 3, Kwanorhuse, Langa Village
14	Rosedale, Portion of Oudorp (Pacaltsdorp), Edenpark
15	Thembalethu Portion of Zone 9, Tsunami Park
16	Andersonville, New Dawn Park, Portion of Protea Estate, Portion of Seaview
17	Tamsui, George Industrial, Portion of Rosemoor, Conville, Convent Gardens, Molenrivierrif, Mary View
18	Eden, Eden View, Denver, Genevafontein, Loerie Park, Panorama, Tweerivieren, Portion of Denneoord
19	Dormehlsdrift, Camphersdrift, Glenview, Portion of Bodorp
20	Borcherds, Steinhoff Industrial Park, Metro Grounds
21	Thembalethu Zone 6, Sandkraal 197, Zama Zama, Asazani, Portion of Ballots Bay, Silvertown, Portion of Zone 7
22	Glenwood, Glenwood Ridge, Moerasrivier 233, Modderivier 209, Die Oude Uitkyk 225, Klyne Fontyn 218, Geelhoutboom 217, Houtbosch, Doorn rivier/Herold, Kouwdouw 88, Waboomskraal Noord 87, Plattekloof 131, Smutskloof 94, Malgaskraal, Croxden 90, Afgunst River 99, Modderaas Kloof 133, Camfer Kloof 96, Barbierskraal 156, Kaaimans, Kraaibosch 195, Saasveld, Outeniqua Berge (West), Welgelegen, Kraaibosch Manor, Kraaibosch Estate, Kraaibosch Ridge, Far Hills Hotel, Geelhoutsboom, Herold, Groenkloof, Groenkloof Woods, Noem-Noem Village, Fancourt
23	Groeneweide Park, Pacaltsdorp Industria, Bos en Dal, Toeriste Gebied, CPA Area, Brakfontein 236, Hoogekraal 238 (Glentana), Buffelsdrift 227, Diepe Kloof 226, Dwarsweg 260, Gwayang 208, Buffelsfontein 204, Herolds Bay, Delville Park, Hansmoeskraal 202, Le Grand, Oubaai Golf Estate, Monate Resort, Breakwater Bay, George Airport, Boschkloof, Mooikloof, Kloofsig
24	Haarlem
25	Uniondale
26	Portion of Heather Park, Fancourt Gardens, Fancourt South, Fancourt Proper (portion), Blanco, Kerriwood Hill, Mount Fleur Mountain Estate, Cherry Creek, Soeteweide, Oaklands, Kingswood Golf Estate, Protea Estate, Earls Court Lifestyle Estate
27	Protea Estate Pacaltsdorp, Europa, Harmony Park, Seaview, Aldanah, Portion of Oudorp
28	Central Business District, George South

1.9 Socio-Economic Context

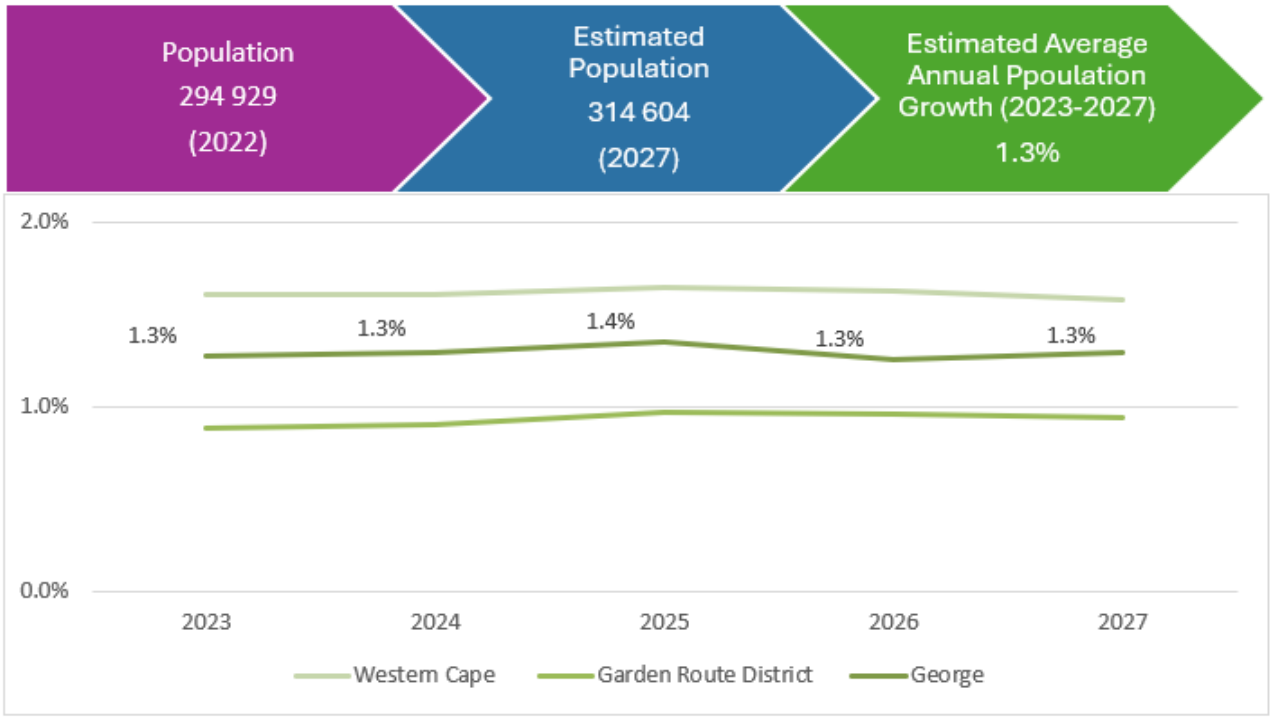
All socio-economic information is sourced from the Local Government Socio-Economic Profile 2023.

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1.9.1 Population and Household Growth

With a population of 294 929 inhabitants in 2022, the George Municipality was the most densely populated Municipality in the region. The significant demographic presence of this area can be ascribed to its critical function as the administrative and commercial centre of the Garden Route District (GRD). It is worth mentioning that George represents the second most rapidly growing municipal jurisdiction in the district. Predictions indicate that the population will increase by an average of 1.3% per annum between 2023 and 2027, with immigration to this region serving as the primary driver.

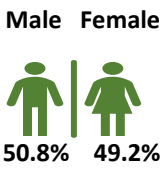
The George municipal area, comprising 85,931 registered households as of 2022, demonstrates an average household size of 3.4 persons. With respect to household size, this number places George in the third position among the municipal areas comprising the district. However, it is expected that this metric will decline by 2024, possibly because of an influx of solitary individuals of working age who are relocating to the metropolitan area and smaller families. As a result, it is anticipated that the expansion of households will exceed the growth of the population. Additionally, it is important to highlight that the count of households reported in the 2022 Census surpasses the figure used in the computation of the Local Government Equitable Share by 18.4%. This indicates a greater increase in the number of households from 2011 to 2022 compared to what was anticipated. The consequences of this divergence extend to the delivery of municipal services and the necessary infrastructure.



Source: Western Cape, Social – Economic Profile 2023

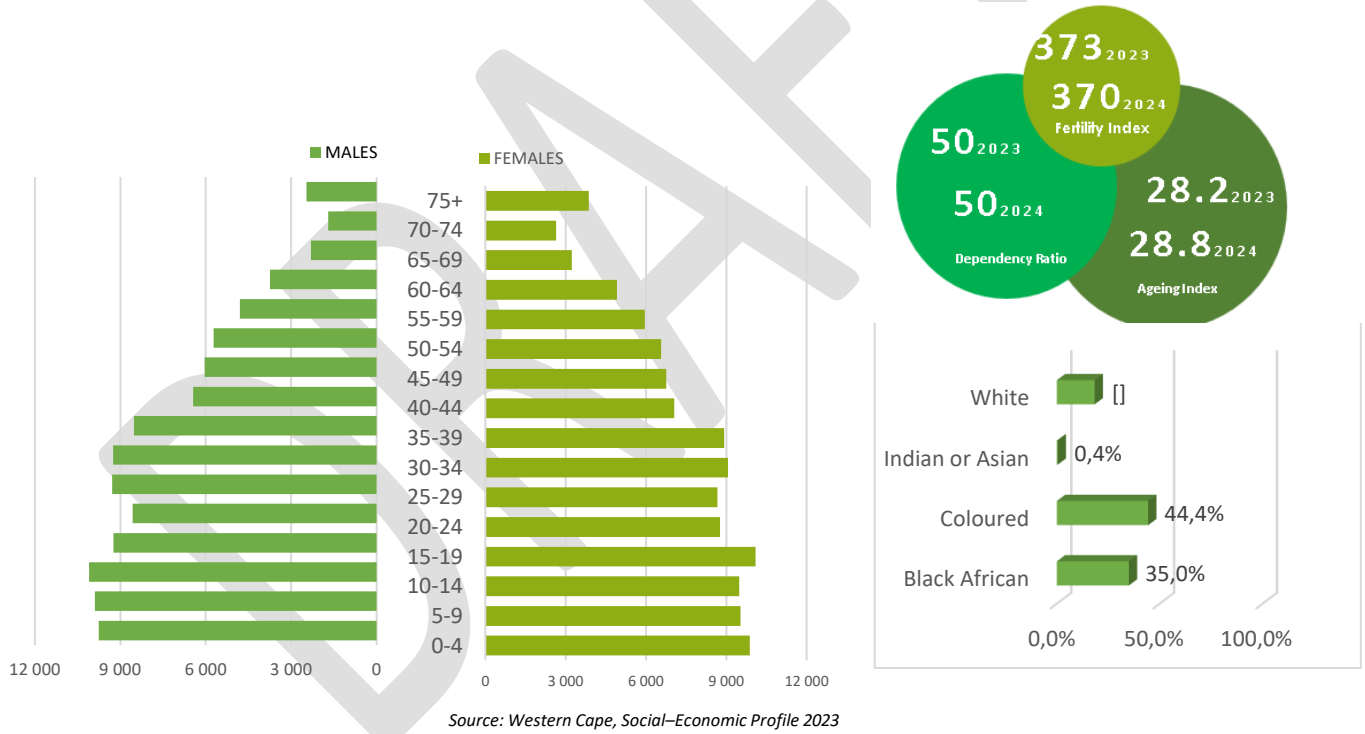
Figure 6: Estimated Population Growth and Household Growth

1.9.2 Gender, Age and Race Dynamics



A more in-depth analysis of the demographic composition within the municipal area reveals that 68.9%of its residents fall within the economically active age group of 15 to 64 years. The presence of a substantial working-age population is of particular significance within a burgeoning economic hub. While the overall population distribution leans slightly in favour of females, there is a notable surplus of males within the 25 to 34 age bracket, indicative of an influx of working-age males migrating to the municipal area, ostensibly in pursuit of employment opportunities. Moreover, a segment comprising 22.9%of the population is aged below 14 years, thereby engendering a comparatively high dependency on the working-age cohort. This sizable youth contingent underscores a mounting demand for educational resources and future employment prospects within the George municipal area. Additionally, a sizable elderly population, constituting 8.2% of the total, signifies that the municipal area is an attractive destination for retirement, a pattern observed across the scenic expanse of the Garden Route. The insights derived from the age distribution patterns are instrumental for municipal planning, particularly concerning the availability of housing and government services tailored to meet the diverse needs of distinct age groups.

Furthermore, the prominent racial demographic category in the municipal area is the coloured population, representing 44.4% of the total population, followed by the black African population at 35% and the white population at 18.4%. The Indian or Asian demographic group is the minority, accounting for merely 0.4% of the municipal populace.



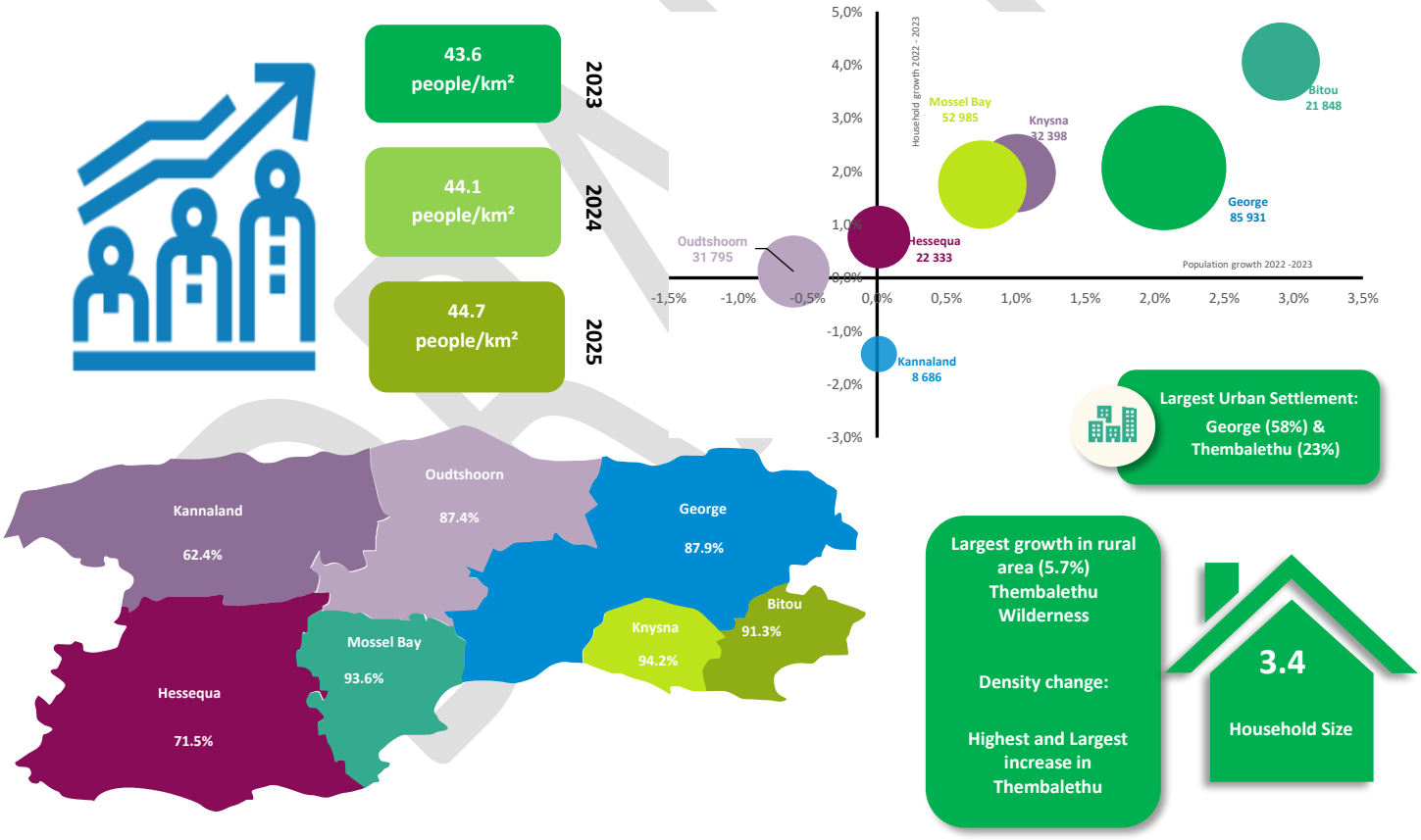
Source: Western Cape, Social–Economic Profile 2023

Figure 7: Population and Racial Split

1.9.3 Level of Urbanisation and Population Density

The George municipal area stands out because of its unique circumstances. Despite it being the economic hub, it has the fourth highest level of urbanisation (87%) in the district. Although the urban population grew, certain developments around the town of George extended into the rural area, thereby raising the rural share. Notably, there was a significant urban population within the town of George, where most people (57.9%) reside. Thembalethu township, situated within the confines of George, and the coastal town of Wilderness have also made noteworthy contributions to the escalating trend of urbanization. It is worth highlighting that Thembalethu stands out for its elevated population density, which has surged from 21.4% of the George municipal population in 2001 to 23.3% in 2021.

The George municipal area is 5 191 km2 and spans the Southern Cape and Little Karoo regions of the Western Cape. In 2023, it had a population density of 43.6 persons per km2 and is expected to rise to 44.7 by 2025. The concentration of the population gravitates toward the town of George, magnetized by the economic opportunities, social amenities, and connectivity advantages it offers. However, Thembalethu distinguishes itself as the most densely populated locale, primarily fuelled by the comparatively greater affordability of housing options, drawing individuals migrating into the municipal area.



Source: Western Cape, Socio-Economic Profile 2023

Figure 8: Level of Urbanisation and Population Density

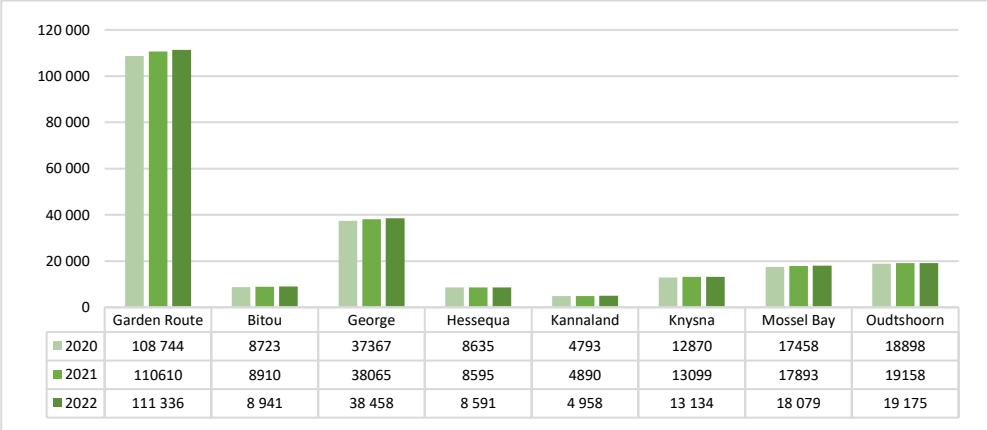
1.9.4 Education

Education and training improve access to employment opportunities and help sustain and accelerate overall development. Quality Education is the 4th Sustainable Development Goal, while the National Development Plan (NDP) emphasises the link between education and employment as well as the significant contribution it makes to the development of the capabilities and well-being of the population.

1.9.5 The learner enrollment and learner-teacher ratio

Ensuring that school aged children have access to schools and are enrolled in schools allows the community to meet the future skills demands in a growing economic hub. A more informed and productive society is instrumental in improving the overall quality of life. In 2022, the George municipal area had the highest number of enrolled learners within the GRD, a natural consequence of the greater population size. It experienced notable growth in learner enrolment, witnessing an increase of 1 091 pupils between 2020 and 2022. This expansion is attributed to the concurrent growth of the working-age population in the locality, a phenomenon driven by the availability of employment opportunities and enhanced economic prospects. Typically, families relocating to the area for employment often include school-age children, thereby amplifying the enrolment of learners.

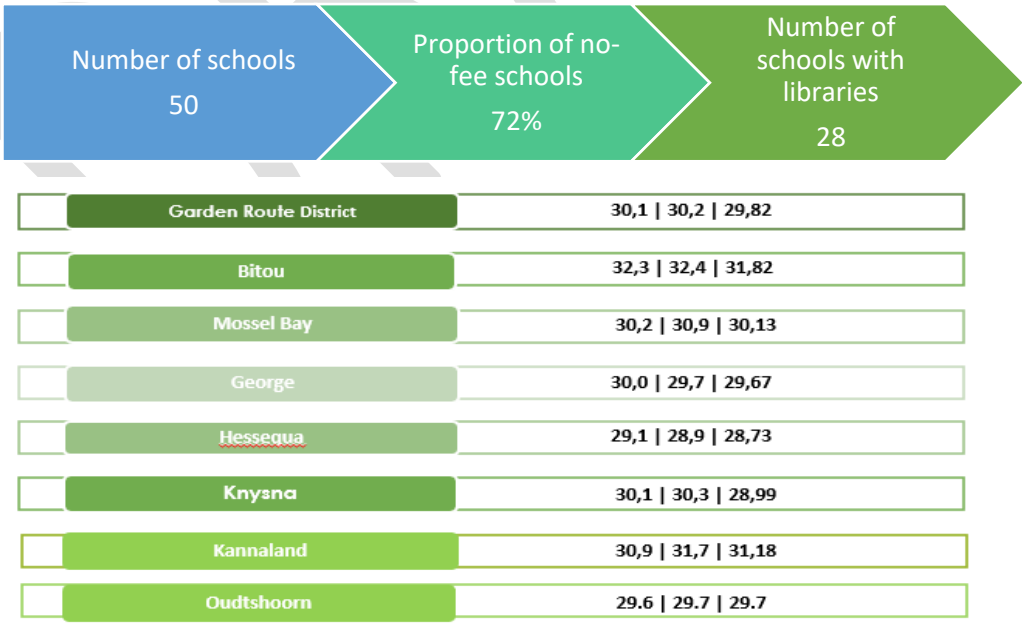
This influx of learners has fortunately been accompanied by an increased number of teachers, resulting in a reduction in the learner-teacher ratio, which, by 2022, had descended below the provincial and GRD average.



	Garden Route	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudtshoorn
2020	108 744	8723	37367	8635	4793	12870	17458	18898
2021	110610	8910	38065	8595	4890	13099	17893	19158
2022	111 336	8 941	38 458	8 591	4 958	13 134	18 079	19 175

Source: Western Cape, Socio-Economic Profile 2023

Figure 9: Learner Enrolment



Source: Western Cape, Socio-Economic Profile 2023

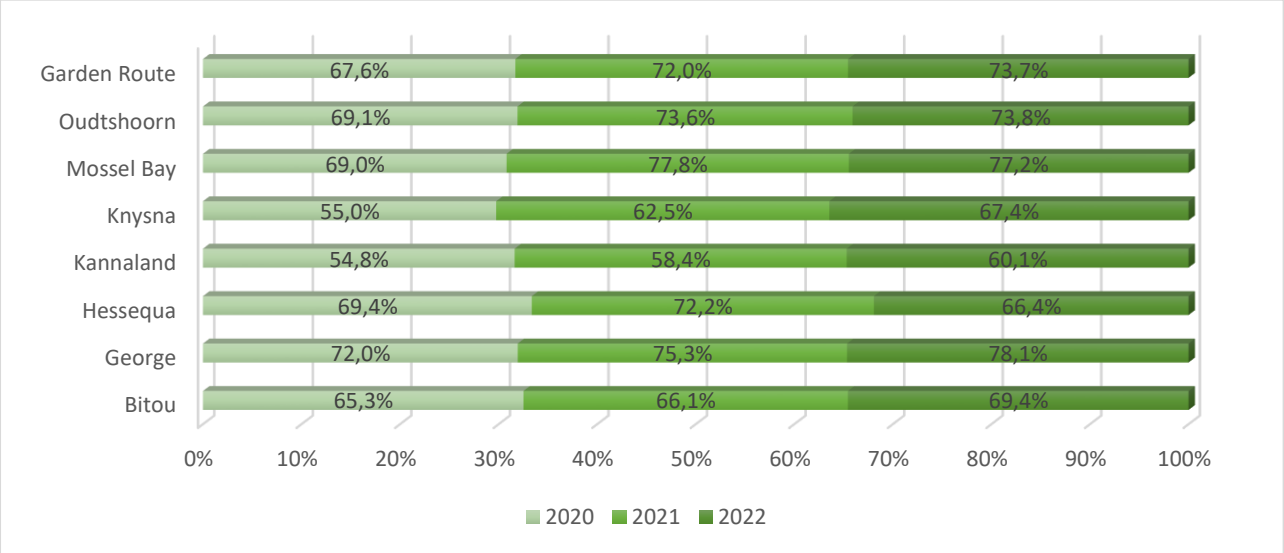
Figure 10: Learner Teacher Ratio 2020-2022

1.9.6 Education and Infrastructure facilities

Education and skills development play a vital role in shaping the future socioeconomic landscape of the municipal area. They empower the population and significantly impact the local economy's development and its human resource capacity. The Western Cape Education Department is committed to this cause, ensuring access to education for the children of the municipal area with the availability of 50 schools. Nearly three-quarters (72%) of these schools operate as no fee schools. This is positive to note, given that a substantial 24 per cent of learners cited financial constraints as the primary reason for prematurely dropping out of school in 2021. A concerning trend of urban sprawl in the municipal area is however affecting available land for potential school developments, affecting the future availability of proximate schools for a growing populace.

1.9.7 Learner Retention

Economic centres such as George offers economic incentives for completing education more so than is present for its more rural counterparts. The George municipal area by implication has the highest learner retention rate in the district. It is also noteworthy that the learner retention rate has been on an upward trend, boding well for the future economic potential of the municipal area.



Source: Western Cape, Socio-Economic Profile 2023

Figure 11: Learner Retention 2020-2022

1.9.8 Education Outcomes (Matric Pass Rates)



Lower learner-teacher ratios typically foster robust learner-teacher relationships, enabling the utilisation of personalised teaching approaches, and ultimately contributing to improved academic performance. This effect is not fully present in the George municipal area which has the second lowest matric pass rate in the region and saw a slight dip in both the matric pass rate and the bachelor pass rate between 2021 and 2022. Furthermore, subject outcomes reflect that a major reason for this is poor mathematics, maths literacy and physical science outcomes. This needs to be addressed as high performance in these subjects are crucial in the enfolding fourth industrial revolution. With a growing demand for skilled labour in the municipal area, matric certificates and higher education qualifications are becoming increasingly important as a lever to lift families out of poverty and contribute to economic development. It is imperative that the determinants influencing the overall quality of education be considered in the quest for optimal educational outcomes. It is however positive to note that over the 2011 to 2022 period, the percentage of persons over the age of 20 without schooling

(2.4%) has declined and those with higher education (13.9%) increased, albeit by small margins of less than 2% in both instances.

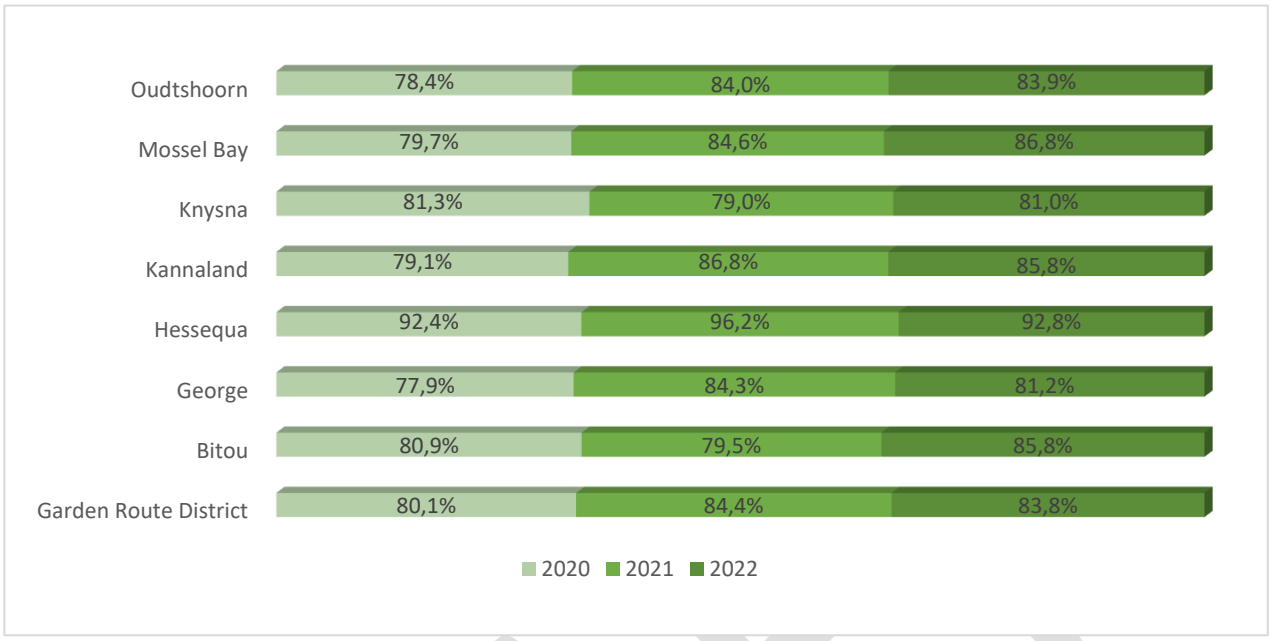
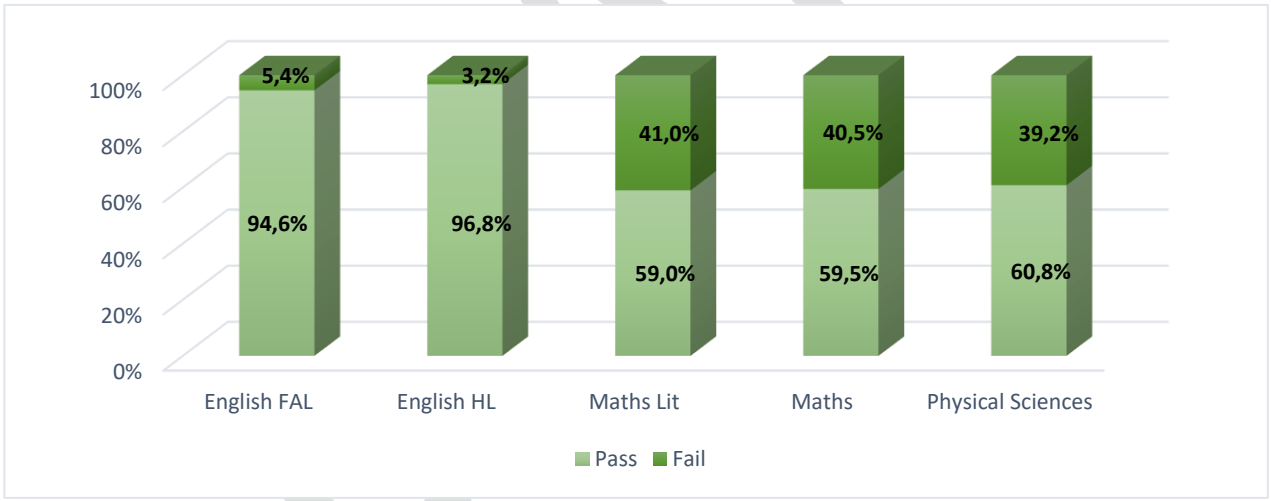


Figure 12: Education Outcomes



Source: Western Cape, Socio-Economic Profile 2023

Figure 13: Subject Outcomes

1.9.9 Health

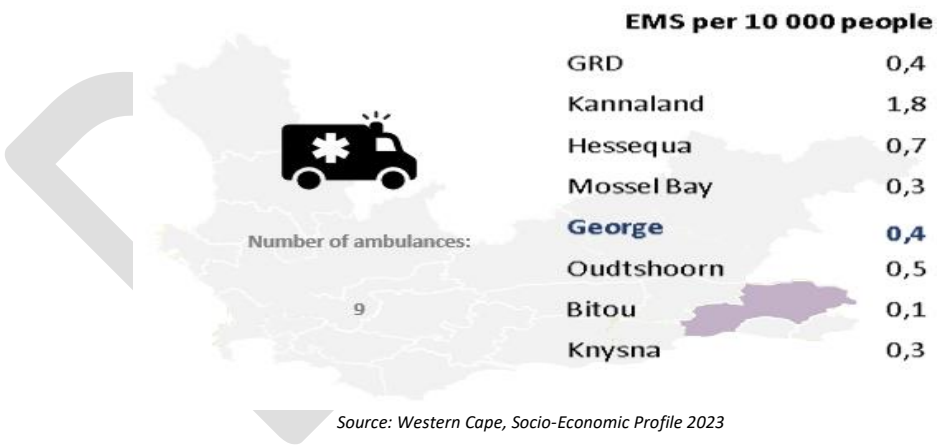
In 2022, a mere 15.8 per cent of the South African population had access to medical aid, underscoring the significance of government healthcare facilities in delivering essential primary healthcare services to the majority of the country's residents. Within the George municipal area, there was a total of 12 primary healthcare facilities. Additionally, the George municipal area had 4 mobile/satellite clinics, along with one district hospital and one regional hospital, catering to the healthcare needs of the residents. It is noteworthy that this municipal area accounted for 20.8 per cent of the healthcare facilities present in the broader Garden Route District.

Furthermore, with the development of one additional ART treatment site and 2 additional TB clinics, the residents in the municipal area had access to 18 ART treatment sites and 15 TB clinics in 2022, further enhancing the availability of critical TB and ART treatment services available for households. This is especially necessary with the rising number of ART and TB patients registered for treatment within the municipal area from 2021/22 to 2022/23.

Enhancing the quantity of functional ambulances contributes to an expanded reach of emergency medical services across the municipal area. In the 2022/23 fiscal year, the area had 9 Provincial ambulances, translating to 0.4 ambulances per 10 000 residents. This represents a decline compared to the prior fiscal year, hereby reflecting the challenge of keeping pace with the expanding population. It should however be noted that this figure pertains exclusively to Provincial ambulances and does not include private service providers.



Figure 14: Health Care Facilities



Source: Western Cape, Socio-Economic Profile 2023

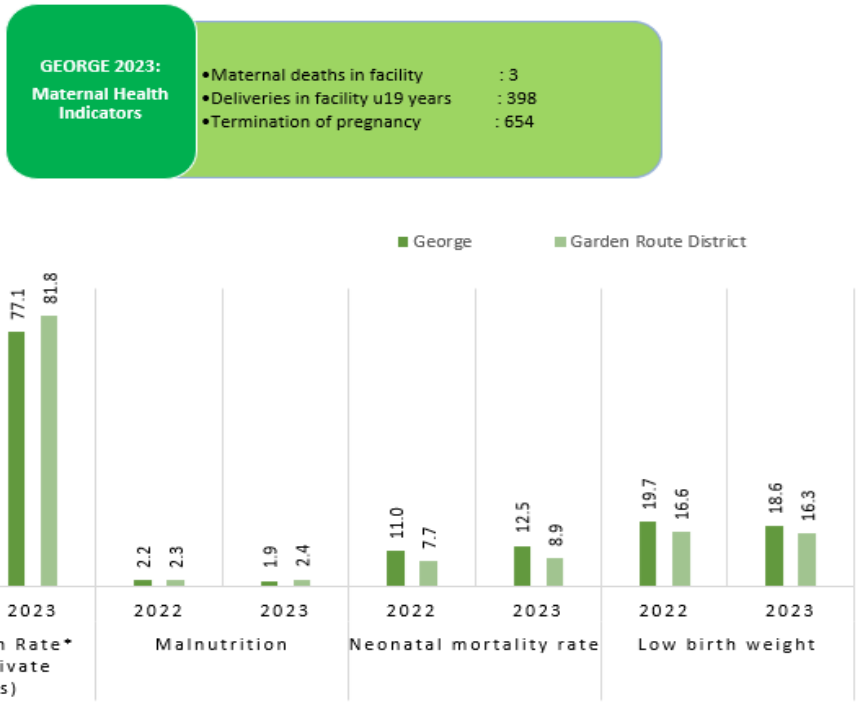
Figure 15: Emergency Medical Services

1.9.10 Maternal and Child Health

Within the George municipal area, there has been an observable decline in teenage pregnancies. In 2022/23, 398 deliveries (13%) occurred among females under the age of 20, which is slightly lower than the district rate of 14.8%. The decrease in teenage pregnancies coincided with an increase in pregnancy terminations, with 652 pregnancy terminations reported in 2022/23. The high rate of teenage pregnancies reflects a need for expanded family planning initiatives and support services within the municipal area and greater GRD, as unplanned pregnancies pose a risk to the future quality of life of teenagers.

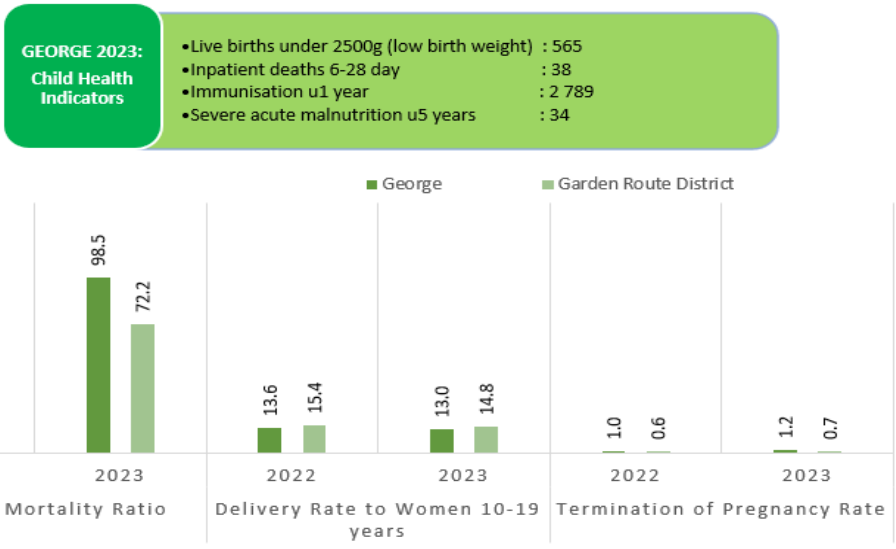
2 789 children under the age of one were immunised, translating to an immunisation coverage rate of 77.1%. This exhibits a reduction thereby placing a greater proportion of young children at risk of serious illness. The prevalence of malnourished children under the age of five, particularly those suffering from severe acute malnutrition, per 100,000 individuals in the municipal area, saw a marginal decline from 2021/22 to 2022/23. Furthermore, the percentage of infants born with a birth weight of less than 2.5 kilograms also decreased over this period. In both cases, the municipal area has not yet reverted to pre-pandemic levels. While the reductions in poverty and government feeding schemes have contributed to the marginal decline in malnourished children, there remains a continued challenge in terms of households' access to nourishing food.

With 3 maternal deaths and 38 babies dying before 28 days of life, the municipal area has amongst the highest maternal and neonatal mortality rates in the province, presenting a concerning development especially as these rates have increased from 2021/22 to 2022/23. This emphasizes the need for improved antenatal and postnatal care.



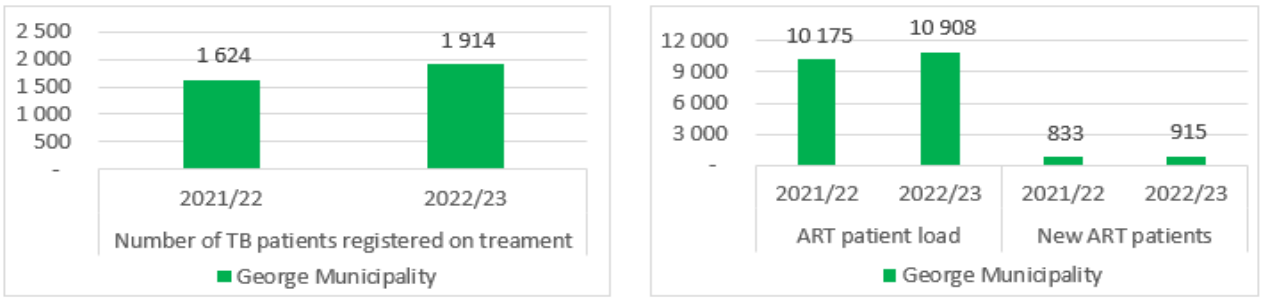
Source: Western Cape, Socio-Economic Profile 2023

Figure 16: Maternal Health



Source: Western Cape, Socio-Economic Profile 2023

Figure 17: Child Health



Source: Western Cape, Socio-Economic Profile 2023

Figure 18: Tuberculosis and HIV/AIDS

1.9.11 Poverty

The Upper Bound Poverty Line (UBPL) headcount ratio is the proportion of the population living below the UBPL i.e., that cannot afford to purchase adequate levels of food and non-food items. The UBPL in South Africa is R1 417 (in April 2022 prices) per person per month. In 2022, 59.8% of the George municipal population fell below the UBPL. This figure improved marginally from the 61.5% recorded in 2019, indicating progress despite the challenging economic conditions facing households across the country.

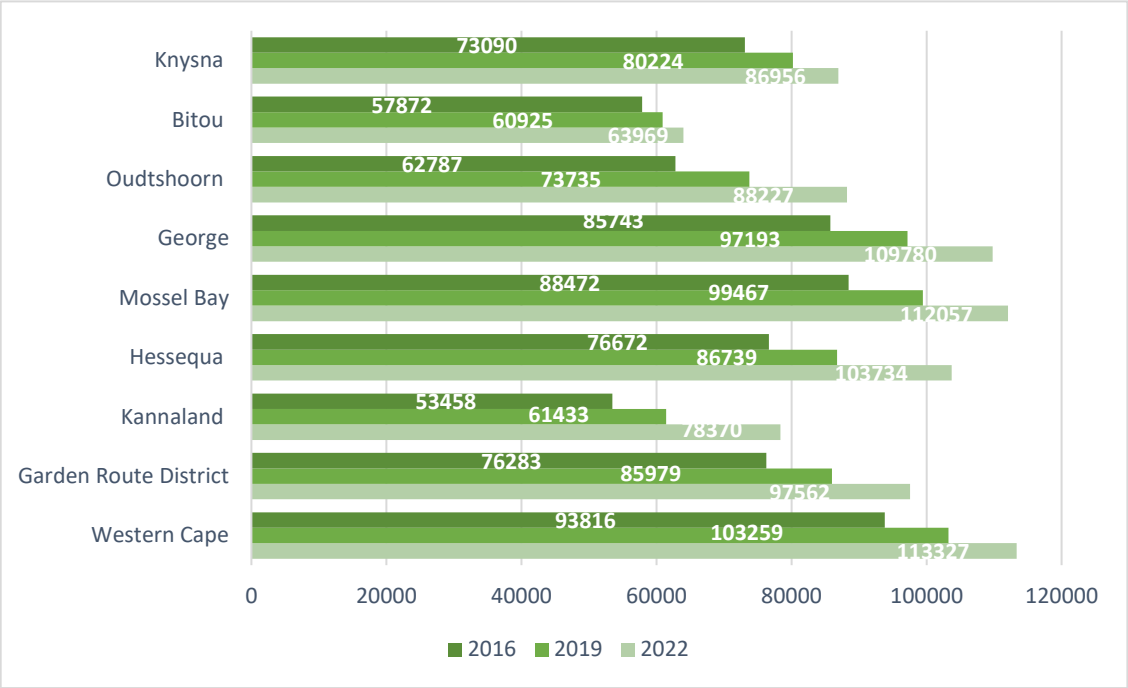
While the municipal area exhibits lower levels of poverty compared to the District and Western Cape rates, the situation is far from comforting, given the significant number of households experiencing the adverse effects of poverty. These consequences include lower life expectancy, malnutrition, food insecurity, heightened exposure to crime and substance abuse, reduced educational attainment, and substandard living conditions. Therefore, the NDP sets the ambitious goal of eradicating poverty by 2030. To alleviate these negative impacts of poverty, the Department of Social Development George SASSA office issues grants to 137 236 individuals. Beneficiaries of child support grants constituted 61.1% of this total, with 32 110 pensioners receiving old age grants, thus offering vital income support to these households.

a) GDPR Per Capita

During the timeframe spanning from 2016 to 2022, the regional economy exhibited a growth rate surpassing that of the population, resulting in a notable upswing in the GDPR per capita i.e., GDPR per person. Over this period, GDPR per capita experienced a robust increase of 21.9 per cent, indicative of enhanced standards of living and heightened economic well-being within the George municipal area. At R109 780, the GDPR per capita exceeded the district average (R97 562) but remained below that of the Western Cape (R113 327), pointing to potential areas for further improvement.

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However, it is imperative to acknowledge that the distribution of GDPR per capita within the George municipal area is not uniform. Disparities prevail, with a segment of the population enjoying affluence, while others grapple with financial challenges in an economic landscape characterized by inflation, escalating interest rates, and unemployment.

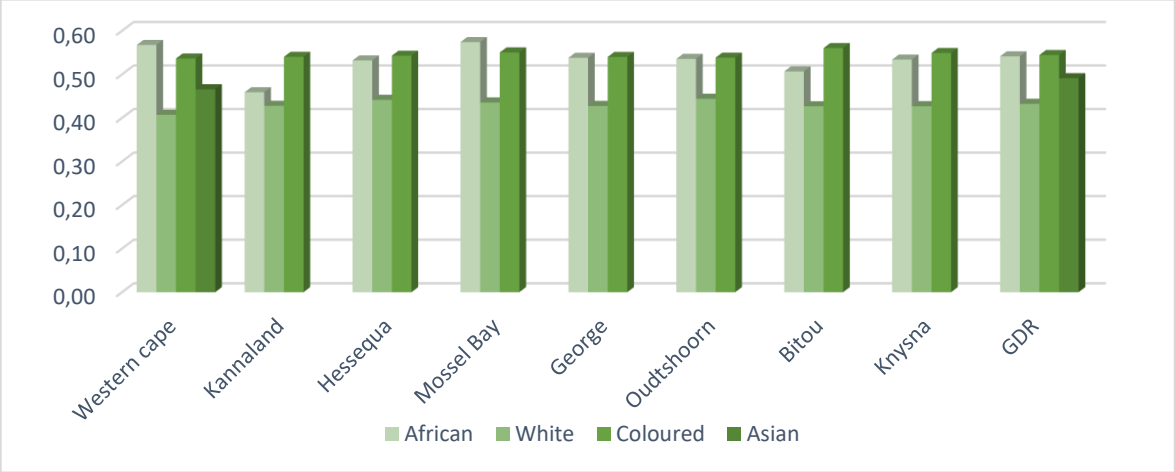


Source: Western Cape, Socio-Economic Profile 2021, 2023

Figure 19: GDP per Capita

b) Income Inequality

South Africa suffers among the highest levels of inequality in the world when measured by the commonly used Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities. The National Development Plan (NDP) has set a target of reducing income inequality in South Africa, endeavouring to lower the Gini coefficient from 0.7 in 2010 to 0.6 by 2030. The George municipal area nearly meets that goal at 0.61 but has amongst the most unequal distributions of income in the province. This reflects the discrepancy between persons with well renumerated jobs in George as well as affluent households living on the coast, compared to the lower income earned by rural farm workers in areas such as George Rural, Haarlem and Uniondale as well as households residing in the numerous informal settlements across the municipal area. Income inequality is also more pronounced among the coloured and black African demographic groups where some households have built wealth, whilst others have yet to escape the poverty trap.



Source: Western Cape, Socio-Economic Profile 2023

Figure 20: Income Inequality

c) Poverty

The Upper Bound Poverty Line (UBPL) headcount ratio is the proportion of the population living below the UBPL i.e., that cannot afford to purchase adequate levels of food and non-food items. The UBPL in South Africa is R1 417 (in April 2022 prices) per person per month. In 2022, 59.8% of the George municipal population fell below the UBPL. This figure improved marginally from the 61.5% recorded in 2019, indicating progress despite the challenging economic conditions facing households across the country.

While the municipal area exhibits lower levels of poverty compared to the District and Western Cape rates, the situation is far from comforting, given the significant number of households experiencing the adverse effects of poverty. These consequences include lower life expectancy, malnutrition, food insecurity, heightened exposure to crime and substance abuse, reduced educational attainment, and substandard living conditions. Therefore, the NDP sets the ambitious goal of eradicating poverty by 2030. To alleviate these negative impacts of poverty, the Department of Social Development George SASSA office issues grants to 137 236 individuals. Beneficiaries of child support grants constituted 61.1% of this total, with 32 110 pensioners receiving old age grants, thus offering vital income support to these households.

Source: Western Cape, Socio-Economic Profile 2023



	Western cape	Kannaland	Hessequa	Mossel Bay	George	Oudtshoorn	Bitou	Knysna	GRD
2016	63,42	60,49	60,18	62,63	60,17	64,10	63,79	65,35	62,13
2019	63,91	61,57	59,03	61,16	61,45	64,11	63,18	64,79	62,16
2022	64,05	62,00	57,16	60,23	59,81	63,79	62,50	63,11	60,99

Figure 21: Poverty Line

1.9.12 Basic Service Delivery



The Constitution stipulates that every citizen has the right to access adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Access to housing also includes access to services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living.

This section assesses the extent to which this objective has been realised by examining the progress reflected in the 2022 Census data.

a) Housing and Household Services

There has been a notable rise in the percentage of households with access to formal housing, escalating from 83.9% in 2011 to 87.3% in 2022. This achievement is attributed to a substantial volume of housing units constructed by the state, catering to the housing needs of low-income households. It is noteworthy that within the George City area, all but 6% of properties within the entry-level market (valued under R300 000) are government-subsidized properties, as reported in the Housing Market Studies for Intermediate Cities/Larger Towns in the Western Cape: George City Area Report of 2022.

Nonetheless, there is still room for improvement within the George municipal area, as it trails behind the GRD, where 89.0% of households inhabit formal dwellings. This discrepancy can be primarily attributed to the presence of informal settlements in the George municipal area, where the supply of entry-level housing fails to keep pace with the escalating demand in this growing economic hub.

The increase in the proportion of households residing in formal dwellings was accompanied by a 5.4% surge in households equipped with flush toilets, a 4.5% increase in households using electricity for lighting, and a substantial 11% increment in households enjoying access to piped water within their dwellings. In contrast, access to regular refuse removal showed only a modest increase of 0.2%. However, it remains pertinent to acknowledge that the George municipal area still lags in terms of providing essential services across all categories. This lag underscores the challenges faced by the Municipality in keeping pace with the growing demand for services, as well as the difficulties associated with extending services to rural farmlands and informal settlements.

b) Free Basic Services

Municipalities provide free basic services to households that are financially vulnerable and struggle to pay for services. There was a significant surge in registered indigent households in 2020 attributable to the adverse economic impact of the COVID-19 pandemic, which resulted in income losses impeding households' capacity to cover their municipal service expenses. In 2021, a slight reduction occurred, and by 2022, a return to levels resembling the pre-COVID period was evident. The stressed economic conditions will however continue to exert pressure on household incomes and thereby keep demand for free basic services at elevated levels.

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Total number of households

George	Garden Route District
85 931	255 977

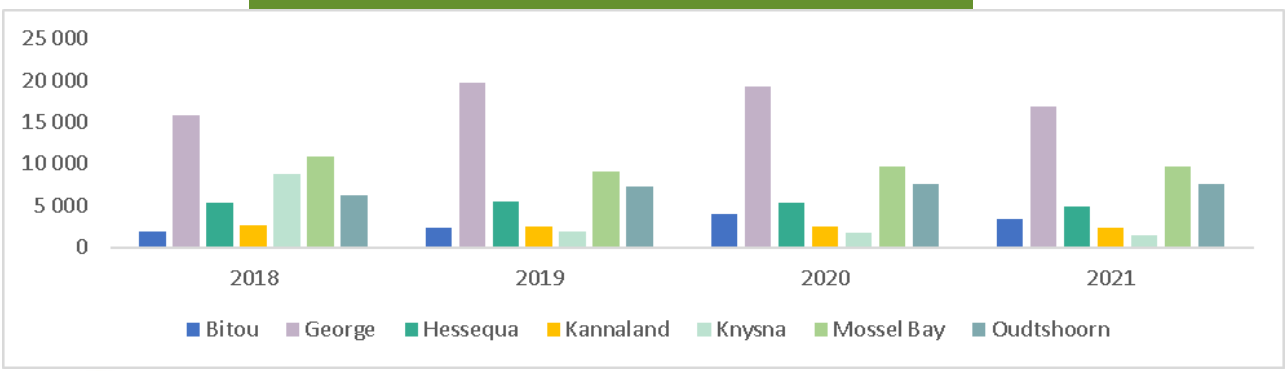
Formal main dwelling

George	Garden Route District
87.3%	89.0%
75 014	227 812

Formal Dwelling	Traditional dwelling	Informal dwelling	Other/Unspecified
87.3% George	0.9% George	11.6% George	0.2% George
89.0% Garden Route	1.2% Garden Route	9.6% Garden Route	0.2% Garden Route

	George	Garden Route
Piped water inside dwelling/yard or communal/neighbours' tap	81.3%	85.0%
Flush/chemical toilet	93.4%	93.7%
Electricity (incl. generator) as primary source of lighting	95.5%	95.5%
Refuse removal at least once a week	88.3%	88.8%

Indigent Households Garden Route Municipalities



Source: Western Cape, Socio-Economic Profile 2023

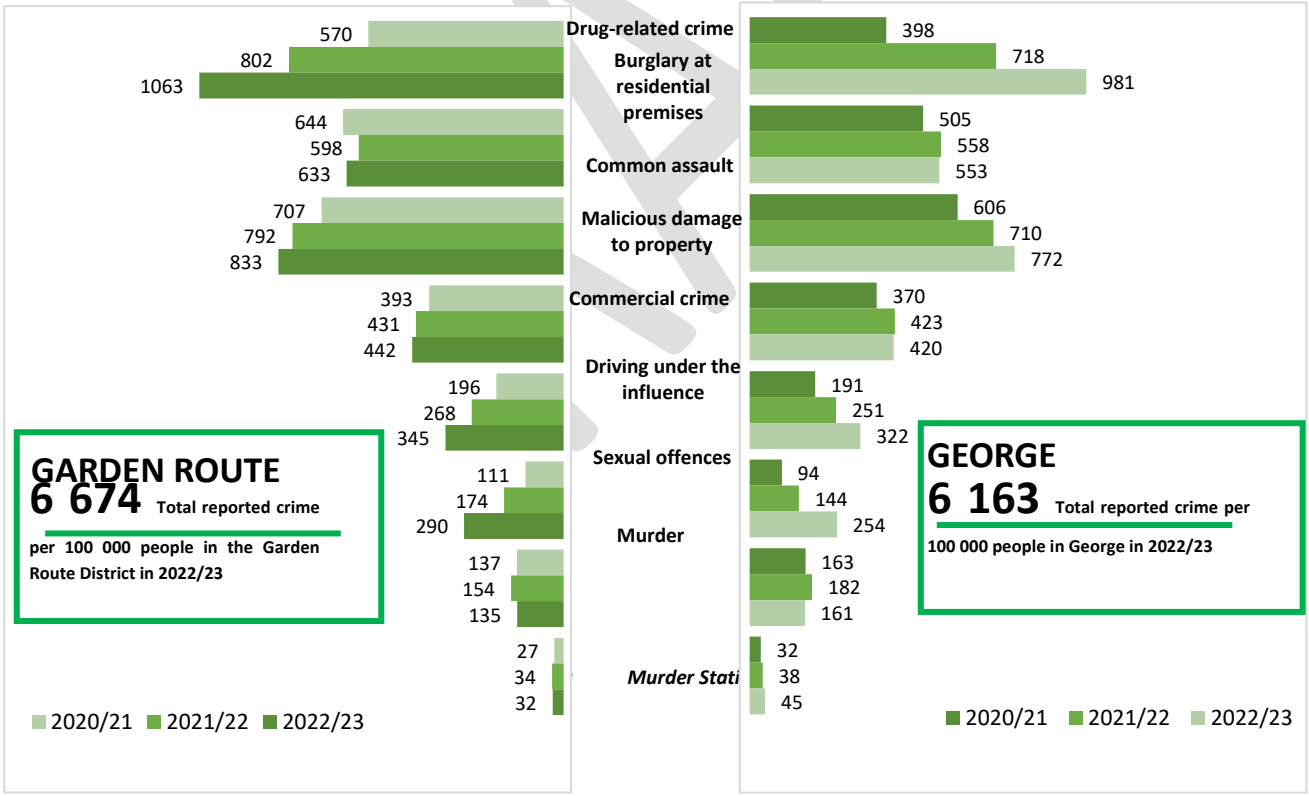
1.9.13 Safety and Security

a) Crime Rates in GRD and George Municipality

The high levels of poverty and inequality give rise to elevated crime levels necessitating the development of the Western Cape Safety Plan. In it, the Western Cape Government (WCG) expresses their vision to ensure that the province is a place where all people feel secure and live free from fear. The George Municipality shares this goal, as it is not spared from the safety concerns present throughout the Province and GRD.

Crime levels in the George municipal area rose from 2021/22 to 2022/23. It is important to highlight that COVID-19 lockdown regulations implemented in 2020/21 played a role in the overall decrease in crime during that year. The primary factors contributing to crime in the George Municipality and the greater region of the Garden Route include the absence of surveillance cameras in high-risk areas, inadequate lighting, high unemployment rates, drug and alcohol abuse, instances of domestic violence, repeat offences by released prisoners, the seasonal influx of labourers and social intolerance.

The George municipal area exhibits elevated occurrences of contact crimes such as murder and sexual offences, when compared to the GRD. However, the GRD contends with elevated crime rates across all other categories delineated in the infographic. It is essential to acknowledge that these other crime categories, including drug-related offences, burglaries, and commercial crimes, are exacerbated by elevated poverty levels, which are more pronounced in other municipal areas relative to George.



b) Total Reported Cases of Crime

Murder is defined as the unlawful and intentional killing of another person. 100 murders were reported in the municipal area, largely attributed to gangsterism.

The George community speaks out against gang related violence, indicating that they are tired of being victimized in their communities. Similarly, common assault (assault that involves the use of force or violence against another person without causing serious bodily harm) is at elevated levels with 1 724 cases reported, influenced by gangsterism, substance abuse as well as gender-based violence.

South Africa is amongst the top 5 countries in the world with respect to reports of rape. George is no exception with 359 cases of sexual offences (including rape, sex work, pornography, public indecency and human trafficking) reported within the George municipal area, down from 401 in 2021/22. It should be noted that many cases of sexual offences go unreported. Substance abuse drives up drug-related crimes (a situation where the perpetrator is found to be in possession of, under the influence of, or selling illegal drugs) with 2 190 cases reported, and saw the largest rise from the 2021/22 levels. In addition, driving under the influence of drugs or alcohol (where the driver of a vehicle is found to be over the legal blood alcohol limit) had 567 reported cases. Alcohol use is a leading factor in road traffic crashes. Substance abuse places a burden on health care and police services, disrupts families and bears significant social and economic costs within communities.

Substance abuse and poverty further contribute to residential burglaries (the unlawful entry of a residential structure with the intent to commit a crime, usually a theft) with 1 234 cases reported in the George municipal area, while difficult economic times are met with a rise in commercial crimes (theft, fraud or dishonesty committed against a business by an employee that results in the business suffering financial loss) as an easy way for employees to maintain their standard of living in addition to this, 937 cases of malicious property damage, severely impact local businesses, especially SMMEs. Failure to curb such crimes can lead to a vicious cycle of declining economic activity and joblessness that fuels poverty and gives rise to other crimes across the district.

Curbing crime is crucial to realizing the vision of the WCG which is “a safer Western Cape where everyone prospers”.



Figure 23: Actual Number of Crimes Reported

1.9.14 GDP Performance

The George municipal economy was valued at R22.8 billion in 2021, constituting 39.9% of the GRD economy and serving as the commercial hub of the region. Sectors such as finance (32.2%), trade (16.8%) and manufacturing (14.8%) are leading the way in terms of GDPR contributions.

In 2022, the finance sector was one of only four sectors (along with transport; community services, and agriculture) that have recovered beyond pre-pandemic levels. It was boosted by developments in the call centre industry as well as high interest rates.

The trade sector is also central to George municipal area, but following a 13.0% contraction in 2020, it has not yet fully recovered from the impacts of COVID-19. Several new stores opening, including a Spar in George and Wilderness and a Pick n Pay in Pacaltsdorp bodes well for the sector in 2022. As part of the trade sector, tourism flourishes in the beautiful landscape of the George municipal area. It is crucial, particularly in the coastal town of Wilderness as it is dependent on short-term accommodation activities. The tourism sector was however heavily impacted by the COVID-19 lock-down regulations and showed only a marginal improvement as a percentage of GDPR from 2021 to 2022. In some measure, this reflects reduced purchasing power on the part of households that have been battered by high inflation and rising interest rates.

The George municipal area has a thriving agriculture sector specialising in mixed farming and non-perennial crops, vegetable production and cultivating pome and stone fruits. The municipal area is considered a hub for dairy processing, with Clover and Lancewood, amongst others, operating in the area. Herolds Bay, Uniondale, Haarlem and Waboomskraal economies rely extensively on agriculture. The sector was the best performing in terms of growth from its 2019 value due to favourable commodity prices and farming conditions. A decline is anticipated in 2022, due to rising input costs and commodity price reductions. The agriculture sector has nevertheless made a significant contribution to international trade in 2022, as it was the only sector to record a positive trade balance in 2022.

The overall trade balance of the George municipal area has been deteriorating in recent years, primarily because of the declining trade balance of the manufacturing sector, despite it being the third largest sector in the municipal area. Local farmers and agricultural manufacturers specialise in, inter alia, the production and export of berries and machinery used in beer-making. Imports into the George municipal area are largely everyday consumer goods such as trunks, suitcases, vanity cases and the like (R96.6 million), knitted or crocheted shirts (R90.5 million) and coffee (R87.2 million) for resale nationally.

The transport sector performed well, having recovered from pre-pandemic levels and having the highest estimated GDPR growth in 2022. The transport sector benefited from an increase in arrivals at George Airport, which grew from 539 637 in 2021 to 747 848 in 2022. The local freight industry benefits from the fact that both the N2 and the N12 pass through George. Despite the comparatively good performance, the sector remains vulnerable amid the slow recovery of tourism and high petrol prices.

Sectors that have yet to recover from the contractions in GDPR growth recorded in 2020 include the general government, mining, manufacturing, electricity, gas and water and construction sectors. Amid load-shedding concerns and a fiscally constrained government sector, the GDPR of the George municipal area is forecast to expand by only 0.9% in 2023. Continued decline is anticipated for the agriculture sector, given high input prices and a reduction in international commodity prices. However, this trend is expected to ease in 2024 as markets normalise. Strong growth on the part of the finance, transport and community services sectors is expected to stabilise the economy in 2024, with GDPR growth of 1.7% forecast for the year and 1.8% forecast for 2025.

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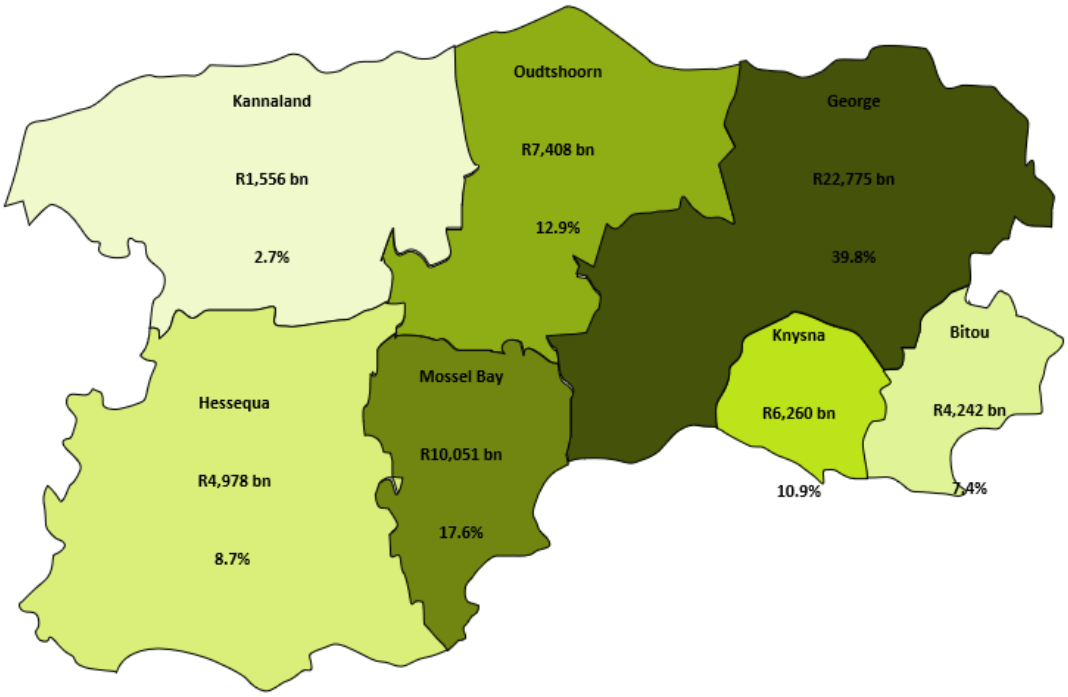


Figure 24: GDP Contribution 2021



Figure 25: Sectoral Contribution to GDPR 2021

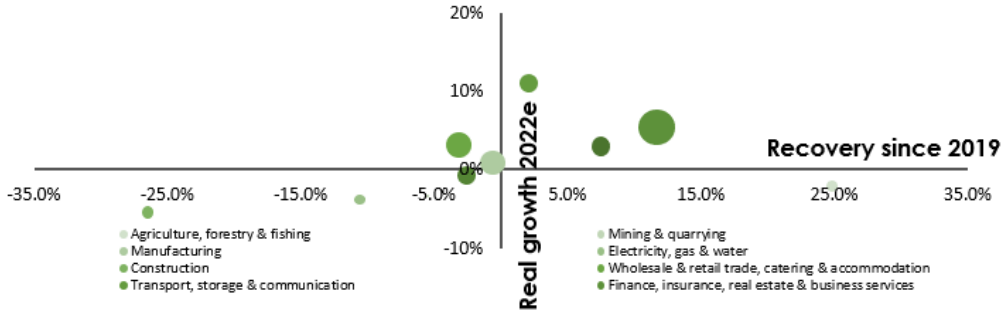


Figure 26: GDPR Growth 2019-2022

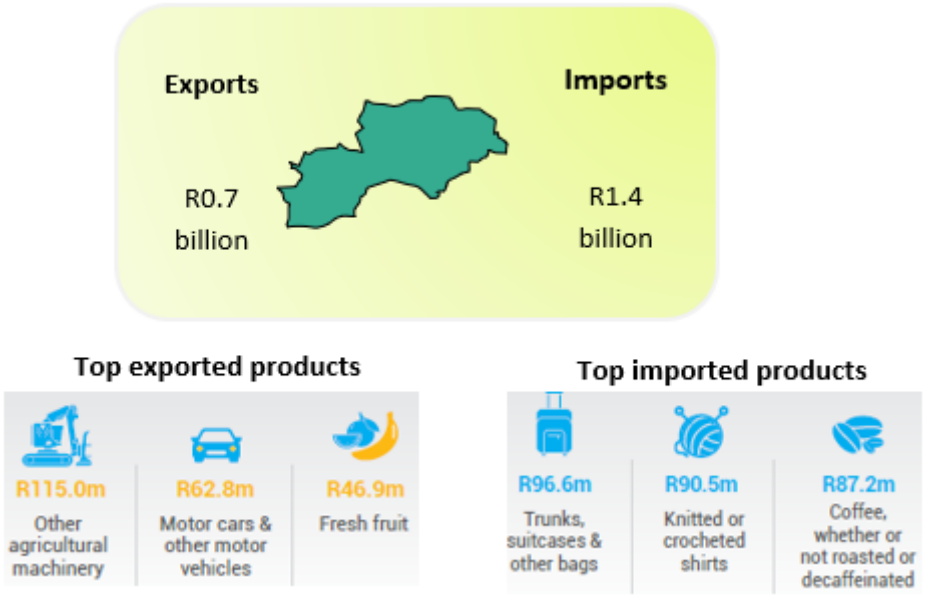


Figure 27: International Trade, 2022

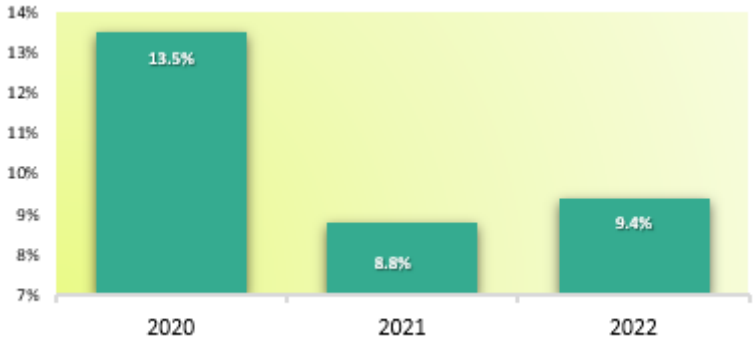
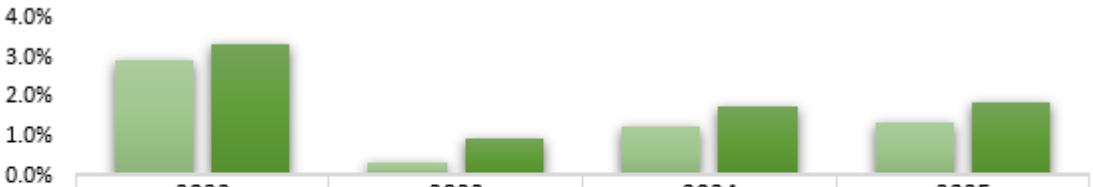


Figure 28: Tourism % of GDP

1.9.15 Economy and Labour Market Performance

a) Labour Market Performance



	2022	2023	2024	2025
Garden Route	2.9%	0.3%	1.2%	1.3%
George	3.3%	0.9%	1.7%	1.8%

Figure 29: Labour Market Performance

The town of George is the epicentre of general government services and retail activities. The larger municipal area, in turn, has a thriving agriculture sector specialising in mixed farming and non-perennial crops. The municipal area is considered a hub for dairy processing, providing 829 formal jobs in 2022. Beyond George, tourism is an important local employer, with the short-term accommodation industry being the largest employer in Wilderness. The Herolds Bay, Uniondale, Haarlem and Waboomskraal economies rely extensively on agriculture, largely creating jobs in mixed farming, vegetable production and cultivating pome and stone fruits. It is estimated that George's total employed will amount to 77 843 workers in 2022. Since the tertiary sector is the largest contributor to GDPR and employment, most workers in the George municipal area are either semi-skilled (31.6%) or skilled (28.0%). Over the last decade, most new formal employment opportunities have been for skilled workers – a testament to George's growth as a commercial hub in the GRD.

In 2022, GDPR grew by 3.3%, facilitating the post-COVID-19 economic recovery. However, when compared to the 2019 GDPR level, the growth was modest at 3.0%. Even so, employment recovery has not kept pace with the GDPR rebound. In 2022, the economy added 4 560 jobs, marking the first year of job creation since 2020. Nevertheless, it remains 5.0% below pre-pandemic employment levels. From 2019, the skilled cohort was the only category to recover from the COVID-19 pandemic with 1.6% growth in employment levels since 2019. This reflects the resilience of skilled employment during times of economic decline. The semi-skilled (-4.9%) and low-skilled cohorts (-6.9%) have yet to reach pre-pandemic levels. The informal sector also plays an integral role in employment, with 18.3% of workers being employed informally, typically in the construction, trade and transport sectors. Informal traders are a valuable source of employment in the trade sector – with licensed traders increasing from 80 in 2021 to 102 in 2022. Unfortunately, the informal sector has not been the required buffer during 2020 and 2021, resulting in its employment levels still at 10.3% below its 2019 totals.

The resurgence in job creation in 2022 was however predominantly driven by the informal sector, which added 4 493 jobs, signifying a substantial rebound following a period of poor performance from 2020 to 2021. This resurgence contributed to the first decline in the unemployment rate since 2018. Beginning at 13.9% in 2018 and peaking at 19.6% in 2021, the unemployment rate registered a welcome decrease to 18.4% in 2022, aided by strong job growth. This contributed to the observed decline in poverty levels within the municipal area.

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b) Wage Distribution

As the administrative capital of the GRD, George naturally has a concentration of government offices and administrative functions. This led to more government jobs, with workers here earning the highest median incomes. In 2022, around 12.1% of them earned salaries ranging from R25 600 to R51 200. Skilled professionals found meaningful employment in various government departments, contributing to the area's economic strength. In 2021, the George municipal area also had the highest number of taxpayers in the district, accounting for 35.3% of the taxpayers in the GRD.

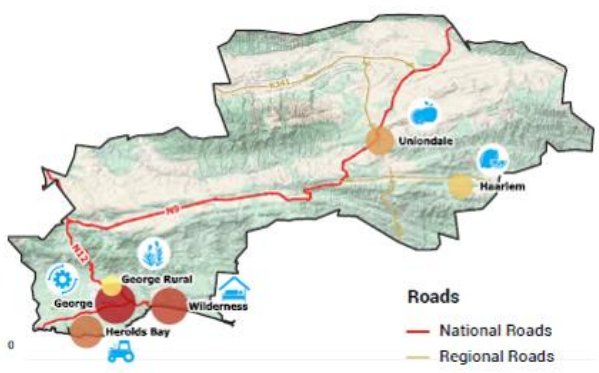


Figure 30: Formal Employment by Town, 2022

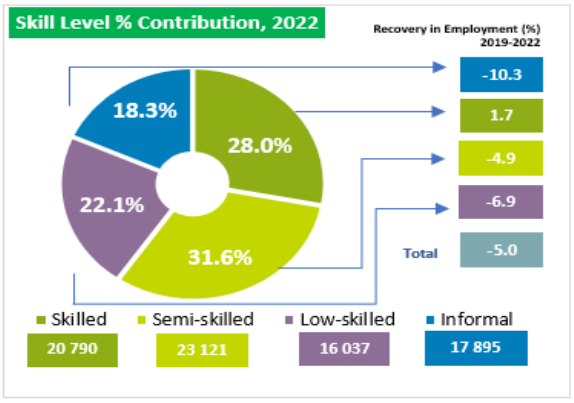


Figure 31: Skill Level Contribution,2022

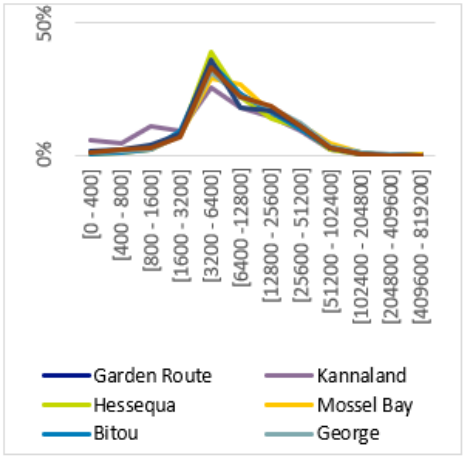


Figure 32: Wage Distribution per Municipal Area 2022

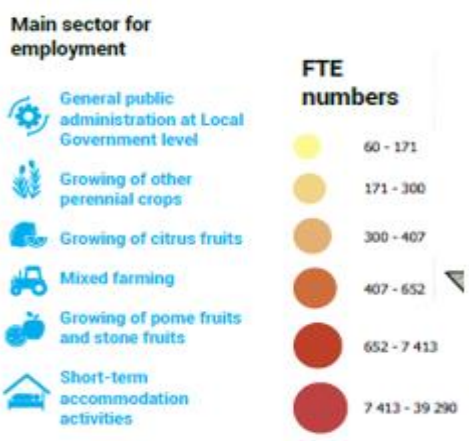


Figure 33: Main Sector for Employment

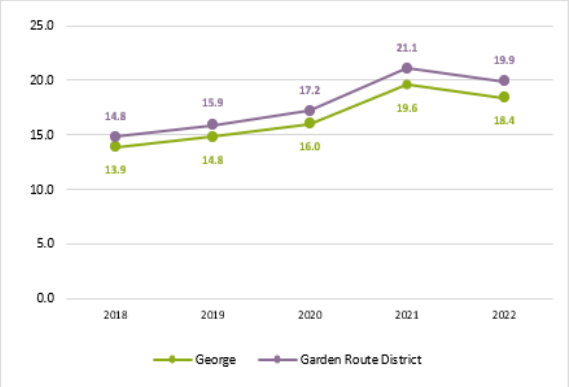
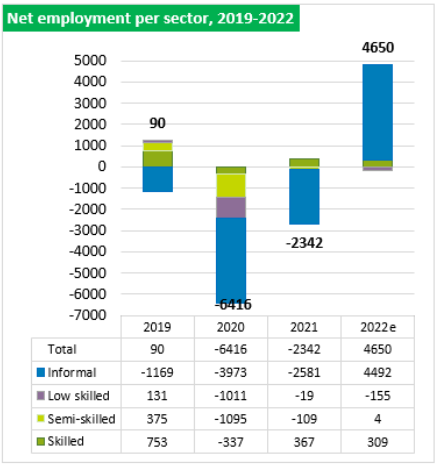


Figure 34: Unemployment Rates 2018-2022



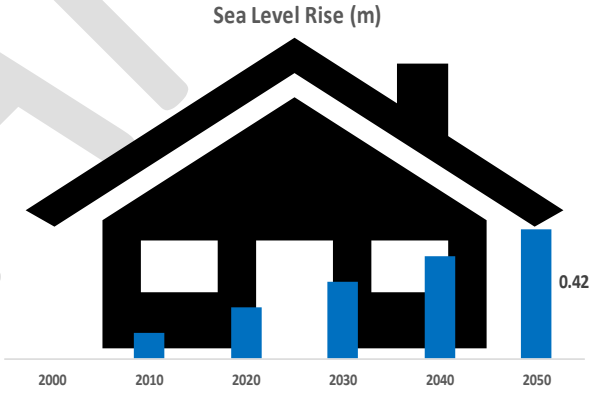
	2019	2020	2021	2022e
Total	90	-6416	-2342	4650
Informal	-1169	-3973	-2581	4492
Low skilled	131	-1011	-19	-155
Semi-skilled	375	-1095	-109	4
Skilled	753	-337	367	309

Figure 35: Net Employment per Sector 2019-2022

1.9.16 Vulnerability and Risk Factor

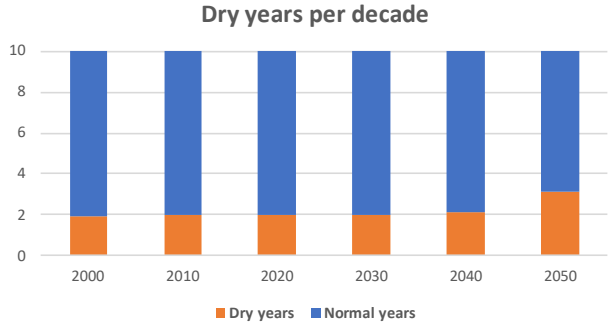
a) Sea Level and Storm Surges

Although we expect fewer storm systems to reach the Western Cape in future, increased sea temperatures could mean increased storm activity and slightly stronger winds. At the same time, the thermal expansion of the oceans will result in 0.25m – 0.75m of sea level rise by 2050, with associated swash run up of roughly 3.0m – 3.5m above the mean sea level (excluding tidal influence). Sandy shores are most affected – some areas in the Garden Route have seen beaches retreat landward at a rate of 0.6 m per year. This directly affects infrastructure and detracts from the amenity value of the coastline - during the September 2023 storm surge, extensive damage was caused, and beaches were closed.



b) Drought

According to the CSIR Green Book, George has a high potential exposure to an increase in drought. Currently, 1.9 years per decade are at risk of drought, and this will increase to 3.1 out of every 10 years by 2050. Water, and related sanitation services, is a key ingredient for socio-economic development, food security and healthy ecosystems, and are vital for reducing the burden of disease and improving the health, welfare and productivity of populations. A deteriorating water catchment system, through ecosystem loss (transformation or land use change) and alien infestation, or watercourse and wetland modification, will lead to lower inputs into the water supply systems, and a lower overall water security due to lower natural retention and lower quality of water. During extended drought periods, even end users far from major source areas are likely to experience shortages as the overall system runs low.



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Temperature Change (2050 compared to historic)	
Mean temperature Increase (District)	1.2°C Higher
Additional days per year with daily maximum temperature above 30°C (Geroge)	19 Days

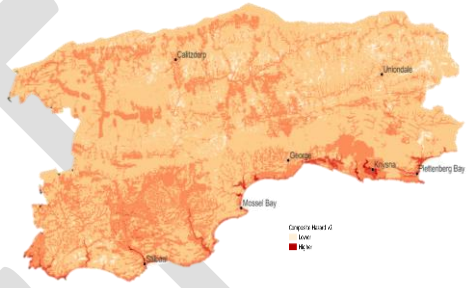
Source: Western Cape, Socio-Economic Profile 2023

Temperature Change (2050 compared to historic)						
Year	2000	2010	2020	2030	2040	2050
Dry years	1.9	2	2	2	2.1	3.1
Wet years	8.1	8	8	8	7.9	6.9

Source: Western Cape, Socio-Economic Profile 2023

c) Temperatures

Average temperature has been increasing since the 1900s. Projections indicate that George can expect an additional 19 extremely hot days per year by 2050, which will affect food security, exposure to extreme heat, health and water quality.



d) Vegetation Fires

Although critical for a healthy ecosystem, fire is a significant threat to human lives, food security, socio-economic activities and livelihoods, as well as infrastructure and other assets. Furthermore, in many areas, land has been converted from natural vegetation to other land-cover types - some of which significantly modify the fuel loads (e.g., the establishment of forest plantations and the spread of several introduced tree species such as pines, hakea, wattles and eucalypts). Fires in vegetation with high fuel loads increase soil erosion and run-off, which negatively affects ecosystem services and increases the impact of floods, among other factors. Where severe fires have occurred due to high fuel loads, resulting soil erosion leads to the sedimentation of rivers and dams and therefore declining water quality (and increased water treatment costs).

e) Floods

Floods result in millions or billions of Rands in damage to building structures or lost productivity, the loss of livelihoods and in some cases the loss of lives. A 2016 report calculated that four severe weather events between 2011 and 2014 caused more than R1.6 billion worth of damage in the Western Cape, and in the recent September 2023 severe weather event, flood-related infrastructure damage alone amounted to R2 billion. Flooding is also one of the main disaster risks affected by climate change. Changes in rainfall volume, intensity and timing will alter flood risk profiles and necessitate a constant reconsideration of risks and risk reduction measures.

Local municipalities are ranked according to their vulnerability relative to all 25 municipalities in the province (Rank). A higher ranking (out of 25) indicates the Municipality is comparatively worse off.

An additional score (out of 10) is provided for vulnerability factors relative to all 213 municipalities in the country (Score).

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Table 3: Vulnerabilities

Municipality	Socio-Economic		Economic		Physical		Environmental	
	The indicator shows the vulnerability of households living in the Municipality with regards to the household's age composition, education and health status, access to basic services, and safety and security [2011 baseline]		Vulnerability of the Municipality to external shocks is based on the economic diversity, size of the economy, labour force, GDP growth rate and the income inequality present in the Municipality [2011 baseline]		Physical vulnerability addresses the physical fabric and connectedness of the settlements in the Municipality. The more remote and/or structurally vulnerable, the higher the physical vulnerability score		Env. vulnerability represents the conflict between preserving the natural environment & growth pressures associated with population growth, urbanisation, and econ development. It measures air quality, env. governance, & the competition between the ecology and urban encroachment	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Bitou	19	2.32	25	6.5	24	7.17	21	6.84
George	9	1.6	16	3.38	22	6.03	8	4.36
Hessequa	10	1.6	13	2.96	11	5.28	16	5.12
Kannaland	24	2.9	4	1.24	6	4.66	11	4.72
Knysna	14	1.92	24	5.66	19	5.93	23	8.13
Mossel Bay	5	1.26	11	2.82	13	5.4	19	6.1
Oudtshoorn	21	2.68	9	2.63	5	4.57	13	5

Source: Western Cape, Social – Economic Profile 2023

Table 4: Hazards

George Overall Population Growth Pressure: Continuous medium growth pressure in most settlements *	
Six of the Top 10 Risks in the Garden Route are environmental in nature (Provincial Disaster Risk Register)	George's identified Hydro-meteorological Hazards to settlements as observed by the CSIR (The Greenbook *)
1. Human Diseases (Covid-19)	
2. Hazmat Incidents: Roads / Rail / Sea	
3. Alien Invasive Plants	An overall increased drought tendency.
4. Wildfires	Subject to possible wildfires occurring in wildland-urban interface with settlements, with low potential increase in exposure of settlements to wildfires.
5. Coastal Erosion	Low to moderate increase in short-term coastal erosion exposure.
6. Sanitation/Waste Disruption	
7. Drought	Low potential increase in exposure to heat extremes, whilst having an overall increased drought tendency, with a high potential increase in exposure of settlements to drought.
8. Electricity Disruption	
9. Floods (Stormwater/Riverine/Coastal)	Low to moderate increase in short-term coastal flooding exposure. Very low increase in exposure to flooding in settlements.
10. Severe Wind	

1.10 Basic Service Delivery Highlights and Challenges

1.10.1 Key Basic Services Delivery Highlights

The following key basic service areas were achieved by the Municipality:

Table 5: Key Basic Service Area Highlights

Service Area	Highlight	Description
Roads and Transport	Infrastructure	Completed the following road construction projects, with associated stormwater infrastructure: • Tabata Street (Phase 1 to 2) • Golf Street (Phase 1 to 2) • Ngcakani Street (Phase 1A and 2) • Delville Park Roads (Phase 1) • Resealing of various roads • Upgrading of gravel roads to paved roadways • Nqwemesha Street
		Commencement of the following rod construction projects, with associated stormwater infrastructure: • Ngcakani Street (Phase 1B) • Ngcakani Street (Phase 3) • Beer Street (Phase 1) • Beer Street (Phase 2) • O'Connel Street • Tabata Street (Phase 3) • PW Botha Avenue • Mission Street (Pacaltsdorp) • Protea Street (Phase 1) • Protea Street (Phase 1) • Haydn, Heather & Rose streets • Wellington intersection • Airway street curb improvements • Rooidraai Road • Bank Street • Delville Park Roads (Phase 2)
	Public Transport	During the period under review, an application for in-year funding was submitted to the Department of Transport (DoT) and the Western Cape Mobility Department (WCMD). These applications were successful and resulted in the following in-year allocations being received: • R450 million from DoT towards infrastructure upgrades on the network routes. The funding received was not fully utilized by 30 June 2026 (2 financial years) and arrangements are in place to obtain approval for the funds to roll over into the new financial year.
	Fleet	An order of 11 new MAN buses was delivered in the 2022/23 financial year to provide a sufficient fleet that will support the roll-out of Phase 4A of the GO GEORGE bus service
	Industry and Operating Licenses	Engagements with industry and community stakeholders continued in preparation for the roll-out of services to Phase 4A, Thembalethu. A municipal Public Transport Operating License Committee was formalised and several processes were implemented to better investigate and consider every Operating License application made to the Planning Authority.
	IRMP	The service provider appointed to conduct a full review of the Integrated Transport Plan (ITP) completed most of the research and engagements required to complete the document. A multi-disciplinary team was established representing various stakeholders both within the Municipality

Service Area	Highlight	Description
		and externally. This team regularly engaged to workshop and review progress.
Water	Infrastructure	The Municipality continued with the extension of the New George WTW with an additional 20 Ml/d treatment capacity and completed the rehabilitation of the Old George WTW (6 Ml/d Module). Extractor fans were installed for the chlorine buildings at the WTWs.
		The Garden Route dam suction pipework rehabilitation was completed.
		The rehabilitation of the Kaaimans raw water pump station was completed.
		Continued with the installation of Smart water meters to monitor water usage more effectively and to reduce Non-Revenue Water and Water Losses.
		Started with the construction of the new 14.5 Ml reservoir and 2.4 Ml water tower for Pacaltsdorp and the new Thembalethu (East) reservoir, water tower and pump station.
		Designs were completed for the construction of the additional raw water balancing dams for George.
		The upgrade of the Airport bulk water pipeline was completed. Sections of the old water reticulation networks and sewer drainage networks were replaced (Implementation of the Pipeline Replacement Programmes).
		The Municipality continued with the upgrading of the Conville water reticulation networks (Phases 1 & 2) and the Parkdene water reticulation network (Phase 1).
	Fleet	Additional Bakkies was purchased to assist with complaints as part of operations (leakages, pipe failures etc.)
Waste Water (Sanitation)	Infrastructure	Generators were installed at some of the main Sewer Pump Stations and Wastewater Treatment Works, in order to ensure that the plants remain operational during loadshedding periods.
		The Municipality continued with the upgrading of the Thembalethu bulk sewer upgrades
		The Municipality continued with the upgrading of the Meul Street, Schaapkop and Thembalethu 6 sewer pump stations.
		The Municipality completed the reinstatement of the 3.5 Ml/d capacity at the Gwaing WWTW. The current capacity of the plant was increased to 11Ml/day through this process.
	Fleet	Additional Honey Sucker trucks were purchased for the sewer pump stations and for the emptying of tanks.
		Additional Jet Machine Units were purchased for the clearing of sewer blockages.
		Additional Bakkies was purchased to assist with complaints as part of operations. The bakkies will assist with the pulling of the jet machines, transport of equipment and assist with sewer blockages.
Electricity	Electrification	**Informal Electrification:** The following electrification projects were completed in the financial year Telkom Electrification is 100% complete. Sityebi-tyebi Electrification is 100% complete. Dameni Electrification is 100% complete. The electrical contractor has been appointed to attend the next phase of 500 residential units (Phase 5) for the electrification of the informal areas in Themablethu. Orders have been placed for the material and construction will commence in the 2024/25 financial year. **Formal Electrification:** The designs for Area 1 of the Thembalethu UISP project were completed and some of the material was procured. The SCM process is in the final stages to appoint a contractor for the formal electrification construction works.
	Substations	The following 66/11kV substation projects are currently under construction:

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Service Area	Highlight	Description
		• The final commissioning for the new 66/11kV substation in Thembalethu is almost completed and the substation is ready to be energised, but the energising of the 66kV supply to the substation has been delayed due to informal housing under the 66kV power lines. • Strengthening project at Glenwood Substation, with additional capacity being brought into the 3rd bay, to cater for anticipated growth. • Strengthening project at Protea Substation, with additional capacity established by increasing the transformer capacity, to cater for anticipated growth. • Upgrading and reconfiguring of George substation. • Establishment of transformer capacity at Proefplaas substation. Establishment of transformer capacity at Harolds Bay substation.
	Solar PV Plants	The following PV Solar Plants were commissioned: • Outeniqua WWTW – 400kWp plant • Gwaing WWTW – 500kWp plant • Electrotechnical Building – The plant is commissioned and operational • MVR Building – The plant is commissioned and operational • Tourism Facility – The plant is commissioned and operational 1MWp PV Plant
Refuse removal	IUDG Funding for the procurement of yellow plant and fleet to fight illegal dumping	Two (2) TLB, two (2) tipper trucks and two (2) skip trucks were procured from the IUDG funding after DFFE approved the application of the municipality for the procurement of yellow plan as part of the IUDG.
	Funding for the finalisation of the compost plant was approved by DEFFE. Service providers were appointed by DEFFE	A Funding application was submitted to the Department of Fishery, Forestry and Environment (DEFFE) for the finalisation of the current construction of the compost facility. Funding has been approved for - and will be rolled out - over 18 months.
	Appointment of EPWP Workers	225 EPWP workers were appointed through the Cleaning and Greening Project of DFFE
	External audits	External audits were conducted at the waste disposal facilities and the waste transfer stations.
Integrated Human Settlements	Metro Grounds Housing Project	30 houses completed and handed over to the approved beneficiaries. 30 Title deeds handed over. 220 houses on practical completion.
	Thembalethu UISP	Approval was received in May 2024 from the Provincial Department of Infrastructure for the construction of 100 BNG units.
	Emergency Allocation of Accommodation	A total of 87 Emergency Structures were provided to families whose houses were damaged through fire or storm.
Planning and Development	2023MSDF: 1st Review	The First Review Report relating to the 2023 MSDF was submitted to Council in June 2024
	GM: Backyarder Housing Strategic Framework	The drat strategy document was adopted by Council in September 2023. It is the first strategy of its kind within a local Municipality.
	Urban Design Guidelines for High-Density-, Social- and Affordable Housing	Urban Design Guidelines for High-Density-, Social- and Affordable Housing was adopted by Council in July 2023 The aim of the guidelines was to encourage all role players to create positive living environments when planning high density developments and to consider the integration of such developments with the adjacent urban environment.

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The detailed highlights and challenges will be discussed in Chapter 3 under each respective service.

Despite the highlights, general challenges were experienced by the Municipality as outlined below. However, actions were put in place to address these challenges:

1.10.2 Key Basic Services Challenges

The following general challenges were experienced by the Municipality:

Table 6: Key Basic Service Challenges

Department	Service Area	Challenge	Actions to address
Civil Engineering	Roads and Transport	Public Transport funding	During 2023/24, the GIPTN initiated investigations into additional funding sources to provide further income to the GIPTN. The proposals include offering advertising on GIPTN infrastructure and facilities, the provision of ad-support Wi-Fi on GO GEORGE buses and the charging of Public transport charges as part of Road development charges. These are anticipated to be implemented in the 2024/25 financial year.
		Infrastructure	Infrastructure budget constraints remained a reality and while the Municipal Pavement Management System and Stormwater Master Plans indicated priorities for road and stormwater repairs/upgrades, insufficient budget meant that projects could not be undertaken or had to be partially completed and/or projects had to be reprioritised. Further to this, the GO GEORGE infrastructure provision and maintenance projects had the same outcome. Insufficient budget continued to hamper the expansion, upgrading and maintenance of infrastructure for the GIPTN.
	Water and Sewer	Blue Drop Accreditation	Various legal and legislative requirements were neglected in the preceding years. The Directorate appointed consultants to assist the GM with the updating of the water safetyplans and performing water treatment plant audits as part of the Blue Drop assessment process as required by the DWS. Many of the Blue Drop requirements are being addressed in-house by the Directorate including various infrastructure audits. The aim is to achieve the maximum possible score during the next assessment period.
		Infrastructure	Some of the key challenges of George Municipality are to identify adequate funds for the rehabilitation and maintenance of their existing infrastructure, which is critical to ensure the sustainability of the services that are provided by the Municipality.

Department	Service Area	Challenge	Actions to address
		Resources	Flood events had an extreme impact on the bulk water and sewer infrastructure. This created challenges for the Directorate and resulted in more manpower being needed and overtime expenditure. Also: Current financial and human resources are inadequate to effectively implement all the required Water Conservation and Water Demand Management measures.
		Public Awareness	Public to be made aware not to abuse the sewer systems and illegal dumping of objects in the sewer systems causing blockages and failures. Public to be made aware of water saving initiatives.
Community Services	Safety and Security	Safety and Security	The lack of a Municipal by-law regulating public transport matters continued to frustrate enforcement activities to support the GO GEORGE bus service. Ongoing illegal minibus taxi operators also continued to operate illegally along GIPTN routes and elsewhere across the municipality. The finalisation of procurement and installation of equipment for the Public Transport Enforcement Unit continued to be delayed, with a large number of the procurement processes only having commenced during the 2022/23 financial period following the approval of the Safety and Security Plan. • The by law on public transport has been promulgated and is thus completed. • Enforcement actions are ongoing and can thus be removed. • No funding is available for the installation of technology and can thus be removed.
	Waste Management	Illegal dumping	Appointment of EPWP workers to clean up dump sites, conduct awareness programs, clean illegal dumps weekly, provision of waste skips for temporary storage of waste, apply by-laws.
		Builder rubble waste disposal facility.	Identification of suitable to construct a new landfill site for the disposal of builder's rubble and bulky waste.
Electrotechnical Services	Electricity	Theft and Vandalism	Theft and vandalism of infrastructure results in extended power outages and wastage of resources, through repetitive outages.
		Ageing Infrastructure	Cable replacements and switchgear replacements on a medium voltage level, to create a more sustainable network.
Planning and Development	Human Settlements	Suitable land for further human settlements development	Implementation of the new Human Settlements Plan.

Department	Service Area	Challenge	Actions to address
		Invasion and Illegal occupation of land	Increased vigilance and community awareness of the illegal occupations and how it affects the rollout of new housing opportunities.

1.11 Proportion of Households with Minimum Access to Basic Services

The source of the information below indicates municipal statistics:

Table 7: Proportion of Formal Households With Minimum Level Of Basic Services

Proportion of Households with minimum level of Basic services	2021/22	2022/23	2023/24
Electricity service connections	100%	100%	100%
Water available within 200m of dwelling	98%	98%	98%
Sanitation - households with at least Ventilated Improved Pit (VIP) services	98.8%	98%	99%
Waste collection - kerbside collection once a week	99.8%	96%	96%

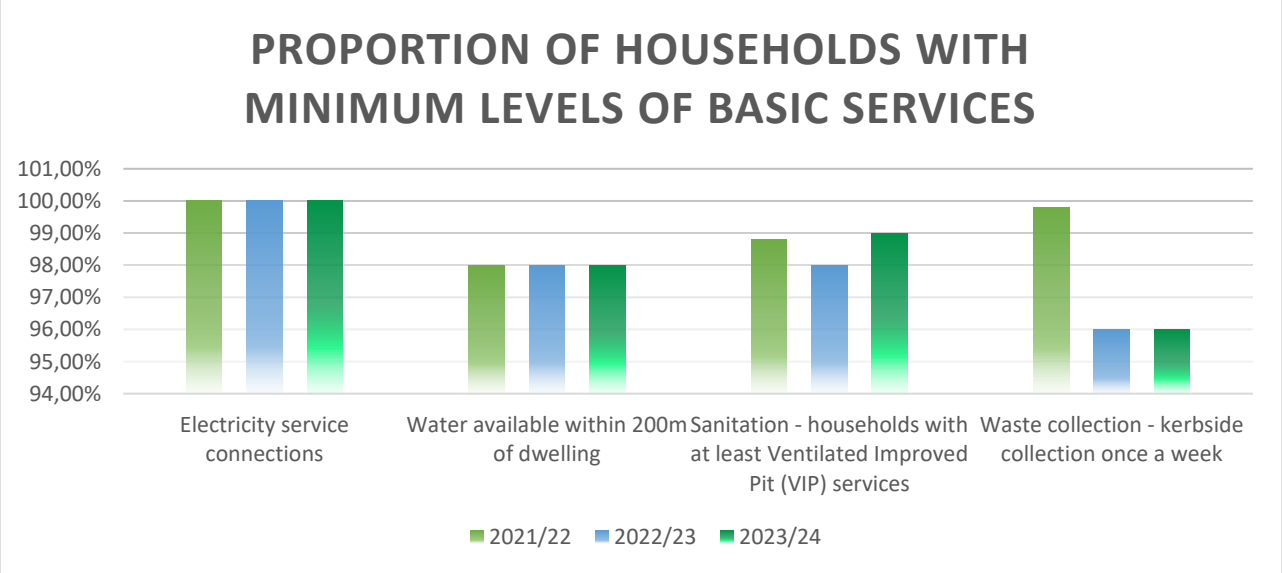


Figure 36: Proportion of Households with Access To Basic Services

1.12 Financial Viability Highlights

Table 8: Municipal Viability Highlights

Highlight	Description
Long Term Financial Plan	The Municipality developed a long-term financial planning tool, that can be updated on a regular basis for strategic planning.
Current ratio	The Municipality maintained a current ratio of 1.33:1. This is slightly below the norm of 1.5 to 2:1.
Collection rate	The low economic forecast and growth, the increase in unemployment and the above inflation increases in the

Highlight	Description
	general costs of living have impacted the affordability of municipal accounts. The debtor's collection rate of 93.67% is a 2% increase from the 91.87% reported in the previous financial year. This improvement has brought our performance closer to the norm of 95%.
Liability Management	Capital Cost (Interest Paid and Redemption) represent 3.98% of total operating expenditure. This indicates that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects.
mSCOA Specimen Financial Statements	The Municipality implemented the National Treasury mSCOA specimen annual financial statements preparation template, where the financial statements are compiled utilizing the data strings extracted from the financial system.
Debt Management	The Municipality's total non-current debt represents 22.68% of the total operational revenue. This compares favourably with the norm of 45% and is an indication that the Municipality has the capacity to take on additional financing from borrowings.
Achievement of an Unqualified Audit opinion with no findings for the 2023/24 financial year	The opinion of the Auditor General was that the financial statements present fairly, in all material respects, the financial position of the George Municipality as of 30 June 2024.
Collection of arrear debt through the prepaid meter system up to 50%	The Municipality continuously makes efforts to improve the overall efficiency and effectiveness of processes that subscribe to good governance and proactive financial planning in very challenging economic circumstances.
The Municipality is also in the process of installing smart water meters	Some of the key benefits are that it will be possible to digitally obtain highly accurate meter readings, detect leakages, reduce inefficiencies, and improve the overall effectiveness of water billing.

1.13 Financial Viability Challenges

Table 9: Financial Viability Challenges

Challenge	Description
Financial Viability	The traceability of all debtors poses a challenge to the debt collection process. Low economic growth, increase in unemployment and above inflation increases in the cost of water impacts on affordability of municipal accounts
Revenue Leakage	An integrated revenue enhancement approach was followed to combat revenue leakages.
Achievement of an average debt collection ratio of 93.67% below the target of 95% due to the impact of the rising cost of living due to the underperforming national economy	The payment ratio was closely monitored monthly and various credit control actions were strictly implemented, including the collection of arrear debts through prepaid meters up to. This yielded positive results as there is an increase of 2% year on year in the collection ratio.
Increasing outstanding debt: The Municipality's outstanding debt for the period from 1 July 2023 to 30 June 2024 increased from R473.7m. to R505m. The biggest contributor to long outstanding debt relates to water debt resulting from water leakages in indigent households	Smart water meters are being installed to improve the efficiency water meter readings and detect water leakages, this will reduce the number of queries relating to estimates and prevent debt from escalating due to water leakages.

1.14 Financial Overview

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According to Section 43 of the Local Government: Municipal Systems Act 32 of 2000 and the Local Government: Municipal Planning and Performance Management Regulations of 2001, the following table summarises George Municipality's performance for each National Key Performance Indicators

The following key performance indicators are linked to the National Key Performance Indicator (KPI): Municipal Financial Viability and Management.

Table 10: Municipal KPIs for Financial Viability

Description	2021/22	2022/23	2023/24
Cost Coverage: The norm is 1-3 months. This ratio gives an indication of the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term, investment without collecting any additional revenue during that month. The monthly cost coverage is within the norm. It will take 2.44 months for George Municipality to cover expenditures out of available cash and liquid assets.			
Calculation (Available cash + Investment - Unspent grants)/monthly fixed operational expenditure	3.15 months	2.19 months	2.44 months
Total Outstanding service debtors to revenue: Measures how much money is still owed by the community for water, electricity, waste removal and sanitation as compared to how much money has been paid for these services.			
Calculation: Total outstanding service debtors)/annual revenue received for services	11.60%	13.72%	13.37%
Debt Coverage: If the result of the Ratio Analysis indicates less than 45% then the Municipality still has the capacity to take increased funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality.			
Calculation: (Overdraft + Finance lease obligation + Borrowings) / (Total operating revenue - Conditional grants) x 100	13.83%	14.00%	22.68%

Table 11: Financial Viability and Management Financial Overview (000')

Details	Original budget	Adjustment Budget	Actual
	R'000		
Income			
Grants (Operating and Capital)	1 097 195 988	2 047 206 060	1 260 693 775
Taxes, Levies and Tariffs	1 895 727 256	1 888 017 346	1 924 653 728
Other	587 008 057	610 203 678	385 029 091
Sub-Total	3 579 931 301	4 545 427 084	3 570 376 594
Less Expenditure	3 065 058 376	3 175 368 406	2 948 786 409
Net surplus / (deficit)	**514 872 925**	**1 370 058 678**	**621 590 185**

1.14.1 Operating Ratios

Employee costs are below the national norm of between 35% to 40%, whilst this represents a positive outcome, it requires monitoring to ensure sufficient capacity for a fast-growing city. Repairs and maintenance are below the norm, which indicates that expenditure on repairs and maintenance will have to be increased in future budgets to maintain Council's assets. Finance charges are 11.81% lower than the norm of 15%. This can be attributed mainly to our ability to fund our capital programmes to some extent from our own sources (CRR) and not rely heavily on external finance.

Table 12: Operating Ratios

Detail	Expected Norm	Actual
Employee Cost	35%- 40%	24.87%
Repairs and Maintenance	15%	7.60%
Finance Charges	15%	11.81%

1.14.2 Total Capital Expenditure

Table 13: Total Capital Expenditure (R'000)

Detail	2021/22	2022/23	2023/24
Original Budget	370 443	787 983	1 023 043
Adjustment Budget	489 763	1 147 027	1 728 729
Actual	**452 598**	**722 909**	**948 498**

1.15 Municipal Standard Chart of Accounts

The MFMA Circular No. 80: Municipal Financial Systems and Processes requirements in support of the Municipal Standard Chart of Accounts (mSCOA) which was issued in terms of the Local Government: Municipal Finance Management, 2003 (Act No. 56 of 2003) (MFMA). In MFMA SCOA Circular 1 it was indicated that mSCOA is a business reform rather than a mere financial reform and requires a multi-dimensional relationship.

The municipal standard chart of accounts has been implemented in George Municipality since 01 July 2017. The Municipality is in continuous engagement with the service provider, National Treasury and other municipalities through various working groups as well as online platforms to improve mSCOA compliance and functionality.

1.16 Organisational Development Overview

The Municipality regarding municipal transformation and organisational development achieved the following highlights:

Table 14: Organisational Development Highlights

Highlights	Description
Filling of critical posts	Critical posts are filled as and when required with the availability of funds.
Individual Performance Management	The Municipality has phased in individual performance management to all staff within the organisation.

1.17 MFMA Competencies

In terms of section 83(1) of the MFMA, the accounting officer, senior managers, chief financial officer, non-financial managers and other financial officials of a Municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the MFMA. National Treasury prescribed such financial management competencies in Government Notice 493, dated 15 June 2007.

To assist the officials in acquiring the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcome-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No Municipality or municipal entity may, with effect, as of 1 January 2013 (exempted until 30 September 2015 as per Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

The table below provides details of the financial competency development progress as required by the regulation (Government Notice 493 of 15 June 2007):

Table 15: Financial Competency Development: Progress Report

Description	A Total number of officials employed by Municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)	Consolidated: Total of A and B	Consolidated: Competency assessments completed (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	1	1
Chief Financial Officer	1	0	1	0	1	1
Senior Managers	5	0	5	0	5	4
Any other financial officials	53	0	53	0	0	41
Supply Chain Management Officials						
Heads of supply chain management units	1	0	1	0	1	1
Supply chain management senior managers	1	0	1	0	1	1
Sub Total	62	0	62	0	9	49
Other Officials	39	0	39	0		39
Total	**101**	**0**	**101**	**0**	**9**	**88**

1.18 Auditor General Report

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen the country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. In short, the Auditor-General checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This process is concluded by annually checking all government spending.

The diagram below indicates the audit outcome progress from 2019/20 to 2023/24.

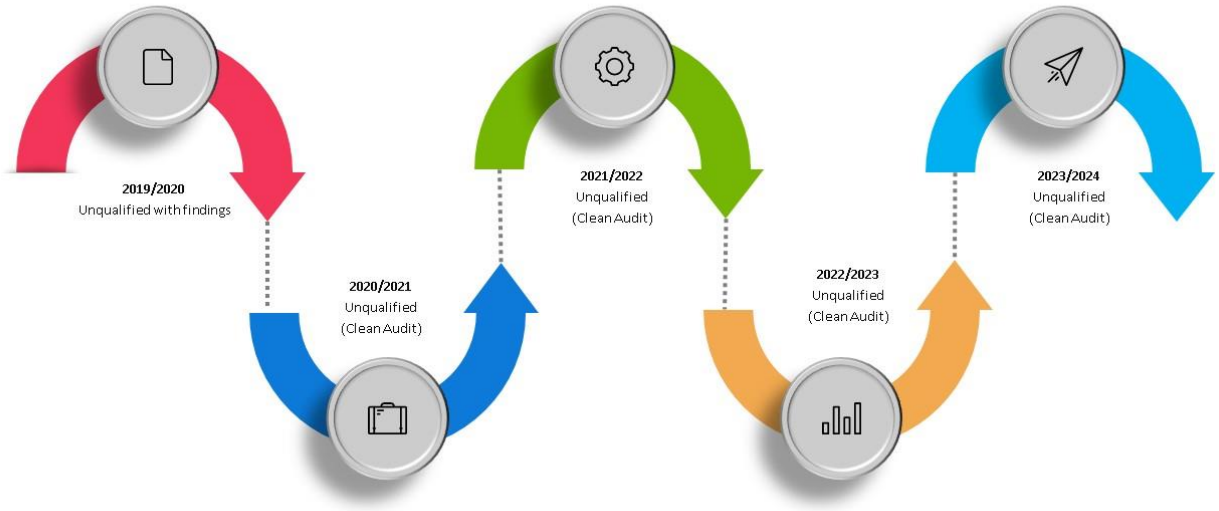


Figure 37: Audit Outcomes From 2019/20 To 2022/23

1.19 Statutory Annual Report Process

To meet the statutory processes governing the 2023/24 audit and annual report process the following activities are required:

Table 16: Statutory Annual Report Process

No	Activity	Timeframe
1	Finalise the Fourth Quarter Report for the previous financial year	July 2024
2	Submit draft year 2023/24 Annual Performance Report to Internal Audit and Auditor-General	August 2024
3	Municipality submits draft consolidated annual financial statements and performance report to Auditor-General	August 2024
4	Annual Performance Report as submitted to Auditor-General to be provided as input to the IDP Analysis Phase	January 2025
5	Mayor tables the unaudited Annual Report	January 2025
6	Auditor-General audits Annual Report including consolidated Annual Financial Statements and Performance data	September 2024– January 2025
7	Municipalities receive and start to address the Auditor-General's comments	January 2025
8	Mayor tables Annual Report and Audited Financial Statements to Council complete with the Auditor-General's Report	January 2025
9	Audited Annual Report is made public, and representation is invited	February 2025
10	Municipal Public Accounts Committee (MPAC) assesses the Annual Report	February – March 2025
11	Council adopts Oversight Report	March 2025
12	Oversight report is made public	April 2025
13	Oversight report is submitted to the Auditor-General and relevant provincial departments	April 2025

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CHAPTER 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

2.1 Introduction

Good Governance is a government approach committed to creating a system founded on strengthening democracy, promoting transparency, building public administrative capacity and responding to public needs. It is measured by eight **factors namely participation, rule of law, transparency, responsiveness, consensus-oriented, accountability, effectiveness and efficiency, equitability, and inclusivity.** Within the context of good governance, corruption is minimised, the views of minorities are considered and the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.2 National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

Table 17: National KPI - Good Governance and Public Participation

KPA and Indicators	2019/20	2020/21	2021/22	2022/23	2023/24
The percentage of a Municipality's capital budget spent on capital projects identified for a particular financial year in terms of the Municipality's integrated development plan.	70.25%	86.57%	96.56%	64.05%**	55.72%**

** Performance Comment: In both the current and previous financial year, National Treasury allocated substantial additional grant funding to George Municipality. George Municipality received R431.6 million in March 2023. In the 2023/24 year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received. The R439 million allocated in March 2024 was for the Public Transport Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget had been spent.

Notably, the Civil Engineering Services (CES) directorate achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year—a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources.

The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.

2.3 Performance Highlights - Good Governance and Public Participation

Table 18: Highlights of Good Governance and Public Participation

Highlight	Description
Audit Outcomes	Clean Audit for four consecutive years.
Communication	The Municipality stays abreast with communication trends. Public participation has been rolled out via online streaming and all council meetings can be accessed electronically via YouTube.

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Highlight	Description
Compliance	The Municipality adhered to all laws and regulations in terms of compliance.
Council	New Council was established and remained stable and well-functioning throughout 2021/22. And remained stable and well-functioning throughout 2023/24.
Public Participation	The new Council had the opportunity to participate in the IDP sessions held in January 2023 and April 2023 with all 28 wards. The Municipality also has a Municipal App, the MySmartCity App which allows the community to always communicate with the Municipality as well as log service delivery complaints and provide inputs on the IDP and Budget on the App and via e-mail.
S.80 and S.79 Committees of Council	The establishment of functional S.80 and S.79 Committees of Council and held meetings regularly.

2.4 Challenges - Good Governance and Public Participation

Table 19: Challenges of Good Governance and Public Participation

Description	Actions to address
Vacancies in ward committees	Planned frequent recruitment process in line with the ward committee policy to fill ward committee vacancies.
Roll out training to all 28 Ward Committees	In-house Ward Committee training provided to all Ward Committees
Maintaining an effective and operational ward committee system	The office of the Speaker and Public Participation ensured the effective operation of Ward Committees
Continued IGR Public Participation requests from provincial and national departments at short notice	Utilise the DDM model with District Municipality to enhance communication.
No dedicated unit for municipal-wide public participation	The Municipality is reviewing its Municipal Structure

2.5 Public satisfaction with municipal services

No formal community surveys were developed – the community makes use of the social space to state their satisfaction or dissatisfaction with services and the Municipality will try their utmost best to address the needs of the public.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.6 Political Governance Structure

Section 153 (3) of the Constitution of the Republic of South Africa states that a Municipality must: (a) structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community as well as promote the social and economic development of the community, and (b) participate in national and provincial development programmes.

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 as well as facilitate political debates and discussions. Apart from their functions as policymakers, Councillors are also actively involved with community work and in the various social programmes in the municipal area.

George Municipality is represented by 55 councillors of whom 28 were elected directly as ward councillors. The rest of the councillors were elected based on the proportion of votes cast for the different political parties. The political composition of the Council is as follows.

Table 20: Political representation

Political Party	Allocation of seats	Gender	
		Male	Female
African Christian Democratic Party (ACDP)	1	1	-
African National Congress (ANC)	10	9	1
Democratic Alliance (DA)	26	17	9
Economic Freedom Fighters (EFF)	2	1	1
Freedom Front Plus (VF+)	4	4	-
GOOD	6	3	3
Patriotic Alliance (PA)	1	1	-
Plaaslike Bersorgde Inwoners (PBI)	5	3	2
Total	55	39	16

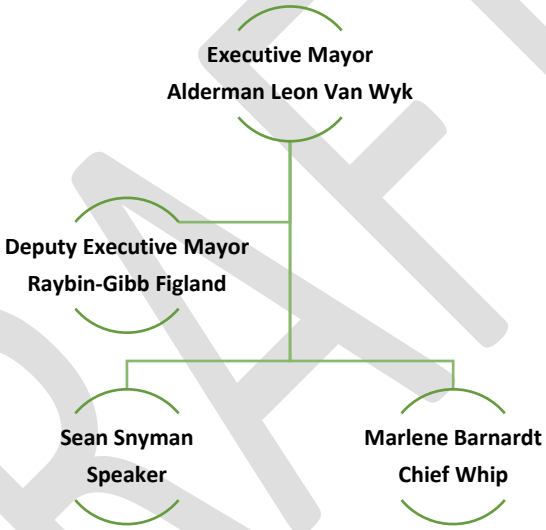


Figure 38: Political Structure

2.7 Executive Mayoral Committee

The Municipality's political executive branch is led by the Executive Mayor, with the assistance of the Mayoral Committee. Since the Executive Mayor has been given executive authority to manage day-to-day operations, he or she is at the centre of the system of government. This includes a broad strategic and political obligation. The Executive Mayor has exclusive executive authority and the Council delegates certain authorities to him or her. This is the main component of the executive model.

The Mayoral Committee and the Executive Mayor collaborate when making decisions, despite the Executive Mayor being responsible for the strategic direction and performance of the Municipality.

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2.8 Council – 01 July 2022 to 30 June 2024

Below is a table below that categorises the councillors within their specific political parties and wards.

Table 21: Council for the period 01 July 2023 to 30 June 2024

Name of Councillor	Capacity	Political Party	Ward Councillor and Proportional (PR)
Adams, Brendon	FT	DA	WARD 17
Alexander, Christopher [from 20 July 2023]	PT	PA	WARD 20
America Ebrahim, Clive	PT	DA	PR
Barnardt, Marlene	FT	DA	WARD 4
Brown, Erika Luise	PT	DA	WARD 3
Bussack, Edmund Celestine (From 6 November 2023)	PT	PBI	PR
Carolus, Vivian Desmond	PT	PBI	PR
Clarke, Charlotte Mary-Ann	FT	DA	PR
Coeries, Darryl Brenten (From 27 October 2023)	PT	PBI	PR
Cronje, Daniel Lodevicus	PT	DA	WARD 2
Du Toit, Johan	FT	ACDP	PR
Esau, Jarques Denvar	PT	ANC	WARD 25
Figland, Enrico Denver	PT	VF+	PR
Figland, Raybin-Gibb Sylvester	FT	DA	PR
Fry, Justin	PT	DA	WARD 24
Gericke, Virgill [until 15 October 2023]	PT	PBI	PR
Gom, Zukile Brightness	PT	ANC	WARD 10
Greeff Maria	PT	PBI	PR
Gultig, Donovan	PT	DA	WARD 18
Gultig, Merelna [from 21 June 2024]	PT	DA	PR
Hani, Bonisile	PT	ANC	WARD 15
Jansen, Cathleen [Until 30 October 2023]	PT	PBI	PR
Jantjies, Jayze Hambley	PT	DA	WARD 6
Jeyi, Teresa [From 20 July 2023]	PT	DA	WARD 16
Johnson, Browen	FT	DA	WARD 23
Kleynhans, Marchelle [From 20 July 2023]		DA	WARD 27
Kritzinger, Iona Christina	PT	DA	WARD 19
Kruger, Marais	FT	DA	WARD 22
Leminie, Deon Godfrey [from 07 May 2024]	PT	EFF	PR
Lento, Thembinkosi Ernest	PT	ANC	WARD 9
Lose, Khayalethu Sabelo	PT	DA	PR
Louw, Rosa Maria Imelda	PT	GOOD	PR
Manxele, Siphelo	PT	ANC	WARD 21
Masase, Given Junior [from 20 June 2024]	PR	DA	PR
Mbete, Nosicelo	FT	DA	PR

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Name of Councillor	Capacity	Political Party	Ward Councillor and Proportional (PR)
Mdaka, Eric Thabisile	PT	ANC	WARD 12
Mdaka, Nontembeko Faith	PT	ANC	PR
Mruqhli, Vulindlela Solomon	PT	ANC	WARD 7
Ncamile, Luvuyo [Until 30 April 2024]	PT	EFF	PR
Neethling, Christiaan	FT	VF+	PR
Niehaus, Gert Cornelius	FT	VF+	PR
Ntondini, Sifiso Zakaria	PT	ANC	WARD 11
Petersen, Jerome Clive	PT	PBI	PR
Petrus, Bazil [Until 21 November 2023]	FT	DA	WARD 8
Philander, Herman [from 01 August 2023]	PT	GOOD	PR
Qampi, Pheliswa	PT	EFF	PR
Qatana, Thandiswa Monica	PT	DA	PR
Roelfse, Melvyn	PT	DA	WARD 14
Säfers, JEAN	PT	DA	WARD 1
Simmers, Monique	PT	DA	WARD 5
Smart, Sedric James	PT	PA	PR
Snyman, Sean	FT	DA	WARD 28
Stander, Gideon Johannes [From 23 May 2023]	PT	DA	PR
Toto, Simphiwe Mohammed	PT	ANC	WARD 13
Van Niekerk, Gert Johannes	PT	VF+	PR
Van Wyk, Leon David [until 11 June 2024]	FT	DA	PR
Von Brandis, Jacqulique	FT	DA	WARD 26
Vorster, Roxaan [from 25 April 2023]	PT	GOOD	PR
Vorster, Samuel [from 15 February 2024]	PT	PA	WARD 8
Wessels, Dirk [until 11 June 2024]	FT	DA	PR
Windwaai, Regina	PT	DA	PR

Table 22: Executive Mayoral Committee

Executive Mayoral Committee	
Name of Councillor	**Portfolio**
Until 21 June 2024	
L Van Wyk	Executive Mayor
R Figland	Deputy Mayor
S Snyman	Speaker
M Barnardt	Chief Whip
B Petrus [J Safers from 25 January 2024]	Planning and Development (Human Settlements Committee)
D Wessels	Finance Committee
C Neethling	Human Resources Committee Corporate and Human Resources Committee
C Clarke	Community Safety Committee

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Executive Mayoral Committee	
Name of Councillor	**Portfolio**
D Wessels [J von Brandis from 25 January 2024]	Planning, Development (Planning, Building Control, Property)
J Von Brandis [J Stander from 25 January 2024]	Civil Engineering Services Committee (Capital Projects/BFI)
C Clarke [M Kruger from 25 January 2024]	Community Safety Committee
B Adams	Community Services (Sport, Libraries and Social Development)
N Mbete	Electrotechnical Services Committee
B Johnson	Civil Engineering Services Committee (Operating Aspects)
J Säfers [T Jeyi from 25 January 2024]	Community Services (Refuse, Parks and Environmental)
From 21 June 2024	
J Von Brandis	Executive Mayor
R Figland	Deputy Mayor
S Snyman	Speaker
T Jeyi	Chief Whip
J Säfers	Planning and Development (Human Settlements Committee)
M Kruger	Finance Committee
Johan Du Toit (From 25 July 2024)	Corporate Services
N Mbete	Human Resources Committee
M Barnardt	Planning, Development (Planning, Building Control, Property)
B Adams	Community Safety Committee
M Kleynhans	Community Services
M Roelfse	Social Development
D Gultig	Electrotechnical Services Committee
B Johnson	Civil Engineering Services Committee

The table below indicates the Executive Mayoral meeting attendance for the 2023/24 financial year.

Table 23: Executive Mayoral meetings for the 2023/24 financial year

Meeting dates	Meeting	Number of items submitted
10 August 2023	Mayoral Committee	9
14 September 2023	Mayoral Committee	17
21 September 2023	Special Mayoral Committee	5
12 October 2023	Mayoral Committee	17
16 November 2023	Mayoral Committee	11
18 January 2024	Mayoral Committee	19
15 February 2024	Mayoral Committee	17
14 March 2024	Mayoral Committee	12
18 April 2024	Mayoral Committee	4
13 June 2024	Mayoral Committee	17
10 August 2023	Mayoral Committee	9
14 September 2023	Mayoral Committee	17

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Meeting dates	Meeting	Number of items submitted
21 September 2023	Special Mayoral Committee	5
12 October 2023	Mayoral Committee	17
16 November 2023	Mayoral Committee	11
18 January 2024	Mayoral Committee	19

2.8.1 Councillor Profile

Table 24: Councillor Profile

Council Member	Full Time (FT)/ Part TIME (PT)	Committee Allocation	Ward/ Party represented
Adams, Brandon	FT	• Community Services (Social Development, Libraries and Sport) (from 26/10/2023) • Community Safety Committee • Finance Services Committee • GIPTN Committee	WARD 17 – DA
Alexander, Christopher	PT	• Community Services Committee (Refuse Environment, Parks) • Finance Services Committee	PR - DA
America, Ebrahim Clive	PT	• Civil Engineering Services (Operating Aspects) • Community Services (Social Development, Libraries and Sport) • Electrotechnical Services Committee (from 25 Jan 2024)	PR – DA
Barnardt, Marlene	FT	• Electrotechnical Services Committee • Urban Development Committee • Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) • Rural Development Committee • Disciplinary Committee	WARD 4 – DA Chief Whip of Council (until 20 June 2024)
Brown, Erika Luise	PT	• Community Services Committee (Refuse Environment, Parks) • Municipal Public Accounts Committee (MPAC) • Community Safety Committee	WARD 3 – DA
Bussack, Edmund Celestine replaced Cathleen Jansen (From 6 November 2023)	PT	• Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) (from 01/02/2024)	PR- DA
Carolus, Vivian Desmond	PT	• Electrotechnical Services Committee • Corporate Services and HR Committee (until 26/10/2023) • Rural Development Committee	PR - PBI
Clarke, Charlotte Mary-Ann	FT	• Community Safety • Finance Services Committee (until 26/10/2023) • Community Services Committee (Refuse Environment, Parks) • Social Housing Committee (from 26/10/2023) • Planning and Development (Human Settlements) (from 26/10/2023)	PR – DA
Coeries, Darryl Brenten replaced Virgill Gericke	PT	• Corporate Services & HR Committee (01/02/2024)	PR - PBI

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Council Member	Full Time (FT)/ Part TIME (PT)	Committee Allocation	Ward/ Party represented
(From 27 October 2023)		• Municipal Public Accounts Committee (MPAC) (from 01/02/2024)	
Cronje, Daniel Lodevicus	PT	• Corporate Services & HR Committee • Urban Development Committee • Civil Engineering Services (Capital Projects/BFI)	WARD 2 – DA
Du Toit, Johan	FT	• Finance Services Committee • Municipal Public Accounts Committee (MPAC)	PR – ACDP (Party Whip)
Esau, Jarques Denvar	PT	• Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) • Planning and Development (Human Settlements) • Civil Engineering Services (Capital Projects/BFI) • Rural Development Committee • GIPTN Committee (from 26/10/2023) • Social Housing Committee (until 26/10/2023) • Disciplinary Committee • Community Services (Social Development, Libraries and Sport) (until 26/10/2023)	WARD 25 – ANC (Party Whip)
Figland, Enrico Denver	PT	• Community Services (Social Development, Libraries and Sport) • Planning & Development (Human Settlements) • Social Housing Committee	PR – VF+
Figland, Raybin-Gibb Sylvester	FT	• Finance Services Committee • GIPTN Committee	PR – DA Executive Deputy Mayor
Fry, Justin	PT	• Rural Development Committee • Community Safety Committee • Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) • Urban Development Committee • MPAC (until 26/10/2023) • Community Services Committee (Refuse Environment, Parks) (from 26/10/2023)	Ward 24 – DA
Gericke, Virgill (Until 15 October 2023) replaced by Darryl Brenten Coeries.	PT	NONE	PR – PBI (Party Whip)
Gom, Zukile Brightness	PT	• Electrotechnical Services Committee • Community Services Committee (Refuse Environment, Parks) • Urban Development Committee	WARD 10 – ANC
Greeff, Maria	PT	• Community Services (Social Development, Libraries and Sport) • Social Housing Committee	PR – PBI
Gultig, Donovan	PT	• Corporate Services & HR Committee • Community Safety Committee • Employment Equity Consultation Forum • Municipal Public Accounts Committee (MPAC)	WARD 18 – DA
Gultig, Marelna replaced Leon Van Wyk (From 20 June 2024)	FT	NONE	PR - DA

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Council Member	Full Time (FT)/ Part TIME (PT)	Committee Allocation	Ward/ Party represented
Hani, Bonisile	PT	• Rural Development Committee • Community Services (Social Development, Libraries and Sport) (from 26/10/2023) • Finance Services Committee (from 26/10/2023)	WARD 15 – ANC
Jansen, Cathleen (Until 31 October 2023) replaced by Edmund Celestine Bussack	PT	• Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) (until 26/10/2023) • MPAC (until 26/10/2023)	PR – PBI
Jantjies, Jayze Hambley	PT	• Civil Engineering Services (Operating Aspects) • Electrotechnical Services Committee	WARD 6 – DA
Jeyi, Teresa (From 20 July 2023)	PT	• Community Services Committee (Refuse Environment, Parks) • Social Housing Committee • Planning and Development (Human Settlements)	WARD 16 – DA (Party Whip from 21 June 2024)
Johnson, Browen	FT	• Civil Engineering Services (Operating Aspects) • Civil Engineering Services (Capital Projects/BFI) • Disciplinary Committee • Rural Development Committee • GIPTN (Until 28/07/2022)	WARD 23 – DA
Kleynhans, Marchelle (From 20 July 2023)	PT	• Civil Engineering Services (Operating Aspects) • Civil Engineering Services (Capital Projects/BFI) • Planning and Development (Human Settlements) • Rural Development Committee • Social Housing Committee	WARD 27 - DA
Kritzinger, Iona Christina	PT	• Civil Engineering Services (Operating Aspects) • Community Services Committee (Refuse Environment, Parks) • International Relations Committee • MPAC (Until 28/07/2023)	WARD 19 – DA
Kruger, Marais	PT	• Finance Services Committee (from 26/10/2023) • Community Safety Committee • Rural Development Committee • MPAC (until 26/10/2023) • Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism)	WARD 22 – DA
Leminie, Deon Godfrey replaced Luvuyo Ncamile (From 07 May 2024)	PT	NONE	PR - EFF
Lento, Thembinkosi Ernest	PT	• Community Safety Committee • Municipal Public Accounts Committee (MPAC) • Finance Service Committee (Until 31/01/2023)	WARD 9 – ANC
Lose, Khayalethu Sabelo	PT	• Social Housing Committee • Planning and Development (Human Settlements) • Electrotechnical Services Committee	PR – DA

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Council Member	Full Time (FT)/ Part TIME (PT)	Committee Allocation	Ward/ Party represented
		• Local Labour Forum • Municipal Public Accounts Committee (MPAC) (from 26/10/2023)	
Louw, Rosa Maria Imelda	PT	• Electrotechnical Services Committee	PR – GOOD (Party Whip)
Manxele, Siphelo	PT	• Social Housing Committee (from 26/10/2023) • GIPTN (until 26/10/2023)	WARD 21 – ANC
Masase, Given Junior replace Dirk Wessels (From 20 June 2024)	FT	NONE	PR – DA
Mbete, Nosicelo	FT	• Electrotechnical Services Committee • GIPTN Committee • Employment Equity Consultation Forum • Civil Engineering Services (Capital Projects/BFI)	PR – DA
Mdaka, Eric Thabisile	PT	• Corporate Services & HR Committee • Employment Equity Consultation Forum • Community Services (Social Development, Libraries and Sport)	WARD 12 – ANC
Mdaka, Nontembeko Faith	PT	• Urban Development Committee • Municipal Public Accounts Committee (MPAC) • Community Services Committee (Refuse Environment, Parks) • Finance Services Committee (until 26/10/2023)	PR – ANC
Mruqhli, Vulindlela Solomon	PT	• Civil Engineering Services (Operating Aspects) • Corporate Services & HR Committee	WARD 7 – ANC
Ncamile, Luvuyo (Until 30 April 2024) replaced by Deon Leminie	PT	• Planning and Development (Human Settlements) (until 30/04/2024) • Disciplinary Committee • Civil Engineering Services (Operating Aspects)	PR – EFF
Neethling, Christiaan	FT	• Civil Engineering Services (Operating Aspects) • Local Labour Forum • Corporate Services & HR Committee • Employment Equity Consultation Forum • Disciplinary Committee	PR – VF+ (Party Whip)
Niehaus, Gert Cornelius	FT	• Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) • Urban Development Committee • GIPTN Committee	PR – VF+
Ntondini, Sifiso Zakaria	PT	• Community Safety Committee • Electrotechnical Services Committee	WARD 11 – ANC
Petersen, Jerome Clive	PT	• Civil Engineering Services (Capital Projects/BFI)	PR – PBI
Petrus, Bazil (Until 21 November 2023) replaced by Samuel Vorster	PT	• Planning and Development (Human Settlements) (until 26/10/2023) • Electrotechnical Services • Corporate Services & HR Committee (until 26/10/2023) • Social Housing Committee (until 26/10/2023)	WARD 8 – DA

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Council Member	Full Time (FT)/ Part TIME (PT)	Committee Allocation	Ward/ Party represented
Philander, Hermen	PT	• Civil Engineering Services (Capital Projects/BFI) (from 26/10/2023)	PR - GOOD
Qampi, Pheliswa	PT	• Finance Services Committee (until 26/10/2023) • Community Safety Committee • Community Services Committee (Refuse Environment, Parks)	PR – EFF (Party Whip)
Qatana, Thandiswa Monica	PT	• Planning and Development (Human Settlements) • Community Services (Social Development, Libraries and Sport) • Social Housing Committee • Municipal Public Accounts Committee (MPAC) (from 26/10/2023)	PR – DA
Roelfse, Melvyn	PT	• Corporate Services & HR Committee • Community Services (Social Development, Libraries and Sport) • Urban Development Committee	WARD 14 – DA
Säfers, Jean	FT	• Committee Services Committee (Refuse, Environment, Parks) (until 01/07/2023) • Corporate Services & HR Committee • GIPTN Committee • Planning and Development (Human Settlements) • Social Housing Committee • Local Labour Forum • Disciplinary Committee	WARD 1 – DA
Simmers, Monique	PT	• Community Safety Committee • Community Services (Social Development, Libraries and Sport) • Finance Services Committee (from 26/10/2023)	WARD 5 – DA
Smart, Sedric James	PT	• Corporate Services & HR Committee • Civil Engineering Services (Capital Projects & BFI) (Until 26/10/2023) • Urban Development Committee • Municipal Public Accounts Committee (MPAC) • GIPTN Committee • Planning and Development (Human Settlements) • Social Housing Committee	PR – PA (Party Whip)
Snyman, Sean	FT	• NONE	WARD 28 – DA Speaker
Stander, Gideon Johannes	PT	• Civil Engineering Services (Operating Aspects) (from 26/10/2023) • Civil Engineering Services (Capital Projects/BFI) • Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism)	PR - DA
Toto, Simphiwe Mohammed	PT	• Civil Engineering Services (Operating Aspects) • Civil Engineering Services (Capital Projects/BFI) • Local Labour Forum • Planning & Development (Planning, Building Control, Property; IDP, PMS,	WARD 13 – ANC

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Council Member	Full Time (FT)/ Part TIME (PT)	Committee Allocation	Ward/ Party represented
		Economic Development, Agriculture & Tourism) • GIPTN Committee	
Van Niekerk, Gert Johannes	PT	• Municipal Public Accounts Committee (MPAC) • GIPTN Committee • Disciplinary Committee	PR – VF+
Van Wyk, Leon David (Until 12 June 2024) replaced by Marelna Gultig	FT	• Budget Steering Committee	PR – DA Executive Mayor (Until 12 June 2024)
Von Brandis, Jacqulique	FT	• Finance Services Committee • Civil Engineering Services (Capital Projects/BFI) • Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) (from 26/10/2023) • Corporate Services & HR Committee (from 01/02/2024) • GIPTN Committee	WARD 26 – DA Executive Mayor (from 21 June 2024)
Vorster, Roxaan	PT	• Community Safety Committee • Finance Services Committee • Urban Development Committee • Rural Development Committee • Employment Equity Consultation Forum	PR - GOOD
Vorster, Samuel replaced Bazil Petrus (From 15 February 2024)	FT	NONE	WARD 8 - PA
Wessels, Dirk Johannes (Until 11 June 2024) replaced by Given Masase	FT	• Finance Services Committee • Rural Development Committee • Planning & Development (Planning, Building Control, Property; IDP, PMS, Economic Development, Agriculture & Tourism) • Urban Development Committee • Budget Steering Committee	PR – DA
Windwaai, Regina	PT	• Community Services Committee (Refuse Environment, Parks) • Community Services (Social Development, Libraries and Sport) • Electrotechnical Services Committee	PR – DA

The table below indicates the Council meetings attendance for the 2023/24 financial year.

Table 25: Council Meetings

Meeting dates	Meeting	Number of items submitted
27 July 2023	Ordinary Council	14
25 August 2023	Ordinary Council	17
28 September 2023	Ordinary Council	22
26 October 2023	Ordinary Council	14
30 November 2023	Ordinary Council	22

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Meeting dates	Meeting	Number of items submitted
08 December 2023	Special Council	3
16 January 2024	Special Council	1
25 January 2024	Ordinary Council	23
23 February 2024	Special Council	12
25 March 2024	Special Council	20
12 April 2024	Special Council	6
24 April 2024	Special Council	11
22 May 2024	Special Council	5
31 May 2024	Special Council	2
7 June 2024	Special Council	6
14 June 2024	Special Council	3
21 June 2024	Special Council	6
28 June 2024	Special Council	5

2.8.2 Portfolio Committees

In terms of Section 80 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), if a council has an executive committee, it may, in terms of Section 79, appoint committees of councillors to assist the executive committee or executive mayor. Section 80 stipulates that committees are permanent committees that specialise in a specific functional area of the Municipality and, in some instances, may make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to the council.

The tables below show a comparison of the portfolio committees and meeting dates from 01 July 2023 until 30 June 2024.

2.8.2.1 Corporate Services and Human Resources Committee

Table 25: Corporate Services and Human Resources Committee meetings

Period	
01 July 2023 –30 June 2024	
Name of member	**Meeting Date**
C Neethling (Chairperson)	02 August 2023 04 October 2023 05 December 2023 07 February 2024 05 June 2024
J Säfers (Vice Chairperson)	
D Cronje	
D Gultig	
B Petrus [until 25 January 2024]	
M Roelfse	
E Mdaka	
S Smart	
V Mruqhli	
V Carolus [until 25 January 2024]	

Period	
01 July 2023 –30 June 2024	
Name of member	**Meeting Date**
J Von Brandis [from 25 January 2024]	
D Coeries [from 25 January 2024]	

2.8.2.2 Community Services (Social Development, Libraries, Sport and Customer Care) Committee meetings for the period of 01 July 2023 until 30 June 2024

Table 26: Community Services (Social Development, Libraries, Sport and Customer Care) Committee meetings

Period 01 July 2023 – 30 June 2024	
Name of member	**Meeting Date**
B Adams **(Chairperson)**	09 September 2024 08 November 2024 11 January 2024 05 March 2024
M Roelfse **(Vice Chairperson)**	
E America	
J Esau [until 26 October 2023]	
E Figland	
M Greeff	
E Mdaka	
T Qatana [from 27 July 2023]	
M Simmers	
R Windwaai	
B Hani [From 26 October 2023]	

2.8.2.3 Planning and Development Committee for the period of 01 July 2023 until 30 June 2024

Table 27: Planning and Development Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
J Von Brandis **(Chairperson) [from 26 October 2023]**	02 August 2023 06 September 2023 04 October 2023 08 November 2023 11 January 2024 07 February 2024 06 March 2024 12 June 2024
D Wessels **(Vice Chairperson)**	
M Barnardt	
R Figland [until 25 January 2024]	
J Fry	
G Niehaus	
C Jansen [until 25 January 2024]	
J Esau	
S Toto	
M Kruger [from 27 July 2023]	

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
J Stander [from 27 July 2023]	
E Bussack [from 25 January 2024]	

2.8.2.4 Planning and Development (Human Settlements) Committee meetings for the period of 01 July 2023 until 30 June 2024

Table 28: Planning and Development (Human Settlements) Committee meetings

Period 01 July 2023 – 31 October 2024	
Name of member	**Meeting date**
J Säfers **(Chairperson) [from 26 October 2023]**	02 August 2023 04 October 2023 06 December 2023 07 February 2024 12 June 2024
B Petrus **(Chairperson)** [**until 26 October 2023]**	
K Lose **(Vice Chairperson)**	
B Johnson [until 27 July 2023]	
E Figland	
C Clarke [from 26 October 2023]	
T Qatana	
L Ncamile	
S Smart	
T Jeyi [from 26 October 2023]	
J Esau	
M Kleynhans [from 27 July 2023]	

2.8.2.5 Finance Committee for the period of 01 July 2023 until 30 June 2024

Table 29: Finance Committee meetings

Period 01 July 2023– 30 June 22024	
Name of member	**Meeting date**
D Wessels **(Chairperson)** **[until 11 June 2024]**	26 July 2023 01 August 2023 06 September 2023 03 October 2023 08 November 2023 05 December 2023 11 January 2024 06 February 2024 06 March 2024
R Figland **(Deputy Chairperson)**	
C Alexander	
C Clarke [until 26 Oct 2023]	
M Kruger (From 26 Oct 2023)	
J du Toit	
J von Brandis	
B Adams	
P Qampi [until 26 Oct 2023]	

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Period 01 July 2023– 30 June 22024	
Name of member	**Meeting date**
F Mdaka [until 26 Oct 2023]	
M Simmers [from 01 Feb 2024]	
B Hani [from 01 Feb 2024]	
R Vorster	

2.8.2.6 Civil Engineering Services Committee (Capital Projects/BFI) meetings for the period of 01 July 2023 until 30 June 2024

Table 30: Civil Engineering Services Committee meetings

Period **01 July 2023– 30 June 2024**	
Name of member	**Meeting date**
J Stander [from 27 July 2023] **(Chairperson)** [from 26 October 2023]	01 August 2023 03 October 2023 05 December 2023 06 February 2024 04 June 2024
J von Brandis **(Chairperson)** [until 26 October 2023] [from 26 October 2023]	
B Johnson **(Deputy Chairperson)**	
D Cronje	
N Mbete	
M Kleynhans [from 27 July 2023]	
D Wessels [until 27 July 2023]	
S Toto [from 27 July 2023]	
S Smart [until 26 October 2023]	
J Petersen	
J Esau	
H Philander [from 26 October 2023]	

2.8.2.7 Civil Engineering (Operating Aspects) Committee meetings for the period of 01 July 2023 until 30 June 2024

Table 31: Infrastructure Services Portfolio Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
B Johnson (**Chairperson)**	01 August 2023 05 October 2023 05 December 2023 06 February 2024 04 June 2024
J von Brandis (**Deputy Chairperson) [until 26 October 2023]**	
J Stander (**Deputy Chairperson) [from 26 October 2023]**	
E America	
I Kritzinger	
M Kleynhans [from 27 July 2023]	

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
C Neethling	
V Mrughli	
J Jantjies	
L Ncamile	
S Toto	

2.8.2.8 Electrotechnical Services Committee for the period of 01 July 2023 until 30 June 2024

Table 32: Electrotechnical Services Portfolio Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
M Mbete (**Chairperson)**	05 September 2023 07 November 2023 10 January 2024 05 March 2024
M Barnardt (**Member and Deputy Chairperson)**	
J Jantjies	
K Lose	
B Petrus [until 25 January 2024]	
R Windwaai	
Z Gom	
R Louw	
S Ntondini	
V Carolus	
E America [from 25 January 2024]	

2.8.2.9 Community Services (Refuse, Environment, Parks) Committee meetings for the period of 01 July 2023 until 30 June 2024

Table 33: Community Services (Refuse, Environment, Parks) Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
J Säfers **Chairperson** [until 26 Oct 2024]	05 September 2023 07 November 2023 10 January 2024 05 March 2024
E Brown **Deputy Chairperson**	
C Clarke	
I Kritzinger	
C Alexander	
R Windwaai	

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Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
P Qampi	
F Mdaka	
T Jeyi Chairperson [from 26 Oct 2024]	
J Fry [from 26 Oct 2023]	
Z Gom	

2.8.2.10 Community Safety Committee for the period of 01 July 2023 until 30 June 2024

Table 34: Community Services Committee meetings

Period **01 July 2023– 30 June 2024**	
Name of member	**Meeting date**
C Clarke **Chairperson [until 26 Oct 2023]**	05 September 2023 07 November 2023 10 January 2024 05 March 2024
D Gultig **Deputy Chairperson**	
J Fry	
M Kruger **Chairperson** [from 26 Oct 2023]	
R Vorster	
M Simmers	
S Ntondini	
P Qampi	
E Brown	
T Lento	
B Adams [from 26 Oct 2023]	

2.8.3 Other Committees

2.8.3.1 Social Housing Committee meetings for the period of 01 July 2023 until 30 June 2024

Table 35: Social Housing Committee meetings

Period **01 July 2023– 30 June 2024**	
Name of member	**Meeting date**
B Petrus **Chairperson [until 26 Oct 2023]**	26 July 2023 23 August 2023 20 September 2023 18 October 2023 22 November 2023 24 January 2024 21 February 2024
K Lose **Deputy Chairperson**	
E Figland	
T Qatana	
M Kleynhans	
M Greeff	

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Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
S Smart	20 March 2024 23 April 2024
T Jeyi	
S Manxele (From 26 Oct 2023)	
J Säfers **Chairperson [from 26 Oct 2023]**	
J Esau [until 26 Oct 2023]	
C Clarke [from 26 Oct 2023]	

2.8.3.2 Urban Development Committee for the period of 01 July 2023 until 30 June 2024

Table 36: Urban Development Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
D Wessels [from 27 July 2023]	**No meetings held**
M Barnardt	
D Cronje	
J Fry	
G Niehaus	
M Roelfse	
Z Gom	
S Smart	
R Vorster [From 27 July 2023]	
F Mdaka	

2.8.3.3 Rural Development Committee meetings for the period of 01 July 2023 until 30 June 2024

Table 37: Rural Development Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
J Fry	No meetings held
M Kruger	
M Barnardt	
B Johnson	
M Kleynhans [from 27 July 2023]	

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Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
D Wessels	
J Esau	
B Hani	
R Vorster (from 27 July 2023)	
V Carolus	

2.8.3.4 International Relations Committee meetings for the period of 01 July 2023 until 30 June 2024

Table 38: International Relations Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
L Van Wyk	**Disband (from 27 July 2023)**
R Figland	
E America	
T Qatana	
G Van Niekerk	
D Wessels	
I Kritzinger	
S Smart	
R Louw	
E Mdaka	

2.8.3.5 Training Committee for the period of 01 July 2023 until 30 June 2024

Table 39: Training Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
E Brown	Councillors excluded from 27 July 2023, only officials on the committee
J Fry	
J Jantjies	
M Kruger	
N Mbethe	
C Neethling	
L Ncamile	
F Mdaka	
N Louw (Until 20 April 2023)	

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
B Hani	

2.8.3.6 Budget Steering Committee for the period of 01 July 2023 until 30 June 2024

Table 40: Budget Steering Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
Chairperson Leon Van Wyk	04 August 2023 26 January 2024 02 February 2024 11 March 2024
Vice Chairperson Dirk Wessels	
Municipal Manager	
Chief Financial Officer	
Director: Civil & Engineering Services	
Director: Electro-Technical services	
Director: Community Services	

2.8.4 Section 79 Committees

2.8.4.1 Municipal Public Accounts Committee (MPAC)

Table 41: MPAC Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
J du Toit	08 August 2023 14 November 2023 01 February 2024 08 February 2024 12 February 2024 05 March 2024
G van Niekerk	
E Brown	
J Fry [until 26 October 2023]	
D Gultig	
M Kruger [until 26 October 2023]	
K Lose [from 26 October 2023]	
S Smart	
T Qatana [from 26 October 2023]	
T Lento	
C Jansen [until 25 January 2024]	
F Mdaka	
D Coeries [from 25 January 2024]	

2.8.4.2 GIPTN Committee for the period of 01 July 2023 until 30 June 2024

Table 42: GIPTN Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
G Niehaus	08 August 2023 20 September 2023 14 November 2023 16 January 2024 12 March 2024
R Figland	
N Mbete	
G van Niekerk	
J Säfers	
J von Bradis	
S Smart	
S Toto	
B Adams	
S Manxele [until 26 October 2023]	
J Esau [from 26 October 2023]	

2.8.4.3 Local Labour Forum for the period of 01 July 2023 until 30 June 2024

Table 43: Local Labour Forum Committee meetings

Period 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
C Neethling	12 September 2023 10 October 2023 23 November 2023 16 January 2024 27 February 2024 12 March 2024 25 April 2024 11 June 2024 26 June 2024
K Lose	
J Safers	
S Toto	

2.8.4.4 Employment Equity Consultation Forum for the period of 1 July 2023 to 30 June 2024

Table 44: Employment Equity Consultation Forum meetings

Period: 01 July 2023– 30 June 2024	
Name of member	**Meeting date**
C Neethling	12 September 2023 10 October 2023 20 November 2023 29 February 2024 22 April 2024
N Mbete	
D Gultig	
R Vorster	
E Mdaka	

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2.9 Strategic Governance Structure

The Municipal Manager is the Chief Accounting Officer of the Municipality and the head of the administration and serves as chief custodian of service delivery and implementation of political priorities. The municipal manager is assisted by the directors, which constitutes the Management Team, whose structure is outlined in the diagram below. All the executive team have signed performance agreements for the year under review.

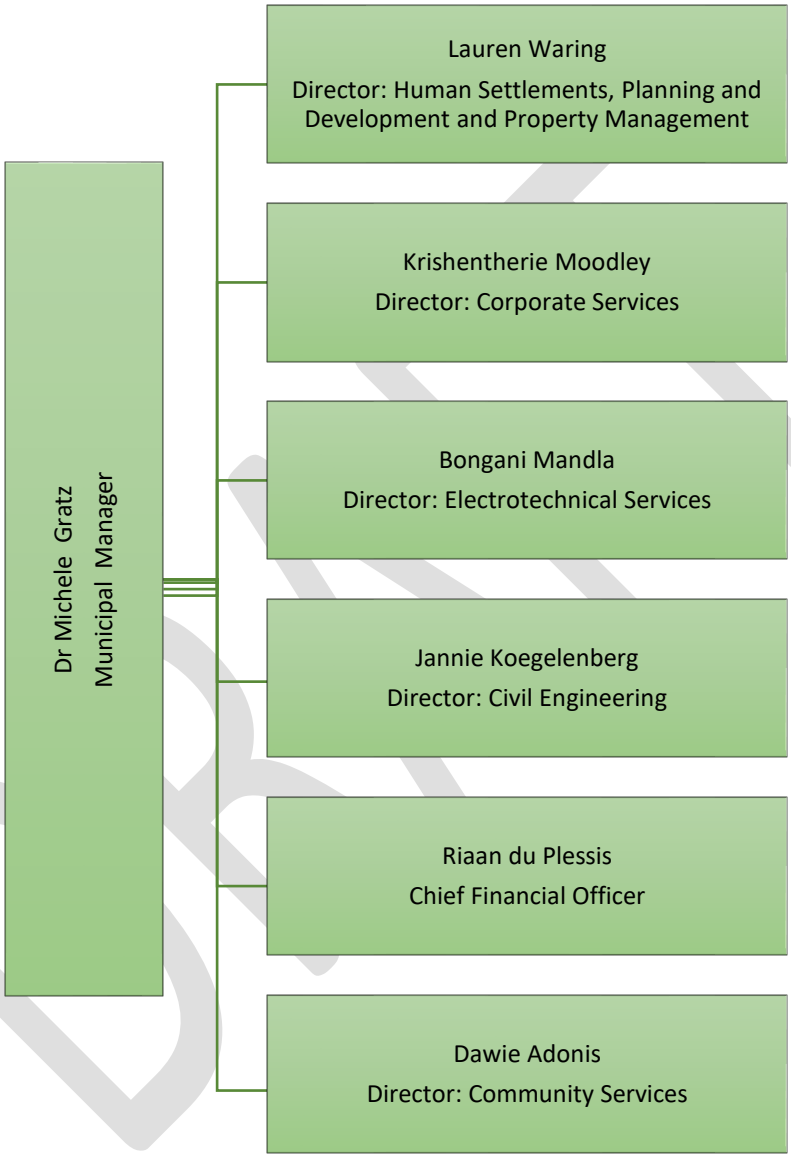


Figure 39: Top Management Structure

COMPONENT B: PUBLIC ACCOUNTABILITY

MSA section 15(b) requires a Municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16(i) states that a Municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18(i)(d) requires a Municipality to supply its community with information concerning municipal governance, management and development.

The participation outlined above is required in terms of the:

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

2.10 Intergovernmental Relations

2.10.1 National Intergovernmental Structures

The National Forum, i.e. The Municipal Managers Forum, facilitated by the Department of Cooperative Government and Traditional Affairs (COGTA) meets twice per annum. New legislation and its implications, as well as challenges for local government, e.g. financial sustainability, professionalism and oversight structures, are discussed.

The Municipality fosters relations with other spheres of government and participates in various intergovernmental activities to promote a closer working relationship between the various spheres of government. These relationships assist in enhancing the Government's services to the communities of George and promotes a more efficient use of resources and sharing of knowledge.

The Municipality faces severe constraints, especially in terms of funding and capacity and therefore effective service delivery is promoted through resources and capacity leveraged from partners.

2.10.2 Intergovernmental Partnering

a) Provincial Transversal Partnering

These partnerships exist between line function departments within the Municipality. The prevailing partnerships include:

- IDP and Budget Steering Committee.
- Project Committees in respect of drafting and amendment of the municipal SDF; restructuring and urban upgrade projects; and
- GIPTN.

Chief Audit Executive and Chief Risk Officer fora are held quarterly in conjunction with Provincial Treasury where all municipalities share best practices and consult on areas of improvement.

The finance department participates in fora including the Supply Chain Management Forum, the Municipal Property Rates Act Forum, the Management Accountants Forum as well as the Chief Financial Officer Forum.

George is represented on the Provincial IDP Managers Forum, the Provincial Public Participation and Communication Forum, all of which are facilitated by the Provincial Department of Local Government.

The Deputy Director: Spatial Planning on the task team set up by DEA&DP to revise the Provincial Spatial Development Framework (PSDF). Through this inter-governmental process, George Municipality can provide input into the format and substance of this document that will have a legal bearing on all local municipalities in the Western Cape.

b) Intergovernmental Partnering

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The Municipality partners with other spheres of government in an ongoing effort to leverage financing, mandates and facilitate decision making. The existing partnerships include:

- Housing Department – partnerships with the Western Cape Provincial Government and National Housing authorities to collaborate on delivery and funding for subsidised housing projects and development of restructuring zones aimed at spearheading spatial transformation.
- Civil Engineering Services has ongoing partnerships with state and provincial authorities in efforts to leverage funding for the upgrade of infrastructure to sustain economic growth.
- Protection Services: The development and roll-out of the George Integrated Public Transport Network is a result of a continuing partnership with the Western Cape Provincial Government, with significant funding from national government.
- Local Economic Development actively participates in collaboration with the National Department of Rural Development in an initiative to establish Farmer Production Support Units within the municipal area, whose projects are funded by the National Department.
- Information, Communication & Technology partners with the Garden Route District Municipality & Western Cape Provincial Government in collaborating on implementing good governance as well as knowledge sharing.
- Planning and Development actively partners with the DEA&DP in the process of development of the Municipal Spatial Development Framework and Capital Expenditure Framework saves cost and contributes to the credibility of these frameworks.

Table 45: Intergovernmental partnering/forums

Forum	Status
Disaster Management Forum	Active
District Coordinating Forum	Active
Environmental Health Forum	Active
Garden Route District ICT Managers Forum	Active
Garden Route District Municipality Infrastructure Forum	Active
Human Resources Forum	Active
Legal Advisors Forum	Active
Local Economic Development Forum	Active
Municipal Managers Forum	Active
Premier's Coordinating Forum	Active
Provincial and District Managers IDP Forums	Active
Provincial Community Development Worker Program	Active
Provincial Thusong Forum	Active
SALGA Working Groups	Active
Southern Cape Planners Forum	Active
Western Cape ICT Managers Strategic Forum	Active

c) Cross Boundary Partnership

Partnerships with other municipalities in the Garden Route District facilitate decision-making and serve as a valuable means for the exchange of knowledge and learning best practices. Prevailing partnerships include:

- /Participation in the IDP processes of neighbouring municipalities;
- Active participation in intergovernmental steering committees formed for the drafting of Municipal Spatial Development Frameworks (MSDFs) for our own and neighbouring municipalities; and
- Memoranda of agreement with four other municipalities whereby a Joint Municipal Tribunal has been established to leverage decision-making capacity and expertise in respect of non-delegated land development applications.

The demonstration of the importance of partnerships for the Municipality is illustrated in the table below.

Table 46: Municipal Partnerships

Name of Partner / Partnership	Purpose
Garden Route Skills Mecca	Continue and accelerate collaboration and cooperation among all District skills development role players. Ensure that Skills Development leverages digital infrastructure as far as possible to ensure learning and process methods are and remain cutting edge. As far as possible, link Skills Development to Investment and Economic Development opportunities to the advancement for all. Ensure that all Skills Development processes in the Garden Route always proactively consider renewable energy. Engage with all willing partners, in particular the SETAs and the National Skills Fund, to explore the development and implementation of projects across the district.
George Library / Unisa Partnership:	Venture in annual events and programs. Training and support users; Distribution point of Unisa brochures, posters and announcements, Internet access and usage collaboration on courier service study space for Unisa students' collaboration on good governance collaboration via mobile library and service Reports, statistics and information sharing
Informal Settlement Support Program	There is no MOU/MOA for this forum. The forum is a collaborative platform established where all municipalities and various other departments share information and best practices with regards to the Upgrading of Informal Settlements. The ISSP Forum presents the perfect opportunity to reflect on how Municipalities illustrate collaborative support for the rollout of initiatives to better the lives of people living in informal settlements. The ISSP Forum inspires municipalities to do what they can to make the shift anticipated in the Informal Settlement Support Programme (ISSP)
Informal Settlement Support Program	There is no MOU/MOA for this forum. The forum is a collaborative platform established where all municipalities and various other departments share information and best practices with regards to the Upgrading of Informal Settlements. The ISSP Forum presents the perfect opportunity to reflect on how Municipalities illustrate collaborative support for the rollout of initiatives to better the lives of people living in informal settlements. The ISSP Forum inspires municipalities to do what they can to make the shift anticipated in the Informal Settlement Support Programme (ISSP)
Joint Municipal Planning Tribunal for the Eden Region, known as the Eden Joint Municipal Planning Tribunal	It includes an agreement between the Municipalities of George, Hessequa, Mossel Bay, Oudtshoorn and Kannaland as provided for in terms of section34 (1) of SPLUMA to establish a Tribunal that will jointly consider and decide the land development and land use applications, submitted to the respective Municipalities. The purpose of the Eden JMPT is to provide a pool of suitably qualified planners to serve as a credible independent and professional authority to consider and decide the land development and land use applications. The term for this Tribunal is 5 years and is reviewed annually.
Provincial Library Service	WHEREAS the Department has received funding from the National Government of South Africa for the 2022/23 financial year to assist B municipalities to deliver on the unfunded mandate of the provision of library services in their respective municipal areas; AND WHEREAS, the Parties agree to the Department allocating to the Beneficiary a payment in the sum of R11 921 000 (Eleven Million, Nine Hundred and Twenty-One Thousand Rand) (hereafter referred to as "the Funds") as a contribution towards partially addressing the unfunded mandate, for staffing, the new library building project, instalment of a book detection system and/or other specified project costs of the public libraries in the Municipality ("the Project") for the 2022/23 financial year, as set out in the Final Allocation Letter and Business Plan annexed hereto marked "A" and "B". MTEF amounts of R9 148 000 and R9 559 000 in 2023/24 and 2024/25 have been Gazetted. AND

Name of Partner / Partnership	Purpose
	WHEREAS in the case of multi-year funding, funding for subsequent financial years will be subject to the allocations made by the National Government, the Provincial Executive, departmental budget allocations made by the Provincial Parliament, the departmental performance management processes and the departmental Allocation Committee, together with the conclusion of a further agreement between the Parties in respect of such further funding;
SANRAL	The widening of the Nelson Mandela Boulevard Interchange bridge on National Route 2 Section 7 from the Main/Vuyani Ncamzama intersection on Nelson Mandela Boulevard (NMB) to the Tabata/Ngcakani intersection on Nelson Mandela Boulevard (NMB) is necessary and would improve safety and mobility in the area
Task Job Evaluation Memorandum of Agreement between Municipalities in the Eden/ Garden Route/Central Karoo District Region	To implement the Task Job Evaluation System within the Local Government Sector to achieve uniformity. Norms and standards in the description of similar jobs and their grading to underpin job comparison. To provide for the structures, guidelines and institutional arrangements and procedures for job evaluation

The municipal office bearers (both administration and political) are committed to IGR Forums and making a meaningful contribution. The table below reflects the participation.

Table 47: Intergovernmental Forum Participation

Forum	Department	Frequency
Air Quality Officers Forum - District	Community Services	Quarterly
Air Quality Officers Forum - Provincial	Community Services	Quarterly
Association of Municipal Electricity Utilities(AMEU)	Electrotechnical Services	Annual
Chief Audit Executive Forum - Provincial	Office of the Municipal Manager: Chief AuditOfficer	Quarterly
Chief Financial Officer Forum	Finance	Quarterly
Chief Fire Officer Forum – District	Protection Services	Quarterly
Chief Fire Officers Forum - Provincial	Protection Services	Quarterly
Chief Risk Officer Forum - Provincial	Office of the Municipal Manager: Risk Officer	Quarterly
Commtech – District	Office of the Municipal Manager:Communications	Quarterly
Commtech – Provincial	Office of the Municipal Manager:Communications	Quarterly
Community Development Worker Programme –Provincial	Community Services	Quarterly
Consolidated SIME (MFMA) - District	Finance	Annual
Cooperative Government - Western Cape	Municipal Manager	Quarterly
District Coordinating Forum	Mayor	Quarterly
DEA&DP Population Forum - Provincial	Planning and Development	Quarterly

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Forum	Department	Frequency
Disaster Management Forum	Protection Services	Quarterly
Eden District Municipality Infrastructure Forum	Infrastructure	Quarterly
Environmental Health Forum	Community Services	Quarterly
EPWP Forum – District	Corporate Services	Quarterly
EPWP National Coordinating Committee (NCC)	Corporate Services	Quarterly
Film Forum – Provincial	Planning and Development	Quarterly
Film Promotion Meeting – Provincial	Planning and Development	Quarterly
Fire Training Forum – Provincial	Protection Services	Quarterly
Fire Work Group – Provincial	Protection Services	Quarterly
Garden Route Consultative Forum Meeting	Human Settlements	Quarterly
Fire Chiefs Forum – District	Protection Services	Quarterly
Gender Forum – District	Corporate Services: Social Development	Quarterly
Gender Forum – Provincial	Corporate Services: Social Development	Quarterly
Green Energy Forum – District	Civil Engineering Services	Quarterly
GIGR (Governance and IntergovernmentalRelations)	Municipal Manager	Quarterly
Hazmat Work Group	Protection Services	Quarterly
Human Resources Forum	Corporate Services	Quarterly
ICT Forum - District	Financial Services	Quarterly
infrastructure Skills Development Grant	Electrotechnical Engineering	Quarterly
Illegal Dumping Workshop - Provincial	Community Services	Quarterly
IMFO Conference	Finance	Annual
Informal Settlement Support Programme (ISSP)	Human Settlements	Quarterly
Informal Traders Sessions - District	Planning and Development	Quarterly
Legal Advisors Forum	Corporate Services	Quarterly
Legislative and Constitutional Task Team	Corporate Services	Quarterly
LG SETA Forum - Provincial	Corporate Services	Quarterly
Library Forum - District	Community Services	Quarterly
Local Economic Development Forum	Economic Development	Quarterly
Local Economic Development & Tourism Forum - Economic Cluster Garden Route & ProvincialStakeholders	Economic Development	Quarterly
MAF - Municipal Accountant Forum	Financial Services	Quarterly

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Forum	Department	Frequency
Municipal Managers Forum	Municipal Manager	Quarterly
Municipal Planning Heads Forum	Planning Development	Quarterly
Premiers Coordinating Forum	Mayor	Bi-annually
Provincial and District Managers IDP Forums	IDP/PMS & Public Participation Office	Quarterly
Records Management Forum	Corporate Services	Quarterly
South African Local Government Association(SALGA) Working Groups	Director and Portfolio Councillor specific toworking group	Quarterly
Southern Cape Planners Forum	Spatial Planning and Land Use Management	Quarterly
Southern Africa Revenue Protection Association(SARPA)	Electrotechnical Services	Quarterly
Western Cape ICT Managers Strategic Forum	Finance	Quarterly

2.10.3 Joint Project Sector Department Functionality

The functions of Government are divided between national, provincial, and local spheres. The Municipality shares its area and community with other spheres of Government and the various sector departments. It must work closely with the departments to ensure the effective implementation of various projects and functions. The table below provides details of such projects and functions.

Table 48: Joint Project Sector Department Functionality

Name of project/function	Expected outcome of the project	Involved sector department	Contribution of sector department
Illegal dumping awareness and cleaning	Raise awareness of the negativeimpacts of illegal dumping, and clear dumping hotspot areasas much as possible.	GRDM and George Municipality representativesfrom various directorates	GRDM social media artwork,signage
Integrated National Electrification Programme (INEP)	Electrification project of: Establish a 66/11kVsubstation in Thembalethu	National Department of Mineral Resources and Energy(DMRE)	Allocated funds of R3 074 783 incl VAT for Thembalethu
Funda Mzantsi Reading Championship	Addressing several SDG's; Rehabilitation and social reintegration of offenders at Correctional Service; Social cohesion, diversity and inclusiveness; Cultural enhancement and exchange; promoting African indigenous languages	National Library of South Africa, Correctional Service and George Municipality (different directorates)	Branding; Provided halls (Thembalethu and Conville) and hiring of facility for the main event/s; communication; security (Law enforcement officers) and sound at all the venues

2.10.4 Ward Committees

George Municipality has a Ward Committee System in place, which plays a crucial role in achieving the aims of local governance and democracy, as mentioned in the Constitution of 1996. A ward committee is independent of the Council and not politically aligned. The figure below depicts the main duties of the ward committees.

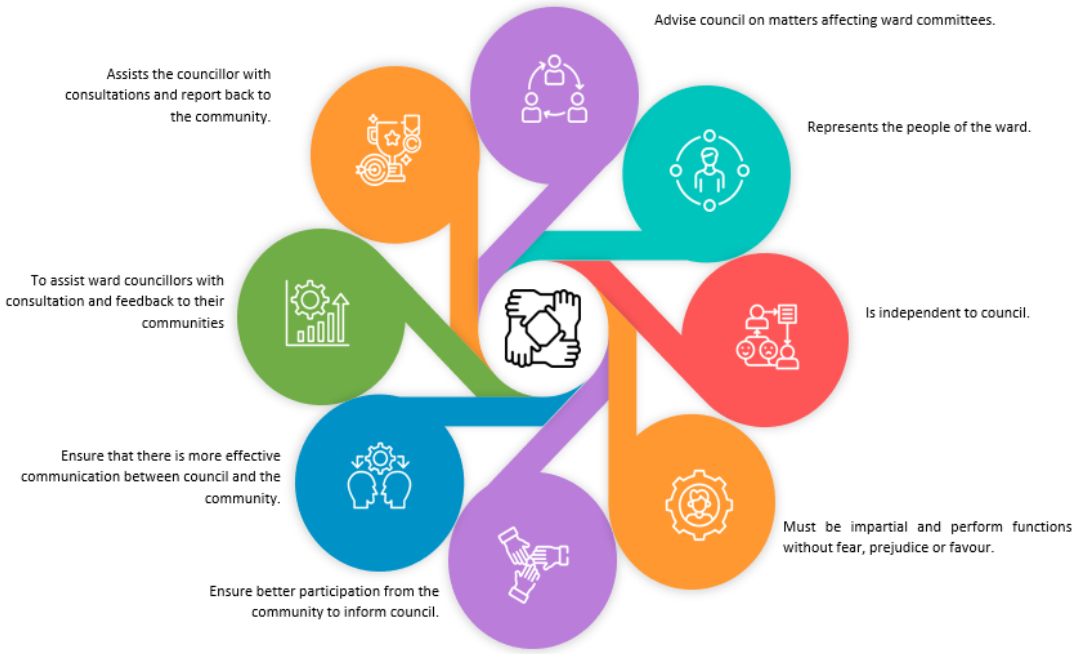


Figure 40: Duties of ward committees

A new system of democratic local governance was established in 1994 with the advent of democracy, which upholds a set of fundamental values and principles. Transparency, accountability, and an open and inclusive system of governance through community participation in governance, planning, and democratisation of development are examples of such values and principles. This undoubtedly elevated South Africa to the level of democratic governments worldwide and established it as a credible model for a decentralised system of government that is effective.

The perspective of participation continues to be a fundamental tenet of effective governance and is an essential element in the formulation of policies, budgetary matters, and development strategies. In accordance with Section 152 of the Constitution, community participation is fundamental to local government service delivery and other affairs. In a similar vein, the MSA and the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) provide the legislative framework for municipalities to form ward committees.

According to Section 42 of the MSA, a Municipality is required to engage the local community in the development, implementation, and evaluation of its performance management system. This engagement should be achieved through the establishment of suitable mechanisms, processes, and procedures as outlined in Chapter 4 of the aforementioned Act. Notably, the community should be granted the opportunity to contribute to the establishment of suitable key performance indicators and performance targets for the Municipality.

There is now widespread agreement that a ward committee is a committee that operates within a specific location and its boundaries align with those of the ward.

Ward committees should be elected by the constituents of the ward. The maximum number of members for a ward committee is 10, and women ought to be adequately represented. The ward councillor is a member and functions as the chair of the ward committee. While lacking formal authority, ward committees guide the ward councillor, who subsequently presents detailed recommendations to the council. The aforementioned committees fulfil a pivotal function in the formulation and annual revision of the Municipality's integrated development plan.

The ward committee assists the ward councillor by ensuring that they are updated on progress, involved in the formulation of development plans, and enable broader community involvement. The Municipality endeavours to guarantee that every ward committee operates at peak efficiency with regard to service delivery, IDP input, meeting organisation, information provision, and performance feedback to communities.

Ward 1: Councillor J. Säffers

DIE RUS, GOLDEN VALLEY, KINGSTON GARDENS, RIVERLEA

Table 49: Ward 1 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
S. Crowley	Block 2	1 August 2023 7 November 2023 20 February 2024 11 June 2024
S. Erasmus	Block 4	
V. Laws	Youth	
F. Solomons	Education	
C. Laws	Community Safety	
A. Kaffoen	Environmental Affairs	
L. Mentoor	Faith-Based Organisations	
J. Williams (until 9 August 2023)	Community-Based Organisations	

Ward 2: Councillor D. Cronje

DENNEOORD, FERNRIDGE

Table 50: Ward 2 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
J. Jooste	Block 1	11 September 2023 6 November 2023 19 February 2024 10 June 2024
N. Nel	Block 1	
W. Barkhuysen	Block 2	
M. Mulder	Block 2	
C. Oosthuizen	Block 3	
J. de Swardt	Block 3	
D. Labuschagne	Block 4	
P. Kloppers	Block 4	
J. Venter	Block 4	

Ward 3: Councillor E. Brown

ROOIRIVIERRIF, HIGHLANDS, VILLAGE RIDGE, GLEN BARRIE, HEATHERLANDS, KING GEORGE PARK, SPORTS PARK, PORTION OF KINGSWOOD GOLF ESTATE, GOLF PARK 3

Table 51: Ward 3 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
T. Lewis	Glen Barrie	7 August 2023

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
J. Potts	Rooirivierrif	6 November 2023 26 February 2024 10 June 2024
M. Mackenzie	Heatherlands	
S. Mouton (until 10 July 2023)	Golf Park 2	
C. Nunns	Ratepayers Association	
J. Wessels	Culture	
L. Strǔmpher	Golf Park 2	
C. Perry	Golf Park 1 & Homeowners Association	
T. Peeters	Golf Park 3 & Homeowners Association	
D. Sauer	Highlands	
W. Jacobs	Kingswood	

Ward 4: Councillor M. Barnardt

HOEKWIL, KLEINKRANTZ, KLEINKRANTZ FARMS 192, PINE DEW, TOUWSRANTEN, WILDERNESS, WILDERNESS HEIGHTS, THE DUNES, DRIE VALLEYEN 186, BOVEN LANGE VALLEY 189

Table 52: Ward 4 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
C. Kritzinger	Hoekwil Ratepayers Association	28 August 2023 6 November 2023 19 February 2024 The meeting which was scheduled for 24 June 2024 was postponed to 22 July 2024
J. Eichweber	WRRA	
A. Hacquebord	Greater Wilderness Fire Forum	
E. Stoffels	Touwsranten	
N. Vakis	Wilderness Heights Formal	
V. Timoti	Wilderness Heights Informal	
A. Innes	Kleinkrantz	
L. Rautenbach	Wilderness	
M. Maluleke (until 23 October 2023)	Touwsranten	
K. Palmary	Wilderness	

Ward 5: Councillor M. Simmers

LE VALLIA, PORTION OF PROTEA PARK, COMMERCIAL EAST, GEORGE EAST, BERGSIG, PORTION OF BO DORP, PORTION OF FERNRIDGE, PORTION OF PANORAMA

Table 53: Ward 5 Committee Members

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Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
J. Pretorius	Block 1	19 September 2023 7 November 2023 22 February 2024 11 June 2024
E. Maasdorp	Block 1	
J. Beukes (until 22 January 2024)	Block 2	
J. Marnewick	Block 2	
N. Edwards	Block 3	
S. Claassen	Block 3	
J. Cilliers	Block 5	
E. Boshoff (until 30 November 2023)	Block 4	
E. van Niekerk	Block 5	

Ward 6: Councillor J. Jantjies

BOSSIEGIF, PORTION OF PROTEA PARK, URBANSVILLE, PORTION OF ROSEMOOR

Table 54: Ward 6 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
M. Petersen	Block 1	20 September 2023 8 November 2023 7 February 2024 12 June 2024 - No meeting. Not enough members to constitute a quorum.
L. Mintoor (until 23 October 2023)	Block 1	
E. Oelf (until 29 March 2024)	Block 2	
J. Pietersen (until 7 February 2024)	Block 3	
R. Adams (until 14 September 2023)	Block 3	
Y. Diedericks	Block 4	
J. Brinkhuys	Block 5	
H. Plaatjies (until 14 August 2023)	Block 6	
S. Fortuin	Block 6	

Ward 7: Councillor V. Mruqhli

LAWAAIKAMP, MARAISKAMP, PORTION OF BALLOTSVIEW

Table 55: Ward 7 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
N. Bityi	Block 1	2 August 2023 27 November 2023 22 February 2024 5 June 2024
X. Mzaziwa	Block 3	
M. Saptou	Block 4	
J. Laws	Block 5	
M. Maree	Block 5	
J. van Heerden	Block 6	

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Ward 8: Alderman B. Petrus

BALLOTSVIEW, PARKDENE

Table 56: Ward 8 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
S. Vorster (until 14 February 2024)	Block 2	22 August 2023 21 November 2023 5 March 2024 The meeting which was scheduled for 25 June 2024 was postponed to 29 July 2024
S. Laws-Klaasen	Block 2	
M. Petersen	Block 2	
B. Alexander	Block 2	
M. Maneville (until 22 January 2024)	Block 3	
D. Jafta	Block 4	
M. Adams	Block 5	
A. Stols	Block 5	
G. Smith	Block 5	
A. Amas	Welfare	

Ward 9: Councillor T. Lento

THEMBALETHU ZONE 7, BLONDIE, IKAPA, MDYWADINI, ZONE 9, PORTION OF ZONE 8, PORTION OF ZONE 4, PORTION OF ZONE3

Table 57: Ward 9 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
M. Khundayi	Block 1 (Lusaka)	7 August 2023 6 November 2023 7 February 2024 19 June 2024
T. Donti	Block 2 (Tambo & Mbafala)	
N. Mtsha	Block 3 (Ikapa & Eplasini)	
P. Soboyisi	Block 4 (Blondie Area)	
V. Qango	Block 5 (Dywadini)	
L. Maseti	Block 6 (Dube Village)	
B. Majwete	Block 7 (Telkom)	
N. Vacu	Block 8 (Sabelo)	
B. Ngaziwa	Block 9 (Styebityebi)	
M. Ndlebe	Block 10 (Juventus)	

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Ward 10: Councillor Z. Gom

ZABALAZA, NYAMA LAND, PORTION OF ZONE 6, PORTION OF ZONE 5

Table 58: Ward 10 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
E. Zondani	Block 1	3 August 2023 16 November 2023 8 February 2024 12 June 2024
S. Tshuma (until 5 December 2023)	Block 1	
N. Rasmeni	Block 1 (Health)	
N. James	Block 2	
N. Ngqwemla	Block 2	
Z. Grootboom	Block 3	
K. Magobo	Block 3 (Safety)	
M. Bester (until 5 December 2023)	Welfare	
M. Bomvana (until 5 December 2023)	Sport, Culture & Recreation	

Ward 11: Councillor S. Ntondini

BLUE MOUNTAIN, BLUE MOUNTAIN GARDENS, VICTORIA BAY, GARDEN ROUTE EAST, GARDEN ROUTE MALL, THEMBALETHU PORTION OF ZONE 4, PORTION OF ZONE 5, GREENFIELDS, PORTION OF BALLOTS BAY

Table 59: Ward 11 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
L. Scritsh	Block 1	11 October 2023 22 November 2023 22 February 2024 The meeting which was scheduled for 26 June 2024 was postponed to 1 August 2024
B. Blau	Block 1	
V. Mgqo	Block 2	
A. Fautezo	Block 2	
N. Mbokodi	Block 3	
X. Mabele (until 18 December 2023)	Block 3	
B. Mantshinga	Block 3	
M. Maabane	Block 4 (Phelandaba 1)	
T. Lingani	Block 4 (Phelandaba 2)	
P. Makanoza	Block 5	

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Ward 12: Councillor E. Mdaka

THEMBALETHU ZONE 8, FRANCE, ALL BRICK, PORTION OF ZONE 9

Table 60: Ward 12 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
N. Zilwa	Block 1 - Informal Settlements (eDameni, eDongweni & Silver Houses)	1 August 2023 7 November 2023 20 February 2024 18 June 2024
N. Tom	Block 1 - Formal houses from 17th to 19th Street and Tabata Street	
B. Mageduka	Block 2 - 13th,14th, 15th,16th and Liwani Str	
N. Ndamane	Block 2 - Informal Settlements Mandela Village	
L. Zide	Block 3a - Allbrick	
T. Sese	Block 3b - Old France & Gushy	
F. April (until 6 December 2023)	Block 4 – Zone 9: France Formal Houses (Johannes-, Petrus-, Mfayana-, & portion of Nqwemesha Street)	
V. Soboys	Block 4 - Botswana Village	
Z. Gibisela	Block 4 – Zone 9: France Formal Houses (Johannes-, Petrus-, Mfayana-, & portion of Nqwemesha Street)	
A. Belani	Block 5 (New Valley)	
B. Matyobeni	Block 5 - Tabata-, Sampies-, Liwani- and Portion of Mbewu Streets	

Ward 13: Councillor S. Toto

THEMBALETHU ZONE 1, ZONE 2, ZONE 3, KWANORHUSE, LANGA VILLAGE

Table 61: Ward 13 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
L. Ndlebe	Block 2	27 September 2023 14 November 2023 27 February 2024 13 June 2024
N. Feni (until 18 December 2023)	Block 3	
N. Ngqavu	Block 3	
G. Makinana	Block 4	
N. Kamte	Block 4	
T. Matchaka	Block 5	
C. Schaap	DPSA	
M. Dyantyisi	Community Safety	
Z. Allam	Ithemba Lobomi (Block 1)	

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Ward 14: Councillor M. Roelfse

ROSEDALE, PORTION OF OUDORP (PACALTSDORP), EDENPARK

Table 62: Ward 14 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
E. Koeberg (until 10 August 2023)	Environment (Block 1: Rosedale 1)	7 August 2023 (no quorum) 29 August 2023 (no quorum) 21 November 2023 19 February 2024 The meeting which was scheduled for 25 June 2024 was postponed to 16 July 2024
A. Mostert	Woman Empowerment (Block 2: Rosedale 2)	
C. Damons	Health (Block 3: Rosedale 3)	
A. Davids	Education (Block 4: Eden Park 1)	
J. Tool	Community Safety (Block 5: Eden Park 2)	
A. Meyer	Welfare (Block 6: Oudorp 1 North)	
E. Ruiters	Youth Development (Block 7: Oudorp 2 East)	
S. Terblanche	Sports Development (Block 8: Oudorp 3 West - Clinic Street)	
D. Nell	Business (Block 9: Oudorp 4 South)	
J. Pato	Faith Based Organisations (Block10) Rosedale Informal Settlements Area and Eden Park 3	

Ward 15: Councillor B. Hani

THEMBALETHU PORTION OF ZONE 9, TSUNAMI PARK

Table 63: Ward 15 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
M. Mooi	Block 1	18 October 2023 13 November 2023 28 February 2024 11 June 2024
N. Stefanus-Ngwabane	Block 2	
L. Songwiqi	Block 3	
M. Banzana	Block 4	
M. Phokolo (until 21 November 2023)	Block 5	
M. Dibela	Block 5	
R. Xate	Block 6	
V. Nelani	Block 6	
N. Qilo	Block 6	
T. Volontiya (until 24 February 2024)	Block 7	
N. Ncwadi	Block 7	
B. Ngcethe	Block 7	
N. Nyambane (until 24 February 2024)	Block 10	

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Ward 16: Councillor T. Jeyi (From 26 July 2026)

ANDERSONVILLE, NEW DAWN PARK, PORTION OF PROTEA ESTATE, PORTION OF SEAVIEW

Table 64: Ward 16 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
C. Daman	Sport	22 August 2023 7 November 2023 20 February 2024 11 June 2024
J. Cornelius	Women	
C. Alaart	Welfare	
M. Morris	Youth	
C. Gatland	Business	
R. Kemp	Education	
E. Lamini	Block: Moeggehuur	
P. Matiwani	Block: Croton Valley, Katdoring Valley, Skaapkop Valley	
H. Philander ***(until 7 August 2023)***	Community Safety	
S. Stoffels	Central New Dawn Park	
B. Ntozini	Portion of Forestry Houses	

Ward 17: Councillor B. Adams

TAMSUI, GEORGE INDUSTRIAL, PORTION OF ROSEMOOR, CONVILLE, CONVENT GARDENS, MOLENRIVIERRIF, MARY VIEW

Table 65: Ward 17 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
C. Mpeki (until 11 April 2024)	Block 1	1 August 2023 7 November 2023 6 March 2024 The meeting which was scheduled for 24 June 2024 was postponed to 16 July 2024
R. Goeieman	Block 2	
S. Hannies	Block 2	
S. Humpries (until 11 August 2023)	Block 2	
J. Kayser (until 30 November 2023)	Block 2	
S. Jacobs	Block 2	
P. Lottering	Block 3	
G. Solomons	Block 4	
H. Clark	Block 5	
D. Jansen	Block 5	
A. Grobbelaar	Block 6	
P. Foster	Block 7	

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Ward 18: Councillor D. Gultig

EDEN, EDEN VIEW, DENVER, GENEVAFONTEIN, LOERIE PARK, PANORAMA, TWEERIVIEREN, PORTION OF DENNEOORD

Table 66: Ward 18 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
J. Le Roux	Youth	14 September 2023 16 November 2023 27 March 2024 25 June 2024
D. Lester	Block 5	
M. Hau-Yoon	Block 6	
E. Rautenbach	Neigbourhood Watch	
S. Human (Until 28 March 2024)	Block 4	
J. van der Merwe (until 24 November 2023)	Block 4	
U. Kahts (Until 2 January 2024)	Block 1	
D Torlage	Faith Based Organisations	
D. Human	Block 8	
P. Lourens	Block 4	

Ward 19: Alderlady I. Kritzinger

DORMEHLSDRIFT, CAMPHERSDRIFT, PORTION OF BODORP

Table 67: Ward 19 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
S. Habbet (until 30 November 2023)	Block 1	2 August 2023 8 November 2023 7 February 2024 12 June 2024
H. Barkhuizen (until 21 September 2023)	Block 2	
H. Pienaar	Block 3	
H. Nimb	Block 4	
J. Bailey	Blocks 5 & 6	
A. Smit	Blocks 7 & 8	
K. Sharpe	Blocks 7 & 8	
F. de Swardt	Bo-dorp	

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Ward 20: Councillor C. Alexander (From 26 July 2023)

BORCHERDS, STEINHOFF INDUSTRIAL PARK, METRO GROUNDS

Table 68: Ward 20 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
V. Josephs	Block 2	17 August 2023 16 November 2023 8 February 2024 6 June 2024
P. Moolman	Block 2	
E. Stalmeester	Block 3	
A. Paul	Block 4	
M. Fillies	Block 5	
G. Carolus	Sport	
C. Alexander (until 19 July 2023)	Faith Based Organisations	
M. Boezak	Community Safety	

Ward 21: Councillor S. Manxele

THEMBALETHU ZONE 6, SANDKRAAL 197, ZAMA ZAMA, ASAZANI, PORTION OF BALLOTS BAY, SILVERTOWN, PORTION OF ZONE 7

Table 69: Ward 21 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
N. Jeje	Block 1	2 August 2023 8 November 2023 21 February 2024 20 June 2024
M. Thyuthuza	Block 2	
T. Buqili (until 11 November 2023)	Block 3	
S. Kewuti	Block 3	
C. Dikeni	Block 4	
N. Fatyi	Block 5	
M. Maboza	Block 6	
S. Dayimani	Block 7	
N. Mhloli	Block 8	
M. Ngonyama	Block 9	
A. April	Block 10	

Ward 22: Councillor M. Kruger

GLENWOOD, GLENWOOD RIDGE, MOERASRIVIER 233, MODDERIVIER 209, DIE OUDE UITKYK 225, KLYNE FONTYN 218, GEELHOUTBOOM 217, HOUTBOSCH, DOORNRIVIER/ HEROLD, KOUWDOUW 88, WABOOMSKRAAL NOORD 87, PLATTEKLOOF 131, SMUTSKLOOF94, MALGASKRAAL, CROXDEN 90, AFGUNST RIVER 99, MODDERAAS KLOOF 133, CAMFER KLOOF 96, BARBIERSKRAAL 156, KAAIMANS, KRAAIBOSCH 195, SAASVELD, OUTENIQUA BERGE (WEST),

WELGELEGEN, KRAAIBOSCH MANOR, KRAAIBOSCH ESTATE, KRAAIBOSCH RIDGE, FAR HILLS HOTEL, GEELHOUTSBOOM, HEROLD, GROENKLOOF, GROENKLOOF WOODS, NOEM-NOEM VILLAGE, FANCOURT

Table 70: Ward 22 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
A. Bruiners	Herold	3 August 2023 16 November 2023 8 February 2024 12 June 2024
Dr. F. Joubert	Welgelegen	
Dr. A. Heckroodt	Groenkloof	
B. Tonisi	Kraaibosch	
D. Scheepers	Herold	
E. Barnard	Geelhoutboom	

WARD 23: COUNCILLOR B. JOHNSON

GROENEWEIDE PARK, PACALTSDORP INDUSTRIA, BOS EN DAL, TOERISTE GEBIED, CPA AREA, BRAKFONTEIN 236, HOOGEKRAAL 238 (GLENTANA), BUffELSDRIFT 227, DIEPE KLOOF 226, DWARSWEG 260, GWAYANG 208, BUffELSFONTEIN 204, HEROLDS BAY, DELVILLE PARK, HANSMOESKRAAL 202, LE GRAND, OUBAAI GOLF ESTATE, MONATE RESORT, BREAKWATER BAY, GEORGE AIRPORT, BOSCHKLOOF, MOOIKLOOF, KLOOFSIG

Table 71: Ward 23 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
N. Crawley	Environment (Friends of the Garden)	29 August 2023 14 November 2023 27 February 2024 6 June 2024
J. Louw	Faith Based Organisations	
C. Lottering	Sport, Culture & Recreation	
A. Hendricks (until 30 November 2023)	Block: Sinksabrug	
S. Abrahams	Environment (Gwaing Action Group)	
M. Cunningham	Block: Groeneweide	
K. Field	Herolds Bay Ratepayers Association	
T. Malan	Hoogekraal	
J. van Niekierk	Hansmoeskraal Gemeenskapsforum	

Ward 24: Councillor J. Fry

HAARLEM

Table 72: Ward 24 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
M. Du Preez	Sport	15 August 2023 21 November 2023
K. Robertson	Health	

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
J. Louw	Business	12 March 2024 The meeting which was scheduled for 25 June 2024 was postponed to 16 July 2024
A. Boom	Housing	
A. van Rooyen	Woman	
O. Hannes	Agriculture	
U. Heydenrycht (until 1 December 2023)	Youth	
E. Mdekazi	Ongelegen	

Ward 25: Councillor J. Esau

UNIONDALE

Table 73: Ward 25 Ward Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
C. Mongo	Block 4	3 August 2023 28 November 2023 8 February 2024 13 June 2024
M. Olivier	Business	
R. Davidson	Sport, Culture and Creation	
H. Metik	Faith Based Organisations	
N. Meiring	Diepkloof	
F. Hobanie	Ezeljaght	
R. Boesak	Grootfontein	
J. de Villiers	Snyberg	
L. Tamboer	Ganzekraal	
M. Minnaar	Community Police Forum	

Ward 26: Councillor J. von Brandis

PORTION OF HEATHER PARK, FANCOURT GARDENS, FANCOURT SOUTH, FANCOURT PROPER (PORTION), BLANCO, KERRIWOOD HILL, MOUNT FLEUR MOUNTAIN ESTATE, CHERRY CREEK, SOETEWEIDE, OAKLANDS, KINGSWOOD GOLF ESTATE, PROTEA ESTATE, EARLS COURT LIFESTYLE ESTATE

Table 74: Ward 26 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
T. Jardim (Until 14 February 2024)	Block 2	15 August 2023 14 November 2023 27 February 2024 13 June 2024
M. Gultig (until 21 June 2024)	Business (Block 2)	
D. Fernandez	Block 4	
W. Muller (until 5	Block 4	

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Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
February 2024)		
B. Muller (until 5 February 2024)	Block 4	
B. Figland	Block 4	
A. Mitchell	Fancourt Gardens	

Ward 27: Councillor M Kleynhans (from 26 July 2023)

PROTEA ESTATE PACALTSDORP, EUROPE, HARMONY PARK, SEAVIEW, ALDANAH, PORTION OF OUDORP

Table 75: Ward 27 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
D. Gordon	Zone 2 (Europe)	22 August 2023 7 November 2023 18 March 2024 The meeting which was scheduled for 26 June 2024 was postponed to 18 July 2024
A. Fredericks	Zone 4 (Cycad & Rose Str)	
E. Heynes	Zone 2 (Europe)	
P. Fritz	Community Safety	
M. Saaiman	Environment	
R. Fritz	Zone 1 (Harmony Park)	
A. Cupido	Zone 1 (Harmony Park)	
C. Fredericks	Zone 5 (Uitbreiding 11 & Moeggeploeg)	
R. Solomons	Zone 3 (Erica, Tulip, Disa & Arum Str)	
G. Sharp (Until 8 August 2023	Youth	
H Ceasar	Zone 6 (Protea Estate)	

Ward 28: Councillor S. Snyman

CENTRAL BUSINESS DISTRICT, GEORGE SOUTH

Table 76: Ward 28 Committee Members

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
A. van Biljon	Block 1	22 August 2023 7 November 2023 20 February 2024 4 June 2024
S. van der Merwe	Block 2	
G. Grootboom	Block 3	
J. van Biljon (until 4 June 2024)	Block 4	
L. Gelderblom	Block 5	
W. Gelderblom	Block 5	
M. Munro	Block 6	

Period 1 July 2023 – 30 June 2024		
Name of representative	**Capacity representing**	**Meeting Date**
B. Redelinghuys	Civil Engineering Services	
D. Engelbrecht	George-South	
A. Zehmke	George South	

2.10.4.1 Functionality of Ward Committees

The purpose of a ward committee is to:

- establish formal communication channels between the community and Council;
- provide guidance to the Ward Councillor in identifying the needs and concerns of the community;
- aid the Ward Councillor in informing the community about their rights and responsibilities; and
- assist the Ward Councillor in consulting and providing feedback to the community.

Ward committees across all 28 wards of George Municipality were established in February 2022 and were all functional during the 2023/24 Financial year. The ward committee functionality was overseen by the Speaker's office and the Municipality provided administrative and financial support to ensure continued functionality.

2.10.4.2 IDP Participation and Alignment

The Administration reports quarterly to Council on the functionality of the 28 wards within the Municipality. The following criteria must be met to confirm public participation and strategic alignment.

Table 77: IDP Participation and Alignment

IDP Participation and Alignment Criteria		Yes/No
1	Does the Municipality have impact, outcome, input, and output indicators?	Yes
2	Does the IDP have priorities, objectives, KPIs, and development strategies?	Yes
3	Does the IDP have multi-year targets?	Yes
4	Are the above aligned and these can be calculated into a score?	Yes
5	Does the budget align directly with the KPIs in the strategic plan?	Yes
6	Do the IDP KPIs align with the Section 57 managers?	Yes
7	Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
8	Do the IDP KPIs align with the provincial KPIs on the 12 outcomes?	Yes

COMPONENT C: CORPORATE GOVERNANCE

Corporate governance refers to a set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. The objectives that guide the institution and the relationships among its numerous stakeholders are also components of corporate governance.

2.11 Risk Management

Section 62 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), states that the Accounting Officer should take all reasonable steps to ensure that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control, as well as the effective, efficient and economical use of the resources of the Municipality.

The Local Government: Municipal Systems Act (Act 32 of 2000) (Systems Act) enables Local Government to establish a simple framework for the planning, performance management, resource mobilisation and organisational change core processes that underpin the notion of developmental local government. The Act provides for legal matters pertaining to Local Government.

Other legislation such as the Local Government: Municipal Structures Act (Act 117 of 1998) (Structures Act) and the Municipal Finance Management Act (Act 56 of 2003) (MFMA) establish frameworks and legislation to regulate the internal systems and structures as well as to secure sound and sustainable management of the financial affairs of municipalities.

Section 154 of the Constitution obliges National and Provincial Governments to take part in cooperative government as well as to support and strengthen the capacities of municipalities to manage their affairs, exercise their powers and perform their functions.

This principle is further outlined in the Systems Act in Section 3 (2), which states that National and Provincial Spheres of Government must - within the Constitutional system of cooperative Government envisaged in Section 41 of the Constitution - exercise their executive and legislative authority in a manner that does not compromise or impede a Municipality's ability or right to exercise its executive and legislative authority.

The above-mentioned legislation clearly places the onus of service delivery on municipalities, which - through their leadership - are responsible for the promotion of the social and economic development of the community.

The role of local government leadership and the responsibility placed upon these leaders necessitates ethical values of responsibility, accountability, fairness and transparency as underpinning governance principles.

The King IV Report on Corporate Governance for South Africa, 2016 (herein referred to as “King IV Report”) sets out the philosophy, principles, practices and outcomes that serve as the benchmark for corporate governance in South Africa.

2.11.1 Risk Management Overview

While conducting our day-to-day business operations, we are exposed to a variety of risks. These include operational and other risks that are material and require comprehensive controls as well as ongoing oversight.

To ensure business success, we have adopted an enterprise-wide integrated approach to the management of risks. By embedding risk management processes into key business processes - such as planning, operations and new projects - we are better equipped to identify events affecting our objectives and to manage risks in ways that are consistent with the approved risk appetite. To implement the enterprise-wide approach, we have taken several steps to reinforce a culture of disciplined risk-taking.

2.11.2 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;
- Promote a more innovative, less risk-averse culture where taking calculated risks – in terms of pursuing opportunities to benefit the Municipality - is encouraged; and
- Provide a sound basis for integrated risk management and internal control as components of good corporate governance

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2.11.3 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.

Table 78: Risk Related Strategies

Framework	Status Quo
Risk Management Policy	Revised and amendments approved by the Executive Mayoral Committee on 19 June 2023
Risk Management Strategy and Implementation Plan	

2.11.4 Risk Management Process

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.

The internal environment of George Municipality is crucial for risk management, providing discipline and structure. It influences the risk consciousness of its people and serves as the foundation for all other components of risk management. Objective-setting is a strategic process that establishes operations, reporting, and compliance objectives aligned with the Municipality's risk appetite. Event identification is the process of identifying potential events affecting George Municipality's ability to implement strategies and achieve objectives successfully. Risk assessments are conducted using risk rating scales for both inherent and residual basis, classifying risks into high, medium, and low risks.

Management determines how to respond to these risks, including avoid/terminate, reduce/treat, share/transfer, accept/tolerate, and exploit. Control activities are policies and procedures that ensure management's risk responses are carried out throughout the Municipality, at all levels and functions. These include approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets, and segregation of duties.

Control effectiveness is assessed based on design effectiveness and operational effectiveness. The factor assigned to each rating indicates the extent to which the risk related to each control is not managed, i.e., residual risk exposure (inherent risk x control effectiveness). A rating table categorizes the various levels of residual risk, taking into consideration the risk appetite.

Controls are considered based on: Design effectiveness (Is the control “fit for purpose” in theory, i.e., is the control designed appropriately for the function for which it is intended?); and Operational effectiveness (Does the control work as intended?). The factor assigned to each rating indicates the extent to which the risk related to each control is not managed, i.e., the residual risk exposure (inherent risk x control effectiveness).

The following rating table categorises the various levels of residual risk, after taking into consideration the risk appetite.

Table 79: Risk Likelihood Rating Scale

a) Likelihood rating scale

Impact and Likelihood Rating		
Likelihood Grading		
1	Rare	The risk is conceivable but is only likely to occur in extreme circumstances.
2	Unlikely	The risk occurs infrequently and is unlikely to occur within the next three years.
3	Moderate/Possible	There is an above average chance that the risk will occur at least once in thenext three years.

Impact and Likelihood Rating		
Likelihood Grading		
4	Likely	The risk could easily occur and is likely to occur at least once within the next 12months.
5	Common/Certain	The risk is already occurring or is likely to occur more than once within thenext 12 months.
Impact Grading		
1	Negligible	Negative outcomes or missed opportunities are likely to have a negligibleimpact on the ability to meet objectives.
2	Minor	Negative outcomes or missed opportunities are likely to have a relativelylow impact on the ability to meet objectives.
3	Moderate	Negative outcomes or missed opportunities are likely to have a relativelymoderate impact on the ability to meet objectives.
4	Major	Negative outcomes or missed opportunities are likely to have a relativelysubstantial impact on the ability to meet objectives.
5	Critical/Extreme	Negative outcomes or missed opportunities that are of critical importance tothe achievement of the objectives.

The rating determines the risk exposure. Through this management gets to understand the extent to which potential events might impact their objectives on a scale from 1 as a minimum and 5 as a maximum.

b) Inherent risk exposure

Table 80: Inherent Risk Exposure Grid

Inherent Risk Exposure: the inherent risk exposure is determined by comparing the inherent risk rating against the risk appetite		
Inherent Risk Exposure		
Inherent Risk	Magnitude	Definition
14.1 - 25	High	Unacceptable level of risk. High level of control intervention is required to achieve an acceptable level ofresidual risk.
6.1 - 14	Medium	Unacceptable level of risk, except underunique circumstances or conditions. Moderate level of control intervention is required to achieve an acceptable level of residual risk.
1 - 6	Low	Mostly acceptable. Low level of control interventionrequired, if any.

The risk registers were updated to include organizational structure changes, alignment of strategic goals, and Key Performance Indicators (KPIs). KPIs with no risks were escalated to management to identify potential additional risks. A list of typical risks and fraud risks was updated to assist management in identifying additional risks. Risk owners updated the risk registers and reported quarterly on various aspects, including risk universe, risk profile, inherent and residual risks, strategic and operational risks, additional and deleted risks, reassigned risks, risk developments, treatment plans, exceptions, concerns, risks to escalate to management, risks exceeding the risk appetite, risks that materialized, new and emerging risks, cross-cutting risks, and top risks. The strategic risk register outlines focus areas, risk and mitigation measures taken to address identified risks within the organization.

2.11.5 Strategic Risks Identified

The table below depicts the summary output of the top risk analysis in terms of which directorate risks included in the risk register were associated with broader risk themes. Top risks and risk treatment plans are assessed and updated regularly.

Table 81: Risk Register

Risk Item	Risk Title	Risk Description	Inherent likelihood rating	Inherent Impact Ratings	Inherent risk rating
1	Financial Sustainability	Financial sustainability concerns of GIPTN with its municipal funds at the end of the contract or if the grant funding is held back	5	5	25
2	Recruitment, Selection and Appointments	Recruitment, Selection and Appointments of staff	5	5	25
3	Weakness in governance and political instability	Weakness in governance and political instability which impacts administrative stability: (e.g. motions to Mayor etc)	5	5	25
4	Attract investment and provide an enabling environment for growth in George.	Excessive Development Charges (DCs) / capital contributions make it expensive to build and invest in George (fails to attract development). Emerging risk: Auditor-General views that the income from the DCs should be kept separate and then accounted for in terms of the expenditure. Actual revenue far exceeds the budgeted revenue.	5	4	20
5	District Landfill	The current landfill site is at PETROSA, which is already operating at capacity, and is an unsustainable temporary solution until the new District Landfill Site is developed.	5	4	20
6	Climate change resilience and mitigation	Climate change resilience and mitigation	4	5	20
7	Infrastructure (network and bulk)	Maintenance and upgrading of infrastructure (network and bulk)	5	4	20
8	Loadshedding	The impact of load shedding on George Municipality varies between the various departments and business processes: (1) Water treatment plant: the purification of raw water is impacted which may result in the demand > supply. (2) Sewerage pumps (3) Communications (e.g. Protection Services staff; Disaster Management teams; general) (4) IT related / network accessibility (5) Traffic lights (6) Motor vehicle registration department (7) CCTV cameras (8) Impact on the electricity infrastructure and network: power surges (9) New wastewater treatment plant: requires oxygen - the threshold is 1 day without electricity (organisms will die)	5	4	20
9	Records and Information Management	(1) Inadequate storage of hardcopies: (i) Records stored in offices in departments (some offices are full of files). (ii) Records stored in containers which are not customised for archives needs. (2) Inadequate storage space in the Archives Section (i) The fireproof storeroom is too small.	5	4	20

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Risk Item	Risk Title	Risk Description	Inherent likelihood rating	Inherent Impact Ratings	Inherent risk rating
		(ii) There are shelves of documents outside the fireproof storeroom because they do not all fit in the storeroom. (iii) These original documents cannot be destroyed yet due to regulations. 3. Non-compliance with the Archives Act, POPIA and other relevant regs and legislation and policies. 4. Missing/incomplete records (especially HR) 5. Inadequate electronically scanned records (especially HSPD) 6. Inadequate electronic record-keeping and archiving resulting in missing records and information.			
10	Water security and water management	Water security and water management	4	5	20
11	Electricity and energy	Emerging risk: Consumers defaulting from the electricity supply grid will result in: (1) Obsolete infrastructure (2) Increased costs to provide electricity to remaining consumers (3) Lost revenue	4	4	16

2.11.6 Anti-Corruption and Anti-Fraud

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

Management and Council have taken ownership of combatting fraud and corruption throughout the Municipality.

The Municipality of George is committed to combating fraud and corruption through effective bidding structures and supply chain measures. The Anti-Corruption and Fraud Prevention Framework, adopted by the Council, aims to develop a climate where staff strive for the ultimate eradication of fraud, corruption, theft, and maladministration. The policy communicates the Municipality's commitment to eliminate fraud and reinforces existing regulations aimed at preventing, reacting to, and reducing the impact of such acts. Allegations of such acts are investigated and pursued to their logical conclusion, including legal action, criminal prosecution, and disciplinary action where warranted.

The Anti-Corruption and Fraud Prevention Strategy and Implementation Plan includes the establishment of an Anti-Corruption and Fraud Prevention Committee, a formal Fraud Management Committee (FMC), and ongoing fraud and corruption prevention activities.

Procedures put in place as a deterrent to mitigate key fraud risk areas include division of duties, internal audit review of processes and adherence, an Audit Committee that excludes politicians and officials as voting members, condemnation by the Mayor and Municipal Manager of corrupt practices, and involvement of police as soon as grounds for suspicion become evident.

The Municipality continues to roll out awareness campaigns and raise the level of fraud awareness among employees and other stakeholders. Workshops are held annually with Council and employees to inform them of the policy and enhance awareness within the Municipality. Fraud and corruption prevention media campaigns continued during the year to increase fraud awareness of Council, employees, the public, and other stakeholders. The Executive Mayoral Committee approved a revised Whistleblowing Policy on 19 June 2023, aligned with relevant legislation, regulations, and leading practice. The Fraud Hotline or tip-offline is fully functional and managed. A toll-free number and email service are available to members of the public to report any suspected fraudulent or corrupt activities.

The Protected Disclosures Act came into effect on 16 February 2001, and the Municipality strives to create a culture that facilitates the disclosure of information by staff relating to criminal and other irregular conduct in the workplace responsibly. The Whistleblowing Policy encourages and enables staff to raise concerns within the Municipality, providing avenues for staff to raise concerns, informing them on how to take matters further if dissatisfied with the response, and assuring them that they will be protected from reprisals or victimization for whistleblowing in good faith.

2.12 Anticorruption and Antifraud related strategies

Table 82: Anticorruption and Antifraud Strategies

Framework	Status Quo
Antifraud and Anticorruption Policy, Strategy,and Implementation Plan	Revised and amendments approved by Executive Mayoral Committee on 19 June 2023
Whistle Blowing Policy	

2.13 Functions of the Audit Committee

The Municipal Audit Committee's objectives and functions are based on Section 166(2) (a-e) of the MFMA, further supplemented by the Local Government: Municipal Planning and Performance Management Regulation, as well as the approved Audit Committee Charter.

The objectives of the Municipality's Audit Committee are to:

- Assist the Council in discharging its duties relating to the safeguarding of Council's assets;
- Develop and oversee the operation of an adequate internal process and control system
- Oversee the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance and accounting standards;
- Provide support to the Council on the risk profile and risk management of the Council; and
- Ensure that there is an internal audit function in place and that the roles of the internal and external audit functions are coordinated.

The Audit Committee performs the responsibilities assigned to it in terms of section 166(2) of the MFMA, which is further supplemented by the Local Government Municipal and Performance Management Regulations, 2001, as well as the approved Audit Committee Charter. In terms of Section 166(2) of the MFMA the Audit Committee is an independent advisory body which advises council, political office-bearers, the Accounting Officer and management staff of the Municipality on matters relating to:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Effective governance;

- Compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation;
- Performance evaluation;
- Any other issues referred to it by the Municipality;
- Reviews the annual financial statements to provide the Council of the Municipality with an authoritative and credible view of the financial position of the Municipality, its efficiency and effectiveness as well as its overall level of compliance with the MFMA, the annual DoRA and any other applicable legislation;
- Responds to Council on any issues raised by the Auditor General in the audit report;
- Carries out such investigations into the financial affairs of the Municipality as the Council of the Municipality may request; and
- Performs such other functions as may be prescribed

The Audit Committee members are as follows:

Table 83: Members of the Audit Committee

Name of representative	Capacity	Meetings Attended during 2023/24 FY					
		25 August 2023	06 October 2023	04 December 2023	01 March 2024	19 April 2024	21 June 2024 continued on 26 June 2024
Mr E Le Roux	Chairperson	✓	✓	✓	✓	✓	✓
Mr K Olivier	Committee Member	✓	✓	✓	✓	Apology	✓
Mr G Mellett	Committee Member	✓	✓	✓	✓	✓	✓
Ms B Gulwa	Committee Member	Apology	✓	✓	✓	✓	✓

The Audit Committee is responsible for advising the Council, political office bearers, the Accounting Officer, and management staff of the Municipality on matters related to internal financial control, risk management, accounting policies, performance management, effective governance, compliance with the MFMA, the annual Division of Revenue Act (DoRA), and performance evaluation. They also review the Annual Financial Statements, providing an authoritative view of the Municipality's financial position, efficiency, effectiveness, and overall compliance with relevant legislation.

The committee responds to Council on any issues raised by the Auditor General in the audit report and considers and responds to the Final Management Report, Report of the Auditor-General on the Annual Financial Statements, findings of the Auditor-General on predetermined objectives and compliance with certain laws and regulations, and the Auditor-General's detailed management letter.

The committee conducts investigations into the financial affairs of the Municipality when requested by Council and performs other functions as prescribed. It reviews the Audit Committee Charter and proposes recommended amendments, approves three-year rolling Internal Audit and Annual Internal Audit Plans, and reviews all internal audit reports issued.

The committee also conducts assessments on the effectiveness of the Committee for review and comment by the Municipal Manager and presents them to Council. They also discuss the implementation of municipal Standard Chart of Accounts (mSCOA)-related reporting and hold ad hoc meetings with officials to address specific areas of concern.

In addition to these activities, the committee performs responsibilities in Performance Management, Internal Audit, Control Environment, Risk Management, External Audit, Compliance with laws, regulations, ethics, Fraud Management

and Investigations, Information Technology and related Governance, and Combined Assurance. Specific recommendations are made to Council for consideration and are included in the Annual Report.

2.14 Internal Auditing

In terms of Section 165 (1) of the MFMA, each Municipality must have an Internal Audit Unit. Section 165 (2) of the Act, gives guidance on what is expected of the internal audit unit regarding responsibility, functions and reporting requirements.

Section 165 (1) of the MFMA states that: Each Municipality and each municipal entity must have an internal audit unit.

The internal audit unit of a Municipality must prepare a risk-based audit plan and an internal audit programme for each financial year, and advise the Accounting Officer and report to the Audit Committee on the implementation of the internal audit plan and matters relating to:

- internal control;
- internal audit;
- accounting procedures and practice;
- risk and risk management;
- performance management;
- loss control;
- compliance with this Act, the Division of Revenue Act and any other applicable legislation; and
- Perform such other duties as may be assigned to it by the Accounting Officer.

The George Municipality's Internal Audit Activity (IAA) is capacitated to provide independent, objective assurance and consulting services. Independence is maintained by being accountable to the Accounting Officer administratively and by functionally reporting to the Audit Committee. These reporting lines are clearly stated in the George Internal Audit Charter.

The IAA strives to provide value-added service to the Municipality providing workable and sustainable solutions. The George Municipality has a co-sourced IAA. During the period under review, the Chief Audit Executive (CAE) has made significant strides in improving and maintaining a functional IAA.

The CAE has also reviewed various strategic internal audit documents during the year under review. Internal audit engagements are conducted as stated in the audit methodology. Furthermore, progress in terms of the Risk- Based Internal Audit Plan was duly reported to the Audit Committee

Table 84: Internal Audit Highlights

Highlights	Description
CAE Forum & IIASA Participation	The Chief Audit Executive chairs the Western Cape Municipal Chief Audit Executive Forum and was appointed as a Non-Executive Director at the IIASA
Risk Based Audit Plan	97% of the approved Risk Based Audit Plan was completed
Ad Hoc Requests	The IAA accommodate most of the ad hoc management requests received
External Quality Assurance Rating	General Conformance (GC) rating was achieved (Highest rating)
Trusted Advisor	The Unit's value proposition cuts across all the types of risks that the Municipality faces, including operational and strategic risks

2.15 Supply Chain Management

The George Municipality Supply Chain Management Policy's overall objectives are to:

- Ensure the efficient, effective and uniform planning for - and procurement of - all services and goods required for the proper functioning of the Municipality, as well as the sale and letting of assets that conform to constitutional and legislative principles. This is done while developing, supporting and promoting historically disadvantaged individuals, black economic empowerment, small, medium and micro enterprises (SMMEs) and preferential goals;
- Ensure the efficient, effective and uniform management and disposal of goods and assets;
- Ensure good governance through its SCM processes;
- Prevent SCM system abuse and resulting irregular expenditure;

The Municipality complies with the implementation of Section 112 of the Municipal Finance Management Act, No 56 of 2003 (MFMA).

2.15.1 Competitive bids exceeding R200 000

The following table details the number of Bid Committee meetings held for the 2023/24 financial year:

Table 85: Bid Committee Meetings

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
114	89	48

2.15.2 Awards made by the Bid Adjudication Committee

The ten highest bids awarded by the bid adjudication committee are as follows:

Table 86: Ten Highest Bids Awarded by Bid Adjudication Committee

Bid number	Title of bid	Directorate and Section	Successful Bidder	Value of bid awarded
T/ING/033/2023	Construction of Thembalethu West Pumpstation Building and Associated Civil Works	DS van Blerk; G Kwana; E Homveld; A Vyfer	Active Phambili Civils cc	R 9 921 395,00
T/ING/024/2022	Tender for the Upgrading of Kleinkrantz Sewer Gravity Main	HP Lategan; RC Rhoodes; L Wildskut; K Lutchman; H Muller; JW Robertson	Willvest Twenty-Three (Pty) Ltd t/a Urhwebo E-Transand	R9 910 880,14
ENG003/2023	Engineering, Procurement & Construction of ground mounted 500 kilo Watt peak grid tied solar PV plant at Gwaing wastewater treatment plant	R van der Westhuizen; H Koekemoer	RWK Electrical	R8 719 567,72
T/ING/044/2023	Tender for the Construction of a Temporary Terminal Facility, Shelters and Associated Works for the George Integrated Public	WJ van Niekerk; Be Elev8 (Pty) Ltd	WJVN Civils (Pty) Ltd	R8 063 886,18

Bid number	Title of bid	Directorate and Section	Successful Bidder	Value of bid awarded
	Transport Network (GIPTN), George			
T/ING/040/2023	Tender for the Upgrading of Thembalethu Bulk Sewage Gravity Main: Phase 2	JI Heurlin; W Bugqwangu	Norland Construction (Pty) Ltd	R 6 881 292,48
T/ING/001/2024	Tender for the Manufacture, Supply and Delivery of 15 000l Combination Jet/Vacuum Unit	E Antezana	Shorts Nissan	R 5 252 616,95
T/ING/025/2023	Tender for the Upgrading of Industrial Water Pipeline, Denneoord	CM Mqoboli	Emihle Live (Pty) Ltd	R4 526 891,05
T/ING/007/2023	Tender for the Upgrading of the Bulk Electrical Ring Feed to Thembalethu Sewer Pump Station No. 6	JJ Bosman; HAR van Niekerk; K Lutchman	VE Reticulation (Pty) Ltd	R2 489 695,95
T/ING/037/2023	Tender for the Manufacture, Supply, and Delivery of Drain Cleaning (Jet Machine) Trailers	A Brown	Ian Dickie & Co (Pty) Ltd	R2 049 185,00
DPD040/2023	Appointment of a service provider to prepare an Integrated economic growth Strategy and Implementation Plan	JP Hoffman	H2P Project Management cc	R758 625,00

2.15.3 Awards made by the Accounting Officer

In terms of paragraph 5.2 of Council's Supply Chain Management policy, only the Accounting Officer may award a bid which is over R 10 million. The authority to make such an award may not be sub-delegated by the Accounting Officer.

The table below indicates the bids awarded by the Accounting Officer are as follows:

Table 87: Awards made by the Accounting Officer

Bid number	Title of bid	Directorate and Section	Successful Bidder	Value of bid awarded
T/ING/006/2024	Tender for the Appointment of a Service Provider for the Rehabilitation of PW Botha Boulevard and Associated Works	NM van der Merwe; RJ Zamudio; K Lutchman; AO Rall	Entsha Henra (Pty) Ltd	R130 352 281,35
T/ING/024/2023	Construction of Pacaltsdorp West 14,5Ml Circular Reservoir, Pumpstation and Associated Infrastructure	CP Cavanagh; K Reeves; GC Zondi; BC Schnell; NB Sithole; MTM Mahlambi	Icon Construction (Pty) Ltd	R106 962 295,76
T/ING/039/2023	Tender for the Construction of New Thembalethu (East) Reservoir, Water Tower, Pumpstation and Associated Works	CP Cavanagh; K Reeves; GC Zondi; BC Schnell; NB Sithole; MTM Mahlambi	Icon Construction (Pty) Ltd	R106 586 336,03

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Bid number	Title of bid	Directorate and Section	Successful Bidder	Value of bid awarded
T/ING/025/2023	Tender for the Construction of 40Ml Raw Water Balancing Dam and Associated Works	F van Iddekinge; A Bosman	King Civil Engineering Contractors (Pty) Ltd	R 93 138 840,50
T/ING/008/2024	Tender for the Appointment of a Service Provider for the Rehabilitation of Ngcakani Street and Associated Works	NM van der Merwe; RJ Zamudio; K Lutchman; AO Rall	Entsha Henra (Pty) Ltd	R 81 353 492,42
T/ING/035/2023	Tender for the Upgrading of Schaapkop Pumpstation and Associated Infrastructure, Portion 1	RJ Viljoen; JE Viljoen; HJH Zandberg; DH Jegels; RA Scheepers	Hidro-Tech Systems (Pty) Ltd	R 61 878 230,75
T/ING/026/2023	Tender for the Construction of New Pacaltsdorp East Reservoir, Water Tower, Pumpstation Building and Associated Works	CP Cavanagh; K Reeves; GC Zondi; BC Schnell; NB Sithole; MTM Mahlambi	Icon Construction (Pty) Ltd	R 59 995 821,49
T/ING/009/2024	Tender for the Appointment of a Service Provider for the Rehabilitation of Mission Street and Associated Works	NM van der Merwe; RJ Zamudio; K Lutchman; AO Rall	Entsha Henra (Pty) Ltd	R53 720 150,96
T/ING/005/2024	Tender for the Appointment of a Service Provider for the Rehabilitation of Tabata Street and Associated Works	DA Pretorius; LW Ramapala; W du Toit; MJ Ramapala; DJ Bennett	Jodan Construction (Pty) Ltd	R 52 216 214,58
T/ING/018/2023	Tender for the Civil, Mechanical and Electrical Infrastructure Upgrading of the Eden Sewage Pumpstation, Phase 2	PB Ruthven; JHJ Rheeder; PP Rantsoareng; VL Rantsoareng	Ruwacon (Pty) Ltd	R 45 327 339,94
T/ING/010/2024	Tender for the Appointment of a Service Provider for the Rehabilitation of Haydn, Heather and Rose Streets and Associated Works	MR Zeedat; PB Ruthven; HJ Rheeder; VL Rantsoareng; PP Rantsoareng	Ruwacon (Pty) Ltd	R 44 600 000,00
COM026/2023	Rosemoor Synthetic Athletics Track	PB Ruthven; JHJ Rheeder; PP Rantsoareng; VL Rantsoareng; MR Seedat	Ruwacom (Pty) Ltd	R 40 590 000,00
T/ING/041/2023	Tender for Upgrading of George South Stormwater Infrastructure: Phase 1	PB Ruthven; JHJ Rheeder; PP Rantsoareng; VL Rantsoareng; MR Seedat	Ruwacon (Pty) Ltd	R 40 000 000,00
ENG005/2023	Engineering, Procurement & Construction (including 24-month Operation and	J Bosman; H Van Niekerk; K Lutchman; J Piek;	VE Reticulation (Pty) Ltd & Eya Bantu Professional	R 33 304 174,41

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Bid number	Title of bid	Directorate and Section	Successful Bidder	Value of bid awarded
	Maintenance) for battery energy storage systems	C Powell; J Hurter; M Brown	Services Joint-Venture	
T/ING/034/2023	Tender for the Upgrading of Conville Water Reticulation Network	SJ Efrat; MA Camarda; N van Rooyen	Trenchless Technologies (Pty) Ltd	R 23 089 381,06
ENG011/2023	Electrification of informal areas	MD Loubser	MDL Engineering Company	R 21 996 806,22
T/ING/048/2023	Upgrading of Meul Sewage Pumpstation, Phase 2, Portion 2: Mechanical and Electrical Works, Parkdene, George	RJ Viljoen; JE Viljoen; HJJ Zandberg; RA Scheepers	Hidro-Tech Systems (Pty) Ltd	R 21 060 470,78
ENG012/2023	Installation of transformer and transformer bay at SS Proefplaas	MD Loubser	MDL Engineering Company	R 20 842 952,76
T/ING/020/2023	Tender for the Upgrading of Parkdene Water Reticulation	NM van der Merwe; RJ Zamudio; K Lutchman; AO Rall	Entsha Henra cc	R 17 584 049,60
T/ING/047/2023	Upgrading of Schaapkop Pumpstation and Associated Infrastructure, Portion 2	KA Michael; C Diamantakos; JHJ Rheeder; PP Rantsoareng; VL Rantsoareng; PB Ruthven	Ruwacon (Pty) Ltd	R 16 950 000,00
T/ING/002/2023	Appointment of a Service Provider for the Supply, Repair and Maintenance of Camera Units for the Go George Bus Fleet for a period of two (2) years	TM Khangale; AM Mohlala; PR de Jager; A Vahed	TMT Services and Supplies (Pty) Ltd t/a Traffic Management Technologies	R 16 757 802,33
T/ING/027/2023	Tender for the Upgrade of Thembalethu West Bulk Water Pipeline (In-situ Pipe Cracking)	SJ Efrat; MA Camarda; N van Rooyen	Trenchless Technologies (Pty) Ltd	R 13 966 316,31
T/ING/017/2023	Upgrading of Meul Sewage Pumpstation Phase 2, Portion 1: Rising Main and Civil Infrastructure, Parkdene, George	L Barends; K Mtingane; W Jerling; IPT van Heerden	Asla Construction (Pty) Ltd	R 13 046 856,07
T/ING/031/2022	Tender for the Upgrading of Groeneweide Park Bulk Water Pipeline	JW Robertson; HP Lategan; H Muller; RC Rhoodes; L Wildskut; K Lutchman	Willwest Twenty-Three (Pty) Ltd t/a Urhwebo E-Transand	R 11 745 637,44
T/ING/052/2023	Refurbishment of Existing Sewage Treatment Ponds: Herold's Bay Sewage Treatment Works	MC Rennie; IW Ross; GA Rennie	Khubeka Construction cc	R 11 308 553,00

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2.15.4 Appeal Lodged by aggrieved bidders

The table below indicates the total appeals lodged during the year under review.

Table 88: Objections Lodged

Date	Tender number	Description	Complainant	Complained	Outcome
19 July 2023	HS003/2023	Tender for the leasing of eight (8) community erven next to Rosedale (Reigerpark) Pacaltsdorp.	Pentecostal Protestant Church Calvary	Objected to the award of the tender and questioned why they were not considered.	Not successful. Their price was too high, to be considered.
20 July 2023	COM003/2023	Additions and alterations to the CCTV Command Centre, Phase 2.	MBA Construction (Pty) Ltd	Objected, that although they made a calculation error, they were not provided an opportunity to respond, that they are able to perform the work with the tendered price.	Not successful. Their low rates posed an unacceptable commercial risk to the Municipality.
01 September 2023	T/ING/002/2023	Tender for the appointment of a service provider for the supply, repair and maintenance of camera units for the Go-George bus fleet for a period of three (3) years.	AFSOL TMS Pty (Ltd)	They objected that they were not found successful, although they had the lowest price.	Unsuccessful, they did not receive the required points for functionality and could therefore not be evaluated on price and points.
11 September 2023	T/ING/015/2023	Tender for the appointment of multi-disciplinary professional engineering services: new permanent George Integrated Public Transport Network (GIPTN) bus depot.	SMEC South Africa (Pty) Ltd	They objected that their price was lower, than that of the successful tenderer.	After receiving the reasons why their tender was not successful, i.e. did not meet functionality scoring, they withdrawn their objection.
13 September 2023	T/ING/006/2023	Appointment of a professional team to provide marketing and	Makazukiswe Enterprise (Pty) Ltd	They objected to the awarding of this tender to	Unsuccessful, they did not receive the required points

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Date	Tender number	Description	Complainant	Complained	Outcome
		communication services for the George Integrated Public Transport Network (GIPTN), for a period of three (3) years.		the successful tenderer.	for functionality and could therefore not be evaluated on price and points.
09 October 2023	T/ING/006/2023	Appointment of a professional team to provide marketing and communication services for the George Integrated Public Transport Network (GIPTN), for a period of three (3) years.	Dreamfuel Media CC.	They objected that their price was the lowest and was not appointed.	Unsuccessful. Although, their price was the lowest, the successful tenderer's total points were a slight margin higher, than that of the objector's point.
06 November 2023	COM018/2023	Tender for the appointment of a Service Provider to render a complete well equipped and suitably qualified lifesaving function in the greater George area for a period from date of appointment until 30 June 2026.	Lifesaving Medical Rescue Services and Training (Pty) Ltd	They objected that tender process was manipulated, the tender was not awarded through a proper bidding process and that the specifications were rigged.	Unsuccessful. Their grounds of objection were found not valid. Their bid was also found non-responsive as they could not adhere to the tender conditions.
12 November 2023	COM036/2023	Appointment of a contractor for the manufacturing and installation of fabricated 36-seater steel pavilions at the various fields.	Mr. Lionel Marshall Nkosi	Complaints about tender specifications and made allegations of corruption against municipal officials.	Unsuccessful. Not a tenderer to this tender and grounds found not valid. Tender also not awarded yet.
04 December 2023	ENG002 of 2023	Tender for the appointment of Consulting Engineers for professional engineering services for	Sekhukhune and Associates.	They objected to the way the evaluation of this tender was conducted.	Unsuccessful. They failed to submit the necessary documents required to qualify for pre-

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Date	Tender number	Description	Complainant	Complained	Outcome
		various projects in the 2022/2023 3-year multi year budget.			qualification scoring.
18 December 2023	T/ING/024/2023	Tender for the construction of Pacaltsdorp West 14,5ml circular reservoir, pumpstation and associated infrastructure.	RWC Ruwacon	Objected, that they were incorrectly scored with the pre-qualification evaluation.	Unsuccessful. They failed to submit the necessary documents required to qualify for pre-qualification scoring.
01 February 2024	ENG005/2023	Tender for the engineering, procurement and construction of battery energy storage system at Gwaing wastewater treatment work, Outeniqua wastewater treatment work and civic centre building, including a 24-month operation and maintenance period.	Hamsa Consulting Engineers	Objected and requested information on criteria used to evaluate this tender.	Objection was withdrawn, after having received the information on why they were not considered.
16 February 2024	COM033/2023	Tender for collection of recyclable waste from households and businesses by means of blue bags, for period, from date of appointment until 30 June 2026.	Mzansi Afrika Consulting Services (Pty)Ltd	Objected, that their 3 reference letters were sufficient.	Objection was withdrawn, after having received reasons, why their reference letters could not be considered.
20 February 2024	HS031/2023	Appointment of a panel of Contractors for plumbing services at Municipal buildings and facilities, informal areas, and indigent	Nuticept (Pty)Ltd	Objected, that they had experienced delays from SARS and the CIDB portal and should not be penalised for not having a 2SO grading.	Not successful, as the minimum grading for this tender was a 2SO grading, and they failed to submit such.

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Date	Tender number	Description	Complainant	Complained	Outcome
		households, as and when required, for a period of three years from the date of appointment until 30 June 2026.			
27 February 2024	COM033/2023	Tender for collection of recyclable waste from households and businesses by means of blue bags, for period, from date of appointment until 30 June 2026.	Waste Carriers (Pty) Ltd	Objected, that they did submit the required reference letters and was still found non-responsive.	Not successful, as the content of their submitted reference letters, did not refer to the required specification.
02 May 2024	T/ING/047/2023	Upgrading of Schaapkop pumpstation and associated infrastructure: Portion 2.	Matamela Consulting CC	Objected, that points were deducted from them in the evaluation process, without valid reasons.	Not successful. They did not provide sufficient proof, as required and did not meet the minimum score in the functionality phase.
18 June 2024	ENG002/2023	Quotations for projects under the tender for the appointment of Consulting Engineers for professional engineering services for various projects in the 2022/23 3-year multi-year budget.	BDE Consulting Engineers	Objected, that they had to use tender rates for quotations.	Not successful. It was communicated, that only tender rates should be used.

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2.15.5 Formal Quotations (above R30 000 and below R200 000) Procurement Processes

The following table details the value of formal written quotations between R30 000 and R200 000 awarded during the 2023/24 financial year.

Table 89: Formal Quotations (above R30 000 and below R200 000)

Number of contracts awarded	Value of contractors awarded
56	R3 350 251.93

2.15.6 Deviation from normal Procurement Processes

Paragraph 36 of Council's Supply Chain Management (SCM) Policy allows the Accounting Officer to deviate from the official procurement process. Deviations amounting to R37 445 010, were approved for 2023/24 as per the table below.

Table 90: Deviation from Normal Procurement Process

Directorate	Less than R30 000 (R)	Between R30 001 and R200 000 (R)	Between R200 001 and R2 000 000 (R)	More than R2 000 000 (R)
Civil Engineering Services	38 828.10	989 408.59	4 076 050.50	2 895 768.89
Community Services	124 893.51	295 919.96	4 842 415.50	0.00
Corporate Services	40 149.10	534 155.27	667 613.52	0.00
Electro-Technical Services	74 547.19	79 796.66	3 834 361.30	12 073 324.00
Financial Services	8 280	332 812.51	431 460.68	5 279 959.38
Human Settlements, Planning and Development	36 066.85	128 529.57	0.00	0.00
Office of the Municipal Manager	0.00	455 237.45	205 431.75	0.00
Total	322 764.75	2 815 860.01	14 057 333.25	20 249 052.27

2.15.7 Logistics Management

The system of logistics management must ensure the following:

- The setting of inventory levels that include minimum and maximum levels as well as lead times wherever goods are placed in stock;
- The placing of manual or electronic orders for all acquisitions other than those from petty cash;
- Before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and are in accordance with the order, the general conditions of the contract and specifications where applicable and that the price charged is as quoted in terms of the contract;
- Appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which these were purchased;
- Regular checking to ensure that all assets - including official vehicles - are properly managed, appropriately maintained and only used for official purposes;
- Monitoring and reviewing of supply vendor performance to ensure compliance with specifications and contract conditions for goods or services;

- Each stock item at the municipal stores, Mitchell Street, is coded and listed on the financial system. Monthly monitoring of patterns of issues and receipts is performed by the storekeeper;
- Inventory levels are set at the start of each financial year. These levels are set for normal operations. If special projects are launched by departments, such information is communicated timeously to the Stores section so they can order in advance stock in excess of the normal levels;
- Internal controls are in place to ensure that goods and services received are certified by the responsible person, which is in line with the general conditions of the contract; and
- Regular checking of the condition of stock is performed.

As at 30 June 2024, the value of stock in the municipal stores amounted to R9 864 005.99. For the 2023/24 financial year, stock to the value of only R10 275.75 was accounted for as surpluses and R201 812.40 as deficits.

2.15.8 Supply Chain Management Performance Management

One of the most important key performance indicators in the SCM unit is that of turnaround time from the date that requests are received from departments until bids are adjudicated and awarded. The following table details the performance of each of the key performance indicators:

Table 91: Supply Chain Management (SCM) Performance Indicators

Key Performance Indicator	2021/22	2022/23	2023/24
Ensure that tenders are successfully finalised and awarded within the validity period of the tender to enhance the effective delivery of services	95%	95%	95%
Submit a report on the implementation of the SCM Policy within 10 days of each quarter.	Four reports	Four reports	Four reports
Compliance with the SCM Policy is measured by the limitation of successful appeals against the Municipality.	0 successful appeals	1 successful appeal	0 successful appeals

2.15.9 B-BBEE Compliance information

Section 121(3)(k) of the MFMA indicates that the annual report of a Municipality should include any other information as may be prescribed. The Broad Based Black Economic Empowerment (B-BBEE) Act (Act 53 of 2003; as amended by Act 46 of 2013) read in conjunction with the B-BEE Regulations of 2016 states in Section 13G (1) that all spheres of government, public entities and organs of state must report on their compliance with broad-based black economic empowerment in their Annual Financial Statements and Annual Reports. In accordance with the explanatory notice (Notice 1 of 2018) issued by the B-BBEE Commission, the following tables provide details on the Municipality's compliance regarding broad-based black economic empowerment:

Total Procurement Spend			
v		**Total Value Spend**	R2 475 290 819
Total number of Exempt Micro Enterprises (EME's) suppliers	**Total value spend**	**% Black Ownership**	**% Black women ownership**
7	0	N/A	N/A
Total number of Qualifying Small Enterprises (QSE's) suppliers	**Total value spend**	**% Black Ownership**	**% Black women ownership**
7	R206 008 196.14	>51%	>30%
Total number of large suppliers	**Total value spend**	**% Black Ownership**	**% Black women ownership**

7	R391 079 902.20	0-100%		0-100%	
Total value of 2% NPAT or 0.2% of allocated budget					
Total number of Exempt Micro Enterprises (EME's)	**Total value spend**	**% Black Ownership**	**% Black women ownership**	**Location/s**	**Sector/s**
0	0	0	0	0	0
Total number of Qualifying Small Enterprises (QSE's)	**Total value spend**	**% Black Ownership**	**% Black women ownership**	**Location/s**	**Sector/s**
0	0	0	0	0	0
Total value of 1% NPAT or 0.1% of allocated budget					
Total number of Exempt Micro Enterprises (EME's)	**Total value spend**	**% Black Ownership**	**% Black women ownership**	**Location/s**	**Sector/s**
0	0	0	0	0	0
Total number of Qualifying Small Enterprises (QSE's)	**Total value spend**	**% Black Ownership**	**% Black women ownership**	**Location/s**	**Sector/s**
0	0	0	0	0	0

2.15.10 Findings of the Auditor-General on Supply Chain Management and Contract Management (2023/24)

Improvements/response to 2023/24 audit findings regarding contract management:

Matter raised by the Auditor-General on Supply Chain Management and Contract Management during previous audits have been addressed. For the 2023/24 year the matters identified by the AGSA concerning Supply Chain Management and Contract Management are not material but will receive the required attention by management to strengthen the internal control environment.

2.15.11 Service Providers Performance

Section 76 (b) of the Municipal Systems Act implies that Key Performance Indicators should inform the indicators set for every municipal entity and service provider with which the Municipality has entered a service delivery agreement:

A 'service provider' means a person or institution - or any combination of persons and institutions – that provides to (or for the benefit of) the local community.

'External service provider' means an external mechanism referred to in Section 76(b) that provides service to a Municipality.

'Service delivery agreement' means an agreement between the Municipality, an institution or person mentioned in Section 76(b) in terms of which a municipal service is provided by that institution or person, either for its account or on behalf of the Municipality.

Monthly Supplier Evaluation Forms are in place for use by the Project Managers when evaluating the service received from all suppliers to George Municipality on contracts above R30,000 in value.

The Supplier Evaluation Forms are drafted by the Contract Management Unit (CMU) during the roll-out of each new contract and distributed during the initial activation. All Supplier Evaluation Forms must be completed and returned to the CMU monthly for the duration of a contract.

In cases where poor performance is identified the CMU will communicate with the User Department regarding the nature of the issues experienced. The best course of intervention action will also be determined based on this communication. The specific Service Level Agreement will also guide the appropriate course of action. If it is determined that the achieved performance constitutes a breach of contract (either through repetition or scale of the issues encountered) the Legal Department will be approached for intervention and remedial action.

2.16 By-Laws and Policies

Section 11 of the MSA gives Council the executive and legislative authority to pass and implement by-laws and policies. Below is a list of all the budget-related policies and by-laws developed and reviewed during the 2022/23 financial year.

Budget related policies reviewed in the 2022/23 financial year are listed below.

Table 92: Policies Reviewed

Policies Developed/Revised	Date Adopted/Reviewed	Public Participation Conducted prior to theAdoption of Policies
Asset Management Policy	31 May 2024	Yes
Budget Implementation and Monitoring Policy	31 May 2024	Yes
Cash Management and Investment Policy	31 May 2024	Yes
Cell Phone Allowance Policy	31 May 2024	Yes
Conferment of Aldermanship on serving Councillors	27 July 2023	No
Cost Containment Policy	31 May 2024	Yes
Customer Care, Credit Control and Debt Collection Policy	31 May 2024	Yes
Disaster Management, Corporate Disaster and Emergency Plan	25 March 2024	No
Funding Borrowing & Reserve Policy	31 May 2024	Yes
George LM Long Term Financial Plan	31 May 2024	Yes
Indigent Policy	31 May 2024	Yes
Information and Communications Technology ICT Policy	31 May 2024	Yes
Liquidity Policy	31 May 2024	Yes
Preferential Procurement Policy	31 May 2024	Yes
Property Rates Policy	31 May 2024	Yes
Supply Chain Management (FIDPM) Policy	31 May 2024	Yes
Supply Chain Management Policy	31 May 2024	Yes
Tariff Policy	31 May 2024	Yes
Travel and Subsistence Policy	31 May 2024	Yes
Unauthorised, Irregular, Fruitless & Wasteful Expenditure (UIF & W) Policy	31 May 2024	Yes
Unauthorised, Irregular, Fruitless & Wasteful Expenditure (UIF & W) Reduction Policy	31 May 2024	Yes
Virement Policy	31 May 2024	Yes

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Table 93: Bylaws Reviewed

Revised	Public Participation Conducted prior to Adoption of By-laws(Yes/No)	Dates of Public Participation	Bylaws Gazetted (Yes/No)	Date of Publication
Building Control By-law	Yes	13 April 2023	Yes	11 August 2023
By-law on Outdoor Advertising	Yes	13 April 2023	Yes	11 August 2023
Electricity Supply By-law	Yes	11 May 2023	Yes	4 August 2023
Informal Trading By-law	Yes	4 May 2023	Yes	6 October 2023
Zoning Scheme By-law	Yes	4 May 2023	Yes	6 October 2023

2.17 Municipal Website

The website is an essential component of the communication infrastructure and overall strategy of a Municipality. It enhances stakeholder engagement, functions as a mechanism for community participation, and enables the monitoring and evaluation of municipal performance by stakeholders. Municipalities are obligated to publish essential documents and information on their websites, as stipulated in Section 75 of the MFMA. This includes the IDP, the annual budget, adjustment budgets, and policies and documents pertaining to the budget.

Below is a website checklist to indicate compliance with Section 75 of the MFMA.

Table 94: Municipal Website Content

Description of Information and/or Document	Yes/No and/or Date Published
Municipal Contact Details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Adjusted Budget 2023/24	Yes
Asset Management Policy	Yes
Borrowing Policy	
Budget and Treasury office delegations	Yes
Budget and Treasury office structure	Yes
Customer Care, Credit Control and Debt Collection Policy	Yes
Delegations	Yes
Draft Budget 2022/24	Yes
Funds and Reserves Policy	Yes
Grants-In-Aid Policy	No
Indigent Policy	Yes
Investment and Cash Management Policy	Yes
Long-Term Financial Policy	Yes

Description of Information and/or Document	Yes/No and/or Date Published
Municipal Contact Details (Section 14 of the Promotion of Access to Information Act)	
Petty Cash Policy	No
Rates Policy	Yes
SDBIP 2023/24	Yes
Supply Chain Management Policy	Yes
Tariff Policy	Yes
Travel and Subsistence Policy	Yes
Virement Policy	Yes
Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
IDP Process Plan for 2023/24	Yes
Reviewed IDP for 2023/24	Yes
SCM (Sections 14(2), 33, 37 &75(1)(e) & (f) and 120(6)(b) of the MFMA and Section 18(a) of the National SCM Regulation)	
Contracts that impose a financial obligation on the Municipality beyond three years	Yes
Long-term borrowing contracts	Yes
Public invitations for formal price quotations	Yes
Public-private partnership agreements	N/A
SCM contracts above R30 000	Yes
Section 37 of the MFMA No 56 of 2003 (Unsolicited Bids/Contracts)	N/A
Service delivery agreements	Yes
Reports (Sections 52(d), 71, 72 &75(1)(c) and 129(3) of the MFMA)	
Annual Report of 2022/23	Yes
Mid-year budget and performance assessment	Yes
Monthly Budget Statement	Yes
Oversight reports	Yes
Quarterly Reports	
Local Economic Development (Section 26(c) of the MSA)	
Economic Profile (Captured in IDP)	Yes
LED Policy Framework	Removed as outdated and we are developing a new strategy
LED projects under 'News'	Yes
Local Economic Development Strategy	Removed as outdated and we aredeveloping a new strategy
Assurance Functions (Sections 62(1), 165 & 166 of the MFMA)	
Audit Committee Charter	Yes
Internal Audit Charter	Yes
Risk Management Policy	Yes

2.18 Communication

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996, section 152(1)(e), in setting out the objectives of local government, states that municipalities must "encourage the involvement of communities and community organisations in the matters of local government". Section 160(7) of the Constitution further says that "a municipal council must conduct its business in an open manner, and may close its sittings, or its committees, only when it is reasonable to do so".

The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) MSA, section 4, encourages the involvement of communities in the affairs of their municipalities. As a local government, the Municipality has an obligation to act with high levels of transparency, accountability, openness, participatory democracy and direct communication with communities to improve the lives of residents. At the core of the Communication Policy, adopted by Council lies the notion of improved communication that facilitates public participation.

Members of the public can report faults or refer enquiries through an e-mail link on the website to a mailbox. This mailbox is monitored daily, and enquiries, compliments and complaints are forwarded to the relevant departments daily. The municipal website is updated with new and official notices, formal quotations, tenders, news stories, and vacancies as well as meeting agendas and minutes on an ongoing basis. The website is increasingly more user-friendly, and plans are already in place to simplify navigation and increase overall customer satisfaction by restructuring the website.

The municipal Facebook page and the Twitter account have been growing steadily and now reaches a much larger, ever-growing audience. Apart from being used to publicise municipal news stories, photos and videos, social media platforms are used to broadcast important alerts and notices. Traffic is also diverted to the website through the Municipality's social media platforms. Municipal advertisements are regularly placed in the community and regional newspapers and contribute to building the Municipality's brand. The Executive Mayor's monthly newsletter, pamphlets, posters, notice boards and regular IDP/Ward meetings provide the Municipality with additional platforms for communicating with residents and other stakeholders.

Below is a communication checklist for compliance with the communication requirements.

Table 95: Communication Activities

Communication activities	Yes / No
Communication Unit	Yes
Communication Strategy	Yes
Communication Policy	Yes
Corporate identity manual	Yes
Newsletters distributed at least quarterly	Yes

2.18.1 Newsletters

Table 96: Newsletters

Type of Newsletter	Issues Distributed	Circulation Number	Date Distributed
External - Municipal Newspaper (Tabloid)	2	18 000	November 2023 / April 2024
External Newsletter (two-page A4)	6	Email: 32 928	August 2023 / September 2023 / November 2023 / February 2024 / May 2024 / June 2024

2.18.2 Awareness Campaigns

Table 97: Awareness Campaigns

Campaign	Date
Adjustment Budget 2023/24	May 2024
Blue Flag Beaches	November 2023 – January 2024
Budget and IDP 2023/24	May 2024 – June 2024
ESKOM loadshedding – warning/conserving power	Ongoing – Halted April 2024
Hazard Waste Open Days (4 per year)	Ongoing
Illegal Connection Awareness	Ongoing
Illegal Connection Awareness Intensified Campaign	March 2024
Illegal Dumping Awareness	Ongoing
Illegal Dumping Awareness Intensified Campaign	February 2024
Illegal Dumping in Sewers and Stormwater Drains	Ongoing
Illegal Dumping in Sewers and Stormwater Drains - Ongoing Intensified Campaign	March 2024
Indigent Registration Awareness	Ongoing
Road Upgrades	July 2023 – June 2024
BFI Project Updates	Ongoing
Renewable Energy Project Updates	Ongoing
Safety – Festive/Water/Fire/Law Enforcement/Traffic/ Lifesaver	November 2023 – April 2024
Safety refuse truck/dog walkers	Ongoing
Tariffs	May 2024 – June 2024
TID Rollover	Completed June 2024
Water Security and Revised Water Restrictions	May 2024 - Ongoing
Marketing of George – City for a Sustainable Future (Video Clips and Reels)	June 2023 – Ongoing
My Smart City - Mobile App (Did you Know?)	May 2023 - Ongoing
George Municipal WhatsApp Channel	February 2024 – Ongoing
Start Up Tribe	April 2024 – Ongoing
Website Buttons	October 2023 – Ongoing
QuickFacts Campaign - Ad Hoc Topics	August 2023 – Ongoing

2.18.3 Additional Communication Channels

Table 98: Table 98: Additional Communication Channels

Channel	Reach
WhatsApp Groups	Council, Media, All Directorates, (Community Policing Forums/Neighbourhood Watch/Ratepayers Associations/Estate Managers), Local Business, District Communications, Western Cape Provincial Communications, Western Cape Provincial and Sector

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Channel	Reach
	Departments Communications
WhatsApp George Municipal Channel (2 February 2024)	502 followers
Media releases	1 July 2023 to 30 June 2024 - 630 Media releases issued (average 52 per month)
Media queries	1 July 2023 to 30 June 2024 – 346 media queries received and responded to (average 29 per month)
Commercial radio station - Algoa FM (news sponsorship/radioadvertisements)	550 000 listeners
Community radio station – Eden FM (weekly radio slot/5x radioadvertisements per day)	±188 000 listeners
Community radio station – Heartbeat FM (weekly radio slot/ 5xradio advertisements per day	±80 000 listeners
Facebook	46626 (+6511)
Focus On - published online by George Herald website and Facebook Page - bi-monthly	George Herald Website ±80 000 readers; George Herald Facebook Page ± 166 000 followers
Instagram	1381 (+180)
LinkedIn	2289 (+759)
MY Smart City – George Mobile APP (live from June 2023)	4350 (+3681)
SMS system	Limited to Council / Ward Committee Members
Twitter	4864 (+490)
YouTube	800(+265)

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CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3.1 Overview of performance within the organisation

This section gives an overview of the crucial service achievements of the Municipality that were realised during 2023/24 in terms of the deliverables achieved that are linked to the key performance objectives and indicators in the IDP.

To improve performance planning, implementation, measurement and reporting, the Municipality implemented the following actions:

- Departmental operational plans (SDBIPs) were developed for monitoring and reporting on operational programmes. An electronic performance management system is in force within the Municipality. The identical system forms the basis of performance evaluations of the Municipal Manager and Directors; and
- The Municipality tried to follow the "SMART" principle while defining indicators and targets during the construction of the TL SDBIP, as well as the Departmental SDBIP. It was important to make sure that the targets were specific and time-bound to make them measurable.

The objectives of Local Government as enshrined in Section 152 of the Constitution of the Republic of South Africa, 1996, pave the way for performance management. The democratic values and principles in terms of Section 195 (1) of the Constitution of the Republic of South Africa, are also linked with the concept of performance management:

The promotion of efficient, economical and effective use of resources;

- Accountable public administration;
- Transparency by providing information;
- Responsiveness to the needs of the community; and
- Facilitating a culture of public service and accountability among staff.

The Local Government: Municipal Systems Act, No. 32 of 2000 (MSA) requires each Municipality to establish a performance management system. Furthermore, the MSA and the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA) require the municipal budget to be aligned with the Integrated Development Plan (IDP) and create a mechanism for the implementation of the budget against the IDP using the Service Delivery and Budget Implementation Plan (SDBIP).

In terms of Section 46(1) of the MSA, a Municipality must prepare for each financial year, a performance report reflecting:

- The performance of the Municipality and each external service provider during that financial year;
- A comparison of the performance with targets set for performance, as well as performance in the previous financial year; and
- Measures taken to improve performance.

3.2 Organisational Performance

Strategic performance indicates how well the Municipality is meeting its objectives (i.e., which policies and processes are working). All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop a strategic plan and allocate resources for implementation. This implementation must be monitored on an ongoing basis and the results must be reported on, during the financial year, to various role players to enable them to implement corrective measures timeously where required.

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This report highlights the strategic performance in terms of the Municipality's Top Layer SDBIP, performance on the National Key Performance Indicators as prescribed in Section 43 of the MSA and an overall summary of performance on municipal services.

The reviewed IDP and Budget for the financial year 2023/24 were approved by Council on 29 May 2023. The IDP and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management, in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

The organisational performance is evaluated by a municipal scorecard (Top Layer SDBIP) at the organisational level.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when strategies, objectives and business processes of the Municipality are implemented. It also assigns the responsibility to directorates for the delivering of municipal services in terms of the IDP and budget. The 2023/24 Top Layer SDBIP was approved by the Executive Mayor on 12 June 2023 and the Revised 2023/24 TLSDBIP was approved by Council on 26 February 2024.

The following were considered in the development of the Top Layer SDBIP:

- Areas to be addressed and the root causes contained in the Management Letter of the Auditor-General, as well as the risks identified during the 2022/23 audit;
- Alignment with the IDP, National Key Performance Areas (KPAs), Municipal KPAs and IDP objectives;
- Municipal Public Accounts Committee's Oversight Report to Council on the Annual Report 2022/23; and
- The risks identified by the Internal Auditor during the municipal risk analysis.

The Municipality utilises an electronic web-based system on which Key Performance Indicator (KPI) owners update actual performance monthly. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set;
- A performance comment; and
- Actions to improve the performance against the target set if the target was not achieved.

It is the responsibility of the KPI owner to maintain a portfolio of evidence to support the actual performance results.

Both the Executive Mayor and the Municipal Manager duly signed off all the quarterly reports (as prescribed in S52 and S72 of the Municipal Finance Management Act, 56 of 2003) and subsequently submitted them to Council as prescribed by Section 52(d) and 72(1) of the Municipal Finance Management Act, 56 of 2003 (MFMA). The following table indicates the dates on which the reports were signed off.

Table 99: Quarterly Reporting

Period of Reporting	Date Signed
Quarter 1 (01 July 2023 – 30 September 2023)	17 October 2023
Quarter 2 (01 October 2023 – 31 December 2023)	25 January 2024
Quarter 3 (01 January 2024 – 31 March 2024)	16 April 2024
Quarter 4 (01 April 2024– 30 June 2024)	16 July 2024

3.3 Individual Performance (S57 Employees)

The MSA prescribes that the Municipality must enter into performance-based agreements with all Section 57 employees and that these agreements must be reviewed annually. The Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (Regulation 805, August 2006) sets out this process in detail.

Table 100: Performance Agreements Signing

Name	Position	Date Signed (Original Agreement)	Date Signed (Revised Agreement)
Dr M Gratz	Municipal Manager	31 July 2023	16 February 2024
Mr D Adonis	Director: Community Services	19 July 2023	29 February 2024
Mr R Du Plessis	Director: Financial Services	19 July 2023	29 February 2024
Mr J Koegelenberg	Director: Civil Engineering	19 July 2023	Unchanged
Ms K Moodley	Director: Corporate Services	19 July 2023	29 February 2024
Ms L Waring	Director: Human Settlements, Planning and Development	19 July 2023	29 February 2024
Mr B Mandla	Director: Electrotechnical Engineering Services	19 July 2023	Vacant

3.4 Strategic Performance: Top Layer (TL) (Service Delivery Budget Implementation Plan (SDBIP)

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP as per the IDP (strategic) objectives. These five objectives are:

1. Affordable Quality Services;
2. Develop and Grow George;
3. Good Governance and Human Capital;
4. Participative Partnerships; and
5. Safe, Clean and Green.

The following figure explains the method used to measure the overall assessment of actual performance against targets set for the key performance indicators (KPIs) of the SDBIP:

Table 101: Performance Assessment Criteria

Category	Colour	Explanation
KPI not yet measured	NA	KPIs with no targets or actuals in the selected period
KPI not met	R	0% <= actual/target <= 74.999%
KPI almost met	O	75.000% <= actual/target <= 99.999%
KPI met	G	Actual meets target (actual/target = 100%)
KPI well-met	G2	100.001% <= actual/target <= 149.999%
KPI extremely well-met	B	150.000% <= actual/target

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3.5 Overall Performance

The graph below displays the overall performance for the 2023/24 financial year as per Strategic Objectives:

Table 102: Actual Achievement for 2023/24

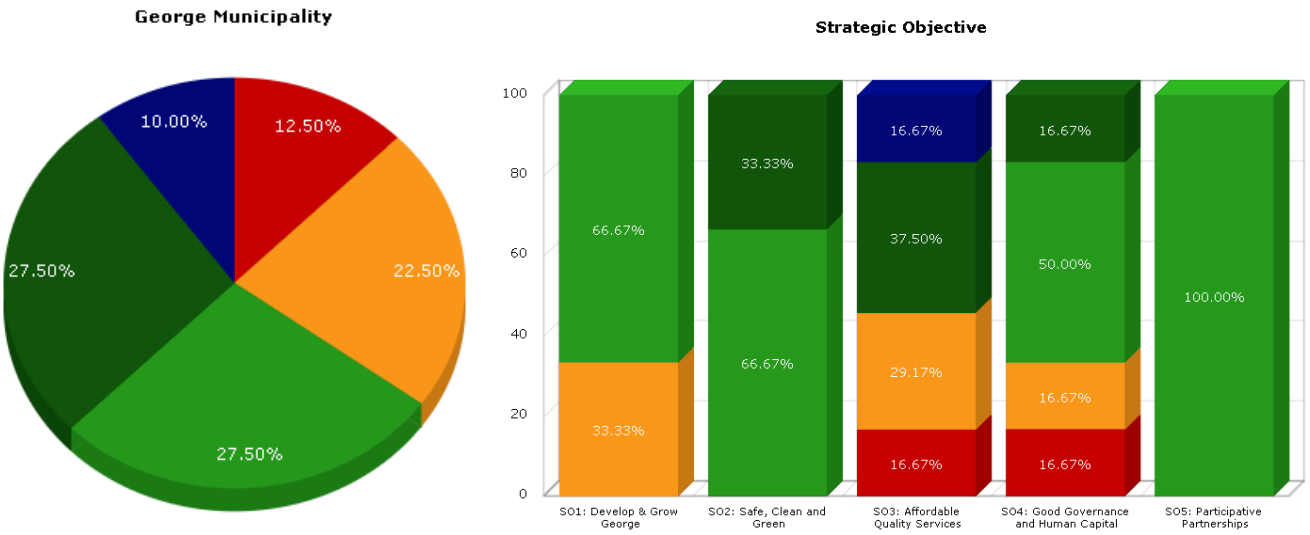


Table 103: Overall performance per strategic objective

George Municipality			Strategic Objectives				
			Develop and Grow George	Safe, Clean and Green	Affordable Quality Services	Good Governance and Human Capital	Participative Partnerships
R	KPI Not Met	5 (12.50%)	-	-	4 (16.67%)	1 (16.67%)	-
O	KPI Almost Met	9 (22.50%)	-	-	7 (29.17%	1 (16.67%)	-
G	KPI Met	11 (27.50%)	1 (33.33%)	2 (66.67%)	-	3 (50.00%)	4(10.00%)
G2	KPI Well Met	11 (27.50%)	2 (66.67%)	1 (33.33%)	9 (37.50%)	1 (16.67%)	-
B	KPI Extremely Well Met	4 (10.00%)	-	-	4 (16.67%)	-	-
Total		**40**	**3**	**3**	**24**	**6**	**4**
Total% target achieved		**100%**	**7.50%**	**(7.50%)**	**60.00%**	**15.00%**	**10.00%**

3.6 Actual Performance against KPIs set in terms of the TL SDBIP 2023/24

A. Develop and Grow George

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/24		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL17	To maximise job creation opportunities through government expenditure	Create Full Time Equivalents (FTE's) through government expenditure by 30 June 2024	Create Full-Time Equivalents (FTE's) created through government expenditure by 30 June 2024	Whole Municipal Area: All	**625**	**180**	1400	400	309	200	89	400	354.52	O	**400**	**354.52**	O
Performance Comment		Target was not met due to delays with appointments as a result of delays with Programmes starting late.															
Corrective Action		Appointments to be monitored on a monthly basis and staring EPWP programmes earlier.															
TL35	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Develop a draft Integrated Economic Development Strategy by 30 June 2024	Number of Draft Integrated Economic Development Strategies developed by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G
TL36	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Establish One-Stop-Shop Information Receptacle by 30 June 2024	Number of One-Stop-Shop Information Receptacles established by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G

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B. Safe, Clean and Green

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/24		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL31	To ensure Infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Implement renewable energy projects by 30 June 2024	Number of renewable energy projects submitted by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	5	5	1	1	1	2	2	G	**5**	**6**	G 2
TL40	To revitalise the current community facilities to increase the access to services for the public	Obtain Blue Flag status for at least 3 beaches by 30 November 2023	Number of Blue Flag status beaches obtained	Whole Municipal Area: All	**2**	**2**	0	3	N/A	3	N/A	N/A	N/A	N/A	**3**	**3**	G
TL41	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	Review and submit a Disaster Management Plan to Council by 31 March 2024	Number of Disaster Management Plans Reviewed and submitted to Council by 31 March 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G

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B. Affordable Quality Service

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL1	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2024 {(Actual amount spent on projects/Total amount budgeted for capital projects less savings) X100}	Percentage of the municipal capital budget actually spent on capital projects by 30 June 2024	Whole Municipal Area: All	**64.05%**	**95%**	95%	95%	11.50%	34.70%	51.20%	95%	55.72%	R	**95%**	**55.72%**	R

Performance Comment

National Treasury allocated substantial additional grant funding to George Municipality over the past two financial years. In the 2022/23 year, George Municipality received R431.6 million in March 2023, which was quite late in the fiscal year to utilize these funds by 30 June 2023. As a result, the original capital expenditure budget was augmented from R548.6 million to R893.3 million for the 2023 financial year due to this extra funding. The R431.6 million received in March 2023 comprised:

- Public Transport Network Grant (PTNG) of R45.69 million,
- Regional Bulk Infrastructure Grant (RBIG) of R134.2 million,
- Municipal Disaster Recovery Grant (MDRG) of R237.5 million, and
- Emergency Municipal Loadshedding Relief Grant of R14.2 million.

The RBIG allocation followed a request to National Treasury for a R134.2 million modification to annual cashflows over three years for BFI projects. This adjustment did not affect the overall RBIG grant total. However, as no response was received from National Treasury, the Civil Engineering Services (CES) directorate had to decelerate some project aspects in 2022 to remain within the available funding. The R134.2 million for adjusted cashflows was gazetted and transferred in March 2023, necessitating an Adjustment Budget process to incorporate it into the capital budget, enabling acceleration of the affected BFI projects.

The MDRG relates to the significant storm damage experienced by George on 21 November and 6 December 2021. Covering 34 different projects, the grant application took considerable time to finalise before the National Disaster Management Centre transferred the funds to the municipality on 31 March 2023. Following an April 2023 Adjustment Budget, CES proceeded with consultant appointments concluded in May 2023. It was impractical to complete these 34 projects by 30 June 2023. Unspent 2022/23 funds were rolled over to the 2023/24 financial year; however, lengthy statutory approvals delayed certain projects, affecting their completion by 30 June 2024. The included project programs, linked to the disaster grant application and Business Plan approved by the National Disaster Management Committee, extended implementation timelines to 2025/26. Despite CES's efforts to expedite all projects, the anticipated full completion is now projected for 30 June 2025. Similarly, the Electrotechnical Services Directorate faced challenges meeting expenditure targets for their MDRG portion, leading to project completions scheduled for 2024/25. These difficulties—including obtaining necessary approvals—were frequently communicated to NDMC and discussed in various meetings with NT, COGTA, DEADP, DWS, SALGA, etc.

The funds for PTNG and Loadshedding Relief Grants were fully expended within the 2023/24 fiscal year. Of the additional R134.2 million RBIG funding, R19.2 million was utilised, while R115 million was added to the 2023/24 expenditures for the BFI projects. Of the R237.5 million MDRG, R229 million was rolled over for use in the 2023/24 and subsequent financial years after extensive motivation to National Treasury.

In the 2023/24 year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received.

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		The R439 million allocated in March 2024 was for the Public Transport Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget and 48.98% of the adjusted capital expenditure budget had been spent. Notably, the Civil Engineering Services (CES) Directorate achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year—a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources.														
Corrective Action		The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL3	To provide world-class water services in George to promote development and fulfil basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential water meters which are connected to the municipal water infrastructure network	Whole Municipal Area: All	**37 586**	**37 250**	37 250	37 250	N/A	N/A	N/A	37 250	38 293	G2	**37 250**	**38 287**	G2
TL4	To provide sufficient electricity for basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential electricity meters connected to the municipal electrical infrastructure network	Whole Municipal Area: All	**47 555**	**44 467**	44 467	48 580	N/A	48 580	N/A	48 580	45 881	O	**48 580**	**45 881**	O
Performance Comment		Due to an administrative error, the revised target is incorrectly reflected as 48 580, which was in fact the actual achievement as at end of Quarter 2. The correct target is 44 467 as reflected in the initially approved IDP and SDBIP for 2023/2024.															
Corrective Action		Actual performance of 45 881 against the correct target of 44 467 is an overachievement of the annual target. Additional internal control measures will be implemented to prevent similar administrative errors in future. A reduction in the number of residential electrical meters connected to the municipal infrastructure network is expected in the next financial year.															
TL5	To provide and maintain safe and sustainable sanitation management and infrastructure	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential account holders which are billed for sewerage	Whole Municipal Area: All	**39 014**	**38 085**	38 085	38 085	N/A	39 489	N/A	38 085	39 790	G2	**38 085**	**39 790**	G2

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL6	To provide integrated waste management services for the entire municipal area	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential account holders which are billed for refuse removal	Whole Municipal Area: All	**40 452**	**37 137**	37 173	37 173	N/A	41 085	N/A	37 173	41 368	G2	**37 173**	**41 368**	G2
TL7	To provide world class eater services in George to promote development and fulfil basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic water	Whole Municipal Area: All	**10 488**	**11 500**	11 500	11 000	11 881	12 021	11 306	11 000	11 300	G2	**11 000**	**11 300**	G2
TL8	To provide sufficient electricity for basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic electricity	Whole Municipal Area: All	**15 439**	**16 500**	16 500	14 000	15 964	16 487	16 625	14 000	16 196	G2	**14 000**	**16 196**	G2

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL9	To provide and maintain safe and sustainable sanitation management and infrastructure	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic sanitation	Whole Municipal Area: All	**10 228**	**11 500**	11 500	11 000	11 074	11 656	11 797	11 000	11 089	G2	**11 000**	**11 089**	G2
TL10	To provide integrated waste management services for the entire municipal area	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic refuse removal	Whole Municipal Area: All	**10 318**	**11 500**	11 500	11 000	11 170	11 753	11 896	11 000	11 174	G2	**11 000**	**11 174**	G2
TL11	To develop mechanisms to ensure viable financial management and control	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2024{(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) X 100}	Percentage Debt to Revenue obligations met as at 30 June 2024	Whole Municipal Area: All	**10.19%**	**45%**	45%	45%	N/A	N/A	N/A	45%	20.75%	B	**45%**	**20.75%**	B

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL12	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 [(Total outstanding service debtors/ revenue received for services) x 100]	Percentage Service debtors as at 30 June 2024	Whole Municipal Area: All	**13.72%**	**16%**	16%	16%	N/A	N/A	N/A	16%	12.22%	B	**16%**	**12.22%**	B
TL13	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment)/Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months it takes to cover fix operating expenditure with available cash as at 30 June 2024	Whole Municipal Area: All	**2.19**	**2**	2	2	N/A	N/A	N/A	2	2.77	B	**2**	**2.77**	B

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL14	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Achieve a payment percentage of 95% by 30 June 2024 {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100}	Percentage of payment achieved by 30 June 2024	Whole Municipal Area: All	**91.87%**	**95%**	95%	95%	N/A	N/A	N/A	95%	92.89%	O	**95%**	**92.89%**	O
Performance Comment		The Collection rate for the year to date is below target mainly due to the impact of the rising cost of living caused by the underperforming national economy. The impact of load-shedding on the economy have resulted in significantly losses, contributing to increased unemployment and decreased household income levels. A number of mitigating measures are being undertaken to take mitigate this reality and to improve the collection rate															
Corrective Action		Various credit control actions are being strengthened, including the collection of arrear debts through prepaid meters by recovering up to 50% of electricity sales to settle outstanding account debt. The municipality is finalising the co-sourcing of the credit control function to complement the existing staff and improve overall effectiveness of credit control and debt collection actions. Smart water meters are being installed to improve the efficiency water meter readings and detect water leakages, this will reduce the number of queries relating to estimates and prevent debt from escalating due to water leakages															
TL20	To explore and implement measures to preserve resources and ensure sustainable development	Limit water network losses to less than 24% measured annually (limit unaccounted for water to less than 24% by 30 June 2024 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100}	Percentage of water losses at 30 June 2024	Whole Municipal Area: All	**27.22%**	**20%**	<24%	<24%	N/A	N/A	N/A	<24%	20.78%	B	**<24%**	**20.78%**	B

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL21	To provide world class water services in George to promote development and fulfil basic needs	Achieve 95% water quality compliance as per SANS 241:2015 by 30 June 2024	Percentage of water quality compliance achieved as measured against the SANS 241:2015 by 30 June 2024	Whole Municipal Area: All	**97.42%**	**95%**	95%	95%	N/A	N/A	N/A	95%	99.02%	G2	**95%**	**99.02%**	G2
TL22	To implement an Integrated Public Transport Network that will serve the communities of George	Spend 95% of the approved capital budget on the rehabilitation and upgrade of streets and storm water by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of streets and storm water by 30 June 2024	Whole Municipal Area: All	**31.77%**	**95%**	95%	95%	10%	23%	90.17%	95%	26.62%	R	**95%**	**26.62%**	R
Performance Comment	Target not met due to the R505m received from the Department of Transport in March 2024. Unrealistic expectation to have the entire amount spent within 4 months. National Treasury has allocated substantial additional grant funding to George Municipality over the past two financial years. In the 2022/23-year, George Municipality received R431.6 million in March 2023, which was quite late in the fiscal year to utilize these funds by 30 June 2023. As a result, the original capital expenditure budget was augmented from R548.6 million to R893.3 million for the 2023 financial year due to this extra funding. The R431.6 million received in March 2023 comprised: Public Transport Network Grant (PTNG) of R45.69 million, Regional Bulk Infrastructure Grant (RBIG) of R134.2 million, Municipal Disaster Recovery Grant (MDRG) of R237.5 million, and Emergency Municipal Loadshedding Relief Grant of R14.2 million. The RBIG allocation followed a request to National Treasury for a R134.2 million modification to annual cashflows over three years for BFI projects. This adjustment did not affect the overall RBIG grant total. However, as no response was received from National Treasury, the Civil Engineering Services (CES) directorate had to decelerate some project aspects in 2022 to remain within the available funding. The R134.2 million for adjusted cashflows was gazetted and transferred in March 2023, necessitating an Adjustment Budget process to incorporate it into the capital budget, enabling acceleration of the affected BFI projects. The MDRG relates to the significant storm damage experienced by George on 21 November and 6 December 2021. Covering 34 different projects, the grant application took considerable time to finalise before the National Disaster Management Centre transferred the funds to the municipality on 31 March 2023. Following an April 2023 Adjustment Budget, CES proceeded with consultant appointments concluded in May 2023. It was impractical to complete these 34 projects by 30 June 2023. Unspent 2022/23 funds were rolled over to the 2023/24 financial year; however, lengthy statutory approvals delayed certain projects, affecting their completion by 30 June 2024. The included project programs, linked to the disaster grant application and Business Plan approved by the National Disaster Management Committee, extended implementation timelines to 2025/26. Despite CES's efforts to expedite all projects, the anticipated full completion is now projected for 30 June 2025. Similarly, the Electrotechnical Services Directorate faced challenges meeting expenditure targets for their MDRG portion, leading to project completions scheduled for 2024/25. These difficulties including obtaining necessary approvals were frequently communicated to NDMC and discussed in various meetings with NT, COGTA, DEADP, DWS, SALGA, etc. The funds for PTNG and Loadshedding Relief Grants were fully expended within the 2023/24 fiscal year. Of the additional R134.2 million RBIG funding, R19.2 million was utilised, while R115 million was added to the 2023/24 expenditures for the BFI projects. Of the R237.5 million MDRG, R229 million was rolled over for use in the 2023/24 and subsequent financial years after extensive motivation to National Treasury. In the 2023/24-year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received. The R439 million allocated in March 2024 was for the																

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		Public Transport Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget and 48.98% of the adjusted capital expenditure budget had been spent. Notably, CES achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources															
Corrective Action		The actual expenditure against the original approved budget would have reflected as 200.89%. The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL23	To implement an Integrated Public Transport Network that will serve the communities of George	Spend 95% of the approved capital budget on the rehabilitation and upgrade of the public transport infrastructure by 30 June 2024{(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of the public transport infrastructure by 30 June 2024	Whole Municipal Area: All	**62.34%**	**95%**	95%	95%	9%	33%	100%	95%	87.56%	O	**95%**	**87.56%**	O
Performance Comment		Target not met due to an additional R505 million Rand received from the Department of Transport very late in the financial year at March 2024. National Treasury has allocated substantial additional grant funding to George Municipality over the past two financial years. In the 2022/23-year, George Municipality received R431.6 million in March 2023, which was quite late in the fiscal year to utilize these funds by 30 June 2023. As a result, the original capital expenditure budget was augmented from R548.6 million to R893.3 million for the 2023 financial year due to this extra funding. The R431.6 million received in March 2023 comprised: Public Transport Network Grant (PTNG) of R45.69 million, Regional Bulk Infrastructure Grant (RBIG) of R134.2 million, Municipal Disaster Recovery Grant (MDRG) of R237.5 million, and Emergency Municipal Loadshedding Relief Grant of R14.2 million. The RBIG allocation followed a request to National Treasury for a R134.2 million modification to annual cashflows over three years for BFI projects. This adjustment did not affect the overall RBIG grant total. However, as no response was received from National Treasury, the Civil Engineering Services (CES) directorate had to decelerate some project aspects in 2022 to remain within the available funding. The R134.2 million for adjusted cashflows was gazetted and transferred in March 2023, necessitating an Adjustment Budget process to incorporate it into the capital budget, enabling acceleration of the affected BFI projects. The MDRG relates to the significant storm damage experienced by George on 21 November and 6 December 2021. Covering 34 different projects, the grant application took considerable time to finalise before the National Disaster Management Centre transferred the funds to the municipality on 31 March 2023. Following an April 2023 Adjustment Budget, CES proceeded with consultant appointments concluded in May 2023. It was impractical to complete these 34 projects by 30 June 2023. Unspent 2022/23 funds were rolled over to the 2023/24 financial year; however, lengthy statutory approvals delayed certain projects, affecting their completion by 30 June 2024. The included project programs, linked to the disaster grant application and Business Plan approved by the National Disaster Management Committee, extended implementation timelines to 2025/26. Despite CES's efforts to expedite all projects, the anticipated full completion is now projected for 30 June 2025. Similarly, the Electrotechnical Services Directorate faced challenges meeting expenditure targets for their MDRG portion, leading to project completions scheduled for 2024/25. These difficulties including obtaining necessary approvals "were frequently communicated to NDMC and discussed in various meetings with NT, COGTA, DEADP, DWS, SALGA, etc. The funds for PTNG and Loadshedding Relief Grants were fully expended within the 2023/24 fiscal year. Of the additional R134.2 million RBIG funding, R19.2 million was utilised, while R115 million was added to the 2023/24 expenditures for the BFI projects. Of the R237.5 million MDRG, R229 million was rolled over for use in the 2023/24 and subsequent financial years after extensive motivation to National Treasury. In the 2023/24-year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received. The R439 million allocated in March 2024 was for the Public Transport															

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget and 48.98% of the adjusted capital expenditure budget had been spent. Notably, CES achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources.															
Corrective Action		The actual expenditure against the original approved budget would have reflected as 1112.19%. (Amount of R66 847 288,89 was spent) The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL24	To provide world class water services in George to promote development and fulfil basic needs	Spend 95% of the approved capital budget on the rehabilitation and upgrade of Water - Networks by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of Water - Networks by 30 June 2024	Whole Municipal Area: All	**73.32%**	**95%**	95%	95%	13%	45%	65.36%	95%	91.41%	O	**95%**	**91.41%**	O
Performance Comment		Target not met and due to significant rainfall in April that subsequently caused construction delays. Termination of the contract for the industrial pipeline impacted directly on expenditure on this project.															
Corrective Action		Construction rain delays were on multi-year projects which has an impact on the program. These projects conclude in the 2024/25 financial year. CES in the process of appointing a second Contractor for the completion of the industrial pipeline. The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year. The actual expenditure against the original approved budget would have reflected as 107.3%.															
TL25	To provide world class water services in George to promote development and fulfil basic needs	Spend 95% of the approved capital budget on the rehabilitation and upgrade of Water-Purification by 30 June 2024 {(Actual expenditure divided by the total	Percentage of the approved capital budget spent on the rehabilitation and upgrade of Water-Purification by 30 June 2024	Whole Municipal Area: All	**62.07%**	**95%**	95%	95%	11%	32%	64.51%	95%	76.73%	O	**95%**	**76.73%**	O

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		approved budget less savings) x 100}															
Performance Comment		Target just not met, due to legislative and other delays. Legal Services introduced new requirements for the vetting of contract documentation that required adaptation by the legal service provider, and numerous iterations to resolve on a final procedure and documentation list. Issuing of tree permits by the DFFE has been an ongoing challenge with the DFFE not adhering to their approval timelines. This had a significant impact on the Eden Sewer P/S upgrade with the Contractor incurring standing time. Delays in Environmental approval and the issue of a Water Use Licences delayed construction implementation. The Dir: CES has been through 6 recruitment processes for the appointment of an additional Project Manager for the BFI/RBIG projects. The management of consultants and projects for these large and complex projects is a significant challenge, and with the general poor performance of consultants this has also had an impact on ensuring that internal processes can be executed within the condensed timeframe that the BFI grant expenditure timeframe allows. Spend R298M, original budget was R326M. This amount is more than any other department in George Municipality/ The CES total expenditure in 2021/22 was R368M BFI Achieved 94% expenditure - which is excellent.																
Corrective Action		The actual expenditure against the original approved budget would have reflected as 97,44%. The KPI will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL26	To provide and maintain safe and sustainable sanitation management and infrastructure	Spend 95% of the approved capital budget on the rehabilitation and upgrade of the Sewerage Networks by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of the Sewerage Networks by 30 June 2024	Whole Municipal Area: All	**76.92%**	**95%**	95%	95%	2%	15%	31.41%	95%	62.63%	R	**95%**	**62.63%**	R
Performance Comment		Target not met due to the following reasons: Position has been vacant for 4 months; Issuing of tree permits delaying process; Delayed in Environmental and Water Use License Approvals; Poor performance of consultants and Approval of contractual documents by legal delayed.															
Corrective Action		The reasons of delays are due to legislation, these external uncontrollable factors. The actual expenditure against the original approved budget would have reflected as 70,61%. The KPI will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL27	To provide and maintain safe and sustainable sanitation management and infrastructure	Spend 95% of the approved capital budget on the rehabilitation and upgrade of the Sewerage Treatment Works by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of the Sewerage Treatment Works by 30 June 2024	Whole Municipal Area: All	**70.86%**	**95%**	95%	95%	19%	41%	86.11%	95%	73.43%	O	**95%**	**73.43%**	O
Performance Comment		Target not met due to environmental, and water use license approval requirements and delays. These are legislative requirements beyond the control of CES.															
Corrective Action		The actual expenditure against the original approved budget is 132.70%. The KPI will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL28	To explore and implement measures to preserve resources and ensure sustainable development	Limit the electricity losses to less than 10% annually (Limit unaccounted for electricity to less than 10% as at 30 June 2024{(Number of units purchased - Number of units Sold (incl. free basic electricity) / Number of units purchased) X100})	Percentage of electricity losses as at 30 June 2024	Whole Municipal Area: All	**8.52%**	<10%	<10%	<10%	8.35%	9.25%	9.68%	<10%	8.60%	B	**<10%**	**8.60%**	B

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL29	To provide sufficient electricity for basic needs	Submit Phase 2 of the MV Master Plan and submit to Council by 30 June 2024	Number of Phase 2 MV master plans submitted by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	N/A	1	0	R	**1**	**0**	R
Performance Comment		The department has encountered capacity and human resource constraints. In the initial submission of the masterplan, the scope was established for George in particular. However, the project had to be phased in two sections due to resource constraints and the complexity of the details. The first phase has been finalised, and the second phase will be implemented in the upcoming fiscal year.															
Corrective Action		An amended MV master Plan is in progress and to be finalised in the new financial year.															
TL30	To ensure infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Spend 95% of the electricity capital budget by 30 June 2024 {(Actual capital expenditure divided by the total approved capital budget less savings) x100}	Percentage of the electricity capital budget spent by 30 June 2024	Whole Municipal Area: All 7%	**91.77%**	**95%**	95%	95%	5%	10.82%	34.32%	95%	88.87%	0	**95%**	**88.87%**	0
Performance Comment		There were project delays due to external legislative processes such as Health & Safety and Environmental processes that are outside the control of the Municipality. The department also has key positions vacant within the Directorate that contributed to create a challenge for the directorate to reach 95% actual expenditure															
Corrective Action		The frequency of follow ups with external governmental agencies and delays will be escalated to political leadership for assistance where needed.															

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B. Participative Partnerships

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/24		
					Target	Actual			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL32	To increase different partnerships with different stakeholders to strengthen the public private partnerships in George	Develop a Sports Masterplan and submit to Council by 31 March 2024	Number of Sports Masterplans submitted to Council by 31 March 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G
TL33	To increase different partnerships with different stakeholders to strengthen the public private partnerships in George	Develop a Pauper Burial Policy Masterplan by 31 March 2024	Number of Pauper Burial Policies submitted by 31 March 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G
TL34	To increase different partnerships with different stakeholders to strengthen the public private partnerships in George	Submit a Cemetery Masterplan to Council by 31 March 2024	Number of Cemetery Masterplans submitted to Council by 31 March 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G
TL39	To undertake strategic planning in order to address service delivery challenges in a coordinated manner	Submit the revised MSDF to Council by 31 May 2024	Number of revised MSDF to Council by 31 May 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G

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B. Good Governance and Human Capital

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/24		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL2	To evaluate the effectiveness of risk management, control and governance processes and develop actions to address key risks identified	Review the 3-year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 June 2024	Number of RBAP (Risk Based Audit Plan) reviewed and submitted to Audit Committee by 30 June 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G
TL16	To manage the municipal finances according to the Municipal Finance Management Act in an effective and efficient manner	Spend 95% RBIG funding allocated to George Municipality for BFI Projectsline with the conditions set out in the DoRA and the tranche schedule submitted to DWS	The percentage expenditure achieved in terms of the RBIG funding allocated to George Municipality for BFI Projects, in line with the conditions set out in the DoRA and the tranche schedule submitted to DWS	Whole Municipal Area: All	**New KPI**	**New KPI**	95%	95%	11.30%	34.86%	58%	95%	69.27%	R	**95%**	**69.27%**	R
Performance Comment	Target just not met, due to legislative and other delays. Legal Services introduced new requirements for the vetting of contract documentation that required adaptation by the legal service provider, and numerous iterations to resolve on a final procedure and documentation list. Issuing of tree permits by the DFFE has been an ongoing challenge with the DFFE not adhering to their approval timelines. This had a significant impact on the Eden Sewer P/S upgrade with the Contractor incurring standing time. Delays in Environmental approval and the issue of a Water Use Licenses delayed construction implementation. The Dir: CES has been through 6 recruitment processes for the appointment of an additional Project Manager for the BFI/RBIG projects. The management of consultants and projects for these large and complex projects is a significant challenge, and with the general poor performance of consultants this has also had an impact on ensuring that internal processes can be executed within the condensed timeframe that the BFI grant expenditure timeframe allows. Spend R298M, original budget was R326M. This amount is more than any other department in George Municipality/ The CES total expenditure in 2021/22 was R368M BFI Achieved 94% expenditure - which is excellent.																
Corrective Action	An SOP was created with a workflow and tracker system for the approval of legal documents. This has positively impacted on the process and significantly reduced the initial delays experienced. The Directorate meets regularly with DEADP to monitor approvals and resolve all matters that may impact on the delay in issuing of Environmental Approvals. The late issue of Tree Permits by the DFFE was escalated to the provincial Minister of Environmental Affairs and during a meeting with various sector departments that was chaired by the COGTA (this meeting was a MDRG, however the DFFE delays impacts on all capital projects) Bi-weekly meetings are held with problematic consultants' management to monitor performance. Monthly Performance Evaluations are also shared with consultants where necessary to alert harm to poor reports.																

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/24		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		Actual expenditure 93.81% on original budget. The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL18	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	The percentage of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the Municipality's approved employment equity plan by 30 June 2024	The percentage of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the Municipality's approved employment equity plan by 30 June 2024	70 Whole Municipal Area: All %	**85%**	**70%**	2	70%	N/A	N/A	N/A	70%	75%	G 2	**70%**	**75%**	G 2
TL19	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	Spend 95% of operational budget on training by 30 June 2024 {(Actual total training expenditure divided by total operational budget) x100}	Percentage of the Municipality's approved workplace skills budget actually spent on implementing its Workplace Skills Plan by 30 June 2024	Whole Municipal Area: All	**0.24%**	**0.15%**	98%	95%	N/A	N/A	N/A	95%	87.36%	0	**95%**	**87.36%**	0
Performance Comment		Target not achieved due to amendments that needed to be made to the training budget during the mid-year adjustment budget process to accommodate delays experienced in the supply chain management process when the tender for training service providers was done. Challenges were resolved but delayed the actual expenditure.															
Corrective Action		Training expenditure for the 2024/25 financial year will be expedited to ensure the full budget is utilised, now that the tender is awarded.															
TL37	To undertake strategic planning in order to address service delivery challenges in a coordinated manner	Submit the Draft IDP to Council by 31 March 2024	Number of Draft IDPs submitted to Council by 31 March 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G

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Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/24		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL38	To undertake strategic planning in order to address service delivery challenges in a coordinated manner	Submit the Final Annual Report and Oversight Report to Council by 31 March 2024	Number of Final Annual Report and Oversight Report submitted to Council by 31 March 2024	Whole Municipal Area: All	1	1	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G

3.7 Service Provider Performance

George Municipality evaluates all service providers who are contracted to supply goods and services or services. Formal scoring and reporting are required for all tenders and quotations above R30,000.

Section 121(3)(b) requires that performance reporting forms part of the Annual Report.

Supplier Performance Evaluation forms have been designed to report on supplier performance. These forms are created and distributed for each new contract activated by the Municipality. From these forms the supplier performance is scored, documented and reported on. In cases of poor performance, intervention takes place in the form of Supplier Performance Review Notices. Remedial measures and targets are requested from poor performing suppliers / contractors and in collaboration with the Legal Department the way forward is decided on based on the response and subsequent performance received.

All Directors receive a monthly summary of contracts under their control, and it is part of their KPI performance measures to ensure evaluations are done monthly. This strives to address the requirement of Section 116(2)(b): "monitor on a monthly basis the performance of the contractor under the contract or agreement."

Please see below summarised extract from these consolidated reports for the period ending 30 June 2024.

Table 104: Service Provider Performance Per Directorate

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
DIRECTORATE: MUNICIPAL MANAGER				
MM012/2020	Appointment of service provider for the renewal of various (software licences) for a period of three (3) years from date of appointment	First Technology Western Cape (Pty) Ltd	3 Years	Happy with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
MM011/2020	Invitation to practising attorneys in the George Municipal Area to register on the Municipal Panel of Attorneys	Van Rooyen Inc	3 Years	Some concerns with transfers (Van Rooyen). Terminated one
MM016/2020	Appointment of Biometrics Network Service Provider for all municipal sites for the period of three (3) years	VILCONSEC (Pty) Ltd	3 Years	Satisfied with supplier
MM007/2021	Appointment of a Service Provider for Media Monitoring Services for George Municipality, as and when required over a three (3) year period	Newsclip Media Monitoring	3 Years	Happy with supplier
MM013/2021	Geographic Information System Software Licencing for period of three (3) years, from date of appointment	ESRI South Africa (Pty) Ltd	3 Years	Happy with supplier
MM021/2021	Provision of a co-sourced internal audit service for a period of three (3) years	Moore Consulting Southern Cape (Pty) Ltd	3 Years	Exceptional performance
MM003/2022	Quotation for appointment of a Service Provider for the Annual Anti-Virus Licence Renewal, for a period of one (1) year	Datategra (Pty) Ltd	1 Year	Once-off purchase of licence which is valid for 1 year. No issues
MM013/2022	Appointment of a service provider to script,film,edit and produce of 10-minute marketing video.	Garden Route Media	Once-off	Happy with supplier
MM016/2022	Printing and distribution of External Newspaper for period of one (1) year - Two Editions	DCU Holdings (Pty) Ltd	1 Year	Happy with supplier
MM007/2022	Revision of municipal by-laws	Stadler & Swart Inc	Once-off	Happy with supplier
DIRECTORATE: HUMAN SETTLEMENTS, PLANNING AND DEVELOPMENT AND PROPERTY MANAGEMENT				
DPD025a/2020	Appointment of a Service Provider for Graphic Design services (as and when required) from 01 August 2021 until 31 July 2024	INXCO t/a SND Productions	3 Years	Happy with supplier
DPD025b/2020	Appointment of a Service Provider for Graphic Design services as and when required until 31 July 2025	Blitsdruk	2 Years	Some issues experienced but completed
DPD041/2020	Appointment of Social Media Agency to manage Tourism Department's Social Media Pages from 1 August 2021 until 31 July 2024	CINNABAR GRAPHIC DESIGN CC	3 Years	Project Completed - satisfied
DPD048/2021	Appointment of Service Provider for the Procurement of Automated Performance Management System for a period of three (3) years from date of appointment	Ignite Advisory Services (Pty) Ltd	3 Years	Happy with the supplier.

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
DPD073a/2021	Appointment of a Contractor for Renovations of the Old Town House Restaurant in to Office spaces. Contract 1: Office Renovations	ICE Gee Projects	Once-off	Happy with the Supplier
DPD073b/2021	Appointment of a Contractor for Renovations of the Old Town House Restaurant in to Office spaces. Contract 2: Installation of computer network, switches & aircon	Midron Construction cc	Once-off	Project completed, All Photographs framed and installed.
DPD022/2022	Supply of a Software-As-A-Service (SAAS) License for Zoho One or Similar to the George Municipality, as per quotation specifications.	Tektra (Pty) Ltd	Once-off	Satisfied to date
DPD021/2022	Appointment of a service provider for the social media influencer campaign, promoting tourism in George Municipality	Bearfish (Pty) Ltd	Once-off	Happy with Supplier
DPD033/2022	Appointment of a Service Provider to Prepare an Investment Plan, Area Management Strategy, Site Development Plan and Land-Use Application, with Supportive Studies for the Thembalethu Node 1 Precinct to Support the neighbourhood development programme in George Municipality	Cadre Connect (Pty) Ltd	Once-off	Happy with Supplier
DPD056/2022	Quotations for supply and delivery of branded flag banners, gazebos and umbrellas for Tourism Section	FTA Enterprises	Once-off	Happy with Supplier
DPD061/2022	Supply and delivery of electronic tablets	CHM Vuwani Computer Solutions (Pty) Ltd	Once-off	Happy with supplier
DPD063/2022	Design, print and application of bespoke, fabric backed wallpaper at George Municipality Main Building	Digifusion Signs (Pty) Ltd	Once-off	Some issues experienced but completed
DPD058/2022	Appointment of Service Provider for the supply of goods, services and licences to the Tourism Section for a period of (3) three years from date of appointment	CINNABAR Graphic Design CC	3 Years	Project Completed - satisfied
DPD072/2022q	Quotation for the profesional high quality framing of photographs at the George Municipality, Main Building	George Picture Framers	Once-off	Happy with the supplier.
DPD060/2022	Appointment of a Service provider to provide a cathsetta accredited NQF level 2- Nature site guide training course, to the tourism section of the George Municipality, as per Forma quotation specifications.	Josmap Training Institute	Once-off	Happy with the Supplier
DPD065/2022	Appointment of a service provider to prepare a Heritage strategy 1 for the George Municipality.	Vision Plan cc T/A NM & Associates planners and designers	Once-off	Project completed, All Photographs framed and installed.

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
DPD064/2022	Appointment of a mentor for Interns in the IDSG Program for a Period of Three(3) years.	PERCEPTION Planning and Development CC	3 Years	Satisfied to date
DPD027/2023q	Appointment of a Service Provider for the Proof reading, Editing, Designing, Layout, Printing and Binding Of George Municipality's Annual Report 2021/2022 Financial year.	Cinnabar Graphic Design Cc	Once-off	Happy with Supplier
HS002/2021	Servicing and Maintenance of Elevators in the Main Building for a period of one (1) year from date of appointment	Skye Elevators	1 Year	Exceptional performance.
HS009/2021	Supply and Dellivery of Building Material for Emergencies (Fire and Flood) for a period of one (1) year	Hayward Building Supplies t/a Build It	1 Year	Happy with supplier
HS006a/2020	Emerging plumbing work at Municipal buildings, facilities, indigent households and informal areas	SS Jones t/a AJ Enterprises	3 Years	No issues with suppliers
HS001/2021	Appointment of a Contractor for the Building of Toilets to the existing property on various erven within the George Municipal Area	HA Strydom Consulting (Pty) Ltd	Once-off	Requested extention of time. Request not approved (being investigated)
HS011/2020	Appointment of a service provider for the Development of a Human Settlements Plan	Zutari (Pty) Ltd	Once-off	Happy with supplier
HS010a/2021	Upgrade Davidson Court Units - Option 1 (Double Bedroom Units)	Ngomso Lwethu (Pty) Ltd	Once-off	Terminated
HS010b/2021	Upgrade Davidson Court Units - Option 2 (Single Bedroom Units)	Together as Women Services (Pty) Ltd	Once-off	Terminated
HS015/2021	Hiring and Maintenance / Servicing of Chemical Toilets in the George Municipal Area (informal) for a period of one (1) year from date of appointment	Moreki Distributors cc	1 year	Happy with supplier
HS003/2022	Tender for improved Access, Retainer Walls and Channel to Re-Route Run off	Matamela Enterprise	Once-off	Happy with the Supplier
HS002/2022	Demolition and Rebuilding of 6 houses in various areas	Malib Projects	Once-off	Terminated
HS005/2022	Supply and delivery of building material for flood and fire emergencies for a period of three (3) years	Hayward Building Supplies t/a Build It	3 years	Happy with the Supplier

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
HS011a/2021	Implementation of a pilot project for the design, supply and installation of alternative on-site technology to replace chemical toilets at informal settlements for a period of three (3) years	Buffalo Tanks (Pty) Ltd	3 years	Aproval letter received for health & safety file - awaiting construction program
HS011b/2021	Implementation of a pilot project for the design, supply and installation of alternative on-site technology to replace chemical toilets at informal settlements for a period of three (3) years	Enviromould (Pty) Ltd	3 years	Aproval letter received for health & safety file - awaiting construction progress
HS011c/2021	Implementation of a pilot project for the design, supply and installation of alternative on-site technology to replace chemical toilets at informal settlements for a period of three (3) years	Racing Heart Group (Pty) Ltd	3 years	Awaiting Health&safety File
HS009/2022	Upgrading of Davidson court units in Davidson Road, George	Agate & Beryl (Pty) Ltd t/a Rock Solutions	Once-off	Happy with the Supplier
HS006/2022	Renovation at Housing Offices next to the Clinic	Bhing & Khaka Projects (Pty) Ltd	Once-off	Happy with With Supplier
HS007/2022	Renovation of Timber window frames and replace with new Aluminium window frames - Housing Offices	Elihlumayo Projects (Pty) Ltd	Once-off	Happy With Supplier
HS012/2022	Construction Of retaining Walls and walk aways	Silver solutions 3108cc	1 year	Contractor is Appointed. Awaiting Approval Of the H&S File.
HS010/2022	Hiring, Maintanance and servicing of chemical toilets for a period of three(3) years from date of Appointment	Bidvest Services (Pty)Ltd	3 Years	Happy with the Supplier
HS011/2022	Supply, Delivery and Connect Precast structures in Croton valley informal settlement	J Dubayo (Pty)Ltd	Once-off	Completed
HS003/2023	Supply, Delivery and Connect Precast structures in Touwsranten,Begonia Street informal settlement	2 Brothers Enterprise	Once-off	Contractor is Appointed. Awaiting Approval Of the H&S File.
DIRECTORATE: FINANCIAL SERVICES				
FIN038/2018	Tender to Supply and Deliver Printers for the period of three (3) years	Konica Minolta South Africa, a division of Bidvest Office (Pty) Ltd (won dispute)	3 Years	Happy with supplier

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
FIN010/2016	Appointment of a service provider for the compilation and maintenance of the General Valuation roll and supplementary valuation/rolls until 30 June 2022.	CDV Property Valuers (Pty) Ltd	5 Years	Happy with supplier
FIN018/2019	Short Term Insurance Cover for the period of three (3) years	Silver Lake Trading 305 (Pty) Ltd t/a Opulentia Financial Services - Option 2	3 Years	Satisfied with supplier
FIN013/2019	Reading of water and electricity meters	Electro-Cuts	3 Years	Services are not satisfactory and based on the signed SLA - penalties imposed
FIN014/2019	Banking Services for the period of five (5) years, from date of appointment	Firstrand Bank Limited	5 Years	Good Support received from the Supplier
FIN015/2020	Store Stock Tender for the period of three (3) years, from date of appointment	Various	3 Years	Some smaller issues with certain suppliers (price increases)
FIN005/2021	Hiring of Chemical Toilets from 01 July 2021 until 30 June 2024	Moreki Distributors CC	3 Years	Satisfied with supplier
FIN007/2021	Supply and Delivery of Covid-19 Related PPE (If and when required) from 01 July 2021 until 30 June 2024	Medikem (Pty) Ltd	3 Years	Satisfied with supplier
FIN007/2021	Supply and Delivery of Covid-19 Related PPE (If and when required) from 01 July 2021 until 30 June 2024	05Nathi (Pty) Ltd (Halted in Feb/22)	3 Years	Price increase request was not granted
FIN006a/2021	Hiring of Storage and Office Containers from 01 July 2021 until 30 June 2024 (Storage Containers)	Ibhokisi Containers (Pty) Ltd	3 Years	No complaints received so far regarding the performance of service provider.
FIN006b/2021	Hiring of Storage and Office Containers from 01 July 2021 until 30 June 2024 (Office Containers)	Kazin Trading 5 (Pty) Ltd	3 Years	No complaints received so far regarding the performance of service provider.
FIN008/2021	Tender for Litigation Services for the period of three (3) years	Nico Smit Incorporated	3 Years	Satisfied with supplier
FIN016/2021	Valuers for compilation and maintenace of general valuation roll and supplementary valuation rolls as well as the other valuation related services	DDP Valuers	5 Years	Satisfied with supplier

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
FIN024/2021	Appointment of a Service Provider for the Transportation of Cash for a Period of Three (3) Years from date of appointment.	Fidelity Cash Solutions (Pty) Ltd	3 Years	Satisfied with supplier
FIN025/2021	Appointment of a Service Provider for the Printing of the Municipal Accounts, Newsletters and the distribution thereof, for a period of three (3) years	CAB Holdings (Pty) Ltd	3 Years	Satisfied with supplier
FIN023/2021	Appointment of a Service Provider to Manage Third Party Payments for George Municipality, for a Period of Three (3) Years from date of appointment.	Cigicell (Pty) Ltd	3 Years	Online issues were resolved
FIN005/2022	Appointment of a Service Provider for the Provision of Accounting Services for the period of three (3) years	Tsholo Consortium	3 Years	Satisfied with supplier
FIN003/2022	Appointment of a Service Provider for Electronic Search and information verification for a period of three (3) years	Searchworks 360 (Pty) Ltd	3 Years	Some Issues Experienced - in process of addressing
MM012/2022	Purchase of Office Containers for a period of (1) year	Kazin Trading 5 (Pty) Ltd	1 Year	Happy with supplier
FIN019/2022	Manufacturing, Supply and Installation of a New Galvanised Steel Double Gate with Motors, at the Entrance of the George Municipality Stores in Mitchell Street, George	Zmani (Pty) Ltd	Once-off	Some timeframe issues experienced but resolved
MM005/2022	Tender to Supply and Deliver Printers for the period of three (3) years	Konica Minolta South Africa, a division of Bidvest Office (Pty) Ltd (won dispute)	3 Years	happy with the supplier
FIN009a/2022	Tender for a panel of service providers for Catering Services for the period ending 30 June 2024, as and when required	Creamillion General Trading (Pty) Ltd	2 Years	User departmenr radomly complains about the menu and sometimes unrealistic request from user departments. No major issues thus far
FIN011b/2022	Appointment of a Panel of Service Providers for the Provision Travel Management Services, from date of appointment until 30 June 2024, as and when required	Tunimart (Pty) Ltd	2 Years	At first the Service provider used incorrect rates to bill the municipality. Communication issues experienced and intervention notice issued

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
FIN014/2022	Tender for the appointment of a service provider for the renewal and management of darktrace for the perid of three (3) years.	First Technology Western Cape (Pty) Ltd	3 Years	Satisfied with supplier
FIN022/2022	Appointment of a service provider for the installation of an alarm system and monthly monitoring & armed response at the George Municipality stores, Mitchel Street for a period of Three(3) years from Date of Appointment	SS Solution (Prty)Ltd t/a Seal Security	3 Years	happy with the supplier
FIN016/2022	Appointment of a service provider for the Management of a Digital Citizen engagement Platform for a period of three(3) years	Acumen Software (Pty)Ltd	3 Years	Satisfied with Supplier
FIN021/2022	Appointment of a Service Provider for the Provision of Information & Communication Technology (ICT) Management Services for a period of three (3) years	Tipp Focus Holdings (Pty) Ltd	3 Years	Roll-out issues experienced
DIRECTORATE: CORPORATE SERVICES				
BA026/2022	Service provider for the recruitment and selection process of the Director: Civil Engineering Services	Roy Steele & Associates CC	Once-off	Completed. Happy With the supplier.
BA032/2022	Appointment of a Service Provider for the Training of Compliance to Regulation 21 Legislation Testing as Stipulated under Firearms and Ammunition Act 60/2000 Sub Section 21 (Vii)(S)(Ix)	Jabulani Security (Pty) Ltd	1 Year	Happy with the Supplier
BA031/2022	Supply, Delivery, Repair and Installation of Airconditioning at 1st and 3rd floors of George Municipality, Main Building	The Cooling Company	Once-off	Exceptional Perfomance
BA054/2022	Service provider for the recruitment and selection process of the Director: Corporate Services	Roy Steele & Associates CC	Once-off	Happy with Supplier
BA038/2022	Appointment of a Service Provider for a Short Learning Program: Select and coach first line managers (Coaching and Mentoring) based on unit standard ID 252035	Fachs Business Consulting and Training	1 Year	Happy with Supplier
BA039/2022	Appointment of a Service Provider for a Short Learning Program: Plan and Prepare for an Effective Presentation based on unit standard ID 242842	Training B2B CC	1 Year	Happy with Supplier
BA034/2022	Appointment of a Service Provider for the Servicing and Maintenance of Elevators in the George Municipality's Main Building for a Period of One (1) Year	Skye Elevators (Pty) Ltd	1 Year	Exceptional Perfomance

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA051/2022	Supply and installation of burglar proofing at Masizakhe Creche	Midron Construction	Once-off	completed
BA067/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Program: Demonstrate an understanding of the role and functions of peace officer and Demonstrate an understanding of legisslative framework Based on Unit Standard 377224 and 256516	Lesedi Guarding and Training	1 Year	Happy with the Supplier
BA025a/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 1: Sanitary Utensils)	Cristal a division of Freedom Group (Pty) Ltd	3 Years	Exceptional Performance
BA025b/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 2: Pest Control)	Bidvest Services (Pty) Ltd T/A Bidvest Steiner	3 Years	Exceptional Performance
BA073/2022	Regulatory Training Program(Compliance)	Training B2B cc	1 Year	Happy with the Supplier
BA072/2022	Training: Trauma counseling and related	Training B2B cc	1 Year	Happy with the Supplier
BA070/2022	Appointment of a Suitably Accredited Service Provider for the Presentation of a Skills Programme: Operate Chainsaw based on unit standards 264195,117062 and 117058: Operate chainsaw, for a period of one year from date of appointment	Ezolimo Training & Supply (Pty) Ltd	1 Year	Happy with the Supplier
BA068/2022	Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Program: Clean and maintain area of responsibility Based on Unit Standard 113818	Eben-Tec	1 Year	Happy with the Supplier
BA024a/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Dr JR Beneke	3 Year	Happy with the Supplier
BA024b/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Healing River Ministry Academy (pty) Ltd	3 Year	Happy with the Supplier
BA024c/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Health first 4 you (Pty) Ltd	3 Year	Happy with the Supplier

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA024d/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Jacylynton (Pty)Ltd	3 Year	Happy with the Supplier
BA024e/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Rochelle Jacobs	3 Year	Happy with the Supplier
BA024f/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Praus Authentic Energy (Pty) Ltd	3 Year	Happy with the Supplier
BA024g/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Charles Persence	3 Year	Happy with the Supplier
BA024h/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	Cumax 146 Cc t/a MA and Associates	3 Year	Happy with the Supplier
BA061/2022q	Appointment of a Suitably Accredited service provider for the presentation of a short learning program: Provide Primary emergency care/ first aid based on unit standard 254220, for a period of one year from date of appointment.	Falcon Safety Academy (Pty) Ltd	1 Year	Happy with the Supplier
BA060/2022q	Appointment of a Suitably Accrdited service provider for the presentation of safety and envrionmental representative training based on unit standard 259622, for a period of one year from date of appointment.	Omni Exactus (Pty) Ltd	1 Year	Happy with the Supplier
BA071/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a skills Program: Operate a Brush cutter in commercial forestry based on unit Standards 123243,for a period of one year from date of appointment	Ezolimo Training & Supply (Pty) Ltd	1 Year	Happy with the supplier
BA030/2022	Refurbishment of wooden floor and other related work at the side-hall, George civic centre, as per tender specifications	Osmond Projects (Pty) Ltd	1 Year	Happy with the Supplier
BA049/2022	Appointment of a Contractor for the Supply,Delivery and Installation of a Modular Library at Touwsranten Library.	ICE GEE PROJECTS	Once-off	Although the project was proceeding good the tenderer has not kept tpo time due dates

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
				due to his supplier issues. Interventions held
BA055/2022	Appointment of a Contractor for the Supply and Replacement of Asbestos at Masizakhe Creche (Contractor 1)	Agate And Beryl t/a Rock Solutions	Once-off	Happy to date
BA008/2023	Servicing and Maintanance of Airconditioning and related work at the George Municipality's Main Building.	Cooling Co Maintanance(ptd)Ltd	Once-off	Exceptional Perfomance
DIRECTORATE: COMMUNITY SERVICES				
COM025/2021	Execution of pauper burials for a period of one year	W & B Begrafnisdienste cc	1 Year	Good performance
COM016/2020	Collection of Recycable Waste and Garden Refuse from households and business by means of blue and green bags respectively	LGE Waste	3 Years	Serious issues experienced with the supplier. Penalties imposed
COM013/2020	Supply of Soup and Related Products	EBK Distributors (Pty) Ltd	3 Years	Happy with supplier
COM001/2021	Appointment of a service provider for the transportation of bulk waste bins from the George transfer station to Petrosa in Mossel Bay for a three (3) year period	DP Truck Hire	3 Years	Terminated
COM003/2021	Appointment of a Service Provider for the operation and maintenance of George Swimmingpool (3 years)	Metsi Chem Ikapa	3 Years	Happy with supplier
COM004a/2021	Appointment of a Service Provider for the cyclical cutting of grass at various sport facilities (3 years)	Lavalia Garden & Cleaning Services cc	3 Years	Service provider works according to specifications. Communication with Service Provider is good. No issues to report on.
COM004b/2021	Same as above	Silver Solutions 1815 cc	3 Years	Contractor works according to specification. Communication between contractor and Municipality is good.
COM004c/2021	Same as above	Volkwyn Trading	3 Years	Communication between Contract Manager and Service provider are good.

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
COM023/2021	Appointment of a service provider for the maintenance of flowerbeds and young trees in the George Area for a period of three (3) years from date of appointment	Lavalia Garden & Cleaning Services cc	3 Years	No major issues
COM030a/2021	The Maintenance of parks and open spaces with tractor and blower mower on behalf of the George Municipality for a period of three years (East)	Lavalia Garden & Cleaning Services cc	3 Years	No major issues
COM030b/2021	The Maintenance of parks and open spaces with tractor and blower mower on behalf of the George Municipality for a period of three years (West)	Silver Solutions 1815 cc	3 Years	Time frames an issue at times but mostly satisfied
COM043/2021	Appointment of a service provider to develop a cemeteries infrastructure masterplan	SMEC South Africa (Pty) Ltd	Once-off	Additional studies required: Geotechnical investigation and Environmental impact assessment
COM026a/2021	Cleaning of private plots with Bossiekkapers and weedeater as and when required, for a period of three year	LNL Group	3 Years	Good performance
COM026b/2021	Cleaning of private plots with Bossiekkapers and weedeater as and when required, for a period of three year	Magic Moppers Mowers & Maintenance Service CC	3 Years	Good performance
COM026c/2021	Cleaning of private plots with Bossiekkapers and weedeater as and when required, for a period of three year	Ilimo Services & Consulting	3 Years	Happy with supplier
COM026d/2021	Cleaning of private plots with Bossiekkapers and weedeater as and when required, for a period of three year	WESCO Vegetation Management and Service CC	3 Years	Happy with supplier
COM009/2022	Supply, Delivery, Installation and Repairs of Outdoor Exercise Equipment and Street Furniture for the period of one (1) year	D2SL Steel Products	1 Year	Happy with supplier
COM001/2022	Appointment of contractors for clearing of alien vegetation and deforestation of municipal and private properties, as and when needed, for a period of three (3) years	Mushiana Forest General	3 Years	Happy with supplier
COM012/2022	Appointment of a service provider for the execution of pauper burials for a period of one (1) year	AVBOB Funeral Service	1 Year	Happy with supplier

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
COM021/2022	For the supply, delivery and installation of poly prop skid unit with canopy and an integrated 600l tank	Ramcom Truck & Loadbodies	Once-off	delivery was made.
COM017/2022	Appointment of a Service Provider to conduct external audits at various waste disposal facilities	QPoint Group	Once-off	no issues with supplier
COM023/2022	Design, manufacturing and delivery of lifeguard tower	George Fibreglass	Once-off	concluded in December.
COM025/2022	Supply, delivery and installation of a 12m (40ft) storage container at Conville Swimmingpool	Kathaka RAW Enterprises (Pty) Ltd	Once-off	Completed Satsified with supplier
COM003/2022	Supply, Installation and Maintenance of Street Refuse Bins, for period of three (3) years, from date of appointment	Combo Signs (Pty) Ltd	3 Years	appointement done from term.SLA to be signed by all parties. Service provider comply with all conditions
COM044/2022	Supply and delivery of second hand steel containers	Hermiserve (Pty) Ltd	Once-off	official order sent to the service provider on 01 November 2022. Delivered
COM054/2022	Service and calibaration of equipment at George Municipality vehicle testing	Cinogen Trading t/a Fulcrum Technologies	1 Year	company assist as needed even telephonically
COM014/2022	Supply and Delivery of Home composter bins for three years	POSTWINK (Pty) Ltd	3 Years	happy with Supplier
COM010/2022	Provision and Transport of 30m skips form the uniondale waste transfer station	Just Breeze General Trading cc	3 Years	happy with Supplier
COM016/2022	Supply and Delivery of Bulldozer	Barlow	Once-off	order issued to supplier- ETA March 2023
COM037/2022	Supply and Delivery of 9mm Parabellum Pistols	Southern Sky Operations	Once-off	Happy with supplier
COM022a/2022	Supply, Installation, Commissioning and Maintenance of Fire-Resistant Public Address Evacuation System	Firewire System Solutions(Replaced with Com22b/2022)	1 Year	terminated.
COM022b/2022	Supply, Installation, Commissioning and Maintenance of Fire-Resistant Public Address Evacuation System	R&T Security Sysytems cc	1 Year	happy with supplier
COM020/2022	Supply and delivery of fire fighting hoses as and when required for a (3) year period	Memotek Trading cc	3 Years	Happy with supplier

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
COM024/2022	Supply and delivery of ten (10) Gutterhung electronic swimming touchpads and accessories	Swimtronics (Pty) Ltd	Once-off	Service provider requested(invoiced) 80% claiming it to be in the Contract agreement. The request was denied and reffered to SCM and the Contract Unit for further investigation/Action.
COM033/2022	Purchase and delivery of mobile toilet/trailer	African Renaissance Supplies	Once-off	exceptional performance
COM041/2022	Removal, supply, replacement and calibration of brake roller equipment at Vehicle Testing Station for a period of one (1) year	Maha South Africa (Pty) Ltd	Once-off	Happy with the supplier
COM057/2022	Manufacture, supply, deliver and installation of polypropylene canopy	Ramcom Truck & Loadbodies	Once-off	Canopy under construction
COM055/2022	Supply and delivery of software equipment for the upgrade of the existing CCTC Control Centre	Innovo Networks	Once-off	Happy with the Supplier.
COM015/2022	Appointment of consulting engineers for waste management infrastructure projects.	EAS Infrastructure Engineers	5 Years	Happy with the supplier
COM050/2022	Supply and delivery of bullet proof vest for a period of One year from date of Appointment	Ballistic Body Armour	1 Year	Happy with Supplier
COM034/2022	NRSC Testing Equipment	Truvelo Africa Electronics	Once-off	Supplier strggles with equipment for supply
COM011/2022	General building maintenance at George Main Library	Nqonka Construction CC	Once-off	Completed
COM046/2022	Maintanance,Repairs and services of the compactor and track sytem at the George Transfer station	Ice Gee Projects	1 Year	Happy with the Supplier
COM039/2022	Construction of Thembalethu Sportshall and Associated works	Matamela Enterprise CC	Once-off	Happy with the Supplier
COM002/2023	Supply and delivery of a Drone	Intergrum Global Solutions	Once-off	Completed

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
COM007/2023	Appointment of Contractor for the supply and Commissioning in conjuction with existing appointed CCTV contractor for the period of Twelve Months	NAVIC(Pty) Ltd	Once-off	exceptional performance
COM059/2022	Supply and Delivery of street refuse Bins, as and when required for a period of one year from Date of Appointment	Ice Gee Projects	1 Year	Service provider couldn't deliver the street refuse Bins because of time constraints from both parties.
PS033/2021	Appointment of a service providerfor the servicing and calibration of equipment at George Municipality Vehicle testing station	Cinogen Trading t/a Fulcrum Technologies	1 Year	Completed
PS040/2019	Supply and Delivery of Uniforms as and when required, for a period of three years from date of appointment	FG Uniforms	3 Years	Happy with the supplier.
PS001/2019	Repairs and Maintenance to existing tracking and camera units as well as the purchase of new units for municipal vehicles and Go George Buses	AFSOL Public Transport	3 Years	Happy with the supplier.
PS030/2019	Tender for the appointment of a professional team to provide marketing and communication services for GIPTN Projects for a period of three years from date of appointment	Rock Solid JV	3 Years	Happy with the supplier.
PS010/2020	Replacement of Fuel Monitoring system for a period of 3 years	Commix Vision	3 Years	Some delivery delays experienced
PS037/2020	Purchase and Maintenace of radio network for a period of three years, if and when required	J and E Communications	3 Years	Happy with supplier.
PS029/2019	Appointment for a suitable transportation planning consultant to prepare the George Comprehensive Integrated Transport Plan	Techso-Toplan-Lyners Consortium	3 Years	Exceptional system
PS027/2020	Supply, Maintanance, Repair and Calibration of digital speed and red - light violation and the management of a back office	Total Computer Services	3 Years	Exceptional performance
PS028/2020	Supply of Traffic and Law Enforcement Contravention System for a period of 3 years	Total Computer Services	3 Years	Exceptional performance
PS026/2020	Supply of Personal Protective Equipment for Fire Fighting for a period of three (3) years	Imvuyani Safety CC (Replaced Blackbird Trading)	3 Years	Happy with supplier.

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
PS009/2020	Supply and installation of standby generators for municipal facilities for a period of three (3) years	MDL Engineering Company (Pty) Ltd	3 Years	Exceptional performance
PS012/2020	Ad-hoc vehicle & equipment hire tender for the period of 3 years	Various	3 years	Minor issues with some suppliers but being managed
PS013a/2020	Servicing, maintenance and repairs of the municipal fleet which includes tyres, batteries, exhaust systems, radiators and branding, OHS Loading checking for load bearing equipment, small plant & vehicle upholstery, Vinyl and canvas works for period of three years	Golden Dividend 536 (Pty) Ltd t/a TATA Garden Route	3 years	Minor issues with some suppliers but being managed
PS034/2020	Provision of sanitising services at the Public Transport Facilities	Bidvest Services (Pty) Ltd	2 Years	Happy with supplier
PS019a/2021	Service, Maintenance and repairs of the Municipal Fleet	Various	3 Years	Minor issues with some suppliers but being managed
PS020/2021	Supply, fitment and maintenance of fire extinguishers for the municipal vehicles for the period of three (3) years	South Cape Fire Services CC	3 Years	No major issues experienced
PS022/2021	Appointment of a service provider for the branding of municipal vehichles for a period of three (3) years	Bendev (Pty) Ltd	3 Years	Some aspects of concern - being monitored
PS026a/2021	Fire Fighting Equipment for three (3) years	Marce Projects (Pty) Ltd	3 Years	No major issues
PS026b/2021	Fire Fighting Equipment for three (3) years	Fire Stuff 365 (Pty) Ltd	3 Years	Happy with the supplier.
PS026c/2021	Fire Fighting Equipment for three (3) years	Vanguard Fire & Safety Inland	3 Years	Happy with the supplier.
PS026d/2021	Fire Fighting Equipment for three (3) years	Fire Raiders	3 Years	No issues with supplier
PS028/2021	Fire Extinguishers for municipal buildings	CH Fire Services	3 Years	Happy with the supplier.
PS030/2021	Supply, Installation, Maintenance and Support Services for the existing municipal urban CCTV surveillance system	Suiderkruis Security Services	3 Years	Happy with the supplier.
PS017/2021	GIPTN Field Monitoing Services	SMEC South Africa (Pty) Ltd	3 Years	Happy with the supplier.
PS031a/2021	Provision of security services for various municipal sites for a period of three years - Area1	Vimtsire Protection & Security	3 Years	No major issues

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
PS031b/2021	Provision of security services for various municipal sites for a period of three years - Area2	JFH Holdings	3 Years	Happy with the supplier.
PS031c/2021	Provision of security services for various municipal sites for a period of three years - Area3	Bokwe's Security Services	3 Years	Happy with the supplier.
PS032/2021	Routine Servicing, Maintenance and Repairs of Municipal Bus Fleet	Unitrans Passenger and George Link JV	3 Years	Happy with the supplier.
PS034/2021	Supply of Facilities management and guarding services for GIPTN	Bamogale enterprises	3 Years	No major issues
PS003/2022	Upgrade fence at SPCA	ICE Gee Projects	Once-off	Completed end of December 2022
DIRECTORATE: ELECTROTECHNICAL SERVICES				
ENG025/2012	Supply Of Prepayment Electricity Vending System& Service	ONTEC	3 Years	Happy with supplier.
ENG033/2018	Maintenance of standby generator & UPS	George Emergency Power Services	3 Years	Completed - satisfied
ENG027/2019	Store Material: Prepaid Meters	CONLOG	3 Years	Happy with supplier.
ENG035/2019	Removal of illegal Electrical connections in the Greater George Area	EDZ Electrical & Projects	3 Years	Happy with supplier.
ENG017a/2019	Provision of professional services for Electro-Technical Services	NEIL LYNERS & ASSOCIATES	3 Years	Some suppliers to be monitored
ENG031/2019	Apointment of a contractor for the electrification of Erf 325 East	MDL Engineering Company	3 Years	Satisfied with supplier delivery levels
ENG014a/2017	Supply of bulk fuel and oil for a period of five (5) years. Section A: Petrol & Diesel	Readyfuels CC (Was NCA Solutions & The Business Zone 1891 but terminated)	5 years	No major Issues
ENG018/2020	Appointment of contractor for the installation of a 66kV feeder bay at SS Proefplaas	MDL Engineering Company	Once-off	Satisfied with supplier delivery levels
ENG046/2019	Tender for the Engineering Procurement Construcion of 300kv Peak grid Tied Solar PV generating Plant , including 36 months operation and monitoring period	Besmandla	3 Years	Exceptional performance

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
ENG007/2020	Appointment of a contractor for the construction of a new 66 kv substation	VE Reticulation (Pty) Ltd	Once-off	Work in progress, satisfied.
ENG019/2020	Supply and delivery of ripple control receivers	Memotek Trading cc	3 Years	Exceptional performance
ENG011a/2021	Monitoring and Armed Response at Electrotechnical Services and Main substations for a three (3) year period	LDVS Security Services (Replaced)	3 Years	Issues to address
ENG011b/2021	Monitoring and Armed Response at Electrotechnical Services and Main substations for a three year period	SS Salutions t/a Seal Security	3 Years	TERMINATED
ENG012/2021	Supply and delivery of stock:Readyboards for a period of three (3) years	Siyphambili Electrical & Industrial Supplies cc	3 Years	Happy with supplier
ENG016/2021	Installation of street lights at Uniondale waste water treatment plant	MTDJ Projects (Pty) Ltd	Once-off	store stock delivered on time. Satisfied with Contractor
ENG008a/2021	Supply, delivery and installation of power transformers in George for a three (3) year period, if and when required, from date of appointment	LH Marthinusen (Pty) Ltd	3 Years	Happy with supplier
ENG008b/2021	Supply, delivery and installation of power transformers in George for a three (3) year period, if and when required, from date of appointment	VE Reticulation (Pty) Ltd	3 Years	Happy with supplier
ENG010a/2021	Supply and delivery of street /area lighting equipment and associated stock items	MDL Engineering Company	3 Years	Generally happy with suppliers
ENG009a/2021	Supply & Delivery of Electrical Cables for three years	Universal Cables	3 Years	Generally happy with suppliers
ENG025/2021	Supply and delivery of hundred liter guroflex MV insulating compound or similar	Memotek Trading cc	Once-off	happy with the supplier.
ENG018/2021	Supply and Delivery of Virgin Mineral Oil and accessories	Transformer Field Services	3 Years	Exceptional performance thus far
ENG017a/2021	Supply and Delivery of Multifunction energy and Demand Meters for a period of three (3) years	Memotek Trading cc	3 Years	Generally happy with suppliers
ENG019a/2021	Supply and Delivery of Battery Tripping Units and Station Batteries for a period of three (3) years	Actom Electrical Products	3 Years	Generally happy with suppliers
ENG022/2021	Supply and delivery of a surge wave generator and surge	Memotek Trading cc	Once-off	happy with the supplier.

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
ENG015/2021	Electrification metro Ground	MDL Engineering Company	2 Years	Transformers
ENG027a/2021	Supply and Deliveryof Stock: Transformers & Minisubs for three (3) years	Actom Electrical Products	3 Years	happy with supplier
ENG027b/2021	Supply and Deliveryof Stock: Transformers & Minisubs for three (3) years	SGB Smit	3 Years	store stock delivered on time. Awaiting delivery
ENG027c/2021	Supply and Deliveryof Stock: Transformers & Minisubs for three (3) years	Greenro Solutions	3 Years	Happy with supplier.The Contract is replaced with ENG006/2022 tender for a three year Period
ENG005/2022	Appointment of a service provider for the OHS load checking of load bearing equipment for a period of one year	Preda Lifting & Inspection Services (Pty) Ltd	1 Year	contractor's perfomance is satisfactory
ENG020/2021	Electrical Construction and Maintenance work for a period of three (3) years	EJM Electrical cc	3 Years	CMU intervened. Some imporvement experienced
ENG028/2021	Supply and Delivery of PPE as and when required for a period of three years	Let's Share Trading 54 CC	3 Years	Exceptional perfomance
ENG008/2022	Protection,testing and Maintenance of substation within George Municipal area,if and when required, for a period of three (3) years,from date of appointment.	EYA BANTU GROUP (PTY) LTD	3 Years	stores stock. No orders placed
ENG029/2021	Supply and Delivery of Electrical Stock: Indoor and outdoor RMU as and when required for a period of three (3) years	AMF International (Pty) Ltd	3 Years	stock delivered on time
ENG029/2021	Electrical Stock: RMU Suppliers - 3 years	Lucy Electric South Africa (Pty) Ltd	3 Years	stores stock. No orders placed
ENG029/2021	Electrical Stock: RMU Suppliers - 3 years	ABB South Africa	3 Years	Satisfied with the service provided.
ENG006/2022	OHS Load checking for load bearing equipment of Municipal owned vehicles & plant for a period of three (3) years	Preda Lifting & Inspection Services (Pty) Ltd	3 Years	Site work has not begun. Awaitng major materials to be delivered on site.

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
ENG003/2022	Engineering, procurement and construction of a 400kw peak grid tied solar PV generating plant at Outeniqua WWTW - including 24 month operation & maintenance	SEM Solutions	Once-off (24 month maintenance)	happy with the supplier.
ENG007/2022	Upgrading of Informal Settlement Programme (UISP) - Approximately 500 residential units in Thembalethu	VE Reticulation (Pty) Ltd	3 Years	happy with the supplier.
ENG016/2022	Training Operating Regulations for High Voltage Systems (ORHVS)	Effective Human Intervention (Pty) Ltd	Once-off	happy with the supplier.
ENG009/2022	Hiring of Diesel Generator Sets, as and when required, and maintenance of municipal owned diesel generator sets for a period of one (1) year	George Emergency Power Services	1 Year	happy with the supplier.
ENG011/2022	Upgrading of SS Glenwood and SS Protea	VE Reticulation (Pty) Ltd	2 Years	Exceptional Perfomance
ENG015/2022	Purchase of a surge wave receiver for acoustic and electromagnetic fault locaton.	Southern Africa Fault location	Once-off	No work done yet
ENG012/2022	Proposed upgrade of Uniondale intake Substation: Civil works	Zmani	Once-off	Exceptional Perfomance
ENG014/2022	Supply and Delivery of a SP CB1 switchbox and CP DB1 discharge box or equivalent to be compatable with omicron cpc100,	Aletrix	Once-off	Encounted some delays by a few weeks, but should still finsh before end of June 2023,
ENG019/2022	Engineering,Procurement and construction of Hybrid solar Pv generating plants,including a 24 month operation and maintanance period	Hamsa Consulting Enginners	Once-off	Exceptional performance
ENG018/2022	Removal of illegal Electrical connections in the Greater George Area	JT Maritz Electrical	3 Years	Happy with supplier
ENG013/2022	Supply,Dilivery and installation of PV Plants	VE Reticulation (Pty) Ltd	3 Years	Happy with Contractor
ENG002/2022	Appointment of a contractorfor the supply, delivery and installation of high mast lighting for a period of three (3) years	MDL Engineering Company	3 years	Exceptional Perfomance
DIRECTORATE: CIVIL ENGINEERING				
T/ING/019/2022	Appointment of service provider to perform blue flag sampling and testing	Swift Silliker (Pty Ltd t/a Merieux Nutri Sciences	1 year	happy with the supplier.
T/ING/020/2022	Appointment of service provider to perform sludge classification analysis	AL Abbott and Associates (Pty) Ltd	1 Year	happy with the supplier.

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Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
T/ING/012/2022	Supply and delivery of 5 Ton agricultural tip trailer to Waste Water Treatment Section	Kathaka Raw Enterprises (Pty) Ltd	Once-off	Completed in May
T/ING/023/2022	Print, supply and delivery of ad-hoc printing for Go George for a period of one (1) year	Mosselbaai Drukkers BK (t/a Drukkor Printing)	1 Year	Happy with the supplier.
T/ING/005a/2022	The tender for the Supply and Delivery of Laboratory Consumables, Non-Inventory Items, and Personal Protective Equipment (PPE) from the date of appointment for the period of three (3) years, as and when required: Group G - Laboratory Consumables Group J - Laboratory Consumables and Items Group H - Syringes, Swabs, And Syringe Filters	B and M Scientific	3 years	Happy with the suppliers
T/ING/013/2022q	Supply and delivery of two (2) Ian Dickie (or equivalent) pressure cleaners to Wasterwater Treatment Section	Ian Dickie & Company (Pty) Ltd	Once-off	The Jet Machine was Delivered to User Department
T/ING/017/2022	Transportation and disposal of Laboratory Chemical and Microbiological Waste for a period of three (3) years	Apcot Trading (Pty) Ltd	3 years	Happy with the Contractor
T/ING/026/2022	Appointment of a Service provider for the maintanance of wastewater and Water Purification of sites amd clearing of pathways to rivers for sampling for a period of three(3) years from date of appointment	(a)TPZN General Services (Pty)Ltd (b)Foresty tree Nursery	3 Years	Happy wth the Supplier.
T/ING/027/2022	Swart River Dam: Rehabilitation of Acess Track	Phambili Civils	6,3 Months	Happy with the supplier.
T/ING/033/2022	Tender for upgrading of the Gardeb Route Dam Pumpstations Suction Pipe and Associated works	Hidro-Tech Systems (Pty) Ltd	Once-off	No Major issues
T/ING/030/2022	Replacement of kaaimans Raw water Pumps and Switchgear: Mechanical,Electrical and associated works	Viking Pony Africa Pumps (PTY) Ltd (t/a Tricom Africa)	Once-off	No Major issues

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COMPONENT A: BASIC SERVICES

This component includes the municipal functions, basic service delivery highlights and challenges, details of services provided for water, wastewater (sanitation), electricity, waste management, housing services and a summary of free basic services.

3.8 Municipal Functions

3.8.1 Analysis of Functions

The municipal functional areas are indicated below.

Table 104: Municipal Functional Areas i.t.o. the Constitution

Municipal Function	Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Only electricity
Firefighting services	Yes
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 the Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services are limited to potable water supply systems as well as domestic wastewater and sewage disposal systems.	No
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 establishments that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes

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3.9 National Key Performance Indicators – Basic Service Delivery

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

Table 105: Basic Service Delivery

KPA and Indicators				
Basic Service Delivery*		2021/22	2022/23	2023/24
Basic Service Delivery (BSD)	The percentage of households with accessto basic levels of water	98%	37 586	38 293
	The percentage of households with accessto basic levels of sanitation	98%	39 014	39 790
Basic Service Delivery (BSD)	The percentage of households with accessto basic levels of electricity	100%	47 555	48 388
	The percentage of households with accessto basic levels of solid waste removal	99.8%	40 452	41 368
Provide free basic services to indigentaccount holders	The number of indigent account holdersreceiving free basic water	11 521	10 488*	11 306
	The number of indigent account holdersreceiving free basic electricity	16 865	15 439*	17 018
	The number of indigent account holdersreceiving free basic sanitation	11 192	10 228*	11 089
	The number of indigent account holdersreceiving free basic refuse removal	11 291	10 318*	11 174
Local Economic Development (LED)	Create Full Time Equivalents (FTEs) through government expenditure withEPWP	823	344.55	354.52

**Actual lower due to ongoing verification of indigent account holders and data cleansing to remove non-qualifying applicants. Indigents must reapply annually to retain their indigent status. During the 2022/23 financial year roadshows were held to assist consumers and to solicit applications, and this will continue in the 2023/24 financial year. Indigent subsidies must only be provided to qualifying households to ensure that the equitable share allocation reaches those in need.*

3.10 Water Provision

George Municipality is required in terms of Section 18 of the Water Services Act, 1997 (Act No.108 of 1997), as well as the "Regulations relating to compulsory national standards and measures to conserve water", as issued in terms of sections 9(1) and 73(1)(j) of the Water Services Act, to report on the implementation of its WSDP during each financial year and to include a water services audit in such an annual report.

The WSDP Performance- and Water Services Audit is designed to monitor the compliance of George Municipality with these regulations. The Water Services Act allows the audit to be used as a tool to compare the actual performance of George Municipality against the targets and indicators set in their WSDP. It also assists the communities within George Municipality's Management Area and the Department of Water Services to assess how well the Municipality is performing relative to their stated intentions and their capacity.

The water services of George Municipality are managed in a financially sustainable manner, with a surplus generated on the operation and maintenance budgets for water and sewerage services for the last eleven financial years. The operation and maintenance budget allocated towards the refurbishment, replacement, and maintenance of the existing water and sewerage infrastructure however needs to be increased. A budget of approximately 2% of the total asset value per annum should be allocated towards the replacement of the existing infrastructure. In the case of the operation and maintenance of the systems, a budget of approximately 1% to 2% of the value of the system is typically required to ensure that the systems remain in good condition.

George Municipality also successfully completed various capital projects over the last financial year. The capital budget expenditure, for the 2023/24 financial year, was R257.736 million for the water infrastructure projects and R109.087 million for the sewerage infrastructure projects.

The implementation of George Municipality's Water Demand Management Strategy assisted in reducing the overall water requirements of the towns significantly. The overall raw water capacity for the George/Wilderness system has increased over the last twenty years, from 10.631 million Cubes/annum in 2003/04 to 21.33 million Cubes/annum in 2023/24. The Municipality is also committed to reducing its current NRW and water losses to acceptable levels. The overall percentage of NRW was 30.15% (system input – revenue water) and the percentage of Water losses was 18.56% (system input – authorised consumption) for the 2023/24 financial year. A slight increase of 1.63% in water losses from the 2022/23 financial year. The reason hereto mainly being that accurate monitoring of water losses is applied through bulk water and domestic water metering.

The Municipality continued with their WC/WDM measures to lower the current and future water requirements and actively plan for the augmentation of their existing water resources for the systems where the future water requirements will exceed the safe yields of the existing resources. The raising of the Garden Route Dam spillway by 2.5 meters was started on the 13th of May 2019 and completed in December 2019. The total storage capacity of the Garden Route Dam was increased by approximately 25% to 12.5 million m^3. This project increased the safe yield of the George/Wilderness system.

Comprehensive operational and compliance water quality and final effluent monitoring programmes are implemented by George Municipality. The industrial effluent of all industrial consumers is also monitored by George Municipality. The Municipality performed mostly "Excellent" with regard to its water quality compliance for the last number of financial years, according to the SANS 241:2015 classification.

3.10.1 Water Treatment Works

There are 3 WTW's in the George system (including Wilderness), 1 each in Uniondale and Haarlem, and a filtration plant at Avontuur with the following capacities;

- George Old WTP: 20,50 ML/d
- George New WTP: 20,00 ML/d
- Ebb-and-Flow WTP: 1,700 ML/d
- Uniondale WTP: 1,500 ML/d
- Haarlem WTP: 1,000 ML/d
- Avontuur Filters: 1,260 ML/d
- Total capacity: 45,960ML/d

3.10.2 Reservoirs (Tanks and Water Towers)

There are 41 reservoir/tower sites in the GLM supply systems. The total storage capacity in the GLM reservoirs amounts to ±67,17 ML, which represents ± 45 hrs. of the present 2022/23 estimated AADD. The 3 water towers have a total capacity of ±1.5 ML.

3.10.3 Pump Stations

There are 31 pumping stations in the GLM supply systems. They can be classified as follows:

- Raw water pump stations (± 6)
- Borehole pumps (± 3)
- Supply pump stations (± 15)
- Booster pump stations to high-lying networks (± 3)
- Pump stations to towers (± 3)
- Private booster pump stations (± 1)

The pump stations to towers are downstream of the reservoirs and are mostly used in emergency situations only. Where possible, towers are filled directly utilising excess pressure and capacity in the bulk supply systems.

3.10.4 Pipelines

The GLM supply systems consist of 1050 km pressure pipelines. Approximately 812 km of pipelines have diameters of less than 200 mm Ø.

Asset Replacement Value, the year 2023/24 replacement value of the system (excluding raw water storage dams, weirs etc.) is estimated as follows:

- Boreholes: Included in the below
- Mains: R 13 034 853
- Meters: R 43 346 821
- Pipelines: R 80 605 401
- Supply and Reticulation: R 68 857 299
- Pump Stations: R 209 805 305
- Reservoirs/Tanks: R 274 418 256
- Purification Works: R 180 043 528
- Plant and Equipment: R 33 493 802
- Total: R 903 605 265

The World Bank advises maintenance of infrastructure to be approximately 2.0% of the replacement value (2019 WSDP CRC Value: R 2 564 369 000 for water infrastructure and R 2 673 301 000 for sewer infrastructure) annually. This implies that the total funds available for infrastructure maintenance be at least R104 753 400 per year for water and sewer infrastructure.

The current total operational budget for water services is also well above the recommended 2.0% best practice guidelines and stands at approximately R257.46 million for the 2023/24 financial year and annually increases in accordance with budgetary guidelines at or above inflation. The reason here is that the maintenance aspect of the water infrastructure was neglected for many years.

3.10.5 Total use of water by sector

George Municipality has a duty to prioritize making sure that sufficient and suitable investments are made to guarantee the gradual fulfilment of every person's right to at least a minimal degree of water and sanitation service within its area of control. Water Services Authorities are required to offer intermediate and higher levels of services (such as water on site) if it is practicable and financially viable to do so. While providing basic water services as the most crucial and urgent priority, they should also do so.

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The George Municipality's Indigent Policy incorporates impoverished homes, and all water services it offers to customers within its boundaries are governed by its tariff policy and tariff bylaws.

The Municipality has significant challenges in providing enough housing due to the vast number of individuals belonging to the lowest socio-economic classes who live in informal areas. The goal of George Municipality is to link every home to a waterborne sanitation system and a water supply within every home in the town.

Water connections and domestic waterborne sanitation facilities are supplied to all formal houses in the urban sections of the George Municipality's Management Area (higher level of service). There are ablution facilities and communal standpipes available in the informal settlements.

The table below reflects the water usage by sector usage within the Municipality.

Table 106: Water use by sector

Total Use of Water by Sector (cubic metres)					
Financial Year	Community	Other	Industrial	Domestic	Unaccountable Water Losses
2019/20	1 328 021	547 676	481 605	5 574 801	7 932 103
2020/21	1 224 811	576 265	439 786	5 743 247	2 593 528
2021/22	1 387 626	604 611	552 075	5 983 647	3 147 926
2022/23	1 476 736	608 925	672 145	5 935 124	2 412 177
2023/24	1 268 987	601 888	594 635	6 036 201	2 718 399

3.10.6 Water Provision Delivery Levels

Table 107: Water Provision delivery levels

Description	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Household			
Water: (above minimum level)			
Piped water inside dwelling	40 541	41 556	42 366
Piped water inside yard (but not in dwelling)	20 455	20 365	21 284
Using public tap (within 200 m from dwelling)	6 830	8 395	8 887
Other water supply (within 200 m)	-	-	-
Minimum Service Level and Above Sub-total	67 826	70 316	72 537
Minimum Service Level and Above percentage	97%	98%	98%
Water (below minimum level)			
Using a public tap (more than 200 m from dwelling)	74	74	74
Other water supply (more than 200 m from dwelling)	27	27	27

Description	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Household			
Water: (above minimum level)			
Piped (tap) water on community stand: distance greater than 1 000 m (1 km) from dwelling/institution	19	19	19
No water supply	1 931	1 330	1 048
Below Minimum Service Level Sub-Total	2 051	1 450	1 168
Below Minimum Service Level Percentage	3%	2%	2%
Total number of households	69 877	71 766	

3.10.7 Service Statistics – Access to water

Table 108: Access to water

Access to water			
Period	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free
2019/20	9%	96%	100%
2020/21	10%	96%	100%
2021/22	10%	96%	100%
2022/23	12%	98%	100%
2023/24	12%	98%	100%

** Means access to 25 litres of potable water per day supplied within 200 m of a household and with a minimum flow of 10 litres per minute*

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3.10.8 Water Provision: Highlights

The table below specifies highlights for the year.

Table 109: Water provision highlights

Highlight	Description
Bulk Raw Water Resource Study	The Civil Engineering Services Directorate embarked on the updating of the 2008 bulk raw water resource study. The study focuses on the 50-year raw water resource planning horizon while diversifying raw water supply sources. The study commenced in September 2022 and is earmarked for completion in 2024
Increasing the new Water Treatment Works capacity by 20Ml/day	The new Water Treatment Works capacity increase from 20 to 40Mℓ/day commenced in February 2022 and is planned for completion in 2025
Replacement of bulk water meters and installation of pressure sensors	Replacement of existing bulk water meters with smart bulk water meters and incorporating the meters with the SCADA system. Smart readings ensure continuity in terms of flow data and live meter readings for future planning and early warning systems in case of bulk water pipeline failures
Implementation of backup generators	Installation of two 1 250 kVA gensets for raw water pumpstations at the Garden Route Dam with the funding of the BFI Grant
Haarlem & Uniondale WTW	Upgrade of process control buildings at each Water Treatment Works. Addition of backup generator units for each of these treatment facilities
Replacement of old infrastructure	Replacement of old fibre-cement water pipelines with new pipelines in various wards across the George Municipal Area
Smart water meters	The installation of smart water meters for every erf has commenced in George. This is a multi-year initiative
Bulk raw water pipeline upgrades	Various upgrades to our raw water supply pipelines as a preventative maintenance measure. This also limits raw water losses and enhances revenue (water in hand).

3.10.9 Water Provision: Challenges

The table below specifies the challenges.

Table 110: Water provision challenges

Challenge	Actions to address
Flooding events October 2023/April 2024	Disaster flooding events during 2023/24 had a severe impact on the bulk water infrastructure. This created challenges for the Directorate, resulted in more manpower being needed and overtime expenditure
Blue Drop accreditation	Various legal and legislative requirements were neglected in previous years. The Directorate appointed consultants to assist the GM with updating the water safety plans and to perform water treatment plant audits as part of the Blue Drop assessment process as required by DWS. Many of the Blue Drop requirements are being addressed in house by the Directorate, including various infrastructure audits. The aim is to achieve a maximum possible score during the next assessment period
Staff capacity	The department is understaffed, and the process of filling vacant positions is slow. The Municipality are in a process of compiling a new organizational structure to address shortfalls and constraints
Budget constraints	Adequate budget to address the numerous needs is always a concern. There are also expenditure constraints
Expansion of George	The rapid expansion of George results in higher water demand. Peak season adds more stress to the infrastructure capacity
Loadshedding	Implementation of backup generation and renewable energy at critical infrastructure. The

Challenge	Actions to address
	Directorate also applied for exemption from Eskom for the raw water supply systems and this was granted during March/April 2022. The Directorate also applied for funding from the emergency load shedding relief grant for the implementation of backup generation units at critical infrastructure facilities. The application was approved, and the projects are scheduled for completion in August 2024

3.10.10 Water Provision: Employees

The table below indicates the employees within the section.

Table 111: Total employees Water Services

Job level(T-grade)	2022/23	2023/24 Number			Vacancies (as a % of total budgeted posts)
		Budgeted posts	Employees	Vacancies	
0-3	1	1	1	0	0%
4-6	74	72	63	9	7.32%
7-9	22	21	21	0	0%
10-12	30	27	22	5	4.07%
13-15	1	-	-	-	0%
16-18	1	2	2	0	0%
19-20	-	-	-	-	0%
Total	**129**	123	109	14	11.38%

3.10.11 Capital Expenditure 2023/24: Water Services

The table below reflects the capital expenditure for the 2023/24 financial year.

Table 112: Capital expenditure: Water Services 2023/24

Capital Expenditure 2022/23: Water Services				
Capital Projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
AIRCONDITIONING / AIRCONDITIONERS	70 000	41 715	41 715	0
AIRPORT MAINLINE UPGRADE	5 000 000	11 950 000	9 695 443	2 254 557
BAKKIES	1 050 000	1 225 263	1 218 605	6 658
BAKKIES - WATER DISTRIBUTION	700 000	0	0	0
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) - CIVIL	0	84 203	62 228	21 975
INDUSTRIAL WATER PIPELINE RE-ALIGNMENT	800 000	2 614 309	984 286	1 630 023
INSPECTION CAMERA	200 000	0	0	0
INSTALLATION OF BULK METERS	4 200 000	3 726 464	3 723 496	2 968
INSTALLATION OF BURST CONTROL VALVES	1 500 000	0	0	0

Capital Expenditure 2022/23: Water Services				
Capital Projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
INSTALLATION OF NEW METERS - WATER DISTRIBUTION	750 000	1 435 512	1 422 216	13 296
INSTALLATION OF NEW WATER CONNECTIONS	800 000	1 200 000	1 176 865	23 135
INSTALLATION OF SMART METERS	20 000 000	22 566 186	22 566 185	1
KAAIMANS TRANSNET BRIDGE UPGRADING	420 000	20 000	0	20 000
NETWORK REHABILITATION - WATER	10 600 000	17 211 348	17 081 059	130 289
PRESSURE REDUCING VALVES	2 800 000	1 776 316	1 558 011	218 306
PROPERTY DEVELOPMENT - SWEAPEA STREET RESIDENTIAL ERVEN PROJECT - WATER	517 280	0	0	0
PROTECTION SYSTEM	85 000	0	0	0
PROVISION OF WATER TANKS	100 000	0	0	0
TELEMETRY AND LOGGERS - WATER DISTRIBUTION	420 000	135 607	0	135 607
TIPPER TRUCK	1 200 000	1 285 592	1 285 592	0
TLB	1 200 000	1 494 882	1 494 882	0
TOOLS & EQUIPMENT - WATER	200 000	192 278	175 777	16 501
TOOLS AND EQUIPMENT - WATER	0	20 000	0	20 000
TRAILERS FOR TOOLS AND EQUIPMENT	225 000	205 124	139 052	66 072
TWO-WAY RADIO SYSTEMS	100 000	86 277	86 277	0
UNIONDALE WATER NETWORK REHABILITATION	500 000	524 488	524 487	1
UPGRADING DEPOT FACLITIES	180 000	1 256 338	1 216 029	40 309
UPGRADING OF ASBESTOS PIPES - GREATER GEORGE	150 000	256 267	227 482	28 785
UPGRADING OF CONVILLE WATER PHASE 2	1 966 518	436 518	75 000	361 518
UPGRADING OF CONVILLE WATER: PHASE 1	8 700 000	6 669 734	5 069 089	1 600 645
UPGRADING OF PARKDENE WATER PHASE 1	7 500 000	7 422 551	6 698 997	723 554
WATER TRUCKS	0	0	0	0
PACALTSDORP 14,5ML RESERVIOR AND 2,4ML WATER TOWER	35 196 000	36 206 500	11 474 803	24 731 697
UNIONDALE RESERVOIR (500KI)	3 000 000	500 000	500 000	0
ALL WATER PUMP STATIONS (SPECTRUM) PEPPERSPRAY	250 000	78 504	78 504	0
ALTERNATIVE ENERGY PROJECT	1 000 000	0	0	0
BALANCING DAM	15 000 000	55 123 500	6 476 766	48 646 734
CONVILLE UPGRADING OF WATER NETWORK	0	661 925	661 925	0
DAM SAFETY CONSTRUCTION	0	289 747	255 885	33 862

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Capital Expenditure 2022/23: Water Services				
Capital Projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
EQUIPMENT OF GROUNDWATER RESOURCES	500 000	500 000	484 720	15 280
EXTENSION OF WATERWORKS 20ML	116 692 278	173 401 381	173 401 080	301
EXTRACTOR FANS - CHLORINE ROOMS	11 165 144	8 464 700	7 725 253	739 447
FENCE AT WASTE TREATMENT WORKS (WTW)	3 506 028	691 000	690 804	197
FENCING AT RESERVOIRS	1 500 000	1 950 000	1 883 554	66 446
FILTER SAND AT WATERWORKS	21 118 757	4 330 000	4 329 138	862
GENERATOR	50 000	0	0	0
GENERATORS - WATER PURIFICATION	0	3 933 020	2 860 821	1 072 199
HAARLEM WATER WORKS - PAVING	500 000	462 471	462 470	1
INSTRUMENTATION	180 000	1 331	0	1 331
KAAIMANS WATER PUMP STATION REHABILITATION	16 000 000	11 153 000	11 152 503	497
NETWORK REHABILITATION	0	539 130	0	539 130
NEW POTABLE WATER STORAGE RESERVOIR	500 000	900 000	897 484	2 516
NEW WATER TOWER AT ESKOM RESERVOIR	800 000	800 000	547 380	252 620
PACALTSDORP (EAST) RESERVIOR, TOWER AND PUMPSTATION	19 000 000	10 777 086	10 776 575	511
PIPEWORK REHABILITATION: GARDEN ROUTE DAM	26 478 750	23 429 294	22 101 478	1 327 816
REHABILITATION OF OLD WTW (6Ml MODULE)	0	7 477 000	7 476 697	303
SWART RIVER DAM ACCESS PHASE 2	0	6 991 304	2 108 199	4 883 105
SWART RIVER DAM SAFETY CONSTRUCTION	0	4 079 887	4 079 887	0
TELEMETRY - WATER PURIFICATION	420 000	759 600	759 566	34
THEMBALETHU EAST RESERVOIR, TOWER AND PUMP STATION	18 000 000	27 900 000	17 893 624	10 006 376
THEMBALETHU PUMPSTATION & 6 Ml RESERVOIR	12 500 000	4 557 000	4 556 667	333
TOOLS AND EQUIPMENT	200 000	67 000	66 069	931
UNIONDALE WATERWORKS OFFICE BUILDING (PROCESS CONTROLLERS)	0	49 000	0	49 000
UPGRADING OF UNIONDALE WATERWORKS (PROCESS CONTROLLERS)	0	75 000	0	75 000
UPGRADING OF WATER PUMP STATIONS	2 800 000	5 049 000	4 368 631	680 369
WATER NETWORKS REHABILITATION	0	1 914 014	0	1 914 014
WATER SECURITY PROJECT	2 000 000	775 000	774 151	849
WATER TREATMENT WORKS-FLOODING	0	2 889 782	2 275 395	614 387
Total	**380 290 755**	**480 613 148**	**377 642 800**	**102 970 348**

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3.11 Wastewater (Sanitation) Provision

The focus for the 2023/24 financial year was to implement the demands of the George Municipality's masterplan, fulfilling the development needs for the George Municipality's vision. The existing sewer models, master plan models and reports are updated annually as part of a bureau service, which is aligned with the SDF.

Since 2008, the South African Water Sector has been at the forefront in the development of incentive-based regulation (IBR) via the Blue Drop and Green Drop Certification Programmes in terms of the Water Services Act, (Act 108 of 1997, Sections 82d, e, and f. The initiative aims to concentrate on enhancing efficiency, compliance, and performance.

The Green Drop Certification Programme was designed to serve as a stimulus for change, a catalyst to establish motivation and leadership in the water sector regarding the management of wastewater services. The Green Drop Certification is awarded to wastewater systems that obtain scores of 90% when compared to the criteria set for wastewater management. This assists George Municipality with striving for improvement in its management of wastewater as part of the incentive-based regulation approach. The wastewater risk abatement plans (W2RAPs) updates are in process and will be concluded during the 2023/24 financial years. These updates will form part of the next Green Drop Assessments.

The table below specifies the different sanitation service delivery levels per household for the 2021/22, 2022/23 and 2023/24 financial years.

Table 113: Sanitation service delivery levels

Description	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Household			
Sanitation/sewerage (above minimum level):			
Flush toilet (connected to sewerage)	53 895	54 688	56 283
Flush toilet (with septic tank)	5 969	6 101	6 235
Chemical toilet	18	18	18
Pit toilet (ventilated)	811	811	811
Other toilet provisions (above minimum service level)	7 726	8 284	9 088
Minimum service level and above subtotal	68 419	69 902	72 435
Minimum service level and above percentage	98%	97%	98%
Pit toilets without ventilation	655	655	655
Bucket toilet	155	155	155
Other toilet provisions (below minimum service level)	157	157	157
No toilet provisions	491	897	303
Below minimum service level subtotal	1 458	1 864	1 270
Below minimum service level percentage	2%	3%	2%

3.12 Wastewater (Sanitation) Provision: Highlights

The table below specifies some of the highlights for the year under review.

Table 114: Wastewater (Sanitation) provision highlights

Highlight (s)	Description
Upgrade of Outeniqua Wastewater Treatment Works with 10Mℓ/day	The Outeniqua Wastewater Treatment Works 10Mℓ/day capacity increase was successfully commissioned during March 2023
Upgrade of Gwaiing Wastewater Treatment Works (WWTW) with 10Mℓ/day	The master plan for the upgrade of the Gwaing WWTW commenced during January 2023. The plan is under development for strategic guidance on the capacity and process upgrade requirements
Installation of back-up generators at critical sewer pump stations	The project for the installation of multiple back-up generators at critical sewer pump stations was successfully concluded during July 2022. The Directorate continues to implement back-up generators at critical sewer pump stations
Upgrade of Meul, Schaapkop, and Eden sewer pump stations	These pump stations are under various phases of upgrade and will be concluded over the next few financial years. The upgrades are part of the BFI grant projects. A delay was experienced on the Schaapkop Phase 1 and is being addressed
Upgrade of sewer depot facilities	The sewer depots are upgraded (still ongoing) to improve operations and delivery service. The upgrades also result in better material and quality control
Upgrade of telemetry and SCADA systems	Telemetry and SCADA systems were upgraded at the sewer treatment plants and critical sewer pump stations (on going). This enables the Directorate to respond to overflows or failure of any of the pump station equipment
Donga rehabilitation at Gwaing WWTW	Donga rehabilitation at Gwaiing WWTW owing to flood damage. This saved the chlorine contact tank from failure and encroachment on the plant's maturation ponds
Demolish chlorine building at Gwaing WWTW	The existing chlorine storage building at Gwaing was demolished after written approval from the Council and building control. The building was a home of illegal occupants and a risk for the Municipality
All sewer pump station audits	All sewer pump stations require audit and started during the 2021/22 financial year. The audits were concluded during April 2023. The audit outcomes are now implemented
Upgrade of security measures at sewer pump station and treatment facilities	New fencing and pepper spray facilities were implemented at critical pump stations and wastewater treatment facilities

3.13 Wastewater (Sanitation) Provision: Challenges

Table 115: Wastewater (Sanitation)Provision challenges

Challenges	Actions to address challenges
Flood Events October 2023/April 2024	Disaster flood events during 2023/24 had a severe impact on the sewer infrastructure. This created challenges for the Directorate and resulted in more manpower and overtime expenditure being required
Improve Green Drop Accreditation	Updates required by DWS have fallen behind. W2RAP updates and process audits on all wastewater treatment plants are in progress and will be concluded during the second half of 2024
Staff capacity	Currently, this Department is understaffed, and the filling of vacant positions is slow
Budget constraints	Sufficient budget is always a concern
Expansion of George	The expansion of George results in additional effluent generation. Peak season adds more stress on infrastructure capacity with increased demand
Loadshedding	Implementation of back-up generation and renewable energy at critical infrastructure. The Directorate also applied for exemption from Eskom for the raw water supply systems and this was granted during March/April 2022. The Directorate also applied for funding from the emergency load shedding relief grant for the implementation of backup generation units at critical infrastructure facilities. The application was approved, and the projects will be concluded during August 2024.

3.14 Wastewater (Sanitation) Provision: Employees

The table below indicates the employees within the section.

Table 116: Total employees Wastewater Sanitation Services

Job level(T-grade)	2022/23	2023/24			
		Number			Vacancies (as a % of total budgeted posts)
		Budgeted posts	Employees	Vacancies	
0-3	0	-	-	-	0%
4-6	31	31	22	9	16.67%
7-9	17	16	14	2	3.70%
10-12	6	6	6	0	0%
13-15	0	-	-	-	0%
16-18	1	1	1	0	0%
19-20	-	-	-	-	0%
Total	55	54	43	11	20.37%

3.15 Capital Expenditure 2022/23: Wastewater (Sanitation) Services

The table below indicates the capital expenditure for the Department: Water and Wastewater Services.

Table 117: Capital expenditure 2023/24 Wastewater (Sanitation) services

Capital Expenditure 2022/23: Wastewater (Sanitation) Services				
Capital projects	2023/24			
	Number			Vacancies (as a % of total budgeted posts)
	Budget	Adjustment budget	Actual expenditure	
	(R)			
UPGRADE PUBLIC TOILETS	150 000	0	0	0
1X 1TON 4X4 DC LDV	1 350 000	1 931 202	1 931 202	0
ALTERNATIVE ENERGY PROJECT	2 900 000	0	0	0
BAKKIES	450 000	1 455 000	1 454 249	751
CRANE TRUCK - ELEC	2 000 000	0	0	0
EBB AND FLOW PIPE BRIDGE	500 000	159 743	146 095	13 648
GENERATOR	300 000	240 000	219 838	20 162
HEROLDS BAY PUMP STATION	1 875 000	560 000	500 769	59 231
JETMACHINE (DMA)	2 500 000	1 800 000	1 782 196	17 804
NETWORK REHAB - SEWERAGE	4 500 000	4 500 000	4 280 359	219 641

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Capital Expenditure 2022/23: Wastewater (Sanitation) Services				
Capital projects	2023/24			
	Number			Vacancies (as a % of total budgeted posts)
	Budget	Adjustment budget	Actual expenditure	
	(R)			
NETWORK REHABILITATION	4 000 000	4 223 000	4 037 401	185 599
PACALTSDORP PUMPSTATION 3 UPGRADE	3 500 000	3 100 000	3 099 952	48
PROPERTY DEVELOPMENT - SWEAPEA STREET RESIDENTIAL ERVEN PROJECT - SEWER	1 845 000	0	0	0
SCHAAPKOP PUMPSTATION (INSTALL INLET SCREENS)	12 500 000	36 316 300	4 652 817	31 663 483
SUPER SUCKER - SEWER	6 500 000	4 639 000	4 567 493	71 507
TELEMETRY AND SERVICE NETWORK SYSTEM	500 000	579 010	473 904	105 106
THEM UISP PHASE 3 AREA 5, 6A&B-EXTENSION OF SEWER MAIN TOWARDS AREA 2	1 500 000	0	0	0
THEMBALETHU BULK SEWER	13 011 210	10 192 794	9 760 448	432 346
THEMBALETHU N2 BULK SEWER	1 000 000	50 000	0	50 000
THEMBALETHU P/S 6	3 000 000	516 055	459 901	56 154
THEMBALETHU UISP BULKS	3 321 740	3 321 740	3 321 740	0
TOOLS AND EQUIPMENT	200 000	231 631	168 528	63 103
TRACTOR LOADER BACKHOE (TLB)	0	1 881 000	1 879 353	1 647
TWO-WAY RADIO SYSTEMS	40 000	48 595	34 181	14 414
UNIONDALE SEWER NETWORK	1 500 000	1 217 000	623 539	593 461
UPGR BLUE MOUNTAIN 2 PUMPSTATION (MECHANICAL)	1 000 000	350 000	322 960	27 040
UPGRADE ELECTRICAL SWITCH GEAR AT SEWER PUMP STATIONS	2 400 000	2 673 040	2 664 600	8 440
UPGRADE PACALTSDORP3 PUMPSTATION (MECHANICAL)	0	173 712	173 712	0
UPGRADE PUMPSTATIONS - SEWER	16 200 000	17 139 251	15 633 445	1 505 806
UPGRADING DEPOT FACLITIES	200 000	2 700 000	2 692 775	7 225
UPGRADING OF ACCESS ROADS & FENCING (PUMP STATIONS)	750 000	750 000	700 662	49 338
UPGRADING OF EDEN PUMPSTATION (MECHANICAL)	9 000 000	17 373 000	998 599	16 374 401
UPGRADING OF MEUL STREET PUMPSTATION	15 000 000	11 358 577	11 358 077	500
WILDERNESS KLEINKRANTZ MAIN SEWER LINE UPGRADE	1 000 000	1 340 257	1 333 288	6 969
AIRCONDITIONING / AIRCONDITIONERS	180 000	180 000	176 568	3 432
DOUBLE CAB 4X4	450 000	554 114	554 113	1

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Capital Expenditure 2022/23: Wastewater (Sanitation) Services				
Capital projects	2023/24			
	Number			Vacancies (as a % of total budgeted posts)
	Budget	Adjustment budget	Actual expenditure	
	(R)			
FENCE - OUTENIQUA WWTW	1 200 000	1 200 000	1 198 152	1 848
FENCE AT GWAING WWTW	1 000 000	1 000 000	999 723	277
FENCING - HEROLDSBAY WWTW	800 000	800 000	799 572	428
FLOOD DAMAGE - GWAIING WWTW - DONGA	0	189 457	189 457	0
FLOOD DAMAGE - GWAIING WWTW - SLIP FAILURE MATURATION PLANTS	0	663 086	449 361	213 725
FLOOD DAMAGE - OUTENIQUA WWTW - DONGA	0	4 474 762	3 874 762	600 000
FLOOD DISSTER GRANT ITEMS	0	4 874 690	276 260	4 598 430
GENERATOR - WWTW	0	10 260 129	10 259 167	962
GWAIING SEWER TREATMENT - REINSTATE 3.5ML	0	5 510 110	5 506 510	3 600
GWAING DONGA 2	0	806 100	0	806 100
GWAING WwTW: PH 2: DIGESTOR & PST SLUDGE PUMPST, INLET AND OUTLET	2 999 000	3 045 699	3 045 699	0
HAARLEM WWTW- OFFICE	400 000	0	0	0
HEROLDSBAY WWTW - CONCRETE WALLS OF PONDS	6 000 000	500 000	252 254	247 746
KLEINKRANT WWTW -SLUDGE DEWATERING PLANT	0	22 989	22 989	0
KLEINKRANTZ WWTW: ACCESS CONTROL TO PLANT	2 900 000	500 000	306 149	193 851
OUTENIQUA 10ML ADDITION - WWTW	1 000	5 039 889	4 661 207	378 682
OUTENIQUA WWTW DONGA	6 500 000	6 500 000	550 200	5 949 800
OUTENIQUA WWTW- OFFICE	800 000	0	0	0
PAVING - GWAING WWTW	1 800 000	0	0	0
REFURBISHMENT OF BELT PRESSES AT GWAIING WWTW	350 000	350 000	349 993	7
REFURBISHMENT OF DEWATERING BUILDING	850 000	0	0	0
SECURITY FENCING	2 000 000	2 129 529	1 481 076	648 453
TELEMETRY - WATER PURIFICATION	750 000	1 241 000	1 239 478	1 522
TOOLS AND EQUIPMENT - WWTW	70 000	70 000	56 133	13 867
UF PLANT - REHABILITATION	100 000	1 500 000	1 259 927	240 073
WELGELEGEN PUMPSTATION UPGRADING (FLOOD)	0	2 031 304	0	2 031 304
WILDERNESS KLEINKRANTZ MAIN SEWER LINE UPGRADE	3 900 000	4 197 693	4 145 693	52 000

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Capital Expenditure 2022/23: Wastewater (Sanitation) Services				
Capital projects	2023/24			
	Number			Vacancies (as a % of total budgeted posts)
	Budget	Adjustment budget	Actual expenditure	
	(R)			
Total all	**147 542 950**	**188 460 458**	**120 926 523**	**67 533 935**

3.16 Electricity

The 2023/24 financial year was a challenging year for the Directorate due to some critical positions that become vacant early in the financial year, such as the Director position. This placed additional strain on the limited resources to fulfil their obligations.

The Directorate has been able to fill most of its key positions and continues to do its best to fill all vacancies. This drive has already resulted in a positive impact on service delivery improvement strategies. The ongoing maintenance to address the historical backlog is yielding the desired outcomes, however, the increase in theft and vandalism especially during loadshedding continues to put the resilience of the network at risk.

We have completed 2MWp PV installations to assist with efficiency and sustainability. The department also achieved in the approximately 85% spending of its capital budget, which is used to relace and upgrade infrastructure.

The Directorate has continued to monitor the performance of installed uninterruptable power supply (UPS) units at traffic light intersections ensuring these continue operating during loadshedding. This innovative approach to resolving traffic congestion is bearing fruit and the streetlights division is investigating other alternate solutions to ensure that shared infrastructure services benefit the community.

The first phase of the MV Master Plan was approved by Council in the 2022/23 financial year and the plan was continued in the 2023/24 financial year. The second phase of the 11kV Master Plan focus on all areas within the George Municipal area of supply that was not covered by the first phase. Due to the scope, this will only be completed in the 2024/25 financial year. This plan has been expedited rather than doing it in more phases as it will assist the Directorate in creating a sustainable and more reliable electricity infrastructure.

The impact of climate change and the environment at large plays a pivotal role in the reliability of services and the performance of infrastructure. The Municipality received additional funding relating to the storm damage in the previous financial year. The MRDG funding provided the additional resources that has been allocated to the upgrade of damaged infrastructure from the previous year. The department experienced delays in execution but most of the scope is completed and the benefits thereof realised.

The maintenance of servitudes is a challenge in the outer reaching communities. More collaboration between all stakeholders is required for a complete solution. In line with international norms and practices the Municipality has embarked on a maintenance program for the primary substations focussing on primary switchgear of which 91% is completed and the remaining units will be addressed in the new financial year. The focus for the new year is the secondary equipment and the eradication of oil units in a phased approach in line with the Master Plan.

Loadshedding remains a challenge and affects every sphere of daily operations and living. Thus, the Municipality has embarked on several initiatives to assist the residents and businesses of the George Municipality.

George Municipality has commissioned the following plants in this financial year to reduce their energy consumption as well as diesel usage in the buildings.

- The Outeniqua Wastewater Treatment facility's 400 kWp PV plant was commissioned in September 2023.
- The Gwaing Wastewater Treatment facility's 500 kWp PV plant was commissioned towards the end of March 2024.
- The 1000 kWp or 1 MWp solar farm on Erf 464. The plant was commissioned by the end of April 2024 and the power is connected to the grid to reduce the municipal bulk purchases.
- The 12MWp PV plant is currently placed on hold due to funding constraints. The project is being developed to a state of implementation readiness so that it can be handed over to an Independent Power Producer (IPP) if the Municipality chooses to move forward in that direction.
- The following municipal buildings have been commissioned:
    - Electrotechnical Services – 20kWp
    - Tourism Building – 4kWp
    - Blanco Motor Vehicle Registration – 3kWp

Battery Energy Storage Systems (BESS) is currently in construction for the Civic Centre, as well as the Outeniqua and Gwaing Wastewater Treatment Works. This will allow the PV plants to continue to generate energy even during loadshedding and for the storage system to support the supply to the building /works when the Eskom network is not available. This battery energy storage will also counter the high cost of running generators. The costs of running generators are exorbitant and currently totals approximately R148 000 per day in fuel alone at Stage 4, with the fuel costs even higher when Stages 5 and 6 are implemented.

3.16.1 The Electricity Service Delivery Statistics

The table below reflects the different service delivery standards for electricity within the Municipality and includes informal areas.

Table 118: Service Delivery Levels: Electricity

Description	2021/22	2022/23	2023/24
	Actual	Actual	Actual
Household			
Energy (above minimum level):			
Electricity (at least minimum service level)	1 048	3 974	3 646
Electricity - prepaid (minimum service level)	49 732	49 893	52 248
Minimum service level and above subtotal	50 780	53 867	55 894
Minimum service level and above percentage	86,19%	94,9%	93.5%
Energy (below minimum level):			
Electricity (< minimum service level)	0	0	0
Electricity - prepaid (< min. service level)	0	0	0
Other energy sources	0	0	0
Below minimum service level subtotal	0	0	0
Below minimum service level percentage	0	0	0
Total number of households	58 966	57 447	57 793

3.16.2 Electricity: Highlights

The table below reflects some specific highlights for the 2023/24 financial year.

Table 119: Electricity highlights

Highlights	Description
Electrification	**Informal Electrification:** The following electrification projects were completed in the financial year: • Telkom Electrification is 100% complete • Sityebi-tyebi Electrification is 100% complete • Dameni Electrification is 100% complete The electrical contractor has been appointed to attend to the next phase of 500 residential units (Phase 5) for the electrification of the informal areas in Themablethu. Orders have been placed for the material and construction will commence in the 2024/25 financial year. **Formal Electrification:** The designs for Area 1 of the Thembalethu UISP project were completed and some of the material was procured. The SCM process is in the final stage to appoint a contractor for the formal electrification construction works
Substations	The following 66/11kV substation projects are currently under construction: • The final commissioning for the new 66/11kV substation in Thembalethu is almost completed and the substation is ready to be energised, but the energising of the 66kV supply to the substation has been delayed due to informal housing under the 66kV power lines • Strengthening project at Glenwood Substation, with additional capacity being brought into the 3rd bay, to cater for anticipated growth • Strengthening project at Protea Substation, with additional capacity established by increasing the transformer capacity, to cater for anticipated growth. • Upgrading and reconfiguring of George substation • Establishment of transformer capacity at Proefplaas substation • Establishment of transformer capacity at Haroldsbay substation The Municipality started with the establishment of a firm supply at the Main 132kV Schaapkop substation. This is currently in the design phase and the tender will be advertised in the 2024/25 financial year. There is a current problem with informal structures under the 66kV overhead line supplying the Thembalethu substation that is causing a delay with the energizing of this substations which in turn have a knock-on effect on most of the other substation projects
Solar PV Plants	The following PV Solar Plants were commissioned: • Outeniqua WWTW – 400kWp plant • Gwaing WWTW – 500kWp plant • Electrotechnical Building – The plant is commissioned and operational • MVR Building – The plant is commissioned and operational • Tourism Facility – The plant is commissioned and operational • 1MWp PV Plant The larger PV installation is planned to supply George. The 12MWp PV Plant is currently placed on hold due to funding constraints. The project is being developed to a state of implementation readiness so that it can be handed over to an Independent Power Producer (IPP) if the Municipality chooses to move forward in that direction

3.16.3 Electricity Challenges

The table below specifies challenges for the 2023/24 financial year.

Table 120: Electricity challenges

Challenges	Issues to address
Loadshedding	Loadshedding impact on the revenue and infrastructure
Theft and vandalism	Theft and vandalism of infrastructure results in extended power outages and wastage of resources, through repetitive outages

Challenges	Issues to address
Ageing infrastructure	Cable and switchgear replacements at a medium voltage level, to create a more sustainable network
Key personnel	Retaining key personnel within the operation and maintenance, as well as Engineering Services and accelerated filling of vacancies with suitable and competent replacement when an incumbent leaves the organisation
Unregistered SSEG	By law to include embedded generation in its clauses, to enforce the registration of all systems with the Municipality before commission, as well as address all historical connections retrospectively

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3.16.4 Electricity: Employees

The table below indicates the number of employees within the department.

Table 121: Electricity employees

Job level (T-grade)	2023/24				
	2022/23	Budgeted posts	Employees	Vacancies	Vacancies (as a %of total budgeted posts)
0-3	15	13	10	3	1.85%
4-6	50	43	34	9	5.56%
7-9	46	43	40	3	1.85%
10-12	38	38	32	6	3.70%
13-15	20	20	16	4	2.47%
16-18	5	5	3	2	1.23%
19-20	-	-	-	0	0%
Total	174	162	135	27	16.67%

3.16.5 Capital Expenditure 2023/24: Electricity

Table 122: Capital expenditure 2023/24 Electricity

Capital Expenditure 2023/24: Electricity				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
11KV SWITCHGEAR AND EQUIPMENT - GROENKLOOF	600 000	300 000	0	300 000
11KV SWITCHGEAR AND EQUIPMENT - MOOIKLOOF	600 000	0	0	0
CIVIC CENTRE BESS	2 500 000	4 960 000	4 816 027	143 973
CIVIC CENTRE ELECTRICAL VEHICLE CHARGER	500 000	0	0	0
COMMUNICATION SYSTEM	1 000 000	660 000	0	660 000
COMPUTER SOFTWARE - ELEC	100 000	100 000	0	100 000
CONTAINER	0	200 000	0	200 000
CONTROL CENTRE: 11KV SAFETY	300 000	300 000	188 964	111 036
CRANE TRUCK - ELEC	0	0	0	0
DENNEOORD BESS	10 000 000	0	0	0
ELECTRICAL REHABILITATION OF FACILITIES	0	9 259 130	5 154 207	4 104 923
ELECTRIFICATION OF STRUCTURES	0	0	0	0
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) - ELEC	40 000	180 000	157 969	22 031
ENTRANCE CONTROL AND SECURITY MEASURES - ELEC	50 000	20 000	0	20 000
EXTENSION OF 11KV NETWORK - GEORGE INNER CITY	2 000 000	4 000 000	3 521 368	478 632

Capital Expenditure 2023/24: Electricity				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
EXTENSION OF 11KV NETWORK - LAWAAIKAMP	500 000	0	0	0
EXTENSION OF 11KV NETWORK - THEMBALETHU	350 000	350 000	340 013	9 987
EXTENSION OF 11KV NETWORK - UNIONDALE	500 000	1 320 000	1 191 983	128 017
EXTENSION OF 11KV NETWORK - WILDERNESS	350 000	60 000	52 632	7 368
FESTIVE LIGHTS	300 000	300 000	171 910	128 090
FICHAT SS UPGRADE - 11KV SWITCHGEAR AND EQUIPMENT	50 000	50 000	0	50 000
FORMAL AREAS UNDERGROUND CONNECTION - UISP AREA	5 518 261	5 518 261	5 002 012	516 249
FURNITURE AND FITTINGS - ELEC	50 000	160 000	119 078	40 922
GENERATOR	700 000	1 105 000	969 173	135 827
GEORGE SUBSTATION UPGRADE	14 500 000	6 599 091	6 595 748	3 343
GWAIING BESS	10 000 000	5 000 000	4 999 967	33
HANSMOESKRAAL-THEMBALETHU 66KV OVERHEAD LINE	0	0	-6 925 675	6 925 675
HEATHER PARK 2ND TRANSFORMER	500 000	0	0	0
HEROLDS BAY SUBSTATION: TRANSFORMER	12 000 000	11 419 366	13 851 350	-2 431 984
HIGH MAST LIGHTING: BLANCO	0	539 780	473 037	66 743
HIGH MAST LIGHTING: CONVILLE	0	1 035 212	905 617	129 595
HIGH MAST LIGHTING: PACALTSDORP (NEW DAWN PARK)	0	1 613 522	1 307 669	305 853
HIGH MAST LIGHTING: ROSEMORE	0	1 613 054	1 313 444	299 610
HIGH MAST LIGHTING: THEMBALETHU PHASE 2	0	313 000	68 515	244 485
HIGH MAST LIGHTING: UNIONDALE	0	540 913	469 822	71 091
HIGH MAST LIGHTING: PARKDENE, BORCHARDS AND LAAWAIKAMP	780 000	0	0	0
HIGH MAST LIGHTING: THEMBALETHU	100 000	3 119 951	3 119 951	0
INFORMAL AREAS UNDERGROUND CONNECTION - USIP AREA A3	0	0	0	0
L/T LINES - GEORGE	2 000 000	1 490 000	1 452 634	37 366
L/T LINES - PACALTSDORP	500 000	100 000	87 497	12 503
L/T LINES - UNIONDALE	100 000	100 000	22 187	77 813
L/T LINES - WILDERNESS	100 000	1 300 000	1 082 277	217 723
LDV BAKKIE - REPLACE GM2027 (CAW 52424)	450 000	430 000	410 689	19 311
LDV BAKKIE - REPLACE GM2201 (CAW 51011)	450 000	430 000	410 205	19 795
LDV BAKKIE - REPLACE GM927 (CAW 31833)	450 000	905 000	846 163	58 837
LDV BAKKIES - ELEC	900 000	506 577	506 577	0
LIGHTING REQUESTS	100 000	0	0	0
MOBILE RADIOS - ELEC	100 000	110 000	91 430	18 570
NEW 20MVA TRANSFORMERS - GLENWOOD	25 000 000	21 527 257	21 490 252	37 005

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Capital Expenditure 2023/24: Electricity				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
OUTENIQUA BESS	12 000 000	5 221 850	5 146 217	75 633
OVERLOADED NETWORKS: REPLACEMENT - ELEC	3 000 000	5 100 000	4 486 095	613 905
POWER FACTOR	1 200 000	0	0	0
PROEFPLAAS 66/11KV UPGRADE - PHASE 3	10 000 000	3 520 000	3 517 799	2 201
PROTEA 66/11KV TRANSFORMER CAPACITY INCREASE	1 500 000	0	0	0
PROTECTION SYSTEM	1 200 000	1 200 000	645 655	554 345
QOS	700 000	1 920 000	1 920 000	0
REFURBISHMENT OF AERIAL PLATFORMS	300 000	286 800	0	286 800
RENEWABLE ENERGY PROJECT - 1MW	5 000 000	10 360 000	10 191 415	168 585
RENEWABLE ENERGY PROJECT - 9MW	42 000 000	2 860 071	2 860 064	7
RENEWABLES FEASIBILITY STUDY	18 000 001	2 400 000	0	2 400 000
REPLACE CHERRY PICKER TRUCK - ELEC	2 000 000	1 286 000	1 147 499	138 501
REPLACE OVERLOADED 11KV SWITCHGEAR	5 000 000	6 150 000	5 935 671	214 329
REPLACE REDUNDANT 66KV SWITCH GEAR	0	500 000	209 501	290 499
RETICULATION FILL IN SCHEMES - AD HOC	200 000	200 000	145 519	54 481
RETICULATION OF METRO GROUNDS	2 600 000	2 600 510	1 738 397	862 113
RETICULATION SCHEME - METRO GROUNDS	0	7 740	0	7 740
RETICULATION SCHEME - THEMBALETHU N2	2 677 500	0	0	0
RETICULATION SCHEMES - INFORMAL SETTLEMENTS	5 000 000	5 900 000	5 265 159	634 841
RETICULATION SCHEMES - PACS (ERF 325 EAST)	50 000	0	0	0
SAFETY ADDITIONS TO ELEC BUILDING (OHSA)	60 000	60 000	10 903	49 097
SAFETY EQUIPMENT - ELEC	460 000	490 000	40 292	449 709
SCHAAPKOP 2ND 132/66KV TRANSFORMER	800 000	1 001 500	1 001 422	78
SECURITY WALL AT MAJOR SUBSTATIONS	400 000	399 950	240 714	159 236
SKIDSTEER / MINI EXCAVATOR / TLB / COMBO	600 000	1 314 000	1 313 628	372
SOLAR PV: DENNEOORD WWTP (400KW)	7 200 000	0	0	0
SOLAR PV: ELECTRO-TECHNICAL SERVICES (50KW)	700 000	245 000	122 500	122 500
SOLAR PV: GEORGE PUMPS 2 (150KW)	2 700 000	0	0	0
SOLAR PV: GWAIING WWTP (300KW)	12 000 000	10 600 000	8 965 018	1 634 982
SOLAR PV: KLEINKRANTZ WWTP (50KW)	900 000	0	0	0
SOLAR PV: OUTENIQUA WWTP (400KW)	1 000 000	1 000 100	536 918	463 182
SOLAR PV: PUMPS NOOD WATER (150KW)	2 700 000	0	0	0
SOLAR PV: PUMPS PROEFPLAAS (100KW)	1 800 000	0	0	0
SOLAR PV: THEMBALETHU PUMPS 6 (70KW)	1 260 000	0	0	0

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Capital Expenditure 2023/24: Electricity				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
SOLAR PV: UNIONDALE WWTP (30KW)	540 000	0	0	0
SOLAR PV: WATER WORKS 11TH (200KW)	3 600 000	0	0	0
TESTING EQUIPMENT - ELEC	400 000	100 000	38 501	61 499
THEMBALETHU/BALLOTS BAY 66/11KV SUBSTATION	5 000 000	10 000 050	8 543 905	1 456 145
THERON SS UPGRADE - 11KV SWITCHGEAR AND EQUIPMENT	300 000	70 000	0	70 000
TOOLS AND EQUIPMENT - ELEC	400 000	490 000	224 394	265 606
UNIONDALE ELECTRIFICATION	10 000	1 000	0	1 000
UPGRADE OH LINE - SS GEORGE TO SS GLENWOOD	500 000	0	0	0
UPGRADING OF BUILDINGS - ELEC	300 000	60 000	0	60 000
UPS FOR TRAFFIC LIGHTS	1 500 000	1 500 000	1 035 230	464 770
HIGH MAST LIGHTING	5 000 000	1 988 000	0	1 988 000
LIGHTING INFORMAL AREAS	50 000	0	0	0
STREET LIGHTNING: GREATER GEORGE	3 000 000	3 000 000	2 558 127	441 873
STREETLIGHTS: UNIONDALE, HAARLEM AND HEROLD	100 000	100 000	0	100 000
UPGRADE OF OBSOLETE STREETLIGHT NETWORK (REPLACE 45W CFL LIGHTS)	100 000	0	0	0
TOTAL ALL	259 845 762	169 467 685	142 105 235	27 362 450

3.17 Waste Management (Refuse Collections, Waste Disposal, Street Cleaning and Recycling)

3.17.1 Waste Management

Waste management is defined as “The collection, transportation, and disposal of garbage, sewage, and other waste products. Waste management encompasses the management of all processes and resources for the proper handling of waste materials, from the maintenance of waste transport trucks and dumping facilities to compliance with health codes and environmental regulations.”

Core proposed sub-functions within the mSCOA framework include:

- Recycling;
- Solid waste disposal;
- Solid waste removal; and
- Street cleaning.

The Municipality developed the Integrated Waste Management Plan (IWMP), Solid Waste By-Laws and Waste Minimisation Plan to set standards for the waste management services. The Integrated Waste Management By-law were reviewed and aligned with the District By-law and with the National Environmental Management Act, (Act No. 59 of 2008).

George Municipality strives to achieve targets set by the National Government for refuse collection, the management of waste disposal facilities, street cleaning and waste minimisation.

The Municipality is implementing the three-bag system to promote the division of organic waste, the sorting of waste at source and the reduction of waste to landfills. All different types of bags are collected on the same day.

Refuse is collected curb side in all residential areas in the municipal area. The Municipality does not sub-contract refuse collection. Refuse bags are delivered every quarter and ward councillors are involved in the distribution of bags in the informal settlements. Refuse is collected weekly at businesses and in cases where these require additional collection, arrangements with the Municipality are made.

Domestic waste is disposed of at the George Waste Transfer Station, as well as at the Uniondale Waste Transfer Station. Waste is then transported for disposal at the Petro SA landfill site in Mossel Bay. The Uniondale landfill site has been fully rehabilitated and decommissioned during the financial year.

The Gwaing Waste Disposal Facility is the only operational landfill site within the municipal area. In terms of the Department of Environmental Affairs and Development Planning's compliance audit, the management of the facility has been improved. Previously the site scored 33% and in the last compliance audit, the site scored 64%. Five monitoring boreholes, fencing and a guard house were constructed at the facility.

In fighting illegal dumping and ensuring that the communities are residing in a clean and healthy environment, the Municipality hires, monthly, two pieces of heavy machinery and six tippers' trucks to clean and clear refuse dumps in the informal settlements. Additionally, nine ward-based coordinators and 84 EPWP street cleaners were appointed to cleanse streets. There are also street cleaners in the central business district (CBD).

3.17.2 Implementation of the 3rd Generation Integrated Waste Management Plan (IWMP)

During the financial year the following deliverables of the IWMP were implemented:

- Two (2) refuse compactors were procured;
- Two (2) skip trucks were procured;
- Two tipper trucks were procured;
- One (1) TLB was procured;
- One (1) bakkie was procured
- Phase A of platform 1 was completed;
- Environmental external audits were conducted at all waste disposal facilities;
- The fence was installed at the Gwaing landfill site as part of the rehabilitation plan;
- Clean-up campaigns were done; and
- Compost bins for household composting were issued to the public.

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3.17.3 Waste Management Highlights

The table below reflects the highlights of waste management for the 2023/24 financial year.

Table 123: Waste Management highlights

Highlights	Description
Funding for the finalisation of the compost plant was approved by the Department of Fishery, Forestry and Environment (DEFFE). Service providers were appointed by DEFFE	A funding application was submitted to the DEFFE for the finalisation of the current construction of the compost facility. Funding has been approved for - and will be rolled out over 18 months
Appointment of 225 EPWP workers through the Cleaning & Greening project of DEFFE	Four sessions were arranged in the financial year where the community was invited to dispose of household hazardous waste in a proper manner
Open day for the collection of household hazardous waste	Four sessions were arranged in the financial year where the community was invited to dispose of household hazardous waste in a proper manner
Beautification of illegal dumping site	Twenty-one areas in George were beautified by the EPWP workers
External audits	External audits were conducted at the waste disposal facilities and the waste transfer stations
Rollout of Home Composting Bins	Home composts were distributed to homeowners who applied for the home compost bins as part of the minimization of organic waste

3.17.4 Waste Management: Challenges

The table below reflects on the challenges experienced by waste management during the 2023/24 financial year.

Table 124: Waste Management challenges

Challenges	Actions to address
Illegal dumping – appointment of Environmental Educators	Appointment of workers to conduct awareness programmes
Illegal litter pickers at the landfill sites	Formalisation of litter pickers at the Gwaing landfill site

3.17.5 Waste Management Service Delivery Levels

The table below indicates the different refuse removal service delivery standards within the urban edge area of the Municipality.

Table 125: Waste Management Service Delivery Levels

Description	Households		
	2022	2023	2023/24
	Actual	Actual	Actual
	No.	No.	No.
Solid Waste Removal: (Minimum level)			
Removed at least once a week	62 722	63 568	63 096
Minimum Service Level and Above Sub-Total	62 722	63 568	63 096

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Description	Households		
	2022	2023	2023/24
	Actual	Actual	Actual
	No.	No.	No.
Minimum Service Level and Above Percentage	99.8%	99.8%	99.8
Solid Waste Removal: (Below minimum level)			
Removed less frequently than once a week	53 049	60 323	60 323
Using communal refuse dump	0	0	0
Using your own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
Below Minimum Service Level Sub-Total	9 673	3 245	3 245
Below Minimum Service Level Percentage	13.4%	5%	5%
Total number of households	**62 722**	**63 568**	**52 542**

3.17.6 Waste Management: Employees

The table below represents the employees within the waste management section.

Table 126: Waste Management Employees

Job level (T-grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a %of total budgetedposts)
	Number				
0-3	11	7	7	0	0%
4-6	79	79	70	9	7.69%
7-9	26	25	21	4	3.42%
10-12	2	2	1	1	0.85%
13-15	3	3	1	2	1.71%
16-18	1	1	1	0	0%
19-20	-	-	-	-	0%
Total	122	117	101	16	13.67%

3.17.7 Capital Expenditure 2023/24: Waste Management

Table 127: Capital Expenditure 2023/24: Waste Management

Capital Expenditure 2023/24: Waste Management				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
PAVING AND FENCING OF MARKET PLAIN - DMA	300 000	65 643	65 642	1
BIN LIFTERS	0	378 223	378 222	1

Capital Expenditure 2023/24: Waste Management				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
BULK REFUSE CONTAINERS: TRANSFER STATION	200 000	0	0	0
FURNITURE TRANSFER STATION	30 000	23 536	22 540	996
GREEN GENIE	500 000	399 298	0	399 298
NEW WASTE MANAGEMENT CAMP	50 000	0	0	0
REFUSE BINS - WARDS	500 000	434 087	434 087	0
REPLACE REFUSE TRUCK COMPACTER CAW 30842 AND CAW 46531	12 500 000	4 214 602	4 214 601	1
REPLACE VEHICLE CAW 97426	0	383 000	381 915	1 085
REPLACEMENT JCB CAW 46311	1 700 000	1 313 049	1 313 048	1
REPLACEMENT OF WEIGH BRIDGE - GEORGE TRANSFER STATION	1 000 000	0	0	0
SKIP TRUCKS, TIPPERS, TLB - IUDG	0	8 156 530	8 156 529	1
UPGRADE CLEANSING CAMP	150 000	381 439	284 363	97 076
WEEDEATERS	7 500	4 927	4 927	0
Total all	**16 937 500**	**15 754 334**	**15 255 874**	**498 460**

3.18 Integrated Human Settlements

3.18.1 Housing Development

The Human Settlements Department of the Municipality is located within the Directorate: Human Settlements, Planning and Development and Property Management. The department is primarily responsible for the development of new housing opportunities, facilitating access to social and affordable housing and the upgrade of informal settlements with the aim to formalise these settlements. It further manages the municipal housing pipeline and human settlement plan. In addition, the Section also manages the Housing Demand Database and the provision, maintenance and monitoring of basic services within informal settlements.

The Housing Demand Database (waiting list) – which is linked to the Department of Infrastructure (DOI) database indicates George Municipality has 20 190 families who are officially captured on the Housing Demand Database. The breakdown of the various income categories is as follows:

Table 128: Housing Demand Database

Income	Total on the housing demand database
R0 -R3 500	17490
R3501 -R7 000	1829
R7 001 – R15 000	739
R15 001 – R 22 000	97
R22 001 and above	35

The database is reviewed continuously throughout the year. This review involves removing duplications, applicants who have subsequently acquired ownership or received a subsidy, applicants who have moved from the area and relocated elsewhere in the country, or deaths in cases of sole applicants. This impacts the totals on the waiting list and the reduction of the total.

Table 129: Housing Waiting list

Financial year	Number of housing units on the waiting list	% Housing waiting list increase/decrease
2019/20	18 586	8.16
2020/21	18 659	0.4
2021/22	18 577	(0.43)
2022/23	18 759	0.98
2023/24	20190	7.09

3.18.1.1 Human Settlements Projects and Initiatives

Metro Grounds Housing Project: The Metro Grounds Housing Project is approved for 436 BNG housing opportunities. The construction of the top structures commenced on 01 September 2022 with a total of 31 houses handed over to approved beneficiaries. Construction of the remaining top structures are in the final stages of completion.

Thembalethu UISP Housing Project: The project is an approved multi-year project which will provide approximately 4 350 families with a serviced site that has access to water, sanitation and electricity. For the year under review, planning on the remainder of the land earmarked for future development has taken place. A contractor was appointed for the roadworks in Area 1 of the project.

Erf 325 Housing Project: This is a catalytic project funded and managed by the Provincial Department of Infrastructure (previously Department of Human Settlements). The project was initially approved for approximately 2096 housing opportunities which includes various housing typologies and programmes, including GAP/Finance Linked Individual Subsidy Programme (FLISP), Breaking New Ground (BNG) and housing units for military veterans and units for persons with disabilities. A total of 1091 units were completed, and 791 houses were handed over to qualifying beneficiaries. For the period under review 1 house had been handed over with several houses being rectified because of vandalism.

Human Settlements Plan: Land identified in the Human Settlements Plan for future human settlements development was approved by Council. The process to compile and prioritise a housing pipeline is in process.

Interim Basic Services: The Department of Infrastructure approved funding for the planning of Interim Basic Services in Thembalethu. The Planning has been completed and a project application for funding has been submitted to DOI for the implementation of the project. The resolution for project implementation has not b een received by DOI

Alternative Sanitation Solution: After the conclusion of the pilot project, one service provider was appointed for the implementation of the alternative sanitation solution in informal settlements. Municipal funding was utilised to install 43 units including the units installed during the pilot. Further funding was requested from the DOI for the rollout of the project over a period of three years, but this funding was not approved. The implementation of this project is to fundamentally reduce the number of chemical toilets in informal settlements which currently has a huge financial impact on the municipal budget, and to provide a more dignified means of sanitation for inhabitants residing in the informal settlements.

Construction of stormwater channels and retaining walls in various areas in George: The Department of Infrastructure approved funding for the construction of retaining walls in various erven in George. A survey was conducted by an

appointed Consulting Engineer to determine erven with stormwater problems. A total of 154 erven was completed during this financial year.

Provision of Basic Services (Taps and Toilets) in Informal Settlements: During the 2023/24 financial year seven (7) additional toilets were installed in Begonia Street (Touwsranten Informal Settlement) and forty-three (43) alternative sanitation flush toilets were installed in various informal settlements. A total of 40 taps were installed in various informal settlements in terms of the national norm.

Housing Consumer Education: A total of three (3) workshops were held with a total of thirty-one (31) beneficiaries who were educated in homeownership, the security of tenure, issues of inheritance and drafting of a will.

Social Housing: The Crocodile Farm has been identified as the first Social Housing Project to be launched. The environmental impact assessment (EIA) has been approved and an item is prepared and will be submitted to Council to request approval to prepare terms of reference and call for proposals from social housing institutions and other development agencies to implement the development of this project, including the management of the social housing units.

Informal Settlements: There are currently fifty-three (53) informal settlements in the George Municipal Area. All informal settlements have access to basic services on a shared basis. However, in some settlements where land has been invaded, basic services (taps and toilets) have not been provided in terms of the national norm owing to funding limitations. One of the biggest challenges the Municipality faces is ongoing land invasion. The provision of basic services is extremely difficult owing to the location of these settlements, as well as a lack of sufficient and appropriate space for this infrastructure and associated amenities. In most cases the ownership of the land vests with other spheres of government posing further prolonged processes.

The roll-out of access to basic services (ABS) in informal settlements is a continuous programme that deals with the upgrading and installation of communal services in informal settlements.

Assistance during Emergencies, Fire, and Floods: The Department of Human Settlements assists the Section: Disaster Management in emergencies by verifying the data that is collected about the disaster victims against the data obtained during period surveys. These emergencies are mostly fire incidents in informal settlements and/or in the backyards of formal housing units. These incidents to a lesser extent also include flooding incidents and excessively strong winds. The Municipality responds by providing a 4 x 5 emergency structure to qualifying beneficiaries. The National Department of Human Settlements provided thirty-three (33) families with material assistance in terms of their Emergency Housing Guidelines. During the year in review, a total of eighty-seven (87) emergency structures were provided to beneficiaries by the Municipality who found themselves homeless owing to emergency situations. A total of two hundred and twenty (220) fire cases were reported.

Title deeds: In collaboration with the Provincial Department of Human Settlements, the Title Deed Restoration Project continued with the aim of transferring old housing stock to the rightful owners. Since its initiation (1 April 2016) a total of 2472 properties were transferred. In the 2023/24 financial year 664 transfers were registered.

3.18.1.2 Human Settlements: Highlights

The table below specifies the highlights of the 2023/24 financial year.

Table 130: Human Settlements highlights

Highlights	Description
Implementation of alternative pilot project	33 toilet units were installed by the appointed contractor
Construction of stormwater channels and retaining walls	154 erven completed

Highlights	Description
Metro Grounds Housing Project	31 houses handed over to beneficiaries
Erf 325 Housing Project	1 house handed over to beneficiary
Provision of basic services in informal settlements	7 flush toilets and 40 taps installed

3.18.1.3 Human Settlements: Challenges

The table below specifies the challenges of the 2023/24 financial year.

Table 131: Human Settlements Challenges

Challenges
Access to funding to improve basic services and the maintenance of these services in informal settlements
Vandalism and theft of basic services infrastructure in informal settlements
Land invasions on portions of land earmarked for human settlement development which delay implementation of projects

3.18.1.4 Human Settlements Service Delivery Levels

The Housing Demand Database (waiting list) – which is linked to the Provincial Department of Human Settlements - is reviewed regularly. This review involves removing duplications, applicants who have subsequently acquired ownership or received a subsidy, applicants who have moved from the area and relocated elsewhere in the country, or deaths in cases of sole applicants. This impacts the totals on the waiting list and in the reduction of the total.

The table below shows a 7.09 % increase in the number of people on the housing waiting list. There are currently approximately 20 190 persons on the housing demand database awaiting a housing opportunity.

There has been an increase in the waiting list which can be attributed to the commencement of the waiting list drive to various areas in George

Table 132: Housing Waiting list

Financial year	Number of housing units on the waiting list	% Housing waiting list increase/decrease
2019/20	18 586	8.16
2020/21	18 659	0.4
2021/22	18 577	(0.43)
2022/23	18 759	0.98
2023/24	20 190	7.09

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3.18.1.5 Human Settlements: Employees

The table below reflects the number of employees in the human settlements department.

Table 133: Human Settlement employees

Job level (T-grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	-	-	-	0	0%
4-6	20	28	28	0	0%
7-9	11	12	12	0	0%
10-12	13	8	8	0	0%
13-15	3	3	3	0	0%
16-18	3	2	1	1	0%
19-20	-	-	-	0	1.89%
Total	50	53	52	1	1.89%

3.18.1.6 Capital Expenditure 2023/24: Human Settlements

Table 134: Capital Expenditure 2023/24 Human Settlements

Capital Expenditure 2022/23: Human Settlements				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
1X BAKKIE: MAINTENANCE	350 000	536 676	439 793	96 883
ACCESS TO BASIC SERVICES: INFORMAL AREAS	1 760 000	5 000	0	5 000
AIRCONDITIONING / AIRCONDITIONERS	20 000	93 788	80 066	13 722
BAKKIE - NEW HOUSING	500 000	486 332	486 332	0
BRANDED POP UPS AND FINS	10 000	8 935	0	8 935
BUILDING EQUIPMENT AND TOOLS	20 000	13 996	13 996	0
CAMERA	5 000	7 391	7 390	1
CHAIRS - MAINTENANCE SECTION	10 000	0	0	0
COMPACTOR	6 000	0	0	0
CONSTRUCTION OF BUILDING: OFFICE SPACE (INDUSTRIAL AREA)	900 000	2 172 310	2 133 581	38 729
ERECTION OF FENCE: INDUSTRIAL AREA	100 000	200 000	77 777	122 223
FILING CABINETS - EXISITNG HOUSING	3 000	0	0	0
FRIDGE	9 000	6 261	6 261	0
FURNITURE - INFORMAL HOUSING - CHAIRS AND CABINETS	5 000	3 735	3 735	0

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Capital Expenditure 2022/23: Human Settlements				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
FURNITURE - MAINTENANCE SECTION	30 000	0	0	0
FURNITURE AND OFFICE EQUIPMENT	7 000	16 404	16 403	1
FURNITURE: EXISTING HOUSING	10 000	0	0	0
FURNITURE: NEW HOUSING	5 000	4 609	4 609	0
GATE AT DAVIDSON COURT	0	104 772	104 678	94
GAZEBOS	30 000	44 332	0	44 332
GENERATOR	50 000	0	0	0
INSTALLATION OF TAPS	600 000	0	0	0
LOCKERS	20 000	0	0	0
MICROWAVE	2 000	6 303	3 910	2 393
PROVISION OF SERVICES: GAP HOUSING-DELLVILLE PARK	1 500 000	0	0	0
SCAFFHOLDING	10 000	0	0	0
SEDAN	300 000	288 100	288 042	58
TRAILER - NEW HOUSING	75 000	0	0	0
VISITOR CHAIRS REPLACEMENT - EXISITNG HOUSING	6 500	5 400	5 400	0
BULLET PROOF VEST	55 000	0	0	0
DOUBLE CAB 4X4	450 000	581 200	547 261	33 939
LAPTOPS - ANTI-LAND INVASION UNIT	0	0	0	0
LOUDHAILERS	70 000	0	0	
SINGLE CABS - 4X4	380 000	0	0	0
TORCHES - ANTI-LAND INVASION UNIT	10 000	0	0	
Total all	**7 308 500**	**4 585 544**	**4 219 235**	**366 309**

3.19 Free Basic Services and Indigent Support

a) Access to Free Basic Services

The following table shows the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the Municipality, all households earning less than **R 4 560** (two state pensions) per month will receive free basic services as prescribed by national policy.

The table below indicates the number of households receiving free basic services.

Table 135: Access to Free Basic Services: Indigents

Financial Year	Number of households								
	Total no. of HH	Households earning less than R 4 560 per month							
		Free basic water		Free basic Sanitation		Free basic Electricity		Free basic Refuse removal	
		Access	%	Access	%	Access	%	Access	%
2019/20	49 647	15 142	31%	14 720	30%	19 730	40%	14 853	30%
2020/21	49 647	14 324	29%	13 871	28%	19 220	39%	14 034	28%
2021/22	51 421	11 521	27%	11 192	26%	16 865	37%	11 291	26%
2022/23	53 759	10 488	20%	10 228	19%	15 439	28%	10 318	19%
2023/24	55 835	11 306	20%	11 089	20%	17 018	30%	11 174	20%

Table 136: Free basic electricity: Indigents

Electricity									
Financial Year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value pm R'000	No. of HH	Unit per HH (kwh)	Value pm R'000	No. of HH	Unit per HH (kwh)	Value pm R'000
2019/20	19 730	70kwh 137.90c	1 453 690	44 467	0 kwh 194.30c	0.00	745	50 kwh 137.90c	51 367
2020/21	19 220	70kwh 146.48c	1 970 742	44 993	70kwh 206.39c	0.00	736	50 kwh 146.86c	53 758
2021/22	16 856	70kwh 167.85c	2 212 901	47 331	70kwh 241.71c	0.00	314	50kwh 167.85	26 352
2022/23	15 439	70kwh 181.28c	1 887 959	47 555	70kwh 239.62c	0.00	1 153	50kwh 181.28c	10 451
2023/24	11 510	70Kwh 208.02c	1 676 017	48 388	70Kwh 274.96c	0.00	552	50Kwh 208.02c	57 413

Table 137: Free basic water: Indigents

Water						
Financial Year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kwh)	Value pm R'000	No. of HH	Unit per HH (kwh)	Value pm R'000
2019/20	15 142	6kl 15.73	1 429 102	39 685	6kl 15.73	3 745 470
2020/21	14 324	6kl 16.67	1 432 686	39 841	6kl 16.67	3 984 897
2021/22	11 521	6kl 17.67	1 469 013	36 878	6kl 17.67	3 909 806
2022/23	10 488	6kl 19.44	1 223 320	37 567	6kl 19.44	4 381 815
2023/24	11 306	6kl 19.63	1 331 621	38 293	6kl 19.63	4 510 150

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Table 138: Free basic sanitation: Indigents

Sanitation						
Financial Year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kwh)	Value pm (excluding VAT)	No. of HH	Unit per HH	Value/pm (excluding VAT)
			R'000			R'000
2019/20	14 720	1 unit	220.95	23360	1 unit	R220.95
2020/21	13 906	1 unit	235.31	21 152	1 unit	R235.31
2021/22	11 192	1 unit	249.43	27 080	1 unit	R249.43
2022/23	10 228	1 unit	271.88	28 786	1 unit	R271.88
2023/24	11 089	1 unit	R296.35	39 790	1 unit	R296.35

Table 139: Free basic refuse removal services

Refuse						
Financial Year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH	Value pm (excluding VAT)	No. of HH	Unit per HH	Value pm (excluding VAT)
			R'000			R'000
2019/20	14 853	7 Black Bags	207.71	22 289	7 Black Bags	R207.71
2020/21	14 034	7 Black Bags	221.21	23 726	7 Black Bags	R221.31
2021/22	11 291	7 Black Bags	231.16	28 299	7 Black Bags	R231.16
2022/23	10 318	7 Black Bags	277.00	30 134	7 Black Bags	R277.00
2023/24	11 174	7 Black Bags	R296.00	41 368	7 Black Bags	R296.00

3.20 Financial Performance 2023/24: Cost to Municipality of Free Basic Services (FBS) Delivered

Table 140: Cost of Free Basic Services

Financial Performance 2023/24: Cost to Municipality of free basic services delivered		
Services delivered	2022/23	2023/24
	Actual	Actual
	R	
Water	27 864 990	49 295 907
Electricity	16 805 059	21 575 568
Sanitation	37 056 659	39 871 018
Refuse removal	38 749 078	41 072 019

George Municipality provides free basic services to households where the household income does not exceed two times the state pension amount. Consumers in informal settlements with a pre-paid meter will qualify automatically without application for the indigent subsidy.

The full criteria to qualify for indigent support are as follows:

- Household income must not exceed 2 x state pension;
- Electronic application form is captured
- Must be a full-time occupant;
- May not own any other property in SA;
- Property must be used for residential purposes only;
- Minors/guardians must provide motivation/documentation; and
- Any other supporting documentation relating to the above.

Level of subsidies provided:

- Water: 100% subsidy on the basic charge and 6kl per month (per household);
- Electricity: 100% subsidy on the basic charge (20Amp and higher) and up to 70kWh per month (per household);
- Eskom supply area: Free 50kWh units per month;
- Refuse removal: 100% subsidy per month; and
- Sewerage disposal: 100% subsidy per month.

COMPONENT B: ROADs, TRANSPORT and Stormwater

3.21 Roads

This component includes roads, transport, traffic engineering and wastewater (stormwater drainage).

3.21.1 Roads Overview

The National Land Transport Act 5 of 2009 (NLTA) places responsibility for the provision of public transport with local municipalities. The NLTA further determines that George Municipality qualifies to prepare a Comprehensive Integrated Transport Plan (CITP). The CITP is currently under development.

The George Roads Master Plan study aims to address the rapid growth of the population, with an estimated population of 310 000, in the Municipality of George. This growth will bring new opportunities and challenges, including increased traffic volumes on major travel corridors. The plan focuses on transportation planning, identifying, planning, and guiding the design of roads infrastructure and facilities needed to serve this population.

The plan forms an integrated part of the IDP for George and should be included in the IDP and spatially reflected in the Spatial Development Framework (SDF) of George. It will be implemented through mechanisms such as capital budgets, project development, impact levies, transportation modelling, arterial management plans, transportation studies, traffic systems management (TSM), and design or practice guidelines.

The key to the success of the George Roads Master Plan is managing travel demand and infrastructure supply to the road network. A comprehensive travel demand management strategy is required to reduce the number of vehicles using the road system while providing a wide variety of mobility options. Most residents still travel by private motor vehicle or minibus taxi, causing local congestion and low-level pollution. The introduction of the Go George Public Transportation system has reduced the reliance on minibus taxis as many residents have started using the system.

The George Roads Master Plan aims to minimise future need for new and widened roads while avoiding levels of congestion that would have unacceptable implications for George's quality of life. It does so by analysing future travel demand, providing strategic links where they are most needed, and recommending the application of traffic systems management for maintaining favourable operating conditions on the existing road network.

The 2005 roads master plan based their planning on a 10-year planning horizon, or until the population estimate has been reached, which was considered the most reasonable planning horizon for the study. The plan also sets ambitious

objectives for walking and cycling and a modal shift towards public transport. The plan is currently under review as part of the Comprehensive Infrastructure Plan for the city of George to ensure alignment with current and future projected needs.

Road and stormwater asset management is essential to achieve the maximum life expectancy of these assets. The roads maintenance and rehabilitation priorities are determined by means of a Pavement Management System (PMS), based on the condition of the road. The implementation of these priorities is subject to Council funding approval. The main challenges to overcome, which will significantly improve service delivery, are the difficulty in procurement of services and adequate funding.

3.21.1.1 Roads Highlights

Table 141: Roads highlights

Highlights	Description
Tabata Street (Phase 1 to 2)	Completion of the road pavement upgrade and provision of universally accessible sidewalks (1 190 m, 1 190 m x 2 sidewalks)
Golf Street (Phase 1)	Completed with the road pavement upgrade and provision of universally accessible sidewalks (670m, 670m x 2 sidewalks)
Golf Street (Phase 2)	Commencement with the road pavement upgrade and provision of universally accessible sidewalks (670 m, 670m x 2 sidewalks)
Ngcakani Street (Phase 1A)	IUDG project: Completed with the road pavement upgrade and provision of universally accessible sidewalks (450 m, 450m x 2 sidewalks)
Ngcakani Street (Phase 1B)	IUDG project: Commencement with the road pavement upgrade and provision of universally accessible sidewalks (490 m, 490m x 2 sidewalks)
Ngcakani Street (Phase 2)	Completed universally accessible sidewalks (840m x 2)
Rooidraai Road	Phase 1 is well advanced and Phase 3 in construction. Phase 2 commences in the new financial year which will complete the rebuilding of this key link road. Partially funded from MDRG
Delville Park Roads	Phase 1 completed and Phase 2 in construction. Phase 3 commences in the new financial year which will complete the rebuilding of these roads, sidewalks and associated stormwater
Bank Street	Construction commenced and will be completed early in the new financial year
Nqwemesha Street	IUDG project: Upgrade of 450m of gravel street to paved surfacing due to steep gradient which resulted in severe erosion of street surface
Reseal of Roads	Reseal of various roads in accordance with the Pavement Management System (PMS)
Paving of roads	Upgrade of various gravel roads in previously disadvantaged areas

3.21.1.2 Roads Challenges

Table 142: Roads Challenges

Challenge	Issues to address
Staff capacity	Currently, this Department is understaffed, and the filling of vacant positions is slow
Budget restraints	PMS and Stormwater Maintenance Plans indicated priorities for repairs/upgrades, but there is insufficient budget. The budgetary requirement for the rehabilitation/rebuilding of various public transport routes is beyond the financial capacity of the Municipality and grant funding received remains inadequate
Expansion of George	This results in more road users, putting the road infrastructure under further pressure
Access to adequate/decent gravel	The quality of materials is a cause of great concern since most of the quarries in the

quarries	region are depleted

3.21.1.3 Gravel Roads

Table 143: Gravel Roads infrastructure

Gravel Road Infrastructure: Kilometers				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar/block paving	Gravel roads graded/ maintained
2019/20	107	0	5	102
2020/21	102	0	5	97
2021/22	97	0	3	94
2022/23	94	0	3	91
2023/24	91	0	3	88

3.21.1.4 Tarred (Asphalted) Roads

Table 144: Tarred (Asphalted) Roads

Tarred road Infrastructure: Kilometers				
Year	Total tarred roads	New tarred and paved roads	Existing tarred roads re-tarred	Existing tarred roads maintained
2019/20	448.6	0	3	445.6
2020/21	448.6	0	20.5	448.6
2021/22	448.6	0	14	434.6
2022/23	434.6	0	14	434.6
2023/24	448.6	0	8	440.6

3.21.1.5 Cost of Construction/Maintenance: Roads

Table 145: Cost of construction/ maintenance: Roads

Financial Year	Cost of construction/maintenance					
	R'000					
	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Re-worked	Maintained
2019/20	0	12 000	1 200	0	7 000	9 000
2020/21 GIPTN and private developments					32 009	
2020/21	0	8 908	1 285	0	12 753	8 194
2021/22	-	-	-	4 000	22 000	3 500
2021/22 GIPTN and private developments	0	0	0	0	73 862	14 000

Financial Year	Cost of construction/maintenance					
	R'000					
	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Re-worked	Maintained
2022/23	-	33 400	3 300	0	27 700	3 500
2022/23 GIPTN and private developments	0	0	0	0	41 000	2 000
2023/24	0	21 738	3 403	0	67 700	23 227
2023/24 GIPTN and private developments	0	0	0	0	65 000	7 000

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3.21.1.6 Total Employees: Roads

Table 146: Total Employees: Roads

Job level (T-grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	2	-	-	0	0%
4-6	65	54	48	6	8.33%
7-9	16	13	10	3	4.17%
10-12	5	4	4	0	0%
13-15	-	-	-	0	0%
16-18	1	1	1	0	0%
19-20	-	-	-	0	0%
Total	89	72	63	9	12.5%

Table 147: Total Employees: Mechanical workshop

Job level (T-grade)	2022/23	2023/24			
		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number				
0-3	-	-	-	0	0%
4-6	4	4	3	1	12.50%
7-9	-	1	0	1	12.50%
10-12	2	2	2	0	0%
13-15	1	1	1	0	0%
16-18	-	-	-	0	0%
19-20	-	-	-	0	0%
Total	7	8	6	2	25.00%

3.21.1.7 Capital Expenditure 2023/24: Roads

Table 148: Capital Expenditure 2023/24 Roads

Capital Expenditure 2023/24: Roads				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
1TON SC 4X4 LDV	450 000	433 350	431 369	1 981
1TON SC 4X4 LDV - Replaced hired vehicle (SH Mtwazi)	0	0	0	0
BANK STREET RECONSTRUCTION	4 000 000	6 120 000	3 569 690	2 550 310
BUILDING OF CONCRETE CANALS & DRAINS	300 000	0	0	0
BUS STOPS AND SHELTERS	400 000	125 000	0	125 000

Capital Expenditure 2023/24: Roads				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
CONSTRUCTION OF SIDEWALKS: GEORGE AREA	2 800 000	1 903 256	1 903 255	1
DEPOT UPGRADE	200 000	4 310 293	4 306 513	3 780
GIPTN ROAD REHABILITATION	5 010 400	12 546 271	7 393 587	5 152 684
GOLF STREET	0	1 735 404	1 699 141	36 263
GOLF STREET ADDITIONAL	0	19 009	19 009	0
HOPE STREET RECONSTRUCTION	450 000	0	0	0
IUDG: UPGRADE OF STORMWATER: ROSEMOOR: PH1	0	1 379 366	1 379 366	0
MECHANICAL BROOM	5 000 000	0	0	0
NGCAKANI ROAD PHASE 1 UPGRADING	6 570 295	6 570 296	6 570 296	0
PETERS ROAD: REPAIRS TO SLIP FAILURE AND ASSOCIATED STORMWATER	500 000	17 021 739	0	17 021 739
PROPERTY DEVELOPMENT - SWEAPEA STREET RESIDENTIAL ERVEN PROJECT - ROADS	1 000 000	112 931	93 330	19 601
PW BOTHA BOULEVARD	5 000 000	800 000	782 646	17 354
RAND STREET EXTENTION	1 150 000	275 000	274 939	61
REBUILDING OF STREETS: GREATER GEORGE	5 000 000	13 682 293	13 682 253	40
ROAD REHAB: AIRWAY ROAD CURVE IMPROVEMENTS	0	3 019 000	0	3 019 000
ROAD REHAB: BEER: PHASE 1	0	21 252 000	3 182 947	18 069 053
ROAD REHAB: BEUKES: GEELHOUT-BEACH	0	12 287 000	174 414	12 112 586
ROAD REHAB: GENESIS - PAHSE 1	0	26 359 000	0	26 359 000
ROAD REHAB: GOLF: B KING-MAIN	0	2 362 000	1 896 946	465 054
ROAD REHAB: HAYDN (ROSE-HEATHER), HEATHER AND ROSE (HINISCUS-HAYDN) STREETS	0	34 904 000	0	34 904 000
ROAD REHAB: MISSION: CLINIC-PROTEA	0	39 811 000	804 588	39 006 412
ROAD REHAB: NGCAKANI: NTAKA-NMB EXTENTION, INCL KHOZI & NCAMANZA LINKS	0	79 157 000	7 092 665	72 064 335
ROAD REHAB: O'CONNELL: FORTHERINGHAM-NIEWOUDT, INCL WOLTEMADE STREET	0	11 155 000	1 671 983	9 483 017
ROAD REHAB: PINE: WITFONTEIN-MEENT	0	7 947 000	459 080	7 487 920
ROAD REHAB: PLATTNER: AIRWAY-YORK	0	500 000	0	500 000
ROAD REHAB: PROTEA: - PHASE 1	0	36 783 000	821 820	35 961 180
ROAD REHAB: PW BOTHA: YORK-NMB	0	101 423 000	5 199 094	96 223 906

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Capital Expenditure 2023/24: Roads				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
ROAD REHAB: RAND STREET	0	5 000 000	1 650 507	3 349 493
ROAD REHAB: TABATA: MBEWU-26TH, INCL 26TH: TABATA-NMB	0	46 770 000	1 311 341	45 458 659
ROAD REHAB: WELLINGTON: STOCKENSTROM INTERSECTION IMPROVEMENTS	0	4 033 000	188 209	3 844 791
ROOIDRAAI ROAD: REPAIRS TO SLIP FAILURE	12 500 000	14 733 846	10 097 351	4 636 495
STABILIZATION OF EMBANKMENT: MOLEN CLOSE	0	1 490 697	1 300 498	190 199
STREET RESEALING: GREATER GEORGE	9 800 000	12 000 000	11 999 940	60
STREETS AND STORM WATER GENERAL	0	10 344 085	8 472 549	1 871 536
STREETS AND STORM WATER(SPECIFIC PROJECTS)	0	81 251 372	25 008 059	56 243 313
TABATA STREET	0	0	0	0
THEMBALETHU ROADS	11 850 000	0	0	0
TOOLS AND EQUIPMENT - STREETS	0	37 084	29 144	7 940
TRAILERS - STREETS	75 000	45 131	44 720	411
TRANSFER LOCATIONS	400 000	0	0	0
UPGRADE MQWEMESHA STREET THEMBALETHU	789 233	1 589 233	1 572 716	16 517
UPGRADE PUBLIC TRANSPORT FACILITIES	0	0	0	0
UPGRADING OF EXISTING ROADS - DELVILLE PARK	12 500 000	13 500 000	10 526 156	2 973 844
UPGRADING OF HANSMOESKRAAL ROAD NELSON MANDELA BOULEVARD	0	100 000	0	100 000
UPGRADING OF JONGA STREET	2 000 000	1 000 000	998 739	1 261
UPGRADING OF ROADS DELVILLE PARK	0	2 653 774	2 648 366	5 408
UPGRADING OF SAAGMEUL STREET	0	127 701	94 089	33 612
UPGRADING OF STREETS HAARLEM	2 400 000	2 315 600	2 315 570	30
UPGRADING OF WHITES ROAD	1 500 000	1 500 000	1 487 891	12 109
UPGRADING STREETS UNIONDALE	2 000 000	2 838 500	2 838 412	88
Total all	**93 644 928**	**645 323 231**	**145 993 190**	**499 330 041**

3.21.2 Public Transport

The National Land Transport Act 5 of 2009 (NLTA) places the responsibility for the provision of public transport with local municipalities. The Municipality further has competence for public transport as provided for in Part B of the Constitution, which remains a priority objective given that a high-quality, affordable transportation system is key to overcoming spatial barriers and promoting inclusive accessibility, especially where it is challenging to redirect private investment patterns towards disadvantaged areas.

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Within the NLTA there are 28 public transport responsibilities that stretch over the breadth of the various modes of services, including rail (urban commuter transport, long-distance commuter travel, intercity travel) and road-based transport (scheduled and unscheduled urban, rural, and inter-city services such as metered taxis, minibus-taxis, e-hailing, scheduled bus services, and non-motorised transport).

With this, the Municipality's immediate focus is to consolidate its key public transport responsibilities into a function that performs an integration role across the current municipal departments supporting public transport. The aim is to ensure that the Municipality delivers a sustainable and accessible integrated inter-modal public transport network, including pedestrians, cyclists and public transport services. Enabling a transformed society through safe, reliable and affordable access to services and opportunities for work, learning and recreation. This focus is enabled by key functions, including policy and strategy, planning, integrated public transport network oversight, regulation, liaison, and network operations.

A key priority is the George Integrated Public Transport Network (GIPTN), which was formed through a partnership between the Municipality and the Western Cape Mobility Department and has facilitated the implementation of the GO GEORGE bus service for the community of George. The first phase of the service was rolled-out in December 2014, followed by two additional phases in February and May 2015. A subset of Phase 4 (Phase 4B) was successfully rolled-out in March 2020, and the first routes of Phase 4A were rolled-out in November 2023. The delivery of this scheduled bus service is primarily funded through national and provincial grants, with fare revenue, interest on grants, and a rates contribution from the Municipality supporting the project's income source.

The above objectives and actions are captured in the Municipality's updated CITP which is currently being finalised to provide a strategic planning framework for the development of public transport solutions in George. As a legislative requirement, the CITP is intended to coordinate the comprehensive implementation of strategic objectives in accordance with the municipal functions stipulated through the National Land Transport Act. The updated CITP will include a renewed focus on accessibility, non-motorised transport and public transport and includes the development of a transport model, transport register and Operating License Plan.

3.21.2.1 Public Transport: Highlights

The table below specifies the highlights for the 2023/24 financial year.

Table 149: Public Transport Highlights

Highlight	Description
Finance	During the period under review, an infrastructure funding application was submitted to the Department of Transport (DoT) to address the GIPTN infrastructure backlogs (specifically relating to road network upgrade). This application was successful and resulted in DoT providing R505 million that would be used towards addressing the infrastructure needs on the network of routes. Following the in-year allocation, the Municipality undertook a coordinated procurement process to ensure that the necessary commitment was obtained from contractors to commence construction in the new financial year. The average monthly revenue increased from R5.4 million in the 2023/24 financial year to R6.2 million before the rollout of Phase 4A in November 2023. After the Phase 4A rollout, the average revenue increased further, and by the end of the 2023/24 financial year, it had reached a monthly average of R6.8 million.
Contract Management	Formalised contract management policies and structures were put in place and are under continuous refinement. The 2023/24 year marked the 10th year of the Operator Contract with the Vehicle Operating Company, ending in November 2026. This year also marked the formal process initiation for the transfer of the Sprinter Fleet of 35 vehicles from the MoG to the Operator. The process is in its final stages and will conclude during the 2024/25 financial year. Beyond 2026 contractual planning has also commenced. Subsidiary and supporting contracts were also included in the formal contract compliance matrix: • Field Monitoring (new contract under draft for 2025-2027)

Highlight	Description
	• Facilities Management and Guarding (new contract under draft for 2025-2027) • On-bus CCTV monitoring • Communications and marketing • Fleet Service Maintenance and Repair will conclude in 2025. The aim is to transfer all remaining fleet to the operator before the end of the current Fleet SMR contract
IFM (Fare Management system) /ITS (Tracking system)	June 2024 marked four years since the implementation of the No Cash on Bus Policy that was initiated in June 2020 as a safety measure in response to the unfolding dynamics of the COVID-19 pandemic. The Policy entailed the suspension of cash sales on buses and required all passengers to make use of pre-purchased transit products to access the bus service. The implications of this Policy resulted in the GO GEORGE bus service being fully cashless. Given the successful adoption among passengers, the Policy has remained in place during the 2023/24 financial year and is aimed to continue in 2024/25. The notable success of the 2023/24 financial year was the increase in the number of vendor outlets from 24 in June 2020, 56 in June 2021, 80 in June 2022, 95 in June 2023 and 168 in June 2024. This substantial and steady growth in the vendor network represents a 72% annual increase in the participation of local businesses. The participation of vendor outlets remains an important objective of the project. It aligns the success of the project with the promotion of local businesses in George. An extensive vendor footprint is crucial as it allows GO GEORGE passengers to top-up at convenient locations near their homes, places of work and other areas of interest. This is especially significant with Phase 4A – Thembalethu having successfully rolled-out in November 2024. The vendor network has increased considerably and accounts for 75% of the products and trips sold. Further successes were observed in the increase of passenger trips during the financial year, with average trips per month recorded at 493,137 (439,442 in the 2022/23 financial year). This increase reflects a 12% increase from the previous financial year and has largely been attributed to the gradual recovery from the COVID-19 pandemic and the roll-out of the Phase 4A – Thembalethu routes. Given the GIPTN fare structure, passengers continued to benefit from the travel discounts when two or more trips were purchased. While the single off-board trips were still sold, over 93% of trips sold in the financial year were through multi-journey trips. This meant that over 90% of passengers benefit from travel discounts when using the service
Infrastructure	Ngcakani Street Phase 2: Upgrade of the road including universally accessible sidewalks. Golf Street Phase 1 and 2: Completion of road upgrades, including universally accessible sidewalks. Commencement of upgrades to the Garden Route Mall Terminal & Transfer Location, York Hostel Transfer Location and York Street Bus Stop Shelters. Continuous maintenance of Phase 4A infrastructure
Fleet	The maintenance contract for the GIPTN fleet was awarded to a new service provider during the 2021/22 financial year. The appointment of the new service provider led to significant improvements in the out-of-service ratio for the GIPTN fleet. This success has carried through into the 2023/24 financial year. The Municipality and the Provincial Government are in the process of finalising the transfer of the 35 sprinters to George Link in terms of the Operator Contract
Operating Licences	Engagements with industry and community stakeholders continued in preparation for the roll-out of services to Phase 4A, Thembalethu. As part of the process, operators with GIPTN agreements were requested to come forward to begin the relinquishment proceedings of their operating licenses as the GIPTN intensifies its efforts towards a safe and successful roll-out of services to the community of Thembalethu. A total of 81% of all 4A operating licences have been successfully relinquished. A municipal Operating Licence Application Committee was formalised and several processes were implemented to better investigate, consider and make recommendations on every Operating Licence application submitted to the Transport Authority
Industry & Stakeholder Engagement	Engagements with stakeholders during the 2023/24 financial year took place with a focus on encouraging the dissemination of accurate information related to the GIPTN and the overall public transport environment in the Municipality. The engagements in 2023/24 with leaders of the minibus taxi associations in Thembalethu and representatives of the George Community Forum continued in the lead-up to the roll-out of the first route of Phase 4A in order to ensure a safe and stable public transport environment
Planning	During the period under review, the service provider appointed to conduct a full review of the CITP completed most of the document and traffic model. A multi-disciplinary team representing various

Highlight	Description
	stakeholders both within the Municipality and externally regularly engaged to workshop and review progress. An internal Infrastructure Planning Task Team was established to ensure continuous internal alignment of transport planning matters between the GIPTN, as well as the municipal engineering and planning departments. Significant results were achieved with the completion of the revised Macro Transport Socio-Economic Study (MTSES) and extensive insights were gained into various planning elements
Marketing and Communication	Outreaches were developed that specifically focused on key events such as Mandela Month, Youth Month, and various sporting and other programmes. General campaigns focused on road safety, passenger, and pedestrian safety, universal accessibility and disability awareness and vandalism. GO GEORGE hosted a comprehensive Transport Month (October 2023) communication and engagement campaign and disability rights awareness month campaign (November 2023). A focused marketing and communications campaign was conducted in the months leading up to and following the roll-out of Phase 4A routes in November 2023. Electronic engagement with passengers was intensified and formalised through the newly established Passenger Forum, which serves as a focus group to test passenger behaviour, monitor customer care experiences and convey key operational concepts
Universal Accessibility (UA)	**Universal Access Plan:** The July 2024 Universal Access Design Plan (UDAP) was adopted by the GIPTN Management Committee on 17 July 2024. The June 2024 UDAP Report notes additional requirements as set out in the National Land Transport Strategic Framework (2023-2028), the approved (2023) National Spatial Development Framework and the requirements outlined in the National Land Transport Amendment Act, promulgated on 11 June 2024. The purpose of the UDAP is to create a plan, in line with the NLTA Amendment Act (Act 23 of 2023) that is closely aligned with the network operational plan, through which the principle of "Seamless Transportation for All" ensures that all passengers can be accommodated in all facets of the Travel Chain. It informs the development and implementation of an accessible transportation system that addresses universal accessibility requirements in infrastructure provision, operational responses as well as complementary elements of the public transport system. Given the incremental roll-out of the GIPTN system, this will be an iterative process. **Application of Universal Principles & Guidelines:** All current road upgrade designs are checked for universal access compliance prior to and during construction. The recommendations contained in the DOT draft NTR-1 Requirements for Pedestrian Crossings have been applied, where appropriate, within a constrained urban environment. This ensures that the principles of universal accessibility are incrementally introduced while at the same time capacitating both municipal employees and design consultants. **User group testing** of the Market Street rehabilitation has been undertaken by an internationally graded Universal Access Consultant with two groups of persons with disabilities allowing the testing and effectiveness of the wayfinding elements introduced – with a positive response. **GIPTN Universal Accessibility Acceptance:** The June 2024 UDAP has been extended to include a "Service Quality Section" that has drawn from the universal accessibility responses contained in the 2023 Metropolitan Transport and Economic Survey where high satisfaction was recorded for the universal accessibility of the GIPTN system
Operations	The GIPTN continued to strengthen its operational and monitoring capabilities to ensure that the GO GEORGE bus service delivers exceptional service to passengers. The reporting period saw a complete recovery in terms of revenue and passenger numbers, following the Covid-19 pandemic. On 5 November 2023, the first stage of Phase 4A was successfully rolled-out with an extended Route 18A/B Thembalethu – Blanco. The roll-out saw an increase in revenue and passenger numbers, and community support for this service has been amazing. The VOC has been operating for more than nine years and has expressed confidence in its organisational readiness for further Phase 4A implementation. Three operational facilities for Thembalethu were established in preparation for the roll-out of Phase 4A. The facilities allowed for the placement of the kiosks as well as providing staff facilities and a security presence. Traffic congestion associated with the N2 Thembalethu bridge upgrade delayed the roll-out of the remaining routes. The roll-out saw an increase in revenue and passenger numbers. The Garden Route Mall Facility is in the process of being upgraded, along with the York Hostel bus stops in Market Street in preparation for the remaining Phase 4A routes to be rolled-out. The current driver complement is adequate to support current and future operations. The attrition rate is considered normal at around 2 drivers per month on average. There is currently no implementation of long-term training programmes (i.e., refresher, attrition, and staff development programmes). However,

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Highlight	Description
	at the current attrition levels, it is difficult to maintain a replacement driver programme. A refresher training programme is however required
Safety and Security	The Municipality continued implementing measures to reduce illegal public transport operations in George, in addition to supporting the efforts to ensure a safe roll-out of Phase 4A of the bus service. The GIPTN Management Committee approved the Safety and Security Plan and actively promoted the implementation of the measures highlighted in the Plan. This includes the capacitation of the Public Transport Enforcement Unit to improve the enforcement of public transport services, particularly on GIPTN routes. Furthermore, the Municipality successfully championed the development of the Public Transport By-Law, which aims to strengthen the enforcement of public transport services and ensure a safe and efficient experience for the greater George community

3.21.2.2 Public Transport: Challenges

The table below depicts the challenges for the 2023/24 financial year.

Table 150: Public Transport Challenges

Challenges	Actions to address
Finance	The in-year funding was received towards the end of the third quarter, which placed the infrastructure implementation team under extreme pressure to spend it by the end of June. Further funding applications submitted to DoT and the Province have made note of this and proposed that the annual base allocations be increased. The allocated R505 million funding will be subject to approval of a roll-over request. Other grant funding opportunities are also being explored that could alleviate the shortfall that currently exists specifically in terms of road rehabilitation and depot and other public transport facilities infrastructure. GIPTN will continue to motivate for DoT PTNG and discretionary funds for additional capital projects. The WCMD will continue to provide funding support in terms of the IGA while the agreement remains in place. Additional sources of funding and the roll-out of Phase 4A continue to be prioritised
ITS/IFM	As of June 2024, over 150,000 smart cards have been sold since the implementation of the AFC System in November 2018. The sale of smart cards continued at an increased rate. While it was positive that passengers continued to purchase smart cards to use the service, it is important to note that the smart cards are subsidised for passengers and each purchase resulted in a revenue loss for the Municipality. Measures have been undertaken through the proposed smart card increase in the 2024/25 tariff proposal with the intention of reducing the revenue loss while considering affordability. The loadshedding severity decreased in the latter part of the 2023/24 financial year, which decreased connectivity complaints due to network outages disrupting vendor terminals during loadshedding. However, mitigation measures remain in place to supplement services in response to loadshedding-related outages in the future
Infrastructure	Although the GIPTN planning allowance for heavy vehicle wear-and-tear was made in 2008, several of the bus routes, especially those that carry a substantial number of large buses, are showing signs of pavement distress and structural failure. This is a major concern, as it can lead to buses being damaged, and the quality of service being negatively impacted. Infrastructure budget constraints remained a reality and while the Municipal Pavement Management System indicated priorities for road repairs/upgrades, insufficient budget meant that projects could not be undertaken or had to be partially completed and/or projects had to be reprioritised. Further to this, the GO GEORGE infrastructure provision and maintenance projects had the same outcome. While the R505 million allocation goes a long way to support critical GIPTN infrastructure projects, there is a continuing need to obtain further funding to support additional projects across the network as the service expands. In terms of continued vandalism of shelters, vandalism-proof design options continued to be investigated and tested in several areas where services are provided
Fleet	The appointment of a new service provider has led to an improved turnaround time for unplanned repairs, accidents, and routine maintenance, leading to greater fleet availability to support the service. However, the increasing incidents of vandalism and stoning on GO GEORGE buses create increased pressure on the

Challenges	Actions to address
	availability of buses. A reward system has been introduced to encourage members of the public to come forward and report such incidents. The fleet availability is also affected by the current congestion over the Thembalethu bridge, where additional buses are released to mitigate service delays. The completion of the construction over the bridge is anticipated to alleviate the congestion challenges and the fleet requirements are continuously monitored
Industry/Stakeholder Engagement	Achieving support from industry and stakeholder representatives remained a continuous process and engagements have been arranged as required to ensure clarity and alignment among all stakeholders as the roll-out progresses
Operations	Traffic congestion associated with the N2 Thembalethu bridge upgrade delayed the roll-out of the remaining routes of Phase 4A. The enforcement of unlicensed minibus taxi operators was a prevalent issue during the 2023/24 financial year. This was particularly evident through the obstructive actions taken by individuals linked to these groups. These include several arson attempts on the operational facilities constructed in Thembalethu to support the operations once the service had rolled-out; intimidation of contractors, GO GEORGE Champions and drivers working in Thembalethu in the lead-up to and after the roll-out. However, following the roll-out, these incidents dramatically reduced. Vandalism of new standard shelters continued. Different options for alternative shelter materials that are more vandalism-proof have been investigated and tested. However, further mitigation measures need to be investigated. Given the high occurrence of vandalism, glass has not been placed in the new shelters until a decision is made regarding alternative materials. Additionally, a rewards-based scheme is being piloted for people providing evidence where incidents have occurred. Bus accidents and the stoning of buses are still a challenge
Safety and security	Illegal minibus taxi operators also continued to operate illegally along GIPTN routes and elsewhere across the Municipality. Safety and security challenges were compounded by a lack of municipal enforcement resources, including people and equipment, while renewed efforts were put in place to improve the responsiveness of the municipal enforcement and Public Transport Enforcement Unit, as well as effective reporting. The finalisation of procurement and installation of equipment for the Public Transport Enforcement Unit remains a priority which needs to be fulfilled in terms of the approved Safety and Security Plan

3.21.2.3 Capital Expenditure 2023/24

The table below depicts Capital Expenditure for the 2023/24 financial year.

Table 151: Public Transport capital expenditure 2023/24

Capital Expenditure 2023/24: Public Transport				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
AMP COMPLETION : TRAFFIC MANAGEMENT	0	700 000	0	700 000
BEACH / BEUKES :TRANSFER LOCATIONS	0	1 295 000	0	1 295 000
BEACH/ PANTHER :TRANSFER LOCATIONS	0	8 902 000	0	8 902 000
BODY CAMERAS (PTNG)	191 400	0	0	0
BULLET PROOF VEST	240 000	0	0	0
FERN :TRANSFER LOCATIONS	0	1 346 000	0	1 346 000
GARDEN ROUTE TRANSFER STATION	0	3 649 000	3 094 450	554 550
GIPTN ROAD REHABILITATION	0	24 304 645	24 304 645	0
IN VEHICLE TECHNOLOGY (PTNG)	2 450 000	0	0	0

Capital Expenditure 2023/24: Public Transport				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
INVERTERS	42 000	28 500	28 500	0
IT EQUIPMENT (PTNG)	280 000	322 942	325 718	-2 776
MARKET STREET HOSTEL: TRANSFER LOCATIONS	0	1 408 000	1 289 940	118 060
MISSION/ EAST :TRANSFER LOCATIONS	0	1 177 000	0	1 177 000
NEW BUS STOPS : BUS STOPS & SHELTERS	0	4 910 000	146 985	4 763 015
NEW SHELTERS/ BUS STOP FURNITURE : BUS STOPS & SHELTERS	0	6 827 000	158 433	6 668 567
NGCANI STREET	0	238 500	0	238 500
NMB/INDUSTRIAL :TRANSFER LOCATIONS	0	1 244 000	0	1 244 000
OFFICE EQUIPMENT	20 000	20 000	17 839	2 161
OFFICE FURNITURE	35 000	36 800	36 780	20
SIDEWALKS: UA COMPLIANCE	0	9 728 000	0	9 728 000
SIGNAGE/ CAT EYES/LIGHTING : BUS STOPS & SHELTERS	0	2 125 000	0	2 125 000
SIGNALLITION: TRAFFIC MANAGEMENT	0	300 000	0	300 000
VEHICLES	2 400 000	60 835	0	60 835
YORK / NMB :TRANSFER LOCATIONS	0	3 424 000	0	3 424 000
YORK / UNION :TRANSFER LOCATIONS	0	1 155 000	0	1 155 000
INSTALLATION OF CAMERA SYSTEM	100 000	0	0	0
UPGRADING OF BUILDING - VEHICLE REGISTRATION	500 000	95 000	85 678	9 322
Total all	**6 258 400**	**73 297 222**	**29 488 967**	**43 808 255**

3.22 Stormwater Drainage

The operation of the stormwater network is conducted with the use of a management system which enables the Planning and Maintenance Section to locate shortcomings. It also enables this section to perform efficient maintenance on the stormwater network.

3.22.1 Stormwater Highlights

The table below depicts some of the highlights for the 2023/24 financial year.

Table 152: Stormwater highlights

Highlights	Upgrade of Existing Stormwater Network
Nqwemesha Street	IUDG project: Upgrade of existing stormwater network
Ngcakani Road (Phase 1A)	IUDG Project: Upgrade of existing stormwater network
Ngcakani Road (Phase 1B)	IUDG project: Upgrade of existing stormwater network
Rooidraai Road	Upgrade of existing stormwater network

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Highlights	Upgrade of Existing Stormwater Network
Golf Street	Upgrade of existing stormwater network
Tabata Street (Phase 1 to 2)	Upgrade of existing stormwater network
Upgrade Tabata Street Stormwater: Ph1 and 2	Upgrade of existing stormwater network

3.22.2 Stormwater Challenges

The table below depicts some of the challenges for the 2023/24 financial year.

Table 153: Stormwater challenges

Challenge	Issued to address
Budget constraints	PMS and stormwater maintenance plans indicated priorities for repairs/upgrades, but there is insufficient budget
Addressing stormwater backlogs in previously disadvantaged areas and upgrade of overcapacity systems	MIG stormwater projects to be implemented in 2023/24
Staff Capacity	Currently, this Department is understaffed, and the filling of vacant positions is slow

3.22.3 Stormwater infrastructure

The table below reflects the total kilometers of stormwater maintained and upgraded as well as the kilometers of new stormwater pipes installed.

Table 154: Stormwater infrastructure

Financial Year	Total km stormwater measures	Km new stormwater measures	Km stormwater measures upgraded	Km stormwater measures maintained
2019/20	400.2	0	2	402.2
2020/21	402.2	0,4	2.7	405.3
2021/22	405.3	0	6.4	411.7
2022/23	411.7	0.5	3	415.2
2023/24	415.2	4.5	4	419.7

3.22.4 Stormwater: Employees

Table 155: Stormwater employees

Job level (T-grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	-	-	-	0	0%
4-6	17	28	25	3	7.50%
7-9	6	9	9	0	4%
10-12	2	3	3	0	0%
13-15	-	-	-	0	0%
16-18	-	-	-	0	0%

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Job level (T-grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
19-20	-	-	-	0	0%
Total	25	40	37	3	7.50%

3.22.5 Cost of Construction Stormwater

Table 156: Cost of stormwater construction

Financial year	Stormwater measures		
	New	Upgraded	Maintained
	R'000		
2019/20	0	2 820	3 300
2020/21	2 880	19 437	3 291
2021/22	2 262	40 000	8 100
2022/23	4 161	22 950	4 600
2023/24	1 500	63 728	5 725

3.22.6 Capital Expenditure 2023/24 Stormwater

Table 157: Capital expenditure 2023/24 stormwater

Capital Expenditure 2023/24: Stormwater				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
NQCAKANI ROAD PHASE 1 UPGRADING OF ROADS AND STORMWATER: BUS ROUTE	0	869 565	869 565	0
THEMBALETHU ZONE 9 NQWEMESHA STREET AREA: UPGRADING OF STORMWATER	0	173 125	173 125	0
UPGRADE STORMWATER - HEROLDS BAY	1 800 000	305 000	193 688	111 313
UPGRADING EXISTING STORMWATER: LOERIEPARK AND BERGSIG	1 200 000	0	0	0
UPGRADING OF EXISTING STORMWATER INFRASTRUCTURE	4 800 000	5 500 000	5 381 395	118 605
UPGRADING STORMWATER INFRASTUCTURE(GEORGE SOUTH)	0	40 815 610	22 188 829	18 626 781
Total all	**7 800 000**	**47 663 300**	**28 806 601**	**18 856 699**

COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT

3.23 Planning and Development

The Directorate: Planning and Development was amalgamated with the Human Settlements Directorate and is now known as the Directorate: Human Settlements, Planning and Development and Property Management. It entered the 2023/24 financial year with stability and functionality in its top management structure with its main functions divided into four sub-departments, each headed by a deputy director, of which one position is vacant.

a. Town Planning

The operational capacity in Town Planning and Environmental Management has been addressed through the continued filling of vacancies and the release of funds to secure additional positions and increase the capacity within the department for enforcement of by-laws and legislation.

The Municipality has advanced to a predominantly paperless system with the result that all land development, building plans, transfers, environmental and other applications processed by the Directorate are submitted online and processed electronically. Over the past financial year, improvements were applied to the modules to enhance oversight and improve the accuracy of data required for reporting.

With the capacity gained in the planning division, the focus during the past financial year was on increasing the capacity in the new division for litigation and compliance. A manager has been appointed and three new inspectors will be appointed in the coming year. A critical assessment of the operating procedures relating to enforcement revealed inefficiencies where cost saving measures could be applied. The controls and oversight over the enforcement and compliance processes have been improved and the department is working on developing a module to improve the workflow and timelines in processing complaints and transgressions, which is anticipated to be operational by the end of the next financial year.

b. Spatial Planning, Strategic Projects and Environment

The Spatial Planning Division is the custodian of the Municipal Spatial Development Framework (MSDF). The Amended George MSDF (2023) was adopted, following required consultation processes, including input via an Intergovernmental Committee, concurrently with the adoption of an amended IDP in May 2023. The MSDF, being a core component of the IDP was reviewed, as part of the IDP review process, during the 2023/24 Financial year. The MSDF Review Report was presented to Council in June 2024.

The mainstreaming of the MSDF, to ensure that Spatial Development Strategies and Policies, as well as structuring elements, are considered in sectoral plans and guide public and private development, is key. To this end consultation and input from relevant departments in the 2023 MSDF amendment, the input of municipal departments in the review of the projects included in the Draft Capital Expenditure Framework list of projects, comments on land use applications, both at pre-application stage and during the application circulation process, and inputs on draft strategic documents such as the CITP (Comprehensive Integrated Transport Plan) and George Integrated Economic Growth and Development Strategy (GIEG&DS) disseminated the spatial development intent expressed in the MSDF. The MSDF is available for public view on the municipal website and is graphically included on the Municipal Viewer.

Performing the MSDF in-house not only supports a better understanding and application of spatial planning principles in development within the sections of the HSP&D Department and other municipal and provincial departments, but also allows for the continual update of technical base data, via our Geographic Information System (GIS). Data, such as the updated Coastal Management Line can promptly be assimilated in the information layers which advised development decisions, without requiring an amendment of the MSDF.

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The capacity within the Spatial Planning team has been increased with the permanent appointment of a Spatial Planner and a Manager, to augment the capacity of the Senior Spatial Planner.

The Implementation Plan linked to the MSDF includes various catalytic projects aimed at implementing initiatives identified in various strategic documents, to accrue socio-economic benefit to George. The intent is to enhance the value and ready municipal property for use/development by completing the required technical processes. In addition to facilitating the implementation of projects by mandated provincial- and national departments, the Spatial Planning Directorate has been instrumental in.

Project Description	Status
Social Housing: Crocodile Farm Project (Part of Erf 464 George) – Planning application and Basic Assessment	a. The following technical processes have been concluded: ennoblement process is near concluded, including: I. Geotechnical Investigation (2022) II. Traffic Impact Assessment (2023) III. Services Report (2023) IV. SHRA Feasibility Report. (2023) V. Zoning approval (2023) VI. Social- and High-Density Housing Design Guidelines adopted (2023) VII. Environmental authorization (Issued on 5 March 2024. No ap-peals received). b. The Land surveyor appointed, and survey completed. Surveyor General approval of diagrams awaited. c. The completed technical work, to the value of R1 154 615, is considered an investment incentive. The work completed by the Municipally-ty contributes to the de-risking of the proposed development and will aid the selected Social Housing Institution in bringing the project to ground in a short timeframe. d. The Human Settlements Department is in process of submitting an Item to Council relating to the release of both the social housing component of the project and the commercial component. e. The land use preparation approvals allow for 500 social housing rental units, 100 bonded rental units and 4000m² commercial, social, consulting rooms, retail.
Application: Portion of Erf 464 George – proposed tertiary facility and mixed-use development (George Dam Development)	a. The development is envisaged as a mixed-use development including residential units, residential erven, open spaces and recreation areas and areas for tertiary education and learning facilities. b. Technical studies were concluded, and a Town Planning application submitted. c. Environmental authorization was obtained. An appeal was received and dismissed. (2023) d. The Water Use License application was approved, but an appeal was received (2023) e. Planning process halted awaiting decision by the Department of Water and Sanitation (Water Tribunal).
Neighbourhood Development Partnership Programme (NDPP): Thembalethu Node 1 (Ilisolethu) –	a. The aim of the project is to attract investment to the area previously identified as a mixed-use node in Thembalethu and to stimulate socio-economic development and to create a more active, functional node. 11 Interrelated investment projects were identified. b. The Investment Plan was approved by National Treasury and the George Municipal Council and finalized in September 2023. c. An Interim Area Management Committee was established in January 2024 and sit monthly. d. Funding was allocated and released by National Treasury (NT) in the FY2023/2024 for the conclusion of the Investment Plan and the completion of Components of Projects 1 (Access Investigation and design of Nelson Mandela Boulevard) and Project 7 (Recreation route and Market). These components were completed and 98,3% spending achieved. e. In addition to project funding provided by George Municipality and NT, two investors have been secured, with lease agreements in process.
Gwayang Mixed Use Development: Industrial, social, commercial and residential uses.	a. A team of professionals has been appointed (Jan 2024), following from the adopted concept plan and previous technical studies (Environmental Sensitivity, Geotech, Traffic Impact Assessment, Outline Services Report, Phasing Concept, Urban Design), to proceed with the Environmental Impact Assessment, Water Use License Application and Town Planning Application. b. The project is envisaged to include Industrial erven, mixed use commercial erven, erven for residential and social supportive functions on 181ha.
Metro Industrial Development	a. The current process relates to the finalization of a draft layout, based on environmental and engineering input, and specifically new input relating to the design position of the Rand Street Extension. The layout allows for an educational facility and 19 relatively small Industrial erven on 19,8ha.

Project Description	Status
	b. The following supportive studies have been completed (June 2024): I. Updated Environmental Sensitivity Report (Screening has been submitted to WC: DEA&DP: EIMS), II. Engineering Outline Services Report, III. Traffic Impact Assessment. c. The process of formal Planning Application and application for Environmental Authorization to follow
George Heritage Strategy and Precincts	a. The George Heritage Strategy and concept Precinct Plans for delineated areas in Pacaltsdorp and the CBD, have been completed and were presented to stakeholders, Heritage Western Cape and the Municipal Council and Directors in workshops. In October2023 the Municipal Council adopted the Strategy and Road Map and supported the draft Precinct plans. Sanction was provided for the Heritage Overlay Process to follow. b. The Overlay Process is managed in-house with support from specialists involved in the drafting of the Strategy and Precinct Plans and thee grading of the inventory. c. Heritage Western Cape (HWC) supported the draft Heritage Inventories for the two precinct areas during the Inventories, Grading and Interpretation Meeting (IGIC) held on 9 February 2024 d. The Draft Overlay and Guidelines fort h two precinct areas have been drafted and will be presented to Council prior to the initiation of the public participation process.
Sweetpea Project	a. The Sweetpea project relates to 106 residential opportunities and a sport and recreation open space. b. Amended Traffic Impact- and Access Studies were required and were completed in June2024. c. The Municipality is completing the planning application in-house to enable the release of land. The presentation to the Pre-Application Committee has been completed. d. The submission of a formal application is underway.
St Mark's Square upgrading	e. St Mark's Square is a component of the Public Transport network of the George and contributes to the provision of parking space in the CBD. f. A Traffic Impact Assessment was finalized, and a concept design plan concluded g. The conclusions of the study will be presented to Council.
Outeniqua-Groeneweide Precinct Planning	a. An Environmental Site Sensitivity Report, with supporting specialist studies were concluded in March 2024 for part of Erf 464 George, south of Kingswood and north of the R102. b. Pockets of land have been identified, based on the environmental studies, which may be suitable for development. Approximately half of the 36ha site has been earmarked as wetland and wetland buffer area. c. The completion of further technical studies, such as Traffic and Transportation investigations, and the refinement of a Precinct Plan has been budgeted for in 2024/25.

The review and amendment of the 2019 Municipal Spatial Development Framework (MSDF) was performed in-house. The Directorate benefits from support from the Western Cape Provincial Government, whereby knowledge and capacity are shared to enable this process. The MSDF amendment included significant work in refining the Capital Expenditure Framework, which will be applied to guide the allocation of funds toward achieving optimal results in restructuring and fiscal sustainability.

Performing the MSDF in-house demands significant capacity, which is currently limited, yet the department concluded this process successfully. It resulted in significant savings that would otherwise have been spent on consultants and has confirmed the need for raising the capacity in the Spatial Planning division. A manager for this division will be recruited in the new financial year.

The Division initiated new projects to secure industrial rights with the intention of releasing properties for industrial development and job creation. National Treasury afforded a grant under the Neighbourhood Development Partnership, through which a selected precinct in Thembalethu has been re-imagined and a pipeline of projects were identified as a strategic intervention in the regeneration of the neighbourhood.

The Natural Resource Management department resorts under the Spatial Planning Division. An environmental officer has been appointed during the 2021/22 financial year and the Department is making good strides in improving the tools and systems needed to ensure efficient environmental management processes. The environmental officer received training

and was certified as an EMI and underwent training as a Peace Officer. The Directorate has witnessed the benefits presented by its ability to coordinate the environmental, land use and construction mandates under the banner of one Directorate. This is proving to strengthen our ability to enforce the policy and objectives of our MSDF across the disciplines.

The Natural Resource Management section resorts under the Spatial Planning Division. A new Environmental Officer was appointed during the financial year and is currently the only post filled within this section. The section is responsible for overseeing compliance to South Africa's comprehensive Environmental Legislation and Policies and contributing to the realisation of Section 24 of the Constitution. Another responsibility of this section is the administration of the Sensitive Coastal Area Regulations in the Outeniqua Sensitive Coastal Extension Area. Table 158 lists the number of applications processed to authorised developments subject to the regulations The Environmental Officer successfully completed training as an Environmental Management Inspector and will be designated as such in terms of Section 31C of the National Environmental Management Act 107 of 1998.

The section is also overseeing the development of River Maintenance Plans (MMPs) for the Gwaing, Skaapkop and Meulen Rivers. The Riverine MMPs will facilitate the undertaking of specified listed activities under the Environmental Impact Regulations, 2014, enabling the required work to proceed without the need for a full EIA, if these activities comply with the approved MMP. This project will establish baseline conditions for the ecological and biodiversity status of these watercourses and identify actions needed to minimize impacts on critical ecological infrastructure and improve their present ecological status for greater climate resilience. The project is slated for completion in the 2024/25 financial year.

The section is also currently working on the development of a climate action plan for the Municipality in response to the promulgation of the Climate Change Bill. This plan aims to increase the resilience of settlements, infrastructure and ecological assets to ongoing and predicted climate change impacts in the region.

One inspector is currently employed in the section, and it is the intent to appoint more officials in the coming financial year. The division concluded the process of developing Protected Area Management Plans for the three conservation sites under Municipal jurisdiction. In this process, new areas were identified that should be included in the boundaries of the conservation area, which will go a long way in protecting strategic water source areas.

Table 158: Summary of OSCA applications processed over the past financial

Process	2021/22	2022/23	2023/24
Applications received in the reporting period	53	62	36
Outcomes issued in the reporting period	51	48	26

b. Development Management

The Development (Land-Use) Management Division works closely with its fellow departments to ensure that the regulatory environment relating to land development remains resilient, efficient and conducive to supporting good quality environments within which to live, work and relax. The by-laws developed and applied by this Division are the instruments that bring the objectives of the MSDF - and the norms and standards sought through planning law - to the ground.

The Division currently employs six registered planners. The senior planner post and the assistant planner post was vacated in 2024. Both posts have since been filled with the incumbents starting in the 2024/25 financial year, with the result that all funded posts in this Division will then be filled. The staff complement of the Division has increased from five technical staff members in the previous years to eight technical staff members. All the technical staff received training and certification as peace officers. The workload remains high as application volumes are high.

The Division remains heavily reliant on internships funded from the National Treasury's ISD Grant to build capacity. It is noteworthy to mention that six (6) of the interns that completed the three (3) experiential training program have since found employment in the Town Planning Department.

The application processes in the Division are fully digitized and procedures are paperless. Application files are saved and maintained digitally. The review, advertising, adoption and promulgation of George Integrated Zoning Scheme by-law was concluded in October 2023. A further amendment of said by-law through the addition of overlay zones for Uniondale, Haarlem and Thembalethu will be concluded in the new financial year.

In September 2023, the Division also submitted the George Municipality: Backyarder Housing Strategic Framework to Council for adoption. The final list of interventions / programs for implementation of the strategy will be submitted to the Council in the new financial year.

c. Land Use Statistics

Table 159: Number of land use applications finalised

Application type	2020/21	2021/22	2022/23	2023/24
Rezoning	25	33	40	35
Subdivision	27	26	35	27
Departures	57	48	68	62
Consent use	21	21	33	15
Removal of restrictions	20	18	12	4
Amendment of conditions of approval	12	10	37	5
Other	42	37	41	64
Total	204	194	242	**212**

Table 160: Summary of Land Use Applications

Process	2020/21	2021/22	2022/23	2023/24
Applications received in the reporting period	185	185	183	220
Applications still in process	192 (75*)	171 (48*)	130 (36*)	147 (40*)
Applications still in process for six months or more	40 (15*)	26 (3*)	5(5*)	0
Applications are still in process at five months	2 (1*)	5	1	0
Applications are still in process at four months	2	13	4(2*)	0
Applications finalised in the reporting period	204	194	242	212
Applications finalised that are six months and older	55	105	45	2
KPI calculation	**73.04%**	**45.88%**	**81.40%**	**99.06%**
**** Denotes the number of applications referred back to the applicant***				

Table 161: Delegated Applications

Delegated applications	PMS target	2020/21	2021/22	2022/23	2023/24
Delegated application: Finalised – 4 four months	75%	182	155	207	203
No delegated applications over the time limit		70	82	61	14
Compliance level	**75%**	**61.54%**	**47.1%**	**70.53%**	**93.10%**

Table 162: Tribunal Applications

Tribunal applications	PMS target	2020/21	2021/22	2022/23	2023/24
Non-delegated applications finalised - seven months	75%	22	39	35	9
No non-delegated applications over the time limit		11	23	13	0
Compliance level	75%	50%	41.03%	62.86%	100%

Table 163: Appeal applications

Appeal applications	PMS Target	2021/22	2022/23	2023/24
Appeal applications received	100%	24	12	5
Appeal applications overturned		2	1	1
Appeals applications over the time limit		20	8	5
Compliance Level	**100%**	**16.67%**	**33.33%**	**20%**

The improvement in performance compared to the 2022/23 financial year is a direct result of the increase in capacity within the section, combined with improved internal processes.

Table 162: Statistics for National Government Reporting

Ref No.	Data element	Baseline (2022/ 2023)	Medium term target	Annual target	Q1	Q2	Q3	Q4	Total
29.	Number of approved applications for rezoning a property for commercial purposes	10	4	8	0	4	6	5	15

Table 163: Land-use Applications in Priority Development Areas

Ref No.	Data element	Value/ No.	m^2
J	Number of land use applications in priority areas identified in the Spatial Development Framework/ Capital Expenditure Framework processed.	**24**	**N/A**
K	Total number of land use applications processed during the 2023/24 financial year	**212**	**N/A**

d. Building Control

The Building Control Section deals with building activities, which entails new buildings, additions and alterations to existing buildings as well as temporary structures and the activities associated thereto.

All municipalities administer the National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977), the regulations embodied in the Act and the South African Standard Code of Practice (SANS 10400 for the application of the regulations). The purpose is to ensure that buildings are designed and built in such a manner that people can live, learn, work and play in a healthy and safe built environment. Municipalities' by-laws must manage the way in which land and structures within their area of jurisdiction are used, as well as how construction activities are executed.

The National Building Regulations determine that no person may erect, alter, add on or convert a building without the prior approval of the local authority. Building plans are assessed against the requirements of the building standards, regulations, any other applicable legislation, and 23 sections of the SANS 10400, that deal with various aspects of a building.

Once building plans are approved, the building inspectors carry out three compulsory inspections, namely:

- The inspection of all foundation trenches and the positioning of the building on site;
- The inspection of all new drainage installations; and
- On completion of a building, a final inspection (completion) is carried out as no building may be occupied without a certificate of occupation.

Prior to the issuing of the certificate of occupation, the building inspector ensures compliance with the structural aspects, fire installation, health requirements, electrical installation, roads and stormwater requirements, drainage installation, energy efficiency of the structure and compliance with the approved building plan. Furthermore, it is the responsibility of the building inspector to address illegal structures and unsafe structures, be a witness in court cases on behalf of Council, implement legal action when required, control building rubble, enhance public safety, assist the public and professionals with information on building control-related matters and perform administrative tasks associated with these functions.

Local authorities act in the interest of the owner when carrying out the compulsory inspections and have no financial or any other interest in such buildings. For this reason, the owner of a building must appoint his/her own clerk of works to inspect and control the quality and workmanship of the building work. There is thus no obligation on the Council's building inspectors to control the quality of workmanship and materials, but the owner must be informed by Council of poor-quality workmanship and/or materials when observed.

The Building Control office now runs all its application processes electronically and all technical staff can conduct their operations on- and off-premises. These advancements in the systems and technology used by the section have improved the efficiency of records-keeping, accurate reporting as well as the ability to track and monitor the progress of applications. The section has made great strides in addressing backlogs.

During the 2023/24 financial year, the Building Control office implemented the reviewed Outdoor Advertising Bylaw, Problem Premises Bylaw, as well as the Building Control Bylaw. These bylaws are tools that will enable the Municipality to introduce fines related to illegal construction and occupation of premises.

To the end of the financial year, a major tragedy befell the George community. On 6 May 2024, a building under construction collapsed and the community suffered unprecedented loss of life.

The Building Control Section was extensively involved in the rescue operation, providing technical support to the Mayor, Municipal Manager as well as the rescue team.

Table 164: Building plans applications processed

Application type	Total	Area	Value
New Applications Received	1 853	293 065	R2 217 277 695.00
Applications processed			
Total applications approved	1 864	273 521	R2 111 168 189.00
Total applications refused	2 229	461 899	R3 475 582 007.00
Total (Assessed/ processed)	4 093	735 420	R5 586 737 196.00**
This is not to totals above added together. This total refers to the total amount of outcomes provided on building plan applications during the financial year including approved plans 1864 and 2229 not approved/refused plans.			

There has been a marked improvement in the number of plans processed by this section, which is mostly ascribed to the increased capacity resulting from vacancies that were filled in the previous year. This section has one funded vacancy left, which will be filled in the coming financial year.

Table 165: Building inspections conducted

Inspection Type	Total
Foundation Inspections	288
Sewer/Drainage Inspections	383
Completion Inspections	1 418
Complaints investigated	472
Illegal building work investigated	201
Total	2 762

Table 166: Certificates of Occupancy issued

Application type	Total	Area	Value
Residential	681	135 558.9	R1 104 759 592
Non-residential	61	37 462	R276 988 740
Total	742	173 021	**R1 381 748 332**

Table 167: Building income generated

Description	Total
Building plan fees	R10 677 280.00
Additional Tariffs	R1 983 877.84
Search fee, Copies/maps	R61 950.44
Demolitions	R11 664.30
Extension of approved building plans, Provisional Authorization	R159 000.09
Certificate of Occupancy, Completion	R216 085.94
Re-Inspection fee	R2 115.40
Encroachment	R44 589.03
Total	R13 156 563.04

3.23.1 Planning and Development: Highlights

Table 168: Planning and Development: Highlights

Highlights	Description
2023MSDF: 1st Review	The First Review Report relating to the 2023 MSDF was submitted to Council in June 2024
George Integrated Zoning Scheme By-law, 2023	The amended By-law was subjected to public participation in 2023, and the final amended document was promulgated in October 2023
GM: Backyarder Housing Strategic Framework	The drat strategy document was adopted by Council in September 2023.It is the first strategy of its kind within a local Municipality
Aesthetics and Heritage Advisory	The department successfully concluded the process of implementing the new

Highlights	Description
Committee	Aesthetics and Heritage Committee in the 2023/24 financial year
Heritage Strategy	The Heritage Strategy and Road Map was adopted by Council in October 2023 The heritage strategy and related Road Map will bring the Municipality closer to compliance with the Western Cape Heritage Resources Act, raising awareness concerning the heritage assets of George and structuring our city in a manner that honours that heritage
Urban Design Guidelines for High-Density-, Social- and Affordable Housing	Urban Design Guidelines for High-Density-, Social- and Affordable Housing was adopted by Council in July2023. The aim of the guidelines was to encourage all role players to create positive living environments when planning high density developments and to consider the integration of such developments with the adjacent urban environment
Capacity Building	Staff that were appointed in the previous financial year received training and were equipped with new tools to improve their ability to execute their enforcement function. A new senior manager was appointed improving the capacity of our Spatial Planning Division to ensure strategic alignment between the sectoral policies
Bylaws	Implementation of the Outdoor Advertising and Control Bylaw, Problem Premises Bylaw and the Building Control Bylaw
George Heritage and Aesthetics Committee	The establishment and appointments of the committee members, consisting of both professionals from the industry and officials within the Municipality

3.23.2 Planning and Development: Challenges

Table 169: Planning and Development: Challenges

Challenges	Actions to address challenges
Capital budget expenditure	Minor setbacks were experienced regarding the spending of the capital budget apportioned to the department. While service providers were appointed to execute the respective projects, the progress was impaired due to under performance of some of the service providers and the time spent in applying the requisite corrective measures

3.23.3 Total Employees: Planning and Development

Table 170: Total Employees Planning and Development

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	-	-	-	0	0%
4-6	-	-	-	0	0%
7-9	7	7	7	0	0%
10-12	21	23	20	3	6.82%
13-15	12	11	10	1	2.27%
16-18	1	2	2	0	0%
19-20	1	1	1	0	0%
Total	42	44	40	4	9.09%

3.23.4 Capital Expenditure 2023/24: Planning and Development

Table 171: Capital Expenditure 2023/24 Planning and Development

Capital Expenditure 2023/24: Planning				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
AUDIO VISUAL MONITORS, SCREENS, MICROPHONES, SOUND, ETC.	50 000	72 600	72 573	27
CHAIRS: PLANNING SECTION	2 000	24 693	24 692	1
DELVILLE PARK RESIDENTIAL ERVEN	650 000	181 763	0	181 763
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES)-PD	50 000	160 040	160 039	1
FURNITURE AND FIITING: PROPERTY SECTION	10 000	25 720	25 720	0
FURNITURE: PLANNING	55 000	80 817	26 013	54 805
ILISOLETHU NDPP INVESTMENT PLAN	0	4 347 826	4 330 553	17 273
METRO GROUNDS INDUSTRIAL	1 000 000	282 500	0	282 500
OSSIE URBAN INDUSTRIAL ERVEN PROJECT	500 000	0	0	0
PAVING CBD - ST MARKS	650 000	1 035 404	1 033 640	1 764
SERVICES PROVISION STUDY: GWAIING AREA	1 250 000	1 000 000	0	1 000 000
TABLETS FOR BC AND LUP	10 000	73 550	73 508	42
Total all	**4 227 000**	**7 284 913**	**5 746 737**	**1 538 176**

e. Investment Property Management

Property management is prescribed by legislation, i.e., the MFMA, Municipal Systems and Structures Acts, Municipal Asset Transfer Regulations, and Supply Chain Management Regulations. The Investment Property Management section is responsible for recommending, administering and managing the acquisition, enhancement, alienation, leasing and utilisation of Council-owned investment immovable properties and rights in such properties and includes:

- **Contract administration:** Management of contracts (deeds of sale, lease agreement) for investment properties based on Council's policies and resolutions; and
- **Property administration:** Ensuring compliance with legislated processes pertaining to the disposal of and management of municipal fixed land assets and buildings utilised for investment and revenue generation to ensure achievement of the strategic objectives of the Municipality.

Table 172: Property Management section overview

Activity/Operation	Outcome/Results
Investment properties sold 01 July 2023 to 30 June 2024	R3 964 275.84 plus VAT
Properties leased 01 July 2023 to 30 June 2024	R3 341 580.80
Reports to Council Committees 01 July 2023 to 31 June 2024	
Planning Committee:	24
Total reports to Executive Mayor in Committee	14
Total reports to Council	17
Application received 01 July 2023 to 30 June 2024	

Applications for the alienation of Council properties	93
Applications for leasing of Council properties	48

3.24 Economic Development

Economic Development commits local government, the private sector and the civil society organizations the opportunity to work together in finding ways of dealing with challenging socio-economic issues and build a sustainable economy. It aims to create jobs by growing the economy and in the process reduce poverty.

Local Government as the closest sphere to the people has a constitutional mandate to undertake a developmental approach when implementing policies. Therefore, through LED local government can meet the basic needs of the people by establishing (whether directly or indirectly) that will create jobs and alleviate poverty in a sustainable manner. Maximum economic growth can be achieved by streamlining LED throughout the municipal efforts in service delivery.

The current economic realities at all levels of the economy signify a shift in normality considering the waves of economic recovery to the negative effects of the loadshedding. The potential to turn around these major threats to the economy of George Municipality requires the council to implement targeted strategies tailored to specific local contexts. In addressing these major challenges, a special focus must be placed in the rural areas of George Municipality such as Haarlem, Uniondale and Touwsranten. Economic infrastructure, access to basic socio-economic services, access to opportunities etc. Education and skills development are fundamental for economic growth. However, the quality of education and the mismatch between skills demanded by the job market and those possessed by the workforce remain challenges. The Municipality will continue to address the skills through bespoke programs.

The Municipality continues to focus on creating an enabling environment for economic growth, attracting investment, fostering entrepreneurship, and addressing challenges to build a more resilient and prosperous local economy. George Municipality collaborates with various stakeholders, including government bodies, private sector entities, NGOs, and community organizations, to drive economic development initiatives. These partnerships facilitate resource sharing, knowledge exchange, and the implementation of joint projects aimed at economic growth.

George Municipality boasts a diverse economic landscape that includes sectors such as agriculture, tourism, manufacturing, retail, and services. The economy of the George municipal area was valued at R22.8 billion with sectors such as finance (32.2 per cent), trade (16.8 per cent) and manufacturing (14.8 per cent) leading the way in terms of GDPR contributions (MERO, 2023-2024:48. The larger municipal area, in turn, has a thriving agriculture sector specializing in mixed farming and non-perennial crops.

Efforts to attract businesses and industries to George Municipality have been ongoing. The Municipality provides support for small and medium-sized enterprises (SMEs), promoting entrepreneurship and innovation, facilitates skills development initiatives, supports local business formations. Initiatives to diversify the economy and create employment opportunities are continually being explored.

The Municipality launched several economic development initiatives and interventions. It adopted a two-pronged strategy, concentrating on SMME capacity-building to provide an environment that is conducive to the operation of commercial firms, as well as the facilitation of key initiatives to support specific sectors and joint/ collaborative initiatives. These actions included:

- The Start-Up Tribe Online Entrepreneurship Academy
- George Skills Indaba
- Flame Programme
- Supplier Day
- The NHBRC Technical Training Contractor Development
- The Global Entrepreneurship Week (GEW)

- The Informal Trading Activities in the CBD
- CBD Regeneration
- Bicycle Distribution Project
- The Entrepreneurs Competition by George Business Chamber
- The Worker Collection Point

3.24.1 Economic Development: Highlights

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The table below indicates the highlights within the Section: Economic Development.

Highlights	Description
Start-Up Tribe (Online Entrepreneurship Academy)	To provide online entrepreneurship education and training to entrepreneurs. The aim is to provide easy access to entrepreneurship education and possibly upgrade the platform to an online incubation centre
George Skills Indaba	Facilitate and coordinate skills development initiatives to support the economic sectors of George with vocational and technical skills. Key role players in the training and development space in George convene on a quarterly basis to present opportunities, developments and challenges faced by these organizations. 20 organizations participated with different opportunities presented with new developments and launches of new skills centres
Flame Programme	Provides SMMEs business development, access to markets, access to funding and access to mentorship for 15 months. There are currently 26 entrepreneurs participating on phase 1 of the programme
Men on the Side of the Road	Create a legitimate and conducive space for men on the side of the road work seekers to access work opportunities and employers to access work seekers quicker and efficiently. There are currently 45 men on the side of the road, and 91 men are not yet recorded as they have been avoiding any paperwork
NHBRC (National Home Builders Registration Council) Technical Contractor Development	The technical training for building contractors equips emerging contractors in the building industry with technical knowledge on building matters. This is a 5-day training course also covering Health and Safety and 17 contractors benefited. This is a partnership between NHBRC, George Municipality and Western Cape Department of Infrastructure. Some of the key stakeholders include the South African Revenue Services (SARS) and the Construction Industry Development Board (CIDB)
Thembalethu Farmer Production Support Unit (FPSU)	Considering the major urban farming land in certain areas of George the Thembalethu FPSU have been one of the key projects in assisting the Thembalethu Farmers to acquire a lease agreement (portion 197) for farming projects. The Department of Agriculture, Land Reform and Rural Development and Western Cape Department of Agriculture have been cooperating on this project and they are currently busy with the environment impact assessment- Agricultural Project Site. There are 5 cooperatives linked to this initiative ranging from crop and livestock production
The Global Entrepreneurship Week (GEW)	George Municipality in partnership with SUFF Academy and the Western Cape Department of Economic Development and Tourism (DEDAT) successfully launched the Global Entrepreneurship Week (GEW) from the 13-18 November 2023. There were 190 SMMEs in attendance from the Garden Route municipalities. This was the first of its kind in the Western Cape and will be hosted in George until 2025
Informal Trader at George CBD	To coordinate and facilitate the informal trading activities taking place in the CBD and manage leases and payments of tariffs. Furthermore, to support and empower the sector with business acumen skills. There are currently 96 demarcated trading spaces in the CBD, and training and roadshows have been conducted with the informal traders
CBD Regeneration	Facilitation and coordination of a safer, cleaner city with well maintained and upgraded infrastructure. One of the activities includes the Monthly CBD walk-abouts with key departments or sections of the Municipality directly involved in the delivery of services in the CBD. Collaboration with the George Chamber remains an integral part of this initiative to ensure high level coordination and reporting of complaints
Bicycle Distribution Project	Creating bicycle mobility to support key sectors of the community such as SMMEs, neighborhood watches and youth cycling clubs. Seventy (70) bicycles were donated and distributed to SMMEs, neighborhood watches and bicycle youth clubs in George
Thembalethu I-Hub	The iHUB as business incubator renders support to young grassroots-innovators with the needed infrastructure, industry collaborations, enterprise supplier development linkages, access to funding linkages, mentoring and coaching, and potential partners or investors. The iHUB helps enterprises take on the challenge of township transformation in specific industries and business sectors and creates innovative solutions to those challenges
The Entrepreneurs Competition	This is a six-month business development/access to markets/ mentorship programme for SMMEs. It accommodates 20 finalists and the top 3-win tangible prizes and the runner-up finalists, get free 12months membership benefit to the George Business Chamber

Table 173: Economic Development Highlights

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3.24.2 Economic Development Initiatives

In the year under review, the Municipality has put a high priority on the capacitation of entrepreneurs in the George municipal area. Initiatives focused on skills development, vocational training, and education aimed at addressing the skills gap and enhancing employability among residents. Collaboration with SEDA, SANRAL, FNB and OLD MUTUAL and Skills Africa contributes to building a skilled workforce. The Municipality has focused on the following interventions in the financial year under review.

Table 174: Economic Development Initiatives

Intervention	Partnership	Number of People who participated
The Start-Up Tribe	The Start Up Tribe, Western Cape Department of Economic Development and Tourism (DEDAT)	24
George Skills Indaba	Garden Route District Municipality and all other participating organizations	28
Flame Programme	ASISA Foundation, Mossell Bay Municipality and Kamva Capital	26
Men on the Side of the Road	George Private Employers	45
Building Technical Training Contractor Development	National Home Builders Registration Council (NHBRC) & Western Cape Department of Infrastructure	17
Thembalthu FPSU (Environment Impact Assessment- Agricultural Project Site)	Department of Agriculture, Land Reform and Rural Development	20
The Global Entrepreneurship Week (GEW)	Suff, George Municipality, Garden Route District Municipality, Hessequa Municipality, Kannaland Municipality, Unisa, Nyda, NDA, and Seda	190
The Informal Trading Roadshow	Western Cape Informal Traders Coalition	36
CBD Regeneration	George Municipality (All Directorates)	30
Bicycle Distribution Project	Bicycle Empowerment Network (BEN), Garden Route Skills Mecca, Western Cape Department of Mobility	70
Thembalethu iHub	Nelson Mandela iHub - Darryl	160
The Entrepreneurs Competition	George Business Chamber, ACSA (Airport Company South Africa)	18

3.24.3 Economic Development: Challenges

Below are the challenges regarding the implementation of the Economic Development Strategy (EDS):

Table 175: Economic Development Challenges

Challenges	Issues to Address
Lack of capacity in the Economic Development Section	Invest in LED Human Resources to capacitate the realization of its functions and mandate. Provide capacity based on the community and business needs
Insufficient funding of economic development initiatives	Invest enough funding for sustainable economic development initiatives to maximize impact and ensure quality service delivery

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Challenges	Issues to Address
Area-specific approach given the vast area and different characteristics of the different areas	The destination marketing approach must ensure the inclusion of all corners of the Municipality's outreach.
The growing wave of extortion crimes (Protection Fee) the biggest threat to businesses	Adopt an intense crime intelligence approach to prevent and deal with these crimes. Invest enough money into Business Crime Intelligence
The matching of relevant skills to the market and high youth unemployment remains major risks	Invest in a data driven solution to guide all key sectors of the economy on where the skills gaps are and match that with the current supply through the skills mecca. Investing on periodic comprehensive skills audits to feed off the markets
Lack of business intelligence or data driven economic development strategy	Adopt and invest in building a business intelligence driven LED with a special focus on economic data management strategy to support key sectors, investors and exporters
Lack of local export profile	Establish a local export profile to shape the export potential of George and integrate with the regional export profile for better coordination

3.24.4 Capital Expenditure 2023/24: Economic Development

The table below gives a brief description of all the challenges within the Section: Economic Development and Tourism during 2023/24.

Table 176: Capital Expenditure 2023/24 Economic Development

Capital Expenditure 2023/24 Economic Development				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
FENCING	0	39 000	33 766	5 235
FURNITURE AND FITTINGS - LED	20 000	113 795	113 795	0
PACALTSDORP SMME TRADING SITE	1 000 000	1 670 000	1 641 050	28 950
SMME TRADING SITES	150 000	78 855	57 055	21 800
UPGRADING OF MASAKHANE MALL	150 000	0	0	0
UPGRADING WCP OFFICE	30 000	699 540	641 212	58 328
Total all	**1 350 000**	**2 601 190**	**2 486 878**	**114 312**

3.24.5 Tourism

Tourism as a sector, in the past year, has outperformed both mining and agricultural in its contribution to the GDP, and is recognised as a priority sector of the South African economy. According to the United Nations World Tourism Organization, Tourism is defined as a social, cultural, and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which involve tourism expenditure (UNWTO, 2023). Modern tourism is closely linked to development and is a key driver for socio-economic progress, producing economic and employment benefits. According to the Stellenbosch Business School, **for every 30 new tourists to a destination one new job is created**. As a significant economic development stimulator, the Tourism section does not necessarily show an income for the Municipality but stimulates

the local economy through a variety of businesses through corporates, but primarily hundreds of SMME's that provide services to the Tourism Ecosystem.

a) Accommodation Occupancies in George Municipality: A Steady Recovery

Accommodation occupancies in George Municipality have shown a consistent upward trend, indicating increased demand for the destination, and expanding economic opportunities. In 2019, which is considered a pre-pandemic benchmark year, the average accommodation occupancy rate was 43%. Due to the global pandemic, this figure dropped sharply to 29% in 2020. However, recovery began in 2021, with the year ending at an average occupancy rate of 39%. By 2022, George surpassed its 2019 occupancy levels, achieving an average of 45%. This growth continued in 2023, with occupancy rates increasing by another 3%, reaching 48% for the year. The positive trend has persisted in 2024, with an average occupancy rate of 49% recorded for the first six months.

Occupancy is monitored based on the number of available properties and rooms. In terms of supply, the average number of properties listed on online travel agencies (OTAs) was 1,339 in 2019. This figure dipped slightly to 1,326 by the end of 2023 but has since rebounded, averaging 1,373 properties in the first half of 2024.

b) International Visitor Trends

International arrivals to George Municipality also demonstrated a strong recovery in 2023, despite global travel numbers not fully returning to pre-pandemic levels across major source markets. In 2019, international visitors to George Municipality accounted for 39% of total arrivals. This share fell to 24% in 2020 and further to 17% in 2021 due to the pandemic. However, international arrivals rebounded swiftly in 2022, reaching 35%, and by the end of 2023, they exceeded 2019 levels, averaging 43%. This upward trend continued into the first half of 2024, with international arrivals averaging 47%.

George's top five source markets pre-pandemic were South Africa, Germany, the United Kingdom, the United States, and the Netherlands. These markets remained consistent until the end of 2023, maintaining the same ranking. Additionally, tourism operators have noted increased interest from Middle Eastern visitors during the winter months. This trend is further supported by a rise in Arabic reviews of local attractions on Google, possibly due to alternative booking methods such as tour operators.

c) Market Research

Research remains a critical element in strategic planning for marketing and promotion. The department continues to use the Online Tour Operator (OTA) research platform to monitor trends and seasons, as well as booking lead times and source markets. Regular statistic sources were developed and recorded, and reports were generated and distributed to take the country and destination level insights into account.

In addition, relationship have been forged with the Department of Economic Development and Tourism Western Cape to obtain Hotel Statistic for the area (although not many hotels in George participate) and the George Airport to monitor and evaluate available statistics.

d) Tourism marketing

Destination marketing is critical to the economic stimulation of the area, to create positive associations about George in the minds of travellers, and to provide a coordinated marketing effort of the tourism offerings at the destination level – rather than by individual experience.

If the destination is not a desirable place, no matter how great a tourism product is, it cannot thrive because it is not supported by complimentary services. Similarly, if the destination is not kept in the minds of potential travellers, their

attention is diverted to other options. George Municipality has a wealth of small tourism providers offering outdoor, sports, gastronomy and arts, culture, and heritage related activities.

A campaign was developed to find a worthy brand for the destination, and to this end, the 'George, Naturally' Concept was born and developed. The groundwork for the development of the new brand was completed and will be rolled out over the next year.

A seasonal campaign ensured that the department managed to show outstanding results for the past year, resulting in one of the busiest high seasons in the history of George, with an average occupancy rate of season more than 70%. This is the magic number in terms of investors considering building and developing additional products in any area. We hope to improve even more in the new year.

e) Stakeholder relations

A process of updating all member details and information, as well as signing up new stakeholders, are a busy year for the tourism officer charged with this project. It is time-consuming and painstaking, and will continue through the next year, when the process will start all over again.

Another successful Stakeholders Conference was held, with Fancourt at the main sponsor. The stakeholder relations are difficult to maintain as small businesses can seldom leave their business to attend events and meetings, but the conference was sold out and was lauded by all participants

A member's newsletter is sent out once per month, and a WhatsApp group is another method of communication.

f) Visitor Information Centres

The George Visitor Information Centre had a devastating fire on the last day of the financial year, but two centres were in operation over the entire year. Support software is effective in managing, recording, and servicing tourism related queries in a professional and timely manner. A website live chat module is in effect so that web visitors can also be assisted while browsing the website.

Pre-built templates are used to communicate standardised information. The department has also purchased paid licences for ChatGPT, and the combination allows for better quality control through consistent messaging in all communications from the offices.

All queries which require further action are logged and responses can be reviewed, which assists with training, and is a context reference on any come-back queries, which can be handled by multiple agents.

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g) Film and Events

The section's strategy to attract and support events for recovery was to focus on leveraging events, as well as developing George as a film-friendly destination.

The section supported numerous events with financial, as well as 'in-kind' support, totalling an investment by the Municipality of R1 million, continued the positive contribution of attracting tourists to the area. Events are correspondingly valuable to the destination as they contribute to the positioning of the key tourism themes and create an association with George within a particular mindset – for example, trails or surfing. The destination also benefits from the event exposure gained in the media.

The Events Steering Committee is an established weekly meeting of key internal role players, to facilitate ease of doing business with George Municipality.

The section also provided support to local film producers, at no additional cost other than human capital.

a) Bookings and Applications

Further local stakeholder and customer support is delivered through event posters and banner bookings, as well as Tourism Road Signage applications.

3.24.6 Tourism: Highlights

The table below depicts the highlights for the section: Tourism for the 2023/24 financial year.

Table 177: Tourism Highlights

Highlights	Description
Expedia Digital Marketing Campaign	Promotion of the destination to US travellers showing travel intent signals on live booking platform, Expedia, via banner advertisements and a landing page
Trade Shows	Promotion of the destination to the tourism trade at World Travel Market Africa (Cape Town) and International Golf Travel Market (Portugal)
Development of 'George, naturally' Brand	Development of 'George, naturally' slogan and new brand aesthetic for Tourism's marketing materials
Film Advertising	In-house promotion of the destination to film producers for the first time via the Locations Africa Film Fam, and advertisements placed in the Filmmakers Guide to the Western Cape and Creative Locations
Festive Season Campaign	Activation event 'Opening of the Season' with the Mayor of George, various activations at tourist hotspots, holiday guide advertising in local media, development and distribution of festive season brochure, participation in Mayoral Roadblock and distribution of tourism maps to local tourism stakeholders for dispersal to their clients
Visitor Information Centre Upgrades	Promotional table, maps and marketing board placed at the African Aloe Café in Uniondale, aesthetic upgrades to the George and Wilderness Visitor Information Centre including striking light installations, various plants and holders, new reception desk, and reconfiguration of signage
Event Support	Distribution of R1 million in event support, including partnerships with higher level sporting events such as the MUT by UTMB, Tent pegging World Cup, U18 Craven Week and George Tens
Marketing Materials	Annual updates to marketing materials including the George, Wilderness and Uniondale tear off maps, digital brochure, updates to the website, the printing and production of various event and promotional items (fence wrap, gazebos, promo tables, tablecloths, chairs, banner wall, x-banners, caps, golf brochure and presentation, uniforms, bid template, trade show presentation, cell phone pouches, and more)
Social Media Channels	New content generated by Travel bug Rose, and weekly promotion of George, Wilderness and Uniondale on Facebook and Instagram
Advertising	Advertising promoting the destination at the George Airport, Rove SA

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3.24.7 Tourism: Challenges

The table below reflects the challenges for the section: Tourism for the 2023/24 financial year.

Table 178: Tourism challenges

Challenges	Actions to Address
No permanent Info Desk staff	Employ 3 customer service agents to man the information desks if the budget is made available
Insufficient budget to run mass media campaigns	Leverage affordable marketing opportunities and events to positively promote the destination
Overtime of staff due to events and demand upon the section	Keep managing overtime responsibly to ensure harmony in the office

3.24.8 Total Employees: Economic Development

The table below reflects the employees within the Economic Development section for the 2023/24 financial year.

Table 179: Total employees: Economic Development

Job level	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	1	1	1	0	0%
4-6	4	4	4	0	0%
7-9	-	1	1	0	0%
10-12	9	9	9	0	0%
13-15	4	4	4	0	0%
16-18	2	3	2	1	4.55%
19-20	-	-	-	0	0%
Total	20	22	21	1	4.55%

3.24.9 Capital Expenditure 2023/24: Tourism

The table below depicts the capital expenditure for the section: Tourism for the 2023/24 financial year.

Table 180: Capital Expenditure: Tourism

Capital Expenditure 2023/24: Tourism				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
BILLBOARDS	200 000	0	0	0
BURGLAR PROOFING	120 000	86 000	86 000	0

Capital Expenditure 2023/24: Tourism				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
DIRECTIONAL SIGNAGE	50 000	0	0	0
FURNITURE AND FITTINGS - TOURISM OFFICES	30 000	70 087	37 748	32 339
GAZEBOS	40 000	50 600	0	50 600
LAPTOPS	40 000	28 734	28 734	0
SECURITY GATE	60 000	0	0	0
SIGNAGE	200 000	0	0	0
TABLETS	70 000	0	0	0
UMBRELLAS AND STANDS	10 000	0	0	0
Total all	**820 000**	**235 421**	**152 482**	**82 939**

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes libraries and archives, museums arts and galleries, community halls, cemeteries and crematoria, childcare, aged care, social programmes and theatres.

3.25 Libraries

Despite the mayhem and stressful situation that the failure of the SLIMS library application brought about to our services, all staff members of George Libraries continued to form strong and collaborative relationships with different communities, the Education Sector, Department of Correctional Service, National Library of South Africa, numerous other organs of state, NGO's, NPO's, as well as provincial structures and services. The result of this repurposed effort had definite benefits as the public had access to the latest information and technology and enjoyed the benefits of a learning society by providing places and spaces for community programmes, as well as community involvement.

George Libraries ensured that services were rendered in clean, safe, and harmonious environments. It was a privilege for all staff members to be of service and to ensure that the cultural, educational, informational, and recreational needs of all the citizens of George, surrounding areas, including all the people who visited these areas, were addressed. The aim of all these efforts was to ensure that all communities were given the opportunity to rediscover the beneficial role that libraries play in our society.

The Municipality has 11 libraries, located in Avontuur, Blanco, Conville, George, Haarlem, Noll, Pacaltsdorp, Thembalethu, Touwsranten (new library being constructed), Uniondale, Waboomskraal. Uniondale is one of the oldest libraries.

3.25.1 Libraries: Highlights

The table below specifies the highlights for the 2023/24 financial year.

Table 181: Library highlight

Highlights	Description
Uniondale Library obtained a mini library for the Blind	This service will be of benefit to the visually impaired and ensure that they become part of the information society
George Libraries celebrated Library Week	The theme for this year was: Libraries foster social cohesion
Eleven Year Beyond Youth volunteers joined George Library Service (as from May 2024)	Year Beyond is a youth service partnership between the Western Cape Government, Community Chest of the Western Cape, Michael and Susan Dell Foundation and numerous NGOs. It aims to provide 18- to 25-year-olds with a meaningful work experience and a pathway to further studies or work while at the same time encouraging a culture of active citizenship and volunteerism
The annual Funda Mzantsi Reading Championship	This addressed the literacy skills of different communities

3.25.2 Libraries: Challenges

The table below specifies the challenges for the 2023/24 financial year.

Table 182: Library challenges

Description	Actions to address
Load shedding	George Library obtained an invertor
Staff shortage	George and Pacaltsdorp Libraries made use of EPWP workers to clean the libraries

3.25.3 Service Delivery Levels: Libraries

The table below specifies the service delivery levels for the 2023/24 financial year.

Table 183: Library Service Delivery Levels

Type of service	2021/22	2022/23	2023/24
Library members	58 470	54870	58 783
Books circulated	171 263	171263	178 914
Exhibitions held	479	1079	441
Internet users	27 737	1479	23 309
Children's programmes	795	4884	861
Visits by school groups	402	1017	231

3.25.4 Total Employees: Libraries

The table below indicates the total number of employees in the Section: Library Services for the 2023/24 financial year.

Table 184: Total employee's libraries

Job Level(T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a %of total budgetedposts)
	Number				
0-3	-	-	-	0	0%
4-6	35	17	17	0	0%

Job Level(T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a %of total budgetedposts)
	Number				
7-9	7	7	6	1	3.70%
10-12	5	2	2	0	0%
13-15	1	1	1	0	0%
16-18	-	-	-	0	0%
19-20	-	-	-	0	0%
Total	48	27	26	1	3.70%

3.25.5 Capital Expenditure 2023/24: Libraries

The table below indicates the capital expenditure for the Section: Library Services for the 2023/24 financial year.

Table 185: Capital Expenditure: Library Services

Capital Expenditure 2023/24: Libraries				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
ALTERNATIVE ENERGY PROJECT	250 000	233 000	212 496	20 504
BLANCO LIBRARY - CLEARVIEW FENCING	0	200 000	0	200 000
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) - CO	0	50 000	34 078	15 922
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) -CS	0	203 000	187 675	15 325
FENCING	400 000	370 000	308 248	61 752
FURNITURE AND OFFICE EQUIPMENT - PACALTSDORP LIBRARY	0	56 995	50 045	6 950
FURNITURE AND OFFICE EQUIPMENT: CONVILLE LIBRARY	30 000	99 019	77 337	21 682
LAPTOPS	0	110 000	106 080	3 920
MODULAR LIBRARY - TOUWSRANTEN	0	203 000	158 558	44 442
TABLETS	0	12 000	8 175	3 825
Total all	**680 000**	**1 537 014**	**1 142 692**	**394 322**

3.26 Community Halls, Facilities and Thusong Centres

Community hall facilities and Thusong Service Centres are one-stop, integrated community development centres, with community participation and services relevant to people's needs. Based on the Batho Pele Principles, these centres aim to empower the poor and disadvantaged through access to information, services and resources from government, non-governmental organizations, parastatals, businesses, etc.

The objectives of the community halls, facilities and Thusong Centres are:

- To bring government information and services closer to the people
- To promote access to opportunities as a basis for improved livelihoods
- To promote cost -effective, integrated, efficient and sustainable service provision to better serve the needs of citizens
- To build sustainable partnerships with government, business, and civil society
- To create a platform for greater dialogue between citizens and the three spheres of government.

The Thusong Centre model revolves around a Six-Block service model i.e. Government, Social and Administrative Services, Office Services, Education and Skills Development Services, Local Economic Development (LED) Services, Business Services and Communication opportunities, and Information and Communication activities.

The Department of Local Government officially held a site visit at the Rosemore and Pacaltsdorp areas to look for a suitable site to establish a Satellite Thusong Centre. Pacaltsdorp was identified as the most suitable area, because of the existing building which was used by the Post Office. The community input at the IDP meetings in Pacaltsdorp expressed the need for a Thusong Centre in their area, to bring services closer to the people instead of them having to travel to town.

At the Provincial Thusong Provincial Forum meeting in Saldanha Bay on 28 February -1 March 2023, funding was approved for a satellite Thusong Centre in George and the establishment of a Pacaltsdorp Satellite Thusong Centre would be funded with a Provincial Grant

3.26.1 Community Hall, Facilities and Thusong Centres: Highlights

The table below specifies the highlights for the 2022/23 financial year.

Table 186: Community Halls, Facilities and Thusong Centres highlights

Highlights	Description
Safety at George Municipal Civic Centre	Installation of Beta fencing at Civic Centre
Alarm systems were installed at various community halls	To cut the cost of security guards
Successfully hosted a book reading event called Funda Mzantsi at Conville Hall and Thembalethu Hall in October 2023	Book reading event by inmates
Thusong Centre Outreaches and door-to-door campaigns	Areas: Rosemoore, Pacaltsdorp, Blanco, Haarlem and Uniondale. Municipal and government services and awareness programmes on women and child abuse, alcohol abuse and educational programmes
Establishment of Pacaltsdorp Thusong Satellite Centre	Taking services to the people. Enhancing service delivery
National Outstanding Thusong Satellite Award	Held in Bloemfontein on 18 April 2024- Award received by Adam Lewie (Thusong Co-ordinator)

3.26.2 Community Halls, Facilities and Thusong Centres: Challenges

The table below specifies the challenges for the 2023/24 financial year.

Table 187: Community Halls, Facilities and Thusong Centres challenges

Challenges	Action to address
Vandalism at the community halls	Alarm system was installed
Insufficient inventories in halls	Will be addressed in the 2023/24 budget

Challenges	Action to address
Insufficient budget for maintenance at community halls	Will be addressed in the 2023/24 budget
Thusong Centres: • Security at Thusong Centres • Vandalism at buildings • Human Resources and Maintenance • Budget	Thusong Centres: • Appoint law enforcement during the day • Fencing around buildings • Structure to be amended • To make provision for the above

3.26.3 Total Employees: Community Halls, Facilities and Thusong Centres

The table below indicates the total number of employees in the Section: Community Hall, Facilities and Thusong Centres for the 2023/24 financial year.

Table 188: Total Employees in Community Halls, Facilities and Thusong Centres

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a %of total budgetedposts)
	Number				
0-3	44	35	28	7	15.56%
4-6	5	4	4	0	0%
7-9	3	5	5	0	0%
10-12	1	1	1	0	0%
13-15	-	-	-	0	0%
16-18	-	-	-	0	0%
19-20	-	-	-	0	0%
Total	53	45	38	7	15.56%

3.26.4 Capital Expenditure 2023/24 Community Halls, Facilities and Thusong Centres

The table below indicates the capital expenditure for the Section Community Halls, Facilities and Thusong Centres for the 2023/24 financial year.

Table 189: Capital Expenditure Community Halls, Facilities and Thusong Centres

Capital Expenditure 2023/24: Community Halls				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
AIRCONDITIONER - DMA	20 000	20 000	11 029	8 971
ALTERNATIVE ENERGY PROJECT	280 000	280 000	0	280 000
BAKKIE - DMA COMMUNITY	380 000	0	0	0
BAKKIES	350 000	344 000	341 167	2 833
BETA FENCE - ROSEMORE HALL	600 000	643 500	643 447	53

Capital Expenditure 2023/24: Community Halls				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
BETA FENCING - CIVIC CENTRE	750 000	808 806	179 178	629 628
CONTAINER	120 000	120 000	70 500	49 500
CURTAINS AND BLINDS	90 000	76 600	0	76 600
CURTAINS AND BLINDS - CONVILLE HALL	130 000	264 000	0	264 000
FENCING	800 000	756 500	305 447	451 053
FLOORING	0	67 000	0	67 000
FRIDGE - HAARLEM HALL	15 000	15 000	12 041	2 959
LOUDHAILERS	30 000	30 000	17 126	12 874
PAVING AND ENTRANCE - THEMBALETHU (ZONE 9) HALL	250 000	250 000	215 783	34 217
PROJECTOR AND SCREEN - HAARLEM HALL	40 000	40 000	6 258	33 742
RAMP TO STAGE FOR THE DISABLED	70 000	0	0	0
REPLACE WOODEN FLOOR - CIVIC CENTRE	850 000	550 000	0	550 000
REPLACEMENT OF HVAC SYSTEM	2 500 000	1 090 000	0	1 090 000
REPLACEMENT OF ROOF	1 200 000	1 605 000	1 478 579	126 421
SEDAN	0	386 000	385 056	944
TABLES AND CHAIRS	750 000	750 000	749 513	488
TABLES AND CHAIRS - HAARLEM HALL	80 000	80 000	57 000	23 000
TABLES AND CHAIRS: CIVIC CENTRE	560 000	560 000	559 872	128
TABLES AND CHAIRS: TOUWSRANTEN HALL	120 000	120 000	119 994	6
UPGR AIR CONDITIONER: CIVIC CENTRE	500 000	1 000 000	0	1 000 000
UPGRADE BATHROOM AND KITCHEN - UNIONDALE HALL	200 000	200 000	0	200 000
UPGRADE COUNCIL CHAMBERS	600 000	600 000	0	600 000
UPGRADE KITCHEN - CIVIC CENTRE	200 000	200 000	0	200 000
UPGRADING KITCHEN	200 000	200 000	0	200 000
UPGRADING OF BATHROOM	280 000	285 000	107 714	177 286
Total all	**11 965 000**	**11 341 406**	**5 259 704**	**6 081 702**

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3.27 Community Development

Community Development includes the development and implementation of effective community-based projects and programmes that address social needs within the broader George and its surrounding areas, including the Uniondale and Haarlem areas.

The section responsible for Community Development within the Municipality consists of four sub-sections, namely:

- Gender/Disability Development;
- Youth Development;
- HIV/Aids;
- Community Projects (ECD, Hope, Pauper Burials, Disasters, Soup Kitchens); and
- Community Food Gardens.

Gender and Disability: To mainstream gender and disabilities and include persons with disabilities in developmental programmes. The Developmental Plan integrates disability components into the budget, programmes, policies and strategies:

- Awareness (Events);
- Skills development;
- Disability audits; and
- Disability awareness and skills development.

Youth Development: To facilitate and coordinate the strengthening of youth issues within George to have empowered young people who can realise their full potential to make a meaningful contribution to the development of South Africa. The Municipality embarked on the following programmes:

- Awareness (Events);
- Job readiness;
- Career expos;
- Online applications;
- Food Gardens; and
- Jobseekers.

HIV and AIDS Section: The Municipality contributes towards the reduction in the prevalence of HIV and AIDS in the George municipal area through:

- Awareness and education (Door-to-Door, Media);
- Treatment and care (support groups, ARVs, OVC); and
- Special events (World Aids Day, Khomanani Day, International Candlelight Day).

Community Projects: Developing and implementing effective community-based projects and programmes, focusing on children and vulnerable adults, that address social needs in the broader community of George and its surrounding areas, including the Uniondale/Haarlem area through programmes such as:

- Project Hope (People living on the street);
- ECDs.
- Disaster assistance;
- Nutritional centres (soup kitchens);
- Aftercare skills development; and
- Pauper burials investigations.

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3.27.1 Community Development: Highlights

The table below specifies the highlights for the 2023/24 financial year.

Table 190: Community development highlights

Highlights	Description
PROJECT HOPE (People who are homeless)	Programme aimed at addressing the social challenges that people living on the street face daily. This programme entails: • 3 persons acquisition of identity documents • 4 were reunification • Provision of necessities such as toiletries and clothing; 30 received toiletries • Typing of CVs and distributing these to local businesses. 50 people received CV. • Woman's Day function for women living on the street; and 20 women were at the function • Regular information sessions with regards to social challenges, 12 trainings have been done • Thus far no persons received identity documents, 5 people gained accommodation, 6 people received employment opportunities, and 3 people received accredited computer training

3.27.2 Community Development: Challenges

The table below specifies the highlights for the 2023/24 financial year.

Table 191: Community Development challenges

	Actions to address
Staff shortage	EPWP appointments, but the Uniondale/Haarlem challenge is still active
Shortage of transport	One vehicle purchased in 2022/23 FY. No vehicle purchased in 2023/24 FY. Shortage persists

3.27.3 Service Delivery: Community Development

The table below specifies community development service delivery.

Type of service	2021/22	2022/23	2023/24
Soup kitchens established or supported	116 soup kitchens, the number decreased owing to the increase in food prices	116 soup kitchens. The number of soup kitchens decreased due to an increase in food prices	116 Soup kitchen, no new kitchen open, just replacements could be done
Initiatives to increase awareness of child abuse	When schools give permission to enter the schools, aftercare programmes take place at two schools. Awareness sessions continue at pre-schools and primary school. We support 28 ECD centres throughout the George area, which include Uniondale/Haarlem	When schools give permission to enter the schools, aftercare programmes are held at 2 schools. Awareness sessions continue at pre-schools and primary school. We support 27 ECD centres throughout the George area, which includes Uniondale/Haarlem	We support 27 ECD centres with maintenance, paving, plumbing, repairing of electric wiring. been done at some centres. Awareness session in conjunction with different stakeholders take place regularly at ECD' s and 4 schools were target with the aftercare program. 2 aftercare programmes conjunction with churches' take place

Type of service	2021/22	2022/23	2023/24
Youngsters educated and empowered	The information for Opportunities for the Youth continues through social media and Info at area offices. Recycling programmes have been established as part of skills development (Wilderness Heights and Newdawn Park). Skills and discipline programmes through the Sports for Change programme at Pacaltsdorp and HTS. Arts and craft skills training (knitting and beadwork) at Thembalethu and Imizamo Yethu High schools (aftercare program). Basic cooking lessons in conjunction with stakeholders (AKTV)	The information for Opportunities for the Youth continues through social media and Info at Area Offices Recycling programmes have been established, as part of skills development. (Wildernis heights and Newdawn park). Skills and discipline programmes through the Sports for Change program at Pacaltsdorp and HTS. Arts and craft skills training (knitting and beadwork) at Thembalethu and Imizamo Yethu High Schools (Aftercare program) Basic cooking lessons in conjunction with stakeholders (AKTV). 16 June 2023 program - approximately 850 youngsters, attended a District Youth Expo in George	The information for Opportunities for the Youth continues through social media and Info at Area Offices Recycling programmes have been established, as part of skills development. (Wilderness heights, Thembalethu, Pacaltsdorp, CBS and Newdawn park). Arts and craft skills training (knitting and beadwork) at Thembalethu and Imizamo Yethu High Schools (Aftercare program) Basic cooking lessons in conjunction with stakeholders (AKTV) in Pacaltsdorp. 16 June 2024 program - approximately 50 youngsters, attended Life skills training programs, at the George Museum
Initiatives to increase awareness of disability and Gender/Women empowerment	Information and Awareness regarding GBV, Gender and Disabilities have been communicated through social media as well as the G & D forums	Information and Awareness regarding GBV, Gender and Disabilities have been communicated through social media and the G & D forums. Golden games took place where we reached 300 elderly people	Information and Awareness regarding GBV, Gender and Disabilities have been communicated through social media and the G & D forums
Initiatives to increase awareness of HIV/AIDS	In conjunction with different stakeholders, the following programmes continue in the community: • Education and Awareness • Support groups (HCH, CRC) • OVC programmes (Orphanage Vulnerable children) SHE programmes (Social Health Empowerment)	In conjunction with different stakeholders, the following programmes continue in the community: Education and Awareness Support groups (HCH, CRC) OVC programmes (Orphanage Vulnerable children) • SHE programmes (Social Health Empowerment)	In conjunction with different stakeholders, the following programmes continue in the community: 1. Education and Awareness (Door to door, HCT outreaches, Safes paces, take place in all communities 2. four Support groups been establish doing needlework, beadwork (HCH, CRC), selling their staff at the community markets of LED. 3. Seven OVC (Orphanage Vulnerable children support groups been assist, with cooking skills, book reading, skills training camps. SHE programmes (Social Health Empowerment, this program ensures the Health of LGBTQI
Initiatives to increase awareness of substance abuse as well as high drug and alcohol-related crimes	Two training sessions took place in conjunction with SAHARA. Awareness sessions in the communities are ongoing.	Two training sessions took place in conjunction with SAHARA Awareness sessions in the communities are ongoing. World No-Tobacco Day was held in conjunction with LDAC	Planet Youth, surveys at schools Drug awareness door to door sessions conjunction with SANCA, SAHARA SAHARA drugs support groups weekly, at community services. June 25 drug awareness day 250 persons reached
Special events hosted (World	Human Rights Day took place in the form of a PRIDE parade.	Human Rights Day took place in the form of a PRIDE Parade.	Pride Parade – July 2024, 600 persons reached

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Type of service	2021/22	2022/23	2023/24
Aids Day, World Disability Day, Youth Day, 16 Days of Activism against Women abuse and Khomanani Day)	International Candlelight Day was commemorated in conjunction with the Department of Health, and different stakeholders at Harry Comay Hospital. International Nurses Day has been held at the Blanco Community	International Candlelight Day was commemorated in conjunction with, the Dept of Health, and different stakeholders at Harry Comay Hospital International Nurses Day was held at the Blanco community	Youth day – 16 June 50 Youth reached International Food Day – 16 October 120 Homeless persons reached World AIDS day – 1 Dec 550 persons reached 16 Days of Activism -25 Nov to 10 Dec 23 289 persons reached
Pauper burials		129 Pauper burials were investigated	34 Pauper burials were investigated
Disaster assistance		940 Fire/ flood incidents were assisted with food hampers, blankets, and mattresses	159 Disasters, were assisted
Municipal Crèche Programme	Currently, 28 ECD centres have been monitored and evaluated by Community Development.	There are currently, 27 ECD centres, that have been monitoring and evaluating. Creches have been maintained in conjunction with the maintenance team	Currently we have 27 official ECD's that been maintain by the Municipality, Two ECD''s been unofficial
Vegetable gardens established	Seven community food gardens with the aim of providing fresh produce to crèches and soup kitchens. These gardens are in the following areas: • Touwsranten – two; • Borchards – two; • New Dawn Park – one; • Andersonville – one; and • Kleinkrantz – one Currently, there are two new community gardens in Rosedale	Nine (9) community food gardens with the aim of providing fresh produce for creches and soup kitchens, have been established. These gardens are in the following areas: • Touwsranten - 2 • Borchards - 2 • New Dawn Park – 1 • Andersonville – 1 • Klein Krantz – 1 Two new community gardens were established in Rosedale. The gardens have been monitored by EPWP appointed peer educators	No budget for the Garden project for 2023/24

Table 192: Community Development service delivery

3.27.4 Capital Expenditure 2023/24: Community Development

The table below reflects the Capital expenditure for Community Development for the 2023/24 financial year.

Table 193: Capital Expenditure 2023/24 Community Development

Capital Expenditure 2023/24: Community Development				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
BLANCO CRECHE - CLEARVIEW FENCING	200 000	0	0	0
CHRIS NISSAN CRECHE: PAVING	50 000	46 000	42 732	3 268
MINA MOO CRECHE - NEW CRECHE	200 000	0	0	0
SANDANEZWE CRECHE: EXTENTION OF BUILDING	200 000	0	0	0
SIEMBAMBA CRECHE - INSTALLATION OF ELECTRICAL FENCING	200 000	4 000	0	4 000
ZAMAXOLO CRECHE: PAVING, RETAINING WALLS AND STORMWATER	0	0	0	0
Total all	**850 000**	**50 000**	**42 732**	**7 268**

3.28 Cemeteries

The Municipality operates five cemeteries, namely, York Street, Thembalethu, Touwsranten, Uniondale and Blanco. There are also non-operational cemeteries in Uniondale, Rosemoor, Hope Street, Thembalethu and Pacaltsdorp.

Shared services team maintains the cemetery in Uniondale and there is a team maintaining the cemeteries in George. The Municipality approved the by-laws for the cemeteries and crematoria in 2010. The Cemeteries and Crematoria By-law has been reviewed in 2023.

George Municipality is currently investigating viable land for the expansion and additional land for cemeteries in George and Uniondale.

3.28.1 Cemeteries: Highlights

The table below indicates the highlights for the 2023/24 financial year.

Table 194: Cemeteries highlights

Highlights	Description
Fencing of Blanco Cemetery, Uniondale and Haarlem	Palisade fencing in Blanco Cemetery, Uniondale Lyonville and Haarlem cemetery was installed to prevent vandalism of tombstones and safeguarding the cemetery
Environmental studies for suitable land in Uniondale	There are various environmental studies that were undertaken on land that belong to the Department of Infrastructure. The studies undertaken so far have positive results in relation to the suitability of the land for the establishment of a new cemetery

3.28.2 Cemeteries: Challenges

The table below indicates the challenges for the 2023/24 financial year.

Table 195: Cemeteries challenges

Challenges	Actions to address
Capacity and Human Resources- There is not enough manpower to do the maintenance of all the cemeteries, there is one team with 6 small plant operators, and they are not able to service each Cemetery on time before the grass and weeds become long.	Making use of EPWP employees to assist in the cemeteries. Herbicide application to inhibit regular growth of grass and weeds

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Challenges	Actions to address
York Cemetery at almost full capacity	Investigations underway to source and obtain available alternative land that is suitable for the establishment of a new cemetery

3.28.3 Service Statistics: Cemeteries

Table 196: Service Statistics: Cemeteries

Type of service	2021/22	2022/23	2023/24
Inhumations	1 178	743	1 021
Pauper burials	42	52	28

3.28.4 Total Employees: Cemeteries

The table below indicates the total number of employees in the Section: cemeteries or the 2023/24 financial year.

Table 197: Total employees: Cemeteries

Job Level(T-Grade)	2023/24				
	2022/23	Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	-	-	-	0	0%
4-6	18	17	15	2	10.53%
7-9	2	2	1	1	5.26%
10-12	-	-	-	0	0%
13-15	-	-	-	0	0%
16-18	-	-	-	0	0%
19-20	-	-	-	0	0%
Total	20	19	16	3	15.79%

3.28.5 Capital Expenditure 2023/24: Cemeteries

The table below indicates the capital expenditure for the Section cemeteries for the 2023/24 financial year.

Table 198: Capital Expenditure: Cemeteries

Capital Expenditure 2023/24: Cemeteries				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
EXTENTION OF CEMETRIES - UNIONDALE	750 000	0	0	0
FENCING - CEMETERIES	1 400 000	1 374 876	1 374 665	211
Total all	**2 150 000**	**1 374 876**	**1 374 665**	**211**

COMPONENT E: ENVIRONMENTAL PROTECTION

3.29 Environmental Protection

Beaches under the jurisdiction of George Municipality are maintained and cleaned daily. Wilderness Beach ,Herold's Bay, Victoria Bay retained its full blue flag status while Leeintjiesklip beach remained pilot blue flag status. The Blue Flag season starts from the 01 December – 31 January . There are teams responsible for the cleanliness of the beach, picking up litter, cleaning the braai spots and cleaning of ablution facilities in the beach area and the caravan camps in Gwaing and Herold's Bay caravan camp. Gwaing Beach was also awarded as Green Coast site, which is a WESSA recognition award that is developed for wild, less developed coastal areas that aim to protect species, habitats and cultural heritage.

George Municipality has a total of 150 parks and open spaces. These are maintained on a regular basis (18 cutting cycles per year) by private contractors. Landscaping in the urban area of the George Municipality is ongoing. There are dedicated teams responsible for the management of trees in George. The Tree Committee has regular engagements and plays an advisory role in the management of trees.

Alien clearing is ongoing on land infested by alien vegetation. George Municipality has an Alien Vegetation Management Plan and clearing is done as per the priority rating in the Management Plan. The total hectares cleared for the 2023/2024 financial year was 305 hectares. Initial and Follow Up clearing was done.

The Municipality has been selected to take part in the **Low Carbon and Climate Resilient Water and Wastewater Management co-beneficial programme**. This initiative primarily promotes urban development and infrastructure services, including emphasising water and wastewater services.

- Enhancing the utilisation of energy and promoting the use of sustainable energy sources in the management of wastewater;
- Resilience to climate change impacts; and
- Responsiveness towards marginalised populations

Land use, population expansion, the rising occurrence of disasters, and water security are significant factors influencing both climate change and development in the city. The Municipality has three primary natural disaster challenges: floods, fires, and water scarcity events (droughts). These disasters have a direct impact on citizens, the environment, and both private and municipal/public finances. Some of the main environmental challenges include limited water resources, loss of biodiversity, occurrences of floods and droughts, inadequate waste management, and degradation of land. The Municipality is currently undergoing a process of recuperation following the significant inundations that occurred in November/December 2021, which impacted all neighbourhoods inside the city of George.

The predictability, unpredictability, and severity of rainfall during shorter time periods are increasingly common, rendering prior monthly averages inadequate as a reliable reference. The Municipality must diversify its water supply as it can no longer only depend on natural water and other resources. This has become a growing priority. To provide a sustainable, fair, and cheap water supply for all people, it is crucial to make efficient use of drinkable water, reduce individual water consumption, and minimise overall water losses and non-revenue water. This is particularly important given the significant influx of immigrants and semi-permanent residents.

The country has long been troubled by its energy supply and reliance on natural resources. The Municipality's primary objective is to enhance energy resilience and decrease energy usage. Due to its topography, the Municipality has a significant number of sewer pump stations, with a total of over 160 pump stations (including 116 municipal stations and different private stations), making it one of the highest in the country in terms of quantity. An in-depth examination is required to enhance energy efficiency and reliability, resulting in the development of a feasible and actionable strategy with clearly defined outcomes. The malfunctioning of sewer pump stations presents a significant threat to the ecosystem and susceptible communities located downstream of these stations, since they rely on the rivers for recreational activities,

washing, and bathing. This poses potential health and environmental hazards. The most susceptible villages are located south of the N2 highway and in the downstream areas of river systems. Failures in water pump stations jeopardise the long-term availability of safe drinking water for communities.

The responsibility for providing both potable water and sanitation services, which are considered fundamental human rights, lies with the local government. The Municipality faces a growing challenge in providing a sustainable sanitation service that not only ensures the dignity and health of residents but also operates and maintains the service effectively to prevent environmental pollution. This challenge is further intensified by energy insecurity and immigration, which have led to the rapid expansion of informal areas.

The water and sanitation issues encountered by the Municipality are not exclusive to Local Government in attaining the objectives of the national water and sanitation goals.

The neighbourhoods and settlements that are most badly affected are those that are impoverished and informal. These areas need to be transformed to become more resilient to climate change. We need capacity building and assistance in developing urban planning strategies that are resilient to climate change, together with the creation of practical measures to achieve favourable results.

To enhance the city's ability to enhance urban planning, administration, and disaster response to floods, it is necessary to construct a flood line determination that identifies flood hazard zones, considering the several rivers within the urban area of the Municipality. The study must encompass an analysis of the failure, overflow, and saturation of the stormwater system under different rainfall events. This analysis aims to determine the specific points at which the system will fail, leading to the flooding of areas beyond the river flood lines. Pre-emptive disaster warnings can notify inhabitants in susceptible regions while enhancing land use management and zoning can greatly enhance flood catastrophe resilience.

The 2022-2027 Integrated Development Plan (IDP) focuses on tackling the difficulties posed by Climate Change and expresses the desire to initiate the construction of a Climate Change Plan, starting in the year 2023/24. The Municipal Spatial Development Framework (MSDF) outlines the concepts of climate change adaptation, as well as the associated hazards, mitigation strategies, and vulnerabilities. Some of the measures pertaining to the built environment have been included in the Zoning Scheme By-Law. The Greenbook, published in 2019 under the title "Adapting Settlements for the Future," offers planning tools to aid in the adjustment of settlements to the effects of climate change and extreme events. However, the Municipality needs assistance to formulate reliable plans that can be easily implemented, with a specific focus on addressing the difficulties faced in informal settlements and impoverished neighbourhoods. Disasters and climate change events, such as floods and the risk of heat/fire, have a significant impact on informal areas that lack sufficient finance due to the status of the occupied land and limited access to basic services due to legislative restrictions.

The Municipality has introduced several climate change initiatives, which are yet to be integrated into a formal climate change strategy and action plan. Additionally, the Municipality has just filled out a questionnaire for the Carbon Disclosure Project, which outlines the numerous activities undertaken by the Municipality. The activities demonstrate evident and bolstered political and administrative guidance and endorsement for climate change adaptation. However, the Municipality lacks the coherence of a comprehensive strategy to assess predetermined objectives in comparison to the progress and accomplishments made.

The Municipality has recognised the necessity of prioritising specific climate change initiatives to enhance resilience in the four primary areas, as well as others, encompassed by the GIZ-DWS support initiative.

- Water and wastewater services: identification and reduction of non-revenue water through physical interventions, systems, and training.
- Enhancing the energy efficiency of sewage and water pump stations as well as water/wastewater treatment facilities to promote the use of renewable energy sources in wastewater management.

- Enhancing climate resilience through the identification of flood lines, flood hazard zones, and saturation levels of stormwater systems, as well as the mapping of stormwater patterns.
- Addressing the needs of vulnerable populations: enhancing climate resilience in informal settlements and improving waste management;
- Efficient waste management;
- Aid in the formulation of a top-tier strategy and action plan for climate change resilience, encompassing specific and feasible objectives that can guide budget allocation and funding requests;
- Development of viable ideas suitable for funding and support in identifying and applying to possible funders;
- Dissemination of knowledge and provision of training; and
- Education provided by the government to the general population

The 2022-2027 Integrated Development Plan (IDP) focuses on tackling the difficulties posed by Climate Change and aims to initiate the construction of a Climate Change Plan, starting in the year 2023/24. The Municipal Spatial Development Framework (MSDF) outlines the concepts of climate change adaptation, as well as the associated hazards, mitigation strategies, and vulnerabilities. Some of the measures pertaining to the built environment have been incorporated into the Zoning Scheme By-Law. The Greenbook, published in 2019 under the title "Adapting Settlements for the Future," offers planning tools to aid in the adjustment of settlements to the effects of climate change and extreme events. Nevertheless, the Municipality needs assistance in formulating reliable plans that can be easily transformed into actionable measures, with a specific focus on tackling the difficulties faced in informal settlements and impoverished neighbourhoods. Disasters and climate change events, such as floods and the risk of heat/fire, have a significant impact on informal areas that lack sufficient finance due to the status of the occupied land and limited supply of essential services due to legislative limits.

3.29.1 Highlights: Environmental Protection

The table below depicts the highlights of the Environmental Protection section for the 2023/24 financial year.

Table 199: Environmental Protect highlights

Highlights	Description
Three Full Blue Flag Status for Herold's Bay and Wilderness beach, Victoria Bay and Pilot Blue Flag Status for Leeintjiesklip	In 2023/24 George Municipality obtained two blue flag status for Wilderness and Herold's Bay and awarded full status for the first time for Victoria Bay and Pilot status for the first time for Leentjiesklip beach. This means that the beaches are compliant with Environmental Management, Environmental Education, Water Quality, and cleanliness of the beach areas.
Green Coast Award for Gwaing beach	This award means that Gwaing beach meets the environmental management and sound eco tourism activities as per the WESSA criteria for this recognition..
Fencing Cemeteries	Three cemeteries were fenced with palisade fencing, i.e Blanco cemetery , Lyonville in Uniondale and Haarlem cemetery..

3.29.2 Challenges: Environmental Protection

The table below reflects the challenges of the Environmental Protection section for the2023/24 financial year.

Table 200: Challenges in environmental protection

Challenges	Description
Vandalism	Vandalism in ablutions in the beach area is a challenge. Vandalism in the cemeteries and the Gwaing Caravan camp stores.
Available land for the establishment of a new cemetery.	The current cemetery at full capacity and there is a challenge in identifying suitable land the establishment of a new cemetery for George.

3.30 Pollution Control

The Constitution of the Republic of South Africa (Act 108 of 1996) provides the legal basis for allocating powers to different spheres of government and thus, institutional regulation of pollution. The Bill of Rights provides that everyone has the right to an environment that is not harmful to their health or well-being. The objectives of the National Environmental Management: Air Quality Act (NEM: AQA), Act 39 of 2004 is to protect the environment by providing reasonable measures to safeguard air quality as well as to prevent air pollution, and to give effect to Section 24 (b) of the Constitution.

The Act requires municipalities to adopt AQMPs and is very specific in its definition of the goal of an air quality management plan. Of specific importance are the following:

- The improvement of air quality;
- Reducing negative impacts on human health and the environment;
- Addressing the effects of fossil fuels in residential applications;
- Addressing the effects of emissions from industrial sources and any point or non-point sources of air pollution;
- Implementing the Republic's obligations in respect of international agreements; and
- Giving effect to best practices in air quality management.

3.30.1 Service Statistics Pollution Control

The table below depicts the service statistics regarding Pollution Control.

Table 201: Service Statistics Pollution Control

Performance indicators	2021/22	2022/23	2023/24
Noise nuisance complaints	47	51	26
Air pollution complaints	12	35	24
Complaints regarding overgrown erven	276	452	348
Number of complaints received	380	288	399
Percentage of complaints resolved	97%	96%	97%
Number of environmental sessions held	5	4	4
Issue of business & entertainment licenses	9	38	33
Recording of animal complaints	45	36	45
Pauper burials	42	52	28

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3.31 Air Quality

The George Municipal Air Quality Management Plan (AQMP) has been developed and approved by Council. The plan is aligned with the Municipality's IDP. The Municipality is currently busy with the review of the AQMP together with other B-Municipalities in the Garden Route District. A service provider was appointed by Garden Route District Municipality.

The Municipality have also reviewed and promulgated the Air Quality Management By-law. Fines have been determined by the public prosecutor for infringements of the Air Quality Management By-law, which is enforced by the Municipality when necessary.

According to the National Environmental Air Quality Act, Act, No. 39 of 2004 (NEM: AQA), air quality monitoring is a local Municipality function. The Garden Route District Municipality manages the licensing of facilities in terms of the listed activities promulgated in the Regulations.

Recommendations on the performance of pollution control overall:

- The lack of sufficient funding for the implementation of the Air Quality Management Plan - as well as a lack of capacity in terms of human resources - remain a challenge;
- The Department of Environmental Affairs and Development Planning's (DEADP) continuous monitoring station is situated on Nelson Mandela Boulevard and measures Volatile Organic Compounds (VOCs), carbon dioxide (CO2) and hydrogen sulphide (H2S);
- The Municipality has procured a vehicle emissions device and will - in collaboration with the Traffic & Law Enforcement Departments - conduct regular testing operations; and
- The Municipality implemented the passive sampling project. Regular sampling will be conducted where needed.

A total of twenty-four (24) complaints pertaining to air pollution were received for the 2023/24 financial year.

Table 202: Air Pollution Complaints

Type of Complaints	Number of Complaints
Fumes	17
Smoke	6
Dust	1

Noise Pollution: The Municipality designated a noise control officer in terms of the Western Cape Noise Control Regulation, 2013. The function of the designated officer is to administer the regulations for the Municipality. The Municipality also handles noise complaints in terms of the George Municipal Public Nuisance By-Laws. Such complaints are handled by the Law Enforcement Section of the Municipality. The Municipality received twenty-six (26) complaints for the 2023/24 financial year. The complaints ranged from noise emanating from machinery, and generators owing to loadshedding.

Business Licensing: The Municipality - in terms of the Business Act, 1991 - must administer the Act. The Administration of the Business Act is under Community Services. There are two Environmental Health Practitioners administering the Act. In terms of the Legislation, there are categories of licenses issued by the Municipality. These are:

- Business Licence;
- Entertainment Licence; and
- Hawker's Licence.

For the 2023/24 financial year, the following licenses were issued by the Municipality.

Table 203: Business licensing issued

Type of licence	Number
Hawkers License	9
Business License	21
Entertainment License	3

COMPONENT F: SECURITY AND SAFETY

3.32 Traffic and Licensing

The Municipality aims to ensure the safety of all residents and visitors on roads to the Greater George Municipal Area through dedicated and committed traffic law enforcement services. Municipal law enforcement officers work closely with the South African Police Services (SAPS) to combat crime while traffic law enforcement officers assist and collaborate with these agencies. Integrated and joint operations are held to prevent the increase of crime in the Greater George Municipal Area through appropriate planning and action. The willingness of the community to report crime assists and benefits the respective law enforcement agencies in the fight against crime.

Traffic and licensing services aim to provide a professional and courteous service to all road users – as well as the community of George - by promoting road safety and creating a safe road environment through effective management, visible policing, community education, protection, and law enforcement.

3.32.1 Traffic and Licensing: Highlights

The table below reflects the highlights for the section: Traffic and Licensing for the 2023/24 financial year.

Table 204: Traffic and licensing highlights

Highlight	Description
Increased capacity	Two more staff members were trained as Grade A Examiners of Vehicles. Four clerks were appointed at the Motor-vehicle Registration Division to improve services and reduce waiting periods. Two Examiners of vehicles were appointed for roadworthy testing at the Vehicle Testing Centre. Six additional Traffic Officers were appointed for the execution of the National Road Traffic Act and National Land Transport Act
Opening of DLTC in Uniondale	This facility is graded as a Grade E Centre which provides for conversions of driving licenses (old ID, foreign licenses)/renewals of driving license cards/temporary licenses/duplicate learners/driving licenses) for the areas of Uniondale and Haarlem
Opening of a Junior Traffic Training Centre	The purpose of the centre is to raise awareness of road safety. The facility has a miniature track where children of all ages are given the opportunity to practice their skills gained in the classroom on a terrain before being exposed to real-life traffic situations
Taxi impoundments	A total of 330 taxis were impounded for operating contrary to permit, court interdict, no permit and unroadworthy
Traffic fine payment collection	Fine collection had an increase of 21.69% from the previous financial year

3.32.2 Traffic and Licensing: Challenges

The table below reflects the challenges for the section: Traffic and Licensing for the 2023/24 financial year.

Table 205: Traffic and licensing challenges

Challenges	Actions taken to address
Upskilling of personnel	More staff to be trained as examiners of driving licenses and examiners of vehicles
Filing space	Not adequate space for filing as required per Legislation. Building transferred and to be upgraded and utilised as archive facility. Following financial year to address building plans
Shortage of Traffic Enforcement personnel (all hours of the day)	Microstructure is being reviewed and motivation for budget submitted
Shortage of Examiner of driving licenses	Motivation for budget submitted

3.32.3 Service Statistics: Traffic and Licensing

The table below reflects the service statistics for the section: Traffic and Licensing for the 2023/24 financial year.

Table 206: Service Statistics: Traffic and licensing

Details	2022/23	2023/24
Number of road traffic accidents during the year	453	426
Number of traffic officers in the field on an average day	11	18
Number of traffic officers on duty on an average day	13	30
Motor vehicle licenses processed	83 558	87 136
Learner driver licenses processed	4755	3179
Rand value of fines collected	R9 958 545.70	R7 856 135.60
Complaints received by traffic officers	355	460
Special functions - escorts	144	194

3.32.4 Total Employees: Traffic and Licensing

The table below reflects the total employees for the section: Traffic and Licensing for the 2023/24 financial year.

Table 207: Total Employees Traffic and licensing

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	5	5	4	1	0.94%
4-6	39	36	31	5	4.72%
7-9	16	15	13	2	1.89%
10-12	54	46	40	6	5.88%
13-15	3	3	3	0	0%
16-18	1	1	1	0	0%
19-20	-	-	-	0	0.%

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Total	118	106	92	14	13.21%

3.32.5 Capital Expenditure 2023/24: Traffic and Licensing

The table below reflects the capital expenditure for the section: Traffic and Licensing for the 2023/24 financial year.

Table 208: Capital Expenditure Traffic and licensing

Capital Expenditure 2023/24: Traffic Services				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
BODY CAMERAS	100 000	0	0	0
BREATHALIZER	50 000	142 126	134 802	7 324
CAMERA	1 280 000	1 089 963	1 089 962	1
CCTV: EXTENSION OF CAMERA SYSTEM	1 500 000	1 897 883	1 802 891	94 992
CCTV: FURNITURE	200 000	0	0	0
CCTV: OPTIC FIBRE	3 000 000	2 860 630	2 633 739	226 891
FENCING AT BACK OF TRAFFIC OFFICE	0	0	0	0
FIBRE LINK - CONTROL ROOM TO MALL	2 500 000	2 370 254	2 319 211	51 043
FIBRE LINK - LANGENHOVEN TO BLANCO	2 000 000	4 091 012	4 020 502	70 510
FIBRE LINK - N2	2 500 000	0	0	0
FIBRE LINK - NELSON MANDELA BLVD TO ROSEMORE BORCHARDS	1 500 000	1 318 313	1 286 553	31 760
FIBRE LINK - YORK TO COURTNEY	2 500 000	2 628 314	2 628 313	1
GENERATOR	650 000	365 484	331 668	33 816
INVERTERS	230 000	215 881	215 473	408
JTTC - UPGRADING OF BUILDINGS	0	23 060	23 056	4
JTTC SKATELAB - QUEUE MANAGEMENT SYSTEM	250 000	0	0	0
LEARNING AND DRIVER TESTING STATION BUILDING - UNIONDALE	500 000	9 180	9 180	0
OFFICE FURNITURE - SECURITY SERVICES	70 000	2 000	1 999	1
RADIOS - TRAFFIC	250 000	248 759	248 759	0
RECORDER AND HARDDRIVES - CCTV	200 000	172 028	172 028	0
SAFETY EQUIPMENT: MAIN BUILDING	200 000	82 677	82 658	19
SECURITY CAMERAS - TRAFFIC OFFICES	100 000	293 851	316 366	-22 515
UPGRADING BLANCO HOUSE	270 000	32 000	29 440	2 560

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Capital Expenditure 2023/24: Traffic Services				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
UPGRADING OF BUILDING - TRAFFIC	1 500 000	64 390	59 575	4 816
UPS AND BOXES	150 000	114 715	114 714	1
VEHICLE WASHBAY - TRAFFIC	0	0	0	501 631
Total all	**21 500 000**	**18 022 520**	**17 520 889**	**1 003 262**

3.33 Law Enforcement

Law Enforcement is responsible for applying municipal by-laws and ensuring the Council's objective of Keeping George Green, Safe and Clean is adhered to. Objectives and priorities are to follow up all complaints as soon and best possible, as well as to issue fines to transgressors and ensure static security at the Municipal Court. Safeguarding the officials from other Departments - such as Environmental Health and Building Control - while carrying out their duties in volatile areas.

There is close collaboration with SAPS with regards to the safety of citizens and the prevention of crime. Joint operations with SAPS - as well as work done in the Municipal CCTV Control Room, are contributing factors to the successful combating of crime.

3.33.1 Law Enforcement: Highlights

The table below reflects the highlights for the section: Law Enforcement for the 2023/24 financial year.

Table 209: Law Enforcement highlights

Highlights	Description
Good and efficient service delivery could be rendered to the public despite staff shortage	Complaints were handled as quickly and effectively as possible
Protest marches were managed with less damage to structures, municipal infrastructures, and the community in general	The triangle meetings stipulated regulations and responsibilities which vastly improved relationships within the community
Great success with the arrest of cable thieves	Arrests were made especially along the N2 corridor & overgrown areas
Illegal electrical connections and electricity theft were effectively managed owing to improved operational planning and actions	Combined operations between departments and SAPS had a major impact on the reduction of illegal connections and electricity theft. However, much more intervention is required to prevent or reduce the theft of electricity. Visible policing, disconnections and removal of illegal wiring are required
New vehicles have shortened reaction time & increased patrol timeless break time.	Dedicated vehicles (4x4) have given excess to remote areas.
The CCTV Unit contributed to the reduction in crime and criminal activities. This included giving valuable video footage to SAPS to solve crimes.	The effectiveness of the CCTV cameras assisted in monitoring the Public Transport Route, as well as monitoring hot spots and other areas where criminal activities and accidents or incidents took place.

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Highlights	Description
Areas where illegal dumping took place were vigorously patrolled daily.	The patrols led to a reduction in dumping issues during the day but increased when officers were not on duty, i.e., after hours and at weekends. However, concerned members of the public andother interested groups – like neighborhood watch groups. - reported on the illegal dumping or tried to deter the alleged wrongdoers.
Major highlights of the year are always a safe Festive Season when more tourists and visitors come to the city.	The successful interaction between various Law Enforcement Agencies, SAPS, and Fire and Traffic Departments creates a safer holiday and festive environment with fewer criminal activities every year.

3.33.2 Law Enforcement: Challenges

The table below reflects the challenges for the section: Law Enforcement for the 2023/24 financial year.

Table 210: Law Enforcement Challenges

Challenge	Description
Staff shortages	Urgently require additional staff as George has grown exponentially and with thecurrent staff capacity, the required high standard of services cannot be delivered
Lack of powers to perform better withoutopening the Council to civil claims	Municipal Police Complement will be better suited for George as it is heading towards becoming part of a Metro. The Legal Services Section is looking into the proposednew fines
Misunderstanding of communities of thelaw enforcement powers	Law Enforcement can only execute municipal by-laws. It is extremely importantfor Law Enforcement staff to explain the extent of our juridical restrictions. We need to improve community communications and community workshops to explain what law enforcement obligations are for the community
Political interposition	Disruptions in the relationship between politicians and the voting citizens. There isa major lack of information-sharing among voters on politicians' performance andwhat they can or cannot do. Law Enforcement must always ensure the safety of staff and infrastructure
Protest marches	Communities marched more than expected, with major issues with housing andelectricity-related services

3.33.3 Service Statistics: Law Enforcement

The table below reflects the service statistics for the section: Law Enforcement for the 2023/24 financial year.

Table 211: Service statistics for Law Enforcement

Service	2022/23	2023/24
Number of By-Law infringements attended	2608	3846
Number of Law Enforcement officers in the field per day (Monday to Friday)	14	23
Number of Law Enforcement officers on duty on an average weekday	11	23

3.33.4 Total Employees: Law Enforcement

The table below reflects the total employees for the section: Law Enforcement for the 2023/24 financial year.

Table 212: Total employees in Law Enforcement

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	1	1	1	0	0%
4-6	42	33	32	1	1.75%
7-9	19	17	15	2	3.51%
10-12	5	5	5	0	0%
13-15	1	1	1	0	0%
16-18	-	-	-	0	0%
19-20	-	-	-	0	0%
Total	68	57	54	3	5.26%

3.33.5 Capital Expenditure 2023/24: Law Enforcement

The table below reflects the capital expenditure for the section: Law Enforcement for the 2023/24 financial year.

Table 213: Capital Expenditure Law Enforcement

Capital Expenditure 2023/24: Law Enforcement				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
1X 1TON 4X4 DC LDV	500 000	547 379	547 320	59
CCTV: EXTENSION OF CCTV BUILDING	4 200 000	5 248 733	5 110 164	138 569
FIREARMS - LAW ENFORCEMENT	100 000	101 740	99 840	1 900
LAPTOPS / DESKTOPS - LAW ENFOR	20 000	15 810	14 378	1 432
SAFETY EQUIPMENT - LAW ENFORCEMENT	110 000	110 000	41 950	68 050
VEHICLES	600 000	1 189 174	1 189 156	18
Total all	**5 530 000**	**7 212 836**	**7 002 808**	**210 028**

3.34 Fire Services and Disaster Management

The roles and responsibilities of a fire service must reflect the evolving nature of responsibilities and expectations that the society has for their fire service. The Municipality is responsible for the provision of a fire service in its area of jurisdiction which includes the following:

- coordination and regulation of the local authority fire services, designated fire authorities and volunteer fire associations;
- development of a specialised fire services capacitated to deal with specialised fire risks prevalent in the area such as veld, chemical and informal settlements fires, etc

- development of a specialised dangerous goods incident response capacity, to perform incident mitigation and stabilization as well as an oversight of cleaning operations;
- development of specialised rescue services capacity, focussing on the rescue disciplines that are prevalent in the area of jurisdiction as a priority;
- coordination of the standardization of infrastructure, vehicles, equipment and operational procedures of the fire service;
- facilitation and coordination of the training and development of firefighting practitioners;
- developing and facilitating the implementation of standardised municipal by-laws;
- Coordinate planning for the provision of fire safety and prevention;
- Implementation and development of mutual aid agreements between the local fire services, designated fire authorities, Fire Protection Associations and volunteer fire associations;
- Implementation, development and support of community based fire safety and prevention programs;
- conducting regular and random fire safety inspections at any premises where the Chief Fire Officer or his or her designatory deems necessary;
- providing advice on the means of escape from buildings and other property in case of fire;
- fighting and extinguishing fires by ensuring to have sufficient staff, equipment and vehicles at its disposal to deal with the fire risks in its area of jurisdiction – a risk based approach;
- call taking and dispatching facilities, training personnel to manage incoming calls and dispatching firefighting crews;
- participation in special events planning; and
- provision and support in the implementation of the Disaster Management Act, 2002 (Act No. 57 of 2002).

The discipline of disaster management is referred to by several different titles. Disaster risk management, emergency management, civil safety, crisis management, or civil protection are a few of those titles. Our goal is to increase community involvement in disaster management even though community members have different viewpoints on disaster risk and differ in terms of age, gender, education, and social class.

A community-based disaster management and risk reduction planning process will help to bring the community's understanding of risks together, as well as in preparation, mitigation, and prevention efforts.

The community members are the primary players and drivers of community-based disaster management, and they also benefit directly from its development and reduction of catastrophic risks. These are the fundamental components and aspects of community-based disaster management.

- Giving priority to the individuals, families and groups most in need within the community. In urban areas, these include the urban poor and the informal sector; in rural areas, they include subsistence farmers, fishermen, and indigenous people. The elderly, disabled people, women and children are also at risk due to their vulnerability in the society.
- Following an assessment of the community's disaster risk (hazards, vulnerabilities, capabilities, and perceptions of disaster risk), particular risk reduction strategies are determined and implemented.
- Acknowledgment of coping strategies and abilities - CBDM Mitigation enhances and fortifies pre-existing abilities and coping mechanisms.
- The objective is to create community resilience to disasters, by enhancing awareness, capacity and reducing specific vulnerabilities.
- Linking catastrophic risk reduction with development - challenges susceptible situations and sources of vulnerabilities.
- Outsiders have supportive and enabling roles.

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3.34.1 Fire Service and Disaster Management: Highlights

The table below reflects the highlights for the Section: Fire and Disaster Management for the 2023/24 financial year.

Table 214: Fire services and disaster management highlights

Highlights	Description
Upgrade of fire stations	Budget provided for the maintenance of all fire station facilities to improve the endurance of fire service infrastructure
New Vehicles added to our fleet	Fire service had only one addition to the fleet for the financial year namely major fire pumper, imported from Rosenbauer, Austria
Vehicle refurbishment	Refurbishment of the Toyota Land Cruiser with the latest in poly prop technology
Drone technology	Two members of the service were sent for drone pilot licensing and are now qualified drone pilots
Vacancies	Several vacancies were filled, as well as a new Platoon Commander and complement our shift numbers with eleven members per shift currently

3.34.2 Fire Services and Disaster Management: Challenges

The table below reflects the challenges for the section: Fire and Disaster Management for the 2023/24 financial.

Table 215: Fire and Disaster Management challenges

Challenge	Description
Staff complement will still have to be increased to compensate for the ever-increasing risk and incident rate because of the growth and expansion of George	Available vacancies are advertised and filled but additional staff must be budgeted for.
Staff training is delayed due to limited staff complement	Untrained staff and lapsing certification are increasing risk of litigation to the Municipality. Increasing staffing levels will mitigate this challenge.
New staffing regulations are delaying and preventing new appointments	Staffing regulations must be reviewed to be in line with industry standards or exemption should be considered from the regulation
Emergency service fleet is aging and maintenance expenses on old vehicles with prolonged repairs are increasing	Limited response capabilities are a direct consequence of prolonged maintenance repairs. Ageing fleet are being replaced with new vehicles according to SANS 10090 regulations, as far as budget allows

3.34.3 Service Statistics: Fire Services and Disaster Management

The table below reflects the service statistics for the section: Fire and Disaster Management for the 2023/24 financial.

Table 216: Service Statistics Fire and Disaster Management Services

Details	2022/23	2023/24
Total fires attended in the year	694	784
Fire safety awareness initiatives	25	30
Average turnout time - urban areas	8 minutes	10 minutes
Average turnout time - rural areas	18 minutes	13 minutes

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3.34.4 Capital Expenditure 2023/24: Fire Services and Disaster Management

The table below reflects the Capital expenditure for the section: Fire and Disaster Management for the 2023/24 financial.

Table 217: Capital Expenditure Fire and Disaster Management

Capital Expenditure 2023/24: Fire Services				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
FIRE TRUCK	4 200 000	6 277 698	6 277 400	298
FURNITURE AND FITTINGS - KLEINKRANTZ	50 000	45 002	39 734	5 268
GENERATOR	200 000	172 937	172 936	1
REPLACE NISSAN BAKKIE (CAW 46574)	800 000	0	0	0
TOOLS AND EQUIPMENT	500 000	1 050 690	855 596	195 094
UPGRADE GEORGE FIRE STATION	500 000	492 202	112 814	379 388
UPGRADING OF RADIO COMMUNICATION – GEORGE	300 000	620 850	477 845	143 005
VEHICLES	900 000	1 467 250	1 439 211	28 039
Total all	**7 450 000**	**10 126 629**	**9 375 536**	**751 093**

COMPONENT G: SPORT AND RECREATION

3.35 Sport and Recreation

The Municipality is responsible for the management and maintenance of 13 sports grounds in the municipal area. It is the Municipality's goal to create a healthy lifestyle for all our residents by offering a wide range of well-maintained and managed sports facilities.

The Sports Development Section aims to deliver sustainable and affordable sports services to contribute to the reconstruction and development of the George community.

3.35.1 Sports and Recreation: Highlights

The table below depicts the highlights of the Section: Sport and Recreation for the 2023/24 financial year.

Table 218: Sport and Recreation highlights

Highlights	Description
Establishment of the George Municipal Sport Council	The Municipality facilitated the establishment of the George Municipal Sport Council. This body is representative of the end users of the George Municipal Sport infrastructure. It serves an important advisory role to the George Municipal Council regarding sport related matters
Hosting of a Netball World Cup 2023 Fan Park at Rosemoore Stadium	The Municipality hosted a fan park during the 2023 Netball World Cup at the Rosemoore Sport Facility where all the matches were televised, and netball tournament were hosted for schools, clubs and social clubs

3.35.2 Sports and Recreation: Challenges

The table below depicts the challenges of the Section: Sport and Recreation for the 2023/24 financial year.

Table 219: Sport and Recreation challenges

Challenges	Description
Old dilapidated infrastructure	The Municipality developed and adopted a Sport Infrastructure Master plan to address the infrastructure and funding backlogs
Vandalism of sport facilities	The Municipality has collaborated with neighbourhood watches-Ward 17. Furthermore, an armed response has been appointed. We've established sports committees made up of community members to assist/collaborate with the Municipality in managing and safeguarding the facilities

3.35.3 Service Statistics: Sport and Recreation

The table below reflects the Section: Sports and Recreation Service statistics for the 2023/24 financial year.

Table 220: Service statistics sports and recreation

Type of service	2022/23	2023/24
Number of Sports Grounds/fields	13	13
Number of events hosted on fields	120	108
Number of Swimming Pools	2	2
Number of Sports Grounds/fields	13	13
Number of events hosted on fields	120	108
Number of Swimming Pools	2	2
Number of visitors at swimming pools	6 600	8 313
Number of stadiums	3	3
Number of events hosted in stadiums sports and entertainment	3	9
Community parks		
Number of parks with play equipment	15	19
Number of wards with community parks	27	27
Swimming pools		
Rand value collected from entrance fees	R48 756.44	R60 247.46
Sport Fields/Sport Halls		
Number of wards with Sports Fields/Sport Halls	12	12
R-value collected from the utilisation of Sports Fields/Sport halls	R25 164.81	R37 013.15
Number of sports associations utilising Sport Halls	18	18

3.35.4 Total Employees Sports and Recreation

The table below reflects the section: Sports and recreations total employees for the 2023/24 financial year.

Table 221: Total Employees Sport and Recreation

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgetedposts)
		Number			
0-3	-	-	-	0	0%
4-6	12	12	9	3	16.67%
7-9	2	2	2	0	0%
10-12	4	3	1	2	11.11%
13-15	1	1	1	0	0%
16-18	-	-	-	0	0%
19-20	-	-	-	0	0%

3.35.5 Capital Expenditure 2023/24 Sports and Recreation

The table below reflects the section: Sports and Recreations' capital expenditure for the 2023/24 financial year.

Table 222: Capital expenditure: Sports and Recreation

Capital Expenditure 2023/24: Sport and Recreation				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
OUTENIQUA MAIN PAVILLION & ADMIN BLOCK UPGRADING	0	352 305	352 305	0
PARKDENE SPORTGROUNDS (CRR)	300 000	323 503	244 290	79 213
SPORT DEVELOPMENT PROJECT	0	1 443 491	1 378 092	65 399
STEEL STRUCTURE PAVILLION (S) - LAWAAIKAMP SPORT GROUND	0	513 490	361 677	151 813
TARTAN TRACK - ROSEMORE SPORT GROUND PHASE 1	13 739 130	7 098 529	7 092 390	6 139
THEMBALETHU SPORT FIELD UPGRADE PHASE B	0	635 100	633 975	1 125
THEMBALETHU SPORT HALL	1 267 652	1 267 652	1 267 651	1
UPGRADING OF DORPSVELD CLUBHOUSE - DMA	0	79 403	0	79 403
UPGRADING OUTENIQUA STADUIM	250 000	364 228	286 265	77 964
Total all	**15 556 782**	**12 077 701**	**11 616 644**	**461 057**

Table 223: Capital Expenditure: Parks and Beaches

Capital Expenditure 2023/24: Parks				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
UPGRADE TO INFRASTRUCTURE AT BEACHES	0	1 701 650	885 739	815 911
UPGRADING TOILETS AT BEACH AREAS	750 000	0	0	0

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Capital Expenditure 2023/24: Parks				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
BAKKIES	0	344 015	344 015	0
BOARDWALK : ROOIRIVIER	50 000	0	0	0
BOTANICAL GARDEN - WALL OF THE DAM	0	3 264 532	3 181 038	83 494
POWERED TOOLS	150 000	145 087	122 497	22 590
SECURITY CAMERAS	150 000	113 256	113 255	1
STREET FURNITURE	350 000	524 197	520 220	3 977
UPGRADE OF BOTANICAL GARDEN	300 000	300 000	205 838	94 162
DEVELOPMENT AND UPGRADE OF CARAVAN SITE - GWAIING RIVER	400 000	169 995	169 995	0
FENCING OF RECREATIONAL AREA - DMA	150 000	0	0	0
FENCING: HEROLDSBAY CARETAKER'S HOUSE	300 000	499 033	499 033	0
HIGH MAST X2	600 000	0	0	0
NEW CLUBHOUSE - ROOIRIVIER SPORT FACILITY	0	0	0	0
PACALTSDORP SPORT FACILITY: NEW ROOF - Pavillion	250 000	1 430 992	1 343 686	87 306
ROSEMOOR INDOOR ARENA - RESTORATION	320 000	619 600	610 663	8 937
UPGRADE OF GWAIING DAY CAMP	300 000	463 516	282 020	181 496
UPGRADE OF GWAIING DAY CAMP (DECK AND FENCING)	400 000	400 000	296 110	103 890
Total all	**4 470 000**	**9 975 873**	**8 574 109**	**1 401 764**

COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes the office of the Municipal Manager corporate policy offices, financial services, human resource services, ICT services and property services.

3.36 Office of the Municipal Manager

The office of the Municipal Manager includes the following functions:

- Communications;
- Risk and Internal Audit;
- Legal Services; and
- Information Technology (IT) Services.

3.36.1 Office of the Municipal Manager: Highlights

The table below reflects the highlights of the Office of the Municipal for the 2023/24 financial year.

Table 224: Office of the Municipal Manager highlights

Highlights	Description
Increased management capacity	For the first time in many years, there were no vacancies in the management team as at 30 June 2023
Progress with the BFI projects	George was the first non-Metro to receive the Budget Facility Infrastructure Grant (BFI) for the refurbishment as well as the construction of new Water and Wastewater infrastructure. The projects are progressing well which will ensure that George has sufficient water purification capacity in the future
Rollout of renewable energy projects	Several renewable energy projects commenced during the 2022/23 financial year. Various municipal buildings now have solar panels. The Outeniqua Wastewater Treatment Works solar panels have also been installed; the construction of a 1 MW plant is well underway. Solar panels have been installed at some traffic lights. Many more renewable projects are in the pipeline
Unqualified Audit with no findings	George Municipality received a clean audit for the third year in a row. This is a direct consequence of improved administrative processes
Management of a very successful 2022/23 festive season	A Festive Season Monitoring Committee was established which met daily from 1 December to the first week in January. This greatly improved the safety and security on the beaches and contributed to a good experience for visitors by ensuring a high standard of service
Automation of all building control and land use applications	The automation of these processes has considerably reduced the turnaround time and efficiency of the processes
Updating of by-laws	Several by-laws were reviewed and updated for the year under review making George improve governance and address gaps and concerns in previous by-laws
Internal Audit Awareness Month	During May 2024 the Internal Audit Department hosted a successful Internal Audit Awareness Month Campaign, strengthening the awareness of IA within all municipal departments.
Capacity increase for communication team	The appointment of a social media officer by the Municipality adds a new dimension to its communication efforts, strengthening its social media presence and solidifying its digital engagement with the community.
Communication Policy Development	The Communication Department has reviewed its Communication Policy and initiated the process of developing stand-alone policies, including a Crisis Communication Policy and a Social Media Policy. These efforts aim to enhance the effectiveness and clarity of communication practices within the Municipality. The policies must be workshopped with Council prior to adoption.

3.36.2 Office of the Municipal Manager: Challenges

The table below reflects the challenges of the Office of the Municipal for the 2022/23 financial year.

Table 225: Office of the Municipal Manager challenges

Challenges	Action to address
Late receipt of grants	Some grant funding was only received on 31 March 2023. The amount was more than R 250 million. As this entailed more than 35 projects, it was impossible to spend the grant funding by the end of the financial year, 30 June 2023. This gives a skewed picture of poor capital expenditure. All projects are well underway, and expenditure is on track

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Challenges	Action to address
Increased immigration and growth impacting service delivery	The latest Census figures have shown that George's population grew by 100 000. George is now the largest town in the Western Cape outside of the Metro. Infrastructure will need to be able to provide basic services to an increased number of residents. Master Plans are in place and these infrastructure projects will need to be fast-tracked to ensure adequate infrastructure for a growing city
Ability of the consumer to pay for services	Besides the more stringent credit control measures, the Municipality strives to ensure that all services are cost reflective. The weak economy and unemployment rate make it difficult for some consumers to pay their municipal accounts. George Municipalityhas one of the biggest and most comprehensive indigent support packages. Verification of indigents is done frequently
Loadshedding	The financial cost of loadshedding, including mitigating infrastructure damage, loss of working hours, high diesel cost of running generators and the negative effect on businesses affecting their ability to pay remains a huge challenge. Many businesses and households have installed solar panels, meaning a loss in electricity sales. The Municipality is trying to roll out projects to mitigate loadshedding subject to financial constraints
Shortage of skills	There is a general shortage of skills in certain categories, particularly technical fields. Some posts are vacant due to a shortage of suitable candidates. The Municipality continually strives to appoint competent and qualified people to all posts
Legislation delaying implementation of renewable projects	Various aspects of the MFMA make it cumbersome and lengthy for a Municipality to purchase energy from private persons/businesses who wish to sell electricity to the Municipality. A request for exemption has been sent to National Treasury

3.36.3 Total Employees: Office of the Municipal

The table below reflects the total employees of the Office of the Municipal for the 2023/24 financial year.

Table 226: Total employees Office of the Municipal Manager

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	0	0	0	0	0%
4-6	2	2	2	0	0%
7-9	1	1	0	1	5.56%
10-12	10	8	6	2	11.11%
13-15	2	2	2	0	0%
16-18	3	3	2	1	5.56%
19-20	0	0	0	0	0%
Total	**18**	**16**	**12**	**4**	**22.22%**

3.36.4 Capital Expenditure 2023/24 Office of the Municipal Manager

The table below reflects the capital expenditure of the Office of the Municipal for the 2023/24 financial year.

Table 227: Capital expenditure: Office of the Municipal Manager

Capital Expenditure 2023/24: Municipal Manager				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
COMPUTER HARDWARE - INTERNAL AUDIT	60 000	53 000	50 609	2 391
Total all	**60 000**	**53 000**	**50 609**	**2 391**

3.37 Corporate Services (Administration -Committee Services, Records Management and Telecommunication)

Administration (Committee Services, Records Management and Telecommunication sections) aims to provide effective records management and telecommunications throughout the entire Municipality and ensure adherence to all relevant legislation related to the function.

3.37.1 Corporate Services (Administration- Committee Services, Records Management and Telecommunication: Highlights

The table below reflects the highlights of the Corporate Services (Administration-Committee Services, Records Management and Telecommunication for the 2023/24 financial year.

Table 228: Corporate Services (Administration- Committee Services, Records Management and Telecommunications highlights

Highlights	Description
The Back-scanning of all HR Related records	This is to ease administrative transactions for HR officials to gain easy access to all HR Related information and to ensure that information is securely preserved within the system
Systematic Disposals	Systematic disposals were carried out by obtaining approval from the Western Cape Provincial Archives. This is to reduce the storage space for records and for George Municipality to accommodate future hard copy information which is gathered from the citizens of George
Enforcing of a Central Data Repository	To ensure that all information which is administratively created is digitally preserved which allows easy access and retrieval of these records which speeds up all administrative processes and responses to the citizens of George and business relationships
Implementation of an Automated Call Attender	Automated Call Attender reduced the pressure by directing the caller direct to the respective Directorate/ Department who will be attending to the specific service request or enquiry
Digitalization of all paper-based records	The George Municipality is embarking on a digitalization process. The successes in this have allowed the Municipality to become a paperless environment and it also reduced the costs of printing and procuring of photocopy paper

3.37.2 Corporate Services (Administration- Committee Services, Records Management and Telecommunication: Challenges

The table below reflects the challenges of the Corporate Services (Administration-Committee Services, Records Management and Telecommunication for the 2023/24 financial year.

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Table 229: Corporate Services (Administration- Committee Services, Records Management and Telecommunications challenges

Challenges	Action to address
The demand for the Language/Interpretation services during meetings was a challenge	The Unit would be attempting to appoint an Interpreter who can also translate into Afrikaans
Inadequate sound recording equipment in the Council Chambers	The Unit will be procuring new mikes/sound systems in the new FY
Vacancies at the Committee Services Unit	The filling of two (2) vacancies with suitably qualified staff ensured that quality service was successfully concluded during the reporting period

3.37.3 Total Employees: Corporate Services (Administration- Committee Services, Records Management and Telecommunication

The table below reflects the total employees of the Corporate Services (Administration-Committee Services, Records Management and Telecommunication for the 2022/23 financial year.

Table 230: Total Employees Corporate Services (Administration- Committee Services, Records Management and Telecommunications

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	3	2	1	1	2.63%
4-6	31	13	13	0	0%
7-9	11	8	8	0	0%
10-12	21	10	8	2	5.56%
13-15	7	4	4	0	0%
16-18	4	1	1	0	0%
19-20	1	0	0	0	0%
Total	**78**	**38**	**35**	**3**	**7.89%**

3.37.4 Capital Expenditure 2023/24: Corporate Services (Administration- Committee Services, Records Management and Telecommunication

The table below reflects the capital expenditure of Corporate Services (Administration-Committee Services, Records Management and Telecommunication for the 2023/24 financial year.

Table 231: Capital Expenditure 2023/24 Corporate Services (Administration, Committee Services, Record Management and Telecommunications)

Capital Expenditure 2023/24: Administrative				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
AIRCONDITIONER - CREDITORS	15 000	52 000	50 325	1 675
AIRCONDITIONING / AIRCONDITIONERS	0	198 000	180 311	17 689
BLANCO CRECHE - REPLACEMENT OF ASBESTOS ROOF	0	700 000	175 759	524 241
BUILDING EQUIPMENT AND TOOLS	50 000	33 593	27 868	5 725
CONTAINER FOR PARK - DMA	40 000	0	0	0
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) - CIVIL	80 000	300 000	276 307	23 693
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) - CO	80 000	80 000	73 609	6 391
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) - FIN	180 000	555 100	535 445	19 655
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) -CS	70 000	98 500	90 860	7 640
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) IT	120 000	20 000	5 659	14 341
FENCING	2 100 000	0	0	0
FILING CABINETS - CLIENT SERVICES	20 000	0	0	0
FILING CABINETS.SCM	50 000	0	0	0
FURNITURE AND EQUIPMENT - SOCIAL	30 000	30 000	18 169	11 831
FURNITURE AND FITTINGS - CIVIL ADMIN	80 000	250 000	182 617	67 383
FURNITURE AND FITTINGS: CORP ADMIN	50 000	78 505	31 241	47 264
FURNITURE AND OFFICE EQUIPMENT - COMS ADMIN	70 000	75 900	70 969	4 931
HEAVY DUTY WEEDEATERS	35 000	0	0	0
MINA MOO CRECHE - CONTAINER	0	200 000	0	200 000
OFFICE CHAIRS - RECORDS STAFF	8 000	8 000	7 491	509
OFFICE FURNITURE	80 000	51 495	51 483	13
OFFICE FURNITURE - CFO	325 000	319 700	285 313	34 387
OFFICE RENOVATIONS AND OFFICE SPACE	180 000	0	0	0
REPLACEMENT OF TIPPER TRUCKS CAW 35934	900 000	615 000	609 036	5 964
SANDANEZWE CRECHE: CONTAINER	0	200 000	0	200 000
SCREEN - SCM	12 000	37 000	36 550	450
SHREDDER - CLIENT SERVICES	5 000	5 000	3 104	1 896
SIEMBAMBA CRECHE - FENCING	0	900 000	0	900 000
SONNEBLOEM CRECHE - REPLACEMENT OF ASBESTOS ROOF	0	240 000	223 900	16 100
TRAILER x2	75 000	54 000	54 000	0
UPGRADE OF SIDEWALKS - LONG STREET (UNIONDALE)	250 000	250 000	234 700	15 300

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Capital Expenditure 2023/24: Administrative				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
UPGRADE OF THE HERBICIDE STORAGE AREA	1 200 000	249 850	10 485	239 365
UPGRADE STORES BUILDING AND YARD	150 000	0	0	0
VACUUM CLEANERS - CORP ADMIN	15 000	15 000	11 816	3 184
Total all	**6 270 000**	**5 616 643**	**3 247 016**	**2 369 627**

3.38 Financial Services

During the 2021/22 to 2023/24 Medium-Term and Revenue Framework (MTRF), the following was taken into account:

- Constraining fiscal environment and in particular the stagnant growth in the local South African economy
- National and Provincial Priorities;
- Policies on tariffs and service charges;
- Determination of prudent levels of cash revenue;
- The need to grow George; and
- Prioritising infrastructure development.

Council accepted and reviewed the Long-Term Financial Plan and all budget-related policies. The Long-Term Financial Plan of the Municipality does not only highlight some of the material, financial and other issues identified but also makes very specific proposals and recommendations regarding future financial management. Some priorities are highlighted below:

- The Municipality needed to focus on its core functions. During the February 2024 Adjustments Budget, the Budget Committee and Portfolio Councillors - in conjunction with the heads of departments - scrutinised the Budget to effect all possible savings and to align the capital budget to achievable goals;
- The need to maximise income through efficiencies and the way we do business was investigated before we decided to increase our rates; and
- A revenue enhancement project is ongoing to ensure that all consumers are billed correctly and are contributing to the Municipality's income as set out in our tariff policy.

Special focus is placed on credit control measures to maintain and improve George Municipality's debt collection and subsequently the payment ratio. Greater emphasis was placed on improving our cash management practices, within the legal prescripts, to improve our liquidity position; and integrating SMART technologies to improve the accuracy and efficiency of our business processes to build the foundations toward George becoming a SMART city

3.38.1 Service Statistics: Procurement Services

The table below reflects the service statistics of procurement services for the 2023/24 financial year.

Table 232: Service statistics

Description	Total	Monthly Average	Daily Average
Requests processed	5 200	433	14
Orders processed	4 993	416	13
Requests cancelled or referred back	207	17	1
Extensions	0	0	0
Bids received (number of documents)	776	64	3
Bids awarded	90	8	1
Bids awarded ≤ R200 000	56	4	1
Appeals registered	53	4	1
Successful Appeals	4	1	1

3.38.2 Deviations for Procurement Services

The table below reflects the Procurement Services deviations for the 2023/24 financial year.

Table 233: Procurement Services deviations

Type of deviation	Value of deviations (R)	Percentage of total deviations value (%)	Value of deviations (R)	Percentage of total deviations value (%)	Value of deviations (R)	Percentage of total deviations value (%)
	2021/22		2022/23		2023/24	
Sole Supplier	717 822.08	16.94	2 215 675.44	26.25	1 181 275.88	3.18
Emergency	364 430	8.60	1 004 363.00	11.90	15 492 437.90	41.65
Exceptional case and it isimpractical or impossibleto follow the official procurement processes	3 153 844.33	74.46	5 221 995.74	61.85	20 518 845.57	55.17
Total	**4 236 09.41**	**100**	**8 442 034.18**	**100**	**37 192 559.35**	**100**

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3.38.3 Total Employees: Financial Services

The table below reflects the total employees: Financial Services for the 2023/24 financial year.

Table 234: Total Employees Financial Services

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	0	0	0	0	0%
4-6	45	43	42	1	0.67%
7-9	46	44	39	5	3.33%
10-12	47	38	33	5	3.33%
13-15	16	16	15	1	0.67%
16-18	8	7	7	0	0%
19-20	2	2	1	1	0.67%
Total	**164**	**150**	**137**	**13**	**8.67%**

3.38.4 Capital Expenditure 2023/24: Financial Services

The table below reflects the Capital Expenditure for financial services 2023/24 financial year.

Table 235: Capital Expenditure Financial Services

Capital Expenditure 2023/24: Financial Services				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
Computer Screens - Creditors	4 000	2 700	2 678	22
Office Furniture - Credit Control	35 000	0	0	0
Total	**39 000**	**2 700**	**2 678**	**22**

3.38.5 Capital Expenditure 2023/24: Strategic Support and Other

The table below reflects the Capital Expenditure for Strategic Support and Services 2023/24 financial year.

Table 236: Capital Expenditure: Strategic Support and Other Services

Capital Expenditure 2023/24 Strategic Support				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
FURNITURE AND FITTINGS - IDP	0	0	0	0
GENERATOR	40 000	0	0	0
LAPTOP - IDP	20 000	43 124	43 124	0

Capital Expenditure 2023/24 Strategic Support				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
LAPTOPS - LED	20 000	105 000	104 967	33
FUEL MANAGEMENT EQUIPMENT	10 000	0	0	0
TOOLS AND EQUIPMENT	50 000	50 000	2 706	47 294
UPGRADE VEHICLE WORKSHOP BUILDING	750 000	0	0	0
VEHICLE TRACKING SYSTEM	50 000	0	0	0
DOUBLE CAB 4X4	450 000	554 363	553 643	720
FURNITURE AND FITTINGS - LABORATORY	75 000	105 926	91 586	14 340
INSPECTION CAMERA	50 000	19 074	19 073	1
INSTRUMENTATION	700 000	700 000	0	700 000
UPGRADING OF YORK HOSTEL	15 000 000	12 000 000	7 226 182	4 773 818
Total all	**17 215 000**	**13 577 487**	**8 041 280**	**5 536 207**

3.39 Human Resources Services

The Human Resources section is responsible for ensuring the organisation's most valuable asset, its employees, is taken care of. Enhanced staff performance is a fundamental part of the achievement of the Municipality's primary service delivery objectives. It continually strives to promote a culture of good governance and an environment where the needs of employees can be addressed in a manner that is conducive to the persistent advancement of the interests of our local communities.

The Human Resources functions include but are not limited to, administration of employee benefits, recruitment and selection of competent staff, organisational efficiency improvement, employment equity, training and development of staff, sound labour relations, occupational health and safety, individual performance management and general support services to enhance staff capacity in the process of realising organisational strategic objectives of service delivery to the community.

The Human resources include:

- Labour Relations;
- Recruitment and Selection;
- Training and Development;
- Employee Assistance;
- Occupational Health and Safety;
- Strategic Human Resource Management
- Employment Equity; and
- All Human Resources Administration

3.39.1 Human Resources: Highlights

The table below reflects the highlights of the Human Resources section for the 2023/24 financial year.

Table 237: Human Resources Highlights

Highlight	Description
Task Job Evaluation Process (Virtually and face to face)	Evaluation and Auditing of Job Descriptions as part of the Provincial job evaluation structure. Task Provincial Audit sessions are attended by the relevant officials within Human Resources
HR Remuneration	Payroll Administration within Human Resources
Benefits Administration	Termination/ Leave Administration and further development of the Leave system
Municipal Staff Regulations	Significant progress in the implementation phase of the Municipal Staff Regulations
Individual Performance Management	Significant progress in the implementation and roll-out of Individual Performance Management to all staff
Recruitment and Selection	Filling of vacant budgeted positions in line with Recruitment and Selection policy with monthly reporting to Senior Management
Improved HR reporting to the Section 80 Committee	Introduction of month-to-month comparative reports with essential HR information
Develop SOP for Recruitment & Selection	The Recruitment & Selection SOP was approved and workshopped with employees
Finalisation of Workplace Skills Plan (WSP) prior to the deadline	The WSP has been consulted with organized labour and approved by the Municipal Manager
Introduction of Standard Operating Procedures (SOP) for Labour Relations	Approved SOPs on formal and informal disciplinary matters which have improved the management of discipline within the Municipality
Sound labour relations	Sound labour relations between organized labour and the employer because of fruitful engagements at the Local Labour Forum
Review of organizational structure	Prioritising the staff establishment to accommodate service delivery demands/needs of the community; inclusive consultation with organized labour and staff

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3.39.2 Human Resources: Challenges

The table below reflects the challenges of the Human Resources section for the 2023/24 financial year.

Table 238: Human Resources challenges

Challenge	Actions to address
Integrated Electronic Human Resources System	Implementation/development of a seamless integrated Human Resources System with roll out of all modules, including an automated Recruitment and Selection System: • Collaborator; • SAMRAS; • IGNITE; • Time and Attendance System;
Implementation of Individual Performance Management scorecards for all employees due to employees not being familiar with the electronic system	Regular training and awareness sessions for officials on the performance management system
Inadequate Staff Establishment	Service provider was appointed to address the current inadequate staff establishment

3.39.3 Total Employees: Human Resources

The table below reflects the total number of employees for the Human Resources section.

Table 239: Total employees Human Resources

Job Level (T-Grade)	2022/23	2023/24			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0-3	0	0	0	0	0%
4-6	5	8	7	1	2.22%
7-9	1	0	0	0	0%
10-12	20	31	22	9	20%
13-15	4	4	3	1	2.22%
16-18	2	2	2	0	0%
19-20	0	0	0	0	0%
Total	**32**	**45**	**34**	**11**	**24.44%**

3.39.4 Capital Expenditure: Human Resources

The table below reflects the capital expenditure for the section: Huma Resources for the 2023/24 financial year.

Table 240: Capital Expenditure Human Resources

Capital Expenditure 2023/24: Human resources				
Capital projects	Original Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
(R)				
PC'S, LAPTOPS & PERIPHERAL DEVICES - IT	330 000	330 000	316 332	13 668
TRAINING CENTRE - ELEC	500 000	0	0	0
Total all	**830 000**	**330 000**	**316 332**	**13 668**

3.40 Information and Communication Technology (ICT) Services

The ICT department continues to be a pivotal enabler of organisational change and service delivery within the public sector. At the corporate governance level, there is increasing recognition that IT services and systems are essential components of the municipal service delivery value chain.

The ongoing alignment of ICT services and systems with the strategic objectives of the Municipality, alongside directives from the National Government and the Western Cape Provincial Government, places significant demands on the department's resources. This document aims to outline and describe the Municipality's IT Strategy, ensuring alignment with the Municipality's strategic goals. Special attention is given to identifying new requirements and opportunities for ICT to meet the needs of the Municipality and management.

Successful implementation of the Integrated Development Plan (IDP) and achievement of the Municipality's strategic goals rely heavily on the effective management of critical resources, including finances, personnel, and information technology. Essential ICT-related services crucial for the

Municipality's core and supporting operations include:

- Business Continuity & Disaster recovery management
- Data recovery & storage
- Email and internet services
- End-user support for ICT environment
- ICT contract management
- ICT planning
- ICT risk management
- Provision of network, wireless networks, and telephony services

a) Highlights and Challenges :

The section has noted the following challenges and highlights:

Highlights:

- **Digital Transformation Initiatives:** Significant progress in the implementation of digital transformation projects aimed at enhancing service delivery and operational efficiency.
- **Cybersecurity Enhancements:** Upgraded cybersecurity measures to protect sensitive municipal data and infrastructure against increasing cyber threats.
- **Smart City Projects:** Initiated smart city projects, incorporating IoT devices and advanced data analytics to improve

municipal services.

Challenges:

- **Limited Budget:** Budget constraints continue to limit ICT infrastructure, software, systems, training, and personnel capacity.
- **Legacy Systems:** Outdated systems hinder the integration of new technologies, leading to inefficiencies and compatibility issues.
- **Cybersecurity Threats:** Ongoing susceptibility to cyber threats requires continuous improvement of security measures.
- **Data Management:** Managing large volumes of data generated by various departments remains complex, requiring robust data governance and storage solutions.
- **Interoperability:** Ensuring seamless communication and integration between different ICT systems used by various departments is a constant challenge.
- **Digital Inclusion:** Bridging the digital divide and ensuring equitable access to digital services remains challenging, especially in economically disadvantaged areas.
- **Citizen Engagement:** Implementing effective ICT tools for citizen engagement and feedback requires careful planning to ensure inclusivity and accessibility.
- **Infrastructure Maintenance:** Maintaining and upgrading ICT infrastructure, including networks, servers, and hardware, is an ongoing challenge, particularly with limited resources.
- **Smart City Integration:** Integrating smart city technologies into existing infrastructure while ensuring security and privacy is complex.

3.40.1 Service Statistics – Information and Communication Technology (ICT)

Table 241: Service Statistics – ICT

2022/23	2023/24
Patch and Vulnerability success rates:93%	Patch and Vulnerability success rates: 100%
Backup and recovery metrics: 99%	Backup and recovery metrics: 98%
Capital Budget spending:96%	Capital Budget spending: 99.85%
Project delivery: 95%	Project delivery: 100%

The table below indicates the capital expenditure for the Department: ICT services as of 30 June 2024.

Table 242: Capital expenditure - ICT services

Capital Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget %
	R'000			
BIOMETRICS - IT	250 000	221 000	219 831	1169
ELECTRICAL BUSINESS CONTINUITY	280 000	206 000	205 687	313
END USER EQUIPMENT (PC'S LAPTOPS AND PERIPHERAL DEVICES) - HOUSING	20 000	0	0	0
FIBRE AND NETWORK INFRASTRUCTURE	800 000	0	0	0
HYPER-V SERVER	300 000	1 373 200	1 372 378	822
INTERNET OF THINGS	150 000	0	0	0
IT ARCHITECTURE ASSESSMENT AND UPGRADES	150 000	0	0	0
Total all	**1 950 000**	**1 800 200**	**1 797 896**	**2 304**

The table below indicates the number of employees in the Department: ICT

Table 243: Total number of employees in the Department: ICT

Job Level	2023/24			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	0	0	0	0 %
9 – 13	7	6	1	14.29 %
4 – 8	0	0	0	0%
3 – 0	0	0	0	0%
Total	**7**	**6**	**1**	**14.29**

3.41 Legal Services

Legal Services provide legal advice and support to Council and Administration. This involves general legal support, administering of legislation, vetting of contracts and documents as well as litigation management. This Section plays a vital role in protecting the Municipality's interests.

The Section: Legal Services in conjunction with user departments ensures and manages the implementation, monitoring, evaluation and reporting on key service delivery objectives with respect to Legal Services.

The main objectives are as follows:

- Advise and manage litigations instituted by the Municipality and against it;
- Provide legal advice, opinions and input on policies, contracts, agreements, memorandums, legislation, by-laws and authorities;
- Advising Council on items submitted to meetings;
- Ensuring by-laws are promulgated after consultation with user departments and approval by Council; and
- Attend to new legislation and proclamations for comment as and when required.

The table below indicates the total number of employees in the Section: Legal Services.

Table 244: Total number of employees in the Section: Legal Services

Job Level	2023/24			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	4	3	1	11.11%
9 – 13	4	4	0	0%
4 – 8	0	0	0	0%
3 – 0	0	0	0	0%
Total	**9**	**8**	**1**	**11.11%**

3.42 Municipal Court

The Municipal Court fulfils the function of enforcing the Municipality's By-Laws and plays a pivotal role in adhering to the National Road Traffic Legislation. Municipal and Provincial Traffic fines are also attended to by the Municipal Court. This culminates in the adherence to the Municipal and Constitutional Mandate ensuring a governable community, focused on compliance. Attention is also given to the training of officials from the relevant sections.

The Municipal Court was established to:

- Support and secure good governance;
- Ease the burden on regular courts;
- Increase the speed of services;
- Allow for more successful prosecutions by applying specialist knowledge;
- Improve communications between the by-law prosecutors and enforcers;
- Support by-law enforcement; and
- Ensure a user-friendly court;

3.42.1 Statistical Report

Table 245: Statistical Report Case load 2023/24

Serial No.	Categorisation	Total cases in registered	
		2022/23	2023/24
Column Ref.	A	B	C
1	Eviction Cases	68	72
2	Eviction lodged out of Municipality property	1	0
3	Litigation against George Municipality (Includes summonses and Claims)	9	24
4	Litigation initiated by George Municipality	45	27

3.42.2 Capital Expenditure 2023/24: Legal Services

Table 246: Capital Expenditure 2023/24 Legal Services

Capital Expenditure 2023/24				
Capital projects	2023/24			
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget
	(R)			
COURT RECORDING TRANSCRIPTION	220 000	173 500	168 100	5 400
FURNITURE & FITTINGS - LEGAL SERVICES	10 000	47 500	43 928	3 572
LAPTOPS	60 000	69 000	62 616	6 384
Total all	**290 000**	**290 000**	**274 644**	**15 356**

The table below indicates the total number of employees in the Section: Legal Services.

Table 247: Total number of employees in the Section: Municipal Court

Job Level	2023/24			
	Posts	Employees	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	2	2	0	0%
9 – 13	3	2	1	16.67%
4 – 8	1	1	0	0%
3 – 0	0	0	0	0%
Total	**6**	**5**	**1**	**16.67%**

The table below notes the possible contingent liability case statuses.

Table 248: Contingent liabilities

Cases	Status/Outcome/Process
Magnolia Ridge Properties 77 (Pty) Ltd	This matter relates to the use and zoning of erven. Application for Special Leave to Appeal on behalf of the Municipality was lodged at the Supreme Court on 19 June 2023 and granted on 11 September 2023. The date of the hearing of the Application for Special Leave to Appeal is awaited
Construction of Nelson Mandela Boulevard	The matter relates to claims against both the contractor and principal agent based on the contracts between the parties and defective works as well as a claim against the principal agent for over-certification. Matter needs to be set for pre-trial
N Landu	This matter is a damages claim against the Municipality for an injury sustained when a minor's hand was injured when the rear loading mechanism of one of the Municipality's refuse compactors allegedly closed on the minor's left hand. Waiting for taxed costs to bring the matter to finality
Royal Haskoning	This matter, now in the commercial court, is a claim for damages due to the professional negligence of the consulting engineer in respect of the construction of a reservoir at the George Old Water Treatment Works. After statements have been filed, the matter can proceed to trial
K Langeveldt	This is a review application by a previous employee to have his dismissal set aside and declared unlawful
P Ntlama	This is a damages claim against the Municipality in respect of alleged damages caused to the Applicant's vehicle when accidentally driving into a pothole

COMPONENT G: MISCELLANEOUS

3.43 Extended Public Works Programme (EPWP)

One of the Government's main initiatives, the Expanded Public Works Programme (EPWP), aims to alleviate poverty and increase income by finding temporary employment for unemployed people. The EPWP is a national initiative that includes State-Owned Entities and all spheres of Government. In the short- to medium-term, the programme offers a crucial route for absorbing labour and transferring income to low-income households.

EPWP projects employ workers on a temporary or ongoing basis with the Government, contractors, or other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions.

The EPWP creates work opportunities in three main sectors, namely infrastructure, environmental and social by:

- Increasing the labour intensity of government-funded infrastructure projects;
- Creating work opportunities through the Non-Profit Organisation programmes and Community Work Programmes;
- Creating work opportunities in a public environment programmes; and
- Creating work opportunities in public social programmes.

The EPWP can provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities. These EPWPs would be designed to equip participants with skills and work experience, which will enhance their ability to earn a living in the future.

3.44 Extended Public Works Programme (EPWP) Work Opportunities

The table below specifies the work opportunities achieved for the 2023/24 financial year either funded out of Municipal Funding (MF) or EPWP Incentive Grants (IG).

Table 249: Social Sector

Project Name	EPWPRS Profile ID Number	Work Opportunities
EPWP Social Project GEO2023/24-1	135610	3
EPWP HIV & AIDS Project GEO2023/24-2	135626	3
EPWP Youth Development GEO202324-3	135616	4
EPWP Gender & Disability -GEO2023/24-4	135615	3
EPWP Uniondale Youth Development GEO2023/24-5	135614	3
EPWP Haarlem Youth Development -GEO2023/24-6	135613	3
EPWP Area Offices Support GEO2023/24-7	135612	6
EPWP Human Resources Recruitment & Selection Admin (EPWP Data Base) GEO2023/24-8	135611	3
EPWP Administration Civil Engineering GEO2023/24- 14	135642	2
EPWP Law Enforcement GEO2023/24-15	135641	3
EPWP Traffic GEO2023/24-17	135647	3
EPWP Back Scanning Project GEO2023/24-11	135645	4

Table 250: Environmental Sector

Project Name	EPWPRS Profile ID Number	Work Opportunities
EPWP Landfill Site (Environmental) GEO2023/24-9	135621	4
EPWP Tourism GEO2023/24-13	135644	3
EPWP Household Food Gardens -GEO2023/24-10	135640	4

Table 251: Infrastructure sector

Project Name	EPWPRS Profile ID Number	Work Opportunities
EPWP Sport Field Maintenance GEO2023/24-12	135646	4
EPWP Sanlam Building Garden Cleaners Community Development GEO2023/24-16	135643	2

Table 252: Public Employment Initiative Grant appointments

Project Name	EPWPRS Profile ID Number	Work Opportunities
None for 2023/24	N/A	N/A

COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD

3.45 Performance Management

Performance management is a process that measures the implementation of an organization's strategy, as outlined in the Integrated Development Plan (IDP). It is a management tool that ensures efficiency, effectiveness, and impact of service delivery by municipalities. At the local government level, performance management is institutionalized through legislative requirements, allowing for the measurement of targets met in line with strategic goals. Section 152 of the Constitution of the Republic of South Africa, 1996, addresses the objectives of local government and paves the way for performance management. The concept of an accountable government is crucial for meeting the needs of George.

The Municipal Services Authority (MSA) mandates the establishment of a performance management system and an Integrated Development Plan (IDP) that must be aligned with the municipal budget. The budget's performance must be monitored quarterly using the Service Delivery and Budget Implementation Plan (SDBIP). The council is informed of the quarterly progress against set targets. Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations of 2001 outlines a framework for a Municipality's performance planning, monitoring, measurement, review, reporting, and improvement processes. Performance management is relevant to the organization, employees, external service providers, and municipal entities, reflecting the linkage between the IDP, Budget, and SDBIP.

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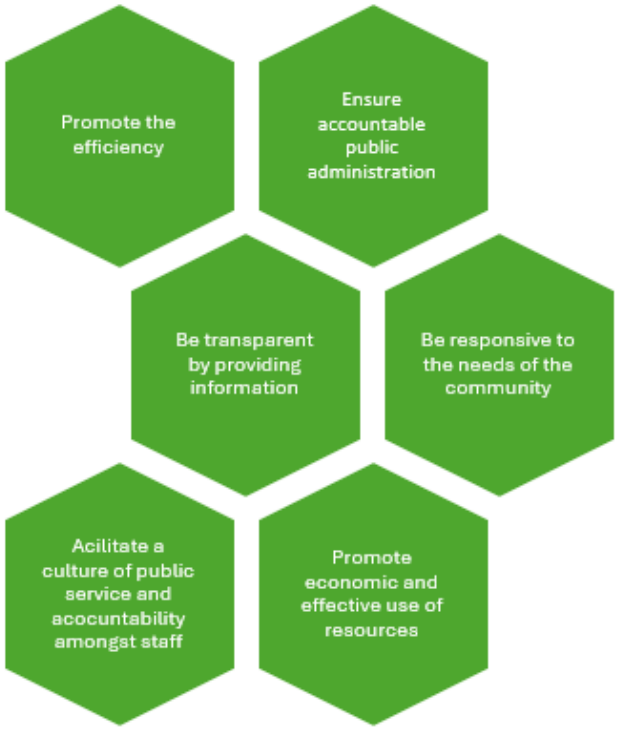


Figure 41: Performance Mangaement

3.45.1 Legislative requirements

In terms of section 46(1)(a) of the MSA, a Municipality must prepare a performance report for each financial year that reflects the Municipality's and any service provider's performance during the financial year. The report must furthermore indicate the development and service delivery priorities the performance targets set by the Municipality for the following financial year, and measures that were or are to be taken to improve performance.

3.45.2 Organisational performance

Strategic performance assessment is crucial for municipalities to ensure efficient service delivery and effective policies. Government institutions must report on this to monitor and implement corrective measures. Municipalities must develop strategic plans and allocate resources for their implementation, with results reported to various stakeholders during the financial year. This report focuses on the Municipality's Top-Layer Service Delivery and Budget Implementation Plan (SDBIP), high-level strategic objectives, and performance on National Key Performance Indicators. The Performance Management Policy is currently under review to align with new staff regulations 809.

3.45.3 Service Delivery and Budget Implementation Plan

The organisational performance is evaluated using a municipal scorecard (Top-Layer SDBIP). Performance objectives, as reflected in the municipal scorecard, are required to be practical, measurable and based on the key performance indicators.

The SDBIP is a tool that converts the IDP and budget into measurable criteria of how, where and when the strategies, objectives and normal business processes of the Municipality are implemented.

It also allocates responsibility to directorates to deliver the services in terms of the IDP and the budget.

The purpose of performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview of the achievement of a Municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top-Layer (strategic) SDBIP is the Municipality's strategic plan and shows the strategic alignment between the different documents (IDP, Budget and Performance Agreements).

The organisational performance is evaluated by means of a Municipal Scorecard (TL SDBIP) at an organisational level and through the Service Delivery and Budget Implementation Plan (SDBIP) at departmental levels.

The SDBIP is a plan that converts the IDP and Budget into measurable indicators of how, where and when the strategies, objectives and normal business processes of the Municipality are implemented. It also allocates responsibilities to directorates to deliver the services in terms of the IDP and Budget.

MFMA Circular No. 13 is a clarification of the Municipal Budget and Reporting Regulations, Schedule A 1, GenN 393 in GG32141 of 2009 and prescribes that the:

- IDP and budget must be aligned;
- The budget must address the strategic priorities;
- SDBIP should indicate what the Municipality is going to do during the next 12 months; and
- SDBIP should form the basis for measuring the performance against goals set during the budget / IDP processes.

3.45.4 Monitoring of the Service Delivery and Budget Implementation Plan

Municipal performance is measured as follows:

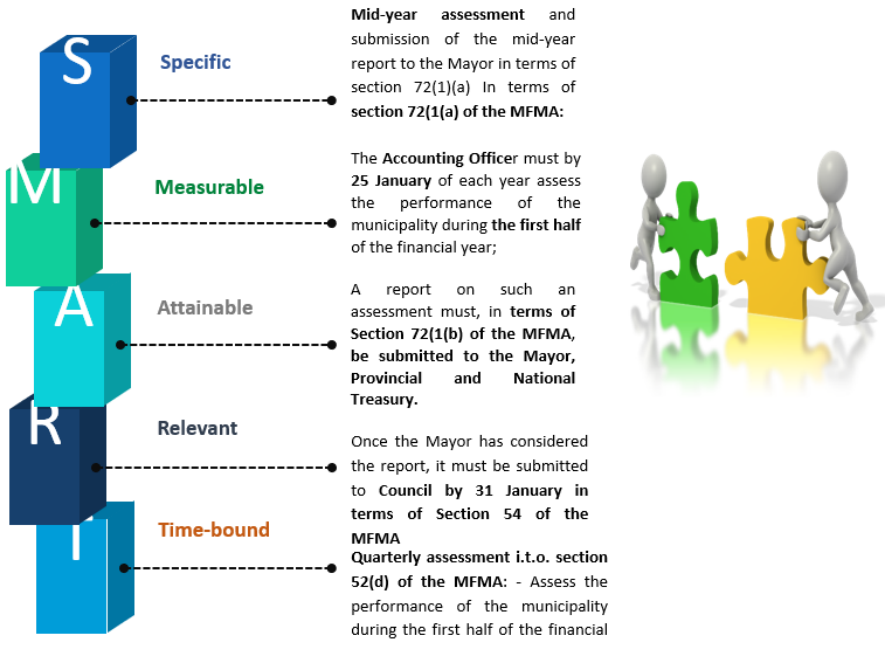


Figure 42: Municipal Performance measurement

3.45.5 Overall Performance per Municipal Strategic Objective

The Annual Performance Report for2023/24 was submitted to the Municipal Council, as well as the Auditor General in terms of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), Section 46(1) and (2) and is attached to this Report as Annexure D.

3.46 Developmental and Service Delivery Priorities 2024/25

The main development and service delivery priorities for 2024/25 as captured in the Municipality's Top Layer Service Delivery BudgetImplementation Plan (SDBIP) are depicted below.

3.46.1 SO1: Develop & Grow George

Table 253: SO1: Develop & Grow George

Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL10	To promote George as a sports tourism and business destination	Complete phase 1 of the Rosemoore Tartan Track project by 30 June 2025	Percentage of Phase 1 of the project completed by 30 June 2025	All	20%	40%	60%	95%	**95%**
TL14	To maximise job creation opportunities through government expenditure	Job creation through the Municipality's EPWP projects (NKPI Proxy - MFMA, Reg. S10(d)	Number of EPWP job opportunities created by 30 June 2025	All	200	500	500	200	**1 400**
TL35	To undertake strategic planning to address service delivery challenges in coordinated manner	Implement the final Integrated Economic Development Strategy by 30 June 2025	Final Integrated Economic Development Strategy completed by 30 June 2025	All	0	0	0	1	**1**

3.46.2 Safe, Clean and Green

Table 254: Safe, Clean and Green

Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL11	To revitalise the current community facilities to increase the access to services for the public	Obtain Blue Flag and Green Flag status for at least 4 beaches by 30 November 2024	Number of Blue and Green Flag status beaches obtained by 30 November 2024	All	0	4	0	0	**4**

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Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL12	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	Review the Disaster Management Plan and submit to Council by 31 March 2025	Disaster Management Plan reviewed and submitted to Council by 31 March 2025	All	0	0	1	0	**1**
TL13	To ensure infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Develop a landfill rehabilitation plan by 30 June 2025	Landfill rehabilitation plan developed by 30 June 2025	All	0	0	0	1	**1**

3.46.3 SO3: Affordable Quality Services

Table 255: SO3: Affordable Quality Services

Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL1	To provide world class water services in George to promote development and fulfil basic needs	Achieve 95% water quality compliance as per SANS 241:2015 by 30 June 2025	Percentage of water quality compliance achieved as measured against the SANS 241:2015 by 30 June 2025	All	0%	0%	0%	95%	**95%**
TL2	To explore and implement measures to preserve resources and ensure sustainable development	Limit water network losses to less than 24% measured annually (limit unaccounted for water to less than 24% by 30 June 2025{(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of	Percentage of water network losses at 30 June 2025	All	0%	0%	0%	24%	**24%**

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Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
		Kilolitres Water Purchased or Purified x 100}							
TL3	To implement an Integrated Public Transport Network that will serve the communities of George	Complete the construction of the Public Transfer Station (York Hostel) by 30 June 2025(Public Transport Infrastructure)	Project completed by 30 June 2025	All	0	0	0	1	**1**
TL4	To implement an Integrated Public Transport Network that will serve the communities of George	Complete Phase 3 of the upgrade of Rooidraai Road by 30 June 2025(Roads Streets and stormwater)	Project completed by 30 June 2025	All	0	0	0	1	**1**
TL5	To provide world class water services in George to promote development and fulfil basic needs	Complete the mechanical and electrical upgrade of the 20ML water extension by 30 June 2025 (Water Purification)	Project completed by 30 June 2025	All	0	0	0	1	**1**
TL6	To provide world class water services in George to promote development and fulfil basic needs	Complete the upgrade of the Parkdene water reticulation network by 30 June 2025 (Water Network)	Project completed by 30 June 2025	All	0	0	0	1	**1**
TL7	To provide and maintain safe and sustainable sanitation management and infrastructure	Complete the upgrade of the Kleinkrantz/Wilderness bulk sewerage gravity main by 30 June 2025 (Sewerage)	Project completed by 30 June 2025	All	0	0	0	1	**1**
TL8	To provide and maintain safe and sustainable sanitation management and infrastructure	Submit the Gwaiing wastewater treatment works masterplan by 28 February 2025 (Sewage treatment works)	Gwaiing wastewater treatment works masterplan submitted by 28 February 2025	All	0	0	1	0	**1**

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Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL18	To explore and implement measures to preserve resources and ensure sustainable development	Limit electricity losses to less than 10% by 30 June 2025(Limit unaccounted for electricity to less than 10% as at 30 June 2025{(Number of units purchased - Number of units Sold (incl. free basic electricity) / Number of units purchased) X100})	Percentage electricity losses at 30 June 2025	All	10%	10%	10%	10%	**10%**
TL19	To ensure infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Complete Phase 1 of the Schaapkop 2nd 132/66KV transformer by 30 June 2025	Project completed by 30 June 2025	All	0	0	0	1	**1**
TL20	To ensure infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Complete Phase 1 of the 12MW PV Solar Plant by 30 June 2025	Project completed by 30 June 2025	All	0	0	0	1	**1**
TL21	To provide world class water services in George to promote development and fulfil basic needs	Provision of basic service delivery to George Residents (NKPI Proxy - MFMA, Reg. S10(a))	Number of residential water meters which are connected to the municipal water infrastructure network	All	0	0	0	37 600	**37 600**
TL22	To provide sufficient electricity for basic needs	Provision of basic service delivery to George Residents (NKPI Proxy - MFMA, Reg. S10(a))	Number of residential electricity meters connected to the municipal electrical infrastructure network	All	0	0	0	44 500	**44 500**
TL23	To provide and maintain safe and sustainable	Provision of basic service delivery to George	Number of residential account holders which are billed for sewerage	All	0	0	0	39 100	**39 100**

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Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
	sanitation management and infrastructure	Residents (NKPI Proxy - MFMA, Reg. S10(a))							
TL24	To provide integrated waste management services for the entire municipal area	Provision of basic service delivery to George Residents (NKPI Proxy - MFMA, Reg. S10(a))	Number of residential account holders which are billed for refuse removal	All	0	0	0	40 500	**40 500**
TL25	To provide world class water services in George to promote development and fulfil basic needs	Provision of basic service delivery to George Residents (NKPI Proxy - MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic water	All	10 500	10 500	10 500	10 500	**10 500**
TL26	To provide sufficient electricity for basic needs	Provision of basic service delivery to George Residents (NKPI Proxy - MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic electricity	All	14 000	14 000	14 000	14 000	**14 000**
TL27	To provide and maintain safe and sustainable sanitation management and infrastructure	Provision of basic service delivery to George Residents (NKPI Proxy - MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic sanitation	All	10 500	10 500	10 500	10 500	**10 500**
TL28	To provide integrated waste management services for the entire municipal area	Provision of basic service delivery to George Residents (NKPI Proxy - MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic refuse removal	All	10 500	10 500	10 500	10 500	**10 500**
TL29	To develop mechanisms to ensure viable financial management and control	Financial viability measured in terms of the Municipality's ability to meet its service debt obligations as at 30 June 2025 {(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) X 100}	Percentage Debt to Revenue obligations met as at 30 June 2025	All	0%	0%	0%	45%	**45%**

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Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL30	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Financial viability measured in terms of the outstanding service debtors as at 30 June 2025 [(Total outstanding service debtors/ revenue received for services) x 100]	Percentage Service debtors as at 30 June 2025	All	0%	0%	0%	16%	**16%**
TL31	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	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 excluding (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 as at 30 June 2025	All	0	0	0	2	**2**
TL32	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Achieve a payment percentage of 95% by 30 June 2025 {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100}	Percentage of payment achieved by 30 June 2025	All	0%	0%	0%	95%	**95%**
TL39	To manage the municipal finances according to the	The percentage of the municipal capital budget	Percentage of the municipal capital budget	All	0%	0%	0%	95%	**95%**

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Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
	Municipal Management Act in an effective and efficient manner	actually spent on capital projects by 30 June 2025 {(Actual amount spent on projects/Total amount budgeted for capital projects less savings) X100}	actually spent on capital projects by 30 June 2025						

3.46.4 SO4: Good Governance and Human Capital

Table 256: SO4: Good Governance and Human Capital

Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL9	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Spend 95% RBIG funding allocated to George Municipality for BFI Projects line with the conditions set out in the DoRA and the tranche schedule submitted to DWS	The percentage expenditure achieved in terms of the RBIG funding allocated to George Municipality for BFI Projects in line with the conditions set out in the DoRA and the tranche schedule submitted to DWS by 30 June 2025	All	20%	25%	50%	95%	**95%**
TL15	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	Report on the number of people from previously disadvantaged groups employed in the three highest levels of management in compliance with the Municipality's approved employment equity plan	Number of reports on the EE Candidates employed in the three highest levels of management and report submitted to the Municipal Manager quarterly	All	1	1	1	1	**4**
TL16	To undertake regular human resource audits to	Spend 95% of operational budget on	Percentage of the Municipality's approved	All	0%	0%	0%	95%	**95%**

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Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
	determine skills gaps, staff diversity and develop skills programmes	training by 30 June 2025 {(Actual total training expenditure divided by total operational budget) x100}	workplace skills budget actually spent on implementing its Workplace Skills Plan by 30 June 2025						
TL17	To evaluate the effectiveness of risk management, control and governance processes and develop actions to address key risks identified	Implement 4 Bylaws through the Municipal Court by 31 December 2024	Number of Bylaws implemented through the municipal court by 31 December 2024	All	0	4	0	0	**4**
TL37	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Submit the Draft IDP to Council by 31 March 2025	Number of Draft IDPs submitted to Council by 31 March 2025	All	0	0	1	0	**1**
TL38	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Submit the Final Annual Report and Oversight Report to Council by 31 March 2025	Number of Final Annual Reports and Oversight Report submitted by 31 March 2025	All	0	0	1	0	**1**
TL41	To evaluate the effectiveness of risk management, control and governance processes and develop actions to address key risks identified	Review the 3-year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 June 2025	Number of RBAP (Risk Based Audit Plan) reviewed and submitted to Audit Committee by 30 June 2025	All	0	0	0	1	**1**
TL42	To evaluate the effectiveness of risk management, control and governance processes and develop actions to address key risks identified	Develop a Municipal Audit Action Plan (MAAP) by 31 January 2025	Municipal Audit Action Plan (MAAP) developed by 31 January 2025	All	0	0	1	0	**1**

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3.46.5 SO5: Participative Partnerships

Table 257: SO5: Participative Partnerships

Ref	Pre-determined Objective	KPI Name	Description of Unit of Measurement	Ward	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
					Target	Target	Target	Target	Target
TL33	To improve communication with citizens on plans, achievements, successes and actions	Review the Information and Communication Technology (ICT) Strategic Plan by 31 March 2025	ICT Strategic Plan reviewed by 31 March	All	0	0	1	0	**1**
TL34	To improve communication with citizens on plans, achievements, successes and actions	Review identified standard operating procedures (SOPs) of Information and Communication Technology (ICT) by 30 June 2025	Percentage of the identified ICT SOPs reviewed by 30 June	All	0%	0%	0%	100%	**100%**
TL36	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Submit the revised MSDF to Council by 31 May 2025	Number of revised MSDF to Council by 31 May 2025	All	0	0	0	1	**1**
TL40	To improve communication with citizens on plans, achievements, successes and actions	Implement George Naturally Tourism Branding and Marketing Strategy	Number of George Naturally Branding and Marketing Strategies implemented by 31 March 2025	All	0	0	0	1	**1**

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CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 Introduction to the Municipal Workforce

The George Municipality currently employs 1327 officials (excluding non-permanent positions) plus four permanent directors and one contract Municipal Manager, 1332 officials who individually and collectively contribute to the achievement of the Municipality's objectives. The primary objective of Human Resource Management is to render an innovative Human Resource service that addresses both skills development and administrative efficiency.

The table below reflects on the Key Performance Indicators (KPIs) linked to the National Key Performance Area (NKPA): Municipal Transformation and Organisational Development.

Table 258: Municipal Transformation and Organisational Development

Indicator	2021/22	2022/23	2023/24
The number of people from Employment Equity who are target groups employed (newly appointed) in the three highest levels of management in compliance with the Municipality's approved Employment Equity Plan by 30 June	70.00%	85.00%	73%
The percentage of a Municipality's budget spent on implementing its Workplace Skills Plan (WSP)	0.29%	0.16%	107%

Explanatory note for Employment Equity: The calculation of 73% was from appointments of July to December 2023 where five (5) of the seven (7) appointments were from EE (5/7 x100 = 71%). Then from January to June 2024 three (3) of the four (4) appointments were from EE (3/4 x100 = 75%). Total percentage is 71+75 = 146/2 = 73%

Explanatory note for WSP: The KPI for the budget spent on implementing the WSP has been amended for 2023/24 therefore the percentage hugely differs. Previously the calculation was based on the Personnel budget of the Municipality while now it is compared to the actual budget for training

4.2 B-BBEE Compliance Performance Information

Section 121(3)(k) of the MFMA indicates that the Annual Report of a Municipality should include any other information as may be prescribed. The Broad-Based Black Economic Empowerment (B-BBEE) Act (Act 53 of 2003; as amended by Act 46 of 2013) read in conjunction with the B-BEE Regulations of 2016 states in Section 13G (1) all spheres of Government, public entities and organs of state must report on their compliance with Broad-Based Black Economic Empowerment in their Annual Financial Statements as well as their Annual Reports. Under the explanatory notice (Notice 1 of 2018) issued by the B-BBEE Commission, the following table provides details on the Municipality's compliance concerning Broad-Based Black Economic Empowerment which only focuses on the organisational aspect of the compliance reform. It should be noted that a consultant is currently in the process of doing an in-depth rating of the B-BBEE compliance in terms of supply chain and socio-economic activities.

A B-BBEE Compliance Report is a comprehensive outlook on how a measured entity implements Broad-Based Black Economic Empowerment as guided by the requirements of the Codes of Good Practice (the Codes). The main purpose of these reports is for the B-BBEE Commission to monitor Broad-Based Black Economic Empowerment compliance both in the public and private sector, including the levels of transformation and extent to which benefits of economic transformation accrue to the black persons benefiting from various Broad-Based Black Economic Empowerment initiatives in compliance to the objectives of the B-BBEE Act.

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that Affirmative Action measures are designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer.

4.3 Employment Equity

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

Table 259: B-BBEE Compliance Performance information: Management Control

Category	% for each category	Race Classification				Gender		Disability
		A	C	I	W	F	M	
Directors (MM & Directors)		0	1	0	4	2	3	0
Management (T14+)		12	40	1	29	34	48	0

Table 260: B-BBEE Compliance Performance information: Skills Development

Category	% for each category	Race Classification		Gender		Disability	Total amount spent
		Category	Total	Category	Total		
Black Employees		A	135	F	72	None	R21 804 526.26
		C	244	M	159		
		I	2				
Non-Black employees		W	52	F	29	None	R21 797 738.32
				M	23		
Black People on internships, apprenticeships, learnership		A	60	F	43	None	R314 895,00
				M	17		
Unemployed black people on any programme under the learning programme matrix		C	15	M	9	None	R14 0767.80
Black people absorbed at the end of the learnership, internship or apprenticeship		A; C	7	2	5	None	R2 223 266.211

Table 261: Employment Equity by Racial Classification

Black	Coloured	Indian	White

Target June	Actual June	% of Target reach	Target June	Actual June	% of Target reach	Target June	Actual June	% of Target reach	Target June	Actual June	% of Target reach
546	457	84%	772	744	97%	32	7	22%	257	124	48%

Table 262: Employment Equity gender classification

Male			Female		
Target June	Actual June	% of Target reach	Target June	Actual June	% of Target reach
787	796	101.14%	820	536	65.37%

4.4 Occupational Categories - Race

The table below categorises the number of employees by race within the occupational levels.

Table 263: Occupational Categories – Race

Posts filled									
Occupational	Male				Female				Total
Categories	A	C	I	W	A	C	I	W	
Legislators, Senior Officials and Managers*	17	42	0	24	7	20	1	19	130
Professionals	9	6	0	8	10	16	0	11	60
Technicians and Associate Professionals	38	65	1	20	16	28	1	7	176
Clerical and Administrative workers	20	45	0	5	79	125	1	21	296
Service and Sales Workers	27	75	0	10	21	38	1	6	178
Craft and Related Trade workers	38	50	0	3	9	6	0	1	107
Plant and Machine Operators and assemblers	81	108	1	6	17	16	0	0	229
Elementary occupations	58	72	2	4	29	46	0	0	211
Total	**288**	**463**	**4**	**80**	**188**	**295**	**4**	**65**	**1 387**
**55 Councillors included at Legislators*									

4.5 Occupation Level: Race

The following table categorises the number of employees by race within occupational levels.

Table 264: Occupational level by Race

Occupational	Male				Female				Total
Levels	A	C	I	W	A	C	I	W	
Top management (permanent directors)	0	1	0	2	0	0	0	1	4
Senior management (19+)	0	0	0	1	0	0	0	2	3
Professionally qualified and experiencedspecialists and mid-management (14-18)	10	24	0	13	2	16	1	13	79
Skilled technical and academically qualifiedworkers, junior management, supervisors, foremen	67	100	2	34	42	91	1	33	370

Occupational	Male				Female				Total
Levels	A	C	I	W	A	C	I	W	
and superintendents (9-13)									
Semi-skilled and discretionary decision-making(4-8)	193	304	2	19	122	164	2	11	817
Unskilled and defined decision-making (1-3)	8	14	0	0	17	19	0	0	58
Total permanent	**278**	**443**	**4**	**69**	**183**	**290**	**4**	**60**	**1 331**
Non-permanent employees (MM+55 Councillors)*	10	20	0	11	5	5	0	5	56
Grand total	**288**	**463**	**4**	**80**	**188**	**295**	**4**	**65**	**1 387**
**Councillors included*									

4.6 Occupational Level: Race within Departments

The following table categorises the number of employees by race within different departments.

Table 265: Race by department

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	2	1	0	1	2	4	0	2	12
Financial Services	11	33	0	10	27	44	0	19	144
Human Settlements, Planning & Development	30	25	0	6	18	28	0	12	119
Corporate Services	17	30	0	4	38	69	0	7	165
Community Services	88	149	0	13	45	87	1	11	394
Electrotechnical Services	33	46	1	18	22	17	2	5	144
Civil Engineering Services	97	159	3	17	31	41	1	4	353
Total permanent	**278**	**443**	**4**	**69**	**183**	**290**	**4**	**60**	**1 331**
Non-permanent (MM)	0	0	0	0	0	0	0	1	1
Grand total	**278**	**443**	**4**	**69**	**183**	**290**	**4**	**61**	**1 332**

4.7 Vacancy Rate

The approved organogram for the Municipality had 1541 budgeted posts (permanent 1534 + six permanent directors and one contract Municipal Manager) for the 2023/24 financial year. The actual positions filled are indicated in the tables below by post-level and by functional level. A total of 209 posts were vacant at the end of 2023/24, resulting in a vacancy rate of 13.56%. Below is a table that indicates the vacancies in the Municipality.

Table 266: Vacancy rate

Per post level		
Post Level	**Filled**	**Vacant**
Top management (directors + MM)	5	2
Senior management (19+)	3	1
Middle management (14-18)	79	19
Skilled (9-13)	370	67
Semi-skilled (4-8)	817	108
Unskilled (1-3)	58	12
Total	**1 332**	**209**
Per functional level		
Functional area	**Filled**	**Vacant**
Office of the Municipal Manager	13	4
Financial Services	144	14
Corporate Services	165	26
Human Settlements, Planning & Development	119	7
Community Services	394	55
Electrotechnical Services	144	35
Civil Engineering Services	353	68
Total	**1 332**	**209**

4.8 Turnover rate

A high staff turnover may be costly to a Municipality and might negatively affect productivity, service delivery as well as institutional memory/organisational knowledge. Below is a table that reflects the turnover rate in the Municipality over the past two years.

Table 267: Turn-over Rate

Financial year	Total no. of appointments at the end of each financial year	New appointments	Number of terminations during the year	Turnover rate
2021/22	1 263	127	96	7.60%
2022/23	1 293	136	96	3.17%
2023/24	1 332	173	83	6.96%

Calculation for turnover rate is the difference between new appointments and terminations of 2023/24 as a percentage of 2022/23 (the previous financial year) total appointments at the end of that financial year.

4.9 Managing the Municipal Workforce

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

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

The table below provides the total number of injuries in the respective directorates.

Table 268: Injuries per Directorate

Directorates	2022/23	2023/24
Office of the Municipal Manager	1	1
Financial Services	5	2
Corporate Services	6	16
Human Settlements, Planning & Development	11	3
Community Services	87	68
Electrotechnical Services	16	16
Civil Engineering Services	59	56
Total	**185**	**162**

4.10 Sick Leave

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

The table below provides the total number of sick leave days taken within the respective directorates.

Table 269: Sick Leave

Directorates	2022/23	2023/24
Office of the Municipal Manager	96	121
Financial Services	1 770	1 738
Corporate Services	2 059	1 872
Human Settlements, Planning & Development	1 224	1 229
Community Services	3 340	3 253
Electrotechnical Services	1300	792
Civil Engineering Services	3 355	2 990
Total	**13 146**	**11 993**

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4.11 Human Resources Policies and Plans

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

The table below shows the status of the Human Resources policies and plans:

Table 270: Approved Policies for the year under review

Approved policies	
Name of policy	**Date approved/revised**
Acting Allowance Policy	30 May 2022
Bursary Policy	13 June 2024
Education Training and Development Policy	30 June 2022
Employment Equity Policy	10 June 2022
Exit Policy	10 June 2022
Induction Policy	10 June 2022
Performance Management Policy	10 June 2022
Probation Policy	10 June 2022
Recruitment and Selection Policy	19 June 2023
Reward and Recognition Policy	30 June 2022
SHE Policy	30 June 2022
Strategic Talent Management Framework Policy	30 June 2022
Task Job Evaluation Policy	30 May 2022
Time and Attendance Policy	24 February 2022
Work From Home Policy	01 March 2022

4.12 Capacity Building of the Municipal Workforce

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

4.13 Skills Matrix

Training for the 2023/24 financial year saw an increase in full credit-bearing programmes. In compliance with the NQF levels. This allows for the portability of training accredited training programs and qualifications. Discretionary allocations awarded to the George Municipality by the LGSETA allowed officials access to learnerships. Skills Programmes and Apprenticeships.

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The table below indicates the number of employees who received training as per the Workplace Skills Plan of 2023/24.

Table 271: Number of employees that received training

Management level	Gender	Number of employees identified for training at the start of the year	Number of Employees that received training
Legislators, Senior Officials and Managers	Female	0	-
	Male	0	-
Professionals	Female	35	35
	Male	32	34
Technicians and Associate Professionals	Female	41	32
	Male	58	32
Clerical and Administrative workers	Female	83	84
	Male	27	16
Service and Sales Workers	Female	57	57
	Male	85	85
Craft and Related Trade workers	Female	0	-
	Male	0	-
Plant and Machine Operators and assemblers	Female	11	27
	Male	58	81
Elementary occupations	Female	48	48
	Male	126	126
Sub-total	**Female**	**287**	**283**
	Male	**390**	**374**
Total		**677**	**657**

4.14 Skills Development – Training Provided and Budget Allocation

The Skills Development Act, of 1998 (Act No. 97 of 1998) and the MSA, require that employers supply employees with the necessary training to develop their human resource capacity. Section 55(1)(f) states that as head of administration, the Municipal Manager is responsible for the management, utilisation and training of staff.

The following accredited training was provided to employees during the 2023/24 financial year:

- First Aid in the workplace
- Municipal Minimum Competency Level (MFMA)
- Water and Wastewater Process Control Supervision
- Road Construction
- SAMTRAC Safety Management
- Microsoft Office (Word, Excel & PowerPoint)
- Examiner of Driving Licences
- Crowd Control Management
- TLB Operator

- Advanced Driving
- Fire Arms Regulation 21

Table 272: Budget allocated and spent for skills development

Occupational categories	Gender	Number of employees as at the beginning ofthe financial year	Training provided within the reporting period						
			Learnership programmes & other short courses		Skills programmes & other short courses		Total		
			Actual	Target	Actual	Target	Actual	Target	%
Legislators (incl 55 Councillors), Senior Officials and Managers	Female	16	0	0	4	12	4	12	33%
	Male	46	3	3	9	1	12	4	300%
Professionals	Female	72	5	5	14	35	19	40	47.50%
	Male	74	9	8	30	32	39	40	97.5%
Technicians and Associate Professionals	Female	56	3	3	20	41	23	44	52.27%
	Male	59	2	2	32	58	34	60	56.67%
Clerical and Administrative workers	Female	212	5	3	95	50	100	53	188.68%
	Male	62	12	12	57	59	67	71	94.37%
Service and Sales Workers	Female	71	0	0	30	30	30	30	100%
	Male	116	0	0	46	85	46	85	54.12%
Craft and Related Trade workers	Female	0	0	0	0	0	0	0	0%
	Male	0	0	0	0	0	0	0	0%
Plant and Machine Operators and assemblers	Female	36	1	1	40	48	41	49	83.67%
	Male	190	10	10	93	127	103	137	75.18%
Elementary occupations	Female	104	14	12	133	288	147	300	49%
	Male	304	36	35	283	389	319	424	75.24%
Sub-total	Female	567	28	24	336	504	364	528	68.94%
	Male	851	72	70	550	751	622	821	75.76%
Total		**1 418**	**100**	**94**	**886**	**1 255**	**986**	**1349**	**73.09%**

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4.15 Managing the Municipal Workforce Expenditure

4.15.1 Personnel Expenditure (Training provided)

The table below indicates that a total amount of R2 500 000 was allocated to the Workplace Skills Plan and 107% of the total amount was spent in the 2023/24 financial year.

Table 273: Total Training Expenditure as % of Training Budget allocated

Year	Total personnel budget (R)	Total Allocated (R)	Total Spend (R)	% Spent
2022/23	724 635 000	1 784 858	1 699 689	95.23%
2023/24	708 665 303	2 500 000	2 674 303	107%

4.16 Municipal Finance Management Act (MFMA) Competencies

Below is a summary of the MFMA competencies year under review.

Table 274: MFMA Competencies

Description	Total number of officials employed by Municipality (Regulation 14(4)(a)and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements complywith Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competencylevels (Regulation 14(4)(e))
Financial Officials				
Accounting Officer	1	0	1	1
Chief Financial Officer	1	0	1	1
Senior Managers	5	0	5	4
Any other financial officials	53	0	0	41
Supply Chain Management Officials				
Heads of supply chain management units	1	0	1	1
Supply chain management seniormanagers	1	0	1	1
Sub Total	**62**	**0**	**9**	**49**
Other acting officials and succession planning				
Other Officials	39	0	0	39
Total	**101**	**0**	**9**	**88**

4.17 Employee Wellness

George Municipality is committed – through the Employee Wellness Programme - to improving the morale of its employees. Employees with personal and work-related difficulties are assisted with counselling and are also sent for counselling assistance to experienced service providers.

A three-year tender has been issued to appoint service providers to render medical, counselling and supporting services to employees. The tender was active from February 2023 until February 2026. The Service Providers have specific competencies and are utilised accordingly.

Employees have access to the EAP office personnel via their supervisors. The EAP personnel will then make referrals to the service providers to assist employees.

Services available to employees are:

- Wellness day
- Counselling for alcohol/drug dependency;
- Counselling for alcohol/drug dependency per group;
- Trauma counselling;
- Trauma Group counselling;
- Debriefing counselling;
- Group Debriefing counselling;
- Bereavement counselling;
- Group Bereavement counselling;
- HIV/Aids counselling;
- Work and Family problems-related counselling;
- Work and Family problems related group counselling;
- Conflict Resolution per official;
- Group Conflict Resolution;
- Drug/Alcohol/Pharmacy Drug dependency tests;
- Assist with Capacity investigations;
- Assist with Disability applications;
- Assist with Death benefit applications;
- Assist with Dread disease applications;
- Services rendered after disciplinary hearings;
- Insurance verifications before deductions; and
- Advice to Supervisors and Managers relating to any difficulties is available.

Table 275: Wellness Programme implementation

Projects	Totals
Conflict / Work Related (HRMA)	121
Conflict / Work Related / Anger Management (MA ASSOCIATES)	94
Counselling And Trauma Training for Peer Supporters	38
Financial Awareness	225
Financial Literacy Workshops	169
Health Tests	336
Insurance Service Providers	22

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Projects	Totals
Medicals / OT FCE (DR BENEKE)	149
Mental Health Awareness	44
Psychiatrist Referrals (DR TALJAARD)	10
Referral Counselling Appointments: Different Service Providers	0
Rehabilitation (TOEVLUG)	2
Social Worker (BY GRACE ALONE)	126
TB Awareness	347
Wellness Day	1
Work-Related / Conflict (DR ROCHELLE JACOBS)	129
Work-Related / Conflict (PRAUS)	7

4.18 Internship and In-service Training

The Municipality collaborates with tertiary institutions to provide a workplace experience to graduates in a structured manner, ranging from TVET Colleges, various SETAs and universities. The fields of study ranges from Public Management, Engineering (Civil and Electrical) Laboratory Services, Accounting, Auditing Human Resources Services Planning and Development. The table below indicates the number of interns and in-service trainees who received experience in the year under review.

Table 276: Intern and Inservice Training

Directorate	Gender	Number of interns and in-service trainees within the department	Number of interns and in-service trainees absorbed within the department
Office of Municipal Manager	Female	0	0
	Male	0	0
Corporate Services	Female	8	1
	Male	2	2
Financial Services	Female	7	3
	Male	1	1
Community Services	Female	2	1
	Male	0	0
Civil Engineering Services	Female	1	0
	Male	4	0
Electrotechnical Services	Female	2	1
	Male	8	0
Human Settlement/ Planning and Development	Female	4	1
	Male	2	0
Sub-total	**Female**	**24**	**7**
	Male	**17**	**3**
Total		**41**	**10**

4.19 Employee Expenditure

The percentage of personnel expenditure is essential to the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowances for the two financial years, confirming the Municipality is well within the national norm of between 35 to 40%.

Table 277: Salary and Allowance Expenditure

Financial year	Total Expenditure: Salary andAllowances	Total Operating Expenditure	Percentage
	(R)		%
2022/23	672 838 242	2 675 324 035	25,15%
2023/24	670 459 941	2 948 786 409	22,74%

Table 278: Personnel Expenditure

Financial year	2022/23	2023/24		
Description	Actual	Original Budget	Adjusted budget	Actual
Councillors (Political Office Bearers Plus Other)				
All-inclusive package	25 556 683	30 568 078	29 689 188	25 563 677
Sub-total	25 556 683	30 568 078	29 689 188	25 563 677
% Yearly increase/(decrease)	-	-	-	0,03%
Senior Managers of the Municipality				
Basic Salaries	8 504 994	9 599 380	8 255 550	9 421 100
Pension Contributions	370 364	481 020	531 130	511 321
Medical Aid Contributions	223 646	243 740	152 660	132 305
Motor vehicle allowance	488 991	459 070	652 770	508 000
Cellphone allowance	246 366	256 920	248 030	244 800
Housing allowance	0	0	0	0
Performance Bonus	521 594	1 734 370	1 101 970	971 594
Other benefits or allowances	306 569	357 630	178 510	223 063
In-kind benefits				
Sub-total - Senior Managers ofMunicipality	10 662 523	13 132 130	11 120 620	12 012 183
% yearly increase/(decrease)				12,66%
Other Municipal Staff				
Basic Salaries and Wages	365 534 369	431 460 262	414 494 047	387 142 550
Pension Contributions	68 605 040	75 601 040	73 719 450	67 248 669
Medical Aid Contributions	25 502 856	36 901 490	38 835 910	27 968 042

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Financial year	2022/23	2023/24		
Description	Actual	Original Budget	Adjusted budget	Actual
Motor vehicle allowance	15 797 030	19 039 770	18 992 120	18 531 978
Cellphone allowance	1 697 057	1 923 300	1 874 300	1 776 335
Housing allowance	2 348 760	2 785 200	2 612 410	2 433 980
Overtime	74 424 932	58 311 860	73 850 000	65 495 731
Other benefits or allowances	82 708 991	69 172 120	73 166 446	62 286 797
Sub Total - Other Municipal Staff	636 619 036	695 195 042	697 544 683	632 884 081
% Yearly increase/ (decrease)				-0,59%
Total Municipality				
Total Municipality	672 838 242	738 895 250	738 354 491	670 459 941
% increase/ (decrease)				-0,35%

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CHAPTER 5: FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

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

5.1 Financial Summary

The table below indicates the summary of the financial performance for the 2023/24 financial year.

Table 279: Financial Performance

Description	2022/23 Actual (Audited Outcome)	2023/24					
		Original Budget	Final Adjustments Budget	Actual	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
R thousand							
Financial Performance							
Revenue By Source							
Property rates	384 703 013	441 577 886	441 877 370	443 330 072	1 452 702	100%	100%
Service charges - electricity revenue	785 776 767	916 428 899	903 643 511	931 086 882	27 443 371	103%	102%
Service charges - water revenue	211 952 855	218 057 871	227 636 305	228 473 527	837 222	100%	105%
Service charges - sanitation revenue	157 407 731	163 193 080	161 680 000	168 467 446	6 787 446	104%	103%
Service charges - refuse revenue	141 374 178	156 469 520	153 180 160	153 295 801	115 641	100%	98%
Rental of facilities and equipment	4 214 837	5 231 360	5 071 360	4 425 474	-645 886	87%	85%
Interest earned - external investments	60 658 714	42 414 834	57 414 834	103 305 656	45 890 822	180%	244%
Interest earned - outstanding debtors	17 093 464	11 724 200	20 998 430	21 634 976	636 546	103%	185%
Fines, penalties and forfeits	73 156 932	89 083 270	90 083 460	35 343 550	-54 739 910	39%	40%
Licences and permits	1 603 306	4 160 669	4 160 669	1 779 415	-2 381 254	43%	43%
Agency services	14 538 508	19 734 020	19 734 020	14 083 052	-5 650 968	71%	71%
Transfers and subsidies - operational	643 725 808	635 102 098	731 260 000	680 045 129	-51 214 871	93%	107%
Other revenue	188 033 482	414 659 704	412 740 905	204 456 968	-208 283 937	50%	49%
Gains on disposal of PPE	2 894 350	0	0	0	0	0%	0%
Total Revenue (excluding capital transfers and contributions)	2 687 133 946	3 117 837 411	3 229 481 024	2 989 727 948	-239 753 076	93%	96%
Expenditure By Type							

Description	2022/23 Actual (Audited Outcome)	2023/24					
		Original Budget	Final Adjustments Budget	Actual	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
Employee related costs	647 281 559	708 327 172	708 665 303	644 896 264	-63 769 039	91%	91%
Remuneration of councillors	25 556 683	30 568 078	29 689 188	25 563 677	-4 125 511	86%	84%
Debt impairment	150 608 010	103 918 450	103 918 450	135 065 902	31 147 452	130%	130%
Depreciation & asset impairment	184 929 432	187 803 795	187 493 795	216 787 183	29 293 388	116%	115%
Finance charges	45 064 727	40 388 003	46 632 003	89 393 067	42 761 064	192%	221%
Bulk purchases	598 225 496	707 250 400	696 200 400	715 566 093	19 365 693	103%	101%
Other materials	131 672 983	321 453 777	327 010 096	192 922 619	-134 087 477	59%	60%
Contracted services	676 925 909	694 978 057	787 244 066	700 573 012	-86 671 054	89%	101%
Transfers and grants	43 556 377	40 657 687	86 514 503	85 765 255	-749 248	99%	0%
Other expenditure	168 434 703	228 962 477	201 250 122	140 962 864	-60 287 258	70%	62%
Loss on disposal of PPE	3 068 156	750 480	750 480	1 290 473	539 993	172%	172%
Total Expenditure	**2 675 324 035**	**3 065 058 376**	**3 175 368 406**	**2 948 786 409**	**-226 581 997**	**93%**	**96%**
Surplus/(Deficit)	11 809 912	52 779 035	54 112 618	40 941 539	-13 171 079	0%	0%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	401 435 303	462 093 890	1 315 946 060	580 648 646	-735 297 414	401 435 303	462 093 890
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	0	0	0	0	0	0%	0%
Transfers and subsidies - capital (in-kind - all)	0	0	0	0	0	0%	0%
Surplus/(Deficit) after capital transfers & contributions	**413 245 215**	**514 872 925**	**1 370 058 678**	**621 590 185**	**-748 468 493**	**45%**	**121%**
Surplus/(Deficit) for the year	**413 245 215**	**514 872 925**	**1 370 058 678**	**621 590 185**	**-748 468 493**	**45%**	**121%**
Capital Expenditure & Fund Sources							
Transfers recognised - capital	356 907 747	397 577 965	1 074 881 089	512 472 261	-562 408 828	48%	129%
Public contributions & donations	0	0	0	0	0	-	-
Borrowing	234 205 740	376 685 001	359 540 000	259 564 733	-99 975 267	72%	69%

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Description	2022/23 Actual (Audited Outcome)	2023/24					
		Original Budget	Final Adjustments Budget	Actual	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
Internally generated funds	132 138 419	248 779 611	294 308 403	176 461 078	-117 847 325	60%	71%
Total sources of capital funds	**723 251 905**	**1 023 042 577**	**1 728 729 492**	**948 498 072**	**-780 231 420**	**55%**	**93%**
Financial Position							
Total current assets	1 286 840 517	741 249 650	494 728 339	1 790 173 642	1 295 445 303	362%	242%
Total non-current assets	3 967 129 025	4 325 127 087	5 031 124 002	4 752 283 051	-278 840 951	94%	110%
Total current liabilities	858 365 830	527 020 460	131 287 841	1 344 558 303	1 213 270 462	1024%	255%
Total noncurrent liabilities	577 116 085	945 712 504	945 712 504	752 728 081	-192 984 423	80%	80%
Community Wealth/Equity	**3 818 487 627**	**3 593 643 773**	**4 448 851 996**	**4 445 170 309**	**-3 681 687**	**100%**	**124%**

5.2 Revenue Collection by Vote

The table below indicates the revenue collection performance by vote.

Table 280: Revenue collection performance by source

Description	2022/23 Actual Audited Outcome)	2023/24					
		Original Budget	Final Adjustments Budget	Actual	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
R thousand							
Revenue Collection by Vote							
Executive and council	31 719 524	4 240	4 240	4 690	450	111%	111%
Finance and Administration	844 374 196	519 321 345	540 462 154	559 216 824	18 754 670	103%	108%
Internal audit	0	0	0	0	0	0%	0%
Community and social services	15 847 378	22 921 580	22 686 944	15 930 729	-6 756 215	70%	70%
Sport and recreation	1 536 991	17 427 439	12 735 320	14 913 638	2 178 318	117%	86%
Public safety	66 243 345	86 582 180	87 439 180	9 726 662	-77 712 518	11%	11%
Housing	6 844 841	23 399 240	27 420 240	3 276 422	-24 143 818	12%	14%
Health	4 220	174 900	174 900	715	-174 185	0%	0%
Planning and development	19 482 084	23 497 530	24 291 820	24 848 240	556 420	102%	106%
Road transport	493 599 811	497 932 299	1 067 877 379	547 148 626	-520 728 753	51%	110%
Environmental protection	2 703	24 240	140 240	102 218	-38 022	73%	422%
Energy sources	844 666 124	979 286 194	984 419 528	915 347 923	-69 071 605	93%	93%
Water management	317 023 591	884 914 649	1 014 864 506	651 060 973	-500 616 257	64%	74%

Description	2022/23 Actual Audited Outcome)	2023/24					
		Original Budget	Final Adjustments Budget	Actual	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
Wastewater management	241 429 329	303 074 185	540 311 525	373 227 226	-167 084 299	69%	123%
Waste management	205 562 986	220 765 240	222 215 648	229 383 874	7 168 226	103%	104%
Other	232 125	606 040	383 460	226 187 834	225 804 374	58986%	37322%
Total Revenue - Functional	**3 088 569 249**	**3 579 931 301**	**4 545 427 084**	**3 570 376 594**	**- 975 050 490,10**	**79%**	**100%**
Expenditure - Function							
Executive and council	75 834 758	75 277 092	72 104 985	52 678 112	-19 426 873	73%	70%
Finance and Administration	318 248 400	389 070 856	391 777 316	334 930 428	-56 846 888	85%	86%
Internal audit	17 204 506	18 948 780	18 952 360	16 072 206	-2 880 154	85%	85%
Community and social services	47 679 629	63 315 359	59 653 318	49 939 963	-9 713 355	84%	79%
Sport and recreation	37 303 761	38 615 100	41 026 860	35 999 351	-5 027 509	88%	93%
Public safety	136 623 808	138 191 350	130 757 320	80 413 029	-50 344 291	61%	58%
Housing	40 803 645	54 256 010	61 302 526	39 707 851	-21 594 675	65%	73%
Health	6 137 467	7 143 100	7 852 380	7 044 927	-807 453	90%	99%
Planning and development	37 181 589	46 503 530	44 917 405	43 122 510	-1 794 895	96%	93%
Road transport	535 789 110	513 919 643	585 745 300	511 197 685	-74 547 615	87%	99%
Environmental protection	3 817 628	4 529 680	5 374 570	4 891 964	-482 606	91%	108%
Energy sources	764 452 975	892 621 153	867 448 673	792 263 552	-75 185 121	91%	89%
Water management	222 984 057	425 698 811	468 109 891	259 059 892	-209 049 999	55%	61%
Wastewater management	289 593 097	257 703 488	271 894 008	286 486 466	14 592 458	105%	111%
Waste management	124 931 976	119 506 174	130 095 004	131 789 684	1 694 680	101%	110%
Other	16 737 629	19 758 250	18 356 490	303 188 790	284 832 300	1652%	1534%
Total Expenditure - Functional	**2 675 324 035**	**3 065 058 376**	**3 175 368 406**	**2 948 786 409**	**(226 582)**	**93%**	**96%**

5.3 Financial Performance Per Municipal Function

The tables below indicate the financial performance per key municipal function.

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5.3.1 Community and Public Safety

Table 281: Financial Performance: Community and Public Safety

Financial Performance 2023/24: Community and public safety				
Details	Original Budget	Final Budget	Actual	Variance to Budget
Total Operational Revenue	519 325 585	540 466 394	600 641 786	11%
Expenditure:				
Employees	255 903 212	262 437 852	237 176 433	-10%
Contracted Services	65 272 591	63 165 194	57 579 619	-9%
Other	162 120 925	157 231 615	115 815 417	-26%
Total Operational Expenditure	483 296 728	482 834 661	410 571 469	-15%
Surplus or (Deficit)	36 028 857	57 631 733	190 070 317	230%

5.3.2 Economic and Environmental Services

Table 282: Financial Performance: Economic and Environmental Services

Financial Performance 2023/24: Economic and Environmental Services				
Details	Original Budget	Final Budget	Actual	Variance to Budget
Total Operational Revenue	150 505 339	150 456 584	79 027 386	-47%
Expenditure:				
Employees	145 621 610	138 868 746	133 366 244	-4%
Contracted Services	66 778 100	76 208 188	57 873 098	-24%
Other	89 121 209	85 515 470	92 930 703	9%
Total Operational Expenditure	301 520 919	300 592 404	284 170 045	-5%
Surplus or (Deficit)	-151 015 580	-150 135 820	-205 142 659	37%

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5.3.3 Municipal Governance and Administration

Table 283: Financial Performance: Municipal Governance and Administration

Financial Performance 2023/24: Municipal governance and administration				
Details	2023/24			
	Original Budget	Final Budget	Actual	Variance to Budget
Total Operational Revenue	521 454 069	1 092 309 439	616 901 600	-44%
Expenditure:				
Employees	49 939 020	55 751 630	54 154 290	-3%
Contracted Services	388 138 839	449 789 998	403 598 526	-10%
Other	126 874 994	130 495 647	189 460 277	45%
Total Operational Expenditure	564 952 853	636 037 275	647 213 092	2%
Surplus or (Deficit)	-43 498 784	456 272 164	-30 311 492	-107%

5.3.4 Trading Services

Table 284: Financial Performance: Trading Services

Financial Performance 2023/24: Trading services				
Details	2023/24			
	Original Budget	Final Budget	Actual	Variance to Budget
Total Operational Revenue	2 388 040 268	2 761 811 207	2 271 292 317	-18%
Expenditure:				
Employees	244 088 180	240 374 875	214 933 395	-11%
Contracted Services	169 885 697	192 691 756	179 517 228	-7%
Other	1 281 555 749	1 304 480 945	1 203 649 074	-8%
Total Operational Expenditure	1 695 529 626	1 737 547 576	1 598 099 697	-8%
Surplus or (Deficit)	692 510 642	1 024 263 631	673 192 620	-34%

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5.3.5 Other

Table 285: Financial Performance: Other

Financial Performance 2023/24: Other				
Details	2023/24			
	Original Budget	Final Budget	Actual	Variance to Budget
Total Operational Revenue	606 040	383 460	2 513 505	555%
Expenditure:				
Employees	12 775 150	11 232 200	5 263 902	-53%
Contracted Services	4 902 830	5 388 930	2 004 541	-63%
Other	2 080 270	1 735 360	1 463 662	-16%
Total Operational Expenditure	19 758 250	18 356 490	8 732 106	-52%
Surplus or (Deficit)	-19 152 210	-17 973 030	-6 218 600	-65%

5.4 Grants

5.4.1 Grant Performance

The performance in the spending of grants is summarised as follows:

Table 286: Grant Performance

Description	2022/23	Budget Year 2023/24					Variance 2023/24	
	Audited Outcome	Original Budget	Adjusted Budget	Approved Roll overs from 2021/22	Grants Available for Expenditure in 2022/23	YearTD actual	Original Budget variance	Adjusted Budget variance
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	**354 751 241**	**373 589 069**	**400 288 885**	**0**	**400 288 885**	**400 081 048**	**7%**	**0%**
Equitable Share	193 460 000	214 689 971	214 689 971	0	214 689 971	214 689 971	0%	0%
Financial Management Grant	1 721 000	1 771 000	1 771 000	0	1 771 000	1 771 000	0%	0%
EPWP Incentive	1 990 000	4 420 000	4 173 000	0	4 173 000	3 240 873	-27%	-22%
Infrastucture Skills Development Grant	4 634 343	6 500 000	6 217 000	0	6 217 000	5 044 783	-22%	-19%
Municipal Infrastructure Grant - PMU	750 002	0	0	0	0	0	0%	0%

Description	2022/23	Budget Year 2023/24					Variance 2023/24	
	Audited Outcome	Original Budget	Adjusted Budget	Approved Roll overs from 2021/22	Grants Available for Expenditure in 2022/23	YearTD actual	Original Budget variance	Adjusted Budget variance
Public Transport Network Operating Grant	149 292 686	139 184 598	168 402 914	0	168 402 914	170 300 423	22%	1%
Integrated Urban Development Grant	0	2 023 500	1 035 000	0	1 035 000	1 033 998	-49%	0%
Municipal Disaster Relief Grant	0	5 000 000	0		0	0	-100%	0%
Regional Bulk Infrastructure	2 903 210	0	4 000 000	0	4 000 000	4 000 000	0%	0%
Provincial Government:	278 096 282	256 844 000	319 819 000	0	319 819 000	278 443 359	8%	-13%
Human Settlements Development Grant	189 000	0	1 775 000	0	1 775 000	0	0%	-100%
Proclaimed Roads	22 153 393	1 245 000	1 245 000	0	1 245 000	504 946	-59%	-59%
Library Grant	10 366 087	11 288 000	11 288 000	0	11 288 000		-100%	-100%
Community Development Workers Operating Grant	188 000	94 000	94 000	0	94 000	94 000	0%	0%
Integrated Pubic Transport Grant(GIPTN)	240 480 135	228 868 000	288 868 000	0	288 868 000	274 856 674	20%	-5%
Financial Management Capacity Building Grant	1 250 000	1 000 000	1 200 000	0	1 200 000	1 000 000	0%	-17%
Thusong Services Centres Grant	0	150 000	150 000	0	150 000	150 000	0%	0%
Municipal Accreditation and Capacity Building Grant	484 870	491 000	491 000	0	491 000	122 500	-75%	-75%
Informal Settlements Upgrading Partnership Grant:Provinces	1 544 102	12 000 000	13 000 000	0	13 000 000	1 261 341	0%	-90%
Local Government Public Employment Support Grant	1 440 695	0	0	0	0	0	0%	0%

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Description	2022/23	Budget Year 2023/24					Variance 2023/24	
	Audited Outcome	Original Budget	Adjusted Budget	Approved Roll overs from 2021/22	Grants Available for Expenditure in 2022/23	YearTD actual	Original Budget variance	Adjusted Budget variance
Title Deeds Restoration Grant	0	1 708 000	1 708 000	0	1 708 000	453 898	-73%	-73%
District Municipality:	120 000	0	155 000	0	155 000	82 254	0%	-47%
Community Safety Plan Initiatives	120 000	0	155 000	0	155 000	82 254	0%	-47%
Other grant providers:	1 233 177	0	0	0	0	1 438 468	0%	0%
Departmental Agencies and Accounts (LGSETA)	1 233 177	0	0	0	0	1 438 468	0%	0%
Total operating expenditure of Transfers and Grants:	634 200 700	630 433 069	720 262 885	0	720 262 885	680 045 129	8%	-6%
Capital expenditure of Transfers and Grants								
National Government:	199 901 153	362 982 959	787 407 959	0	549 910 959	397 456 160	0.09	-0.5
Municipal Infrastructure Grant (MIG)	364 501 142	457 118 900	917 318 086	383 602 201	1 300 920 287	578 688 339	27%	-37%
Regional Bulk Infrastructure	242 588 701	375 138 000	361 138 000	129 404 089	490 542 089	338 550 953	0%	0%
Integrated National Electrification Programme	37 931 422	6 346 000	6 346 000	104 578	6 450 578	5 752 314	-9%	-9%
Energy Efficiency and Demand Management	2 100 388	0	0	0	0	0	0%	0%
Infrastructure Skills Development	143 686	0	0	0	0	0	0%	0%
Public Transport Infrastructure Grant	63 502 669	5 638 400	481 420 086	24 304 645	505 724 731	53 858 055	855%	-89%

Description	2022/23	Budget Year 2023/24					Variance 2023/24	
	Audited Outcome	Original Budget	Adjusted Budget	Approved Roll overs from 2021/22	Grants Available for Expenditure in 2022/23	YearTD actual	Original Budget variance	Adjusted Budget variance
Water Services Infrastructure Grant	0	3 820 000	3 820 000	0	3 820 000	3 820 000	0%	0%
Municipal Disaster Relief Grant	8 401 602	0	0	229 095 398	229 095 398	98 574 332	0%	0%
Neighbourhood Development Partnership Grant [Schedule 5B]	0	0	5 000 000		5 000 000	4 980 136	0%	0%
Integrated Urban Development Grant [Schedule 4B]	0	65 426 500	58 844 000	0	58 844 000	58 836 937	-10%	0%
Provincial Government:	9 832 674	750 000	750 000	693 491	1 443 491	14 315 612	92%	1809%
Human Settlements Development Grant	7 678 286	0	0	0	0	0	0%	0%
EmergengyMunicipal Load-Shedding Relief Grant	1 347 879	0	0	0	0	12 872 121	0%	0%
Development of Sport and Recreation Facilities	806 509	750 000	750 000	693 491	1 443 491	1 443 491	92%	92%
District Municipality:	997 536	0	0	0	0	0	0%	0%
Microprise Facilities at Pacaltsdorp	997 536	0	0	1 000 000	1 000 000	941 172	0%	0%
Other grant providers:	0	0	0	0	0	0	0%	0%
Total capital expenditure of Transfers and Grants	729 999 819	914 237 800	1 834 636 172	767 204 402	2 601 840 574	1 157 376 678	27%	-37 %
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	1 364 200 519	1 544 670 869	2 554 899 057	767 204 402	3 322 103 459	1 837 421 807	19%	-28%

5.4.2 Level of Reliance on Grants and Subsidies

Table 287: Reliance on Grants

Description	Basis of Calculation	2021/22	2022/23	2023/24

Level of Reliance on Grants	Total Grants and Subsidies Received/ Total Operating Revenue	29,94%	35,31%	42,17%
Own-Funded Capital Expenditure (Internally generated funds + Borrowings) to Total CapitalExpenditure	Own-funded Capital Expenditure (Internally generated funds + Borrowings)/Total Capital Expenditure x 100	56,68%	50,63%	45,97%

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5.5 Asset Management

George Municipality has an Asset Unit in place which handles all matters about the financial classification and accounting of/for assets, as required by Section 63 of the MFMA. The Asset Unit falls under the Finance Directorate, and it is their duty to ensure all municipal assets are accounted for in accordance with relevant legislation.

All Departments remain the custodians of the assets under their control and should take the required steps to safeguard as well as effectively manage and maintain their assets.

George Municipality has an Asset Management and Accounting Policy (reviewed annually) which outlines the following:

- Roles and responsibilities of various role players, i.e., Directors, CFO, Municipal Manager, Budget Office and Asset Unit;
- Acquisitions & disposal of assets;
- Verification process relating to assets
- Financial classification of assets;
- The fixed asset register – required fields, information, and layout;
- The useful lives allocated per asset type; and
- All operating procedures relating to Asset Unit functions.

5.6 Repairs and Maintenance

Table 288: Repairs and Maintenance Expenditure

Description	2022/23	2023/24	
	Actual	Actual	% Increase/ (Decrease)
Repairs and Maintenance Expenditure	234 260 233	223 729 358	-5%

5.7 Financial Ratios Based on Key Performance Indicators

Table 289: Liquidity Ratio

Basis of Calculation	Norm	2021/22	2022/23	2023/24
Current Assets/ Current Liabilities	1.5-2: 1	2,06	1,50	1,33
Current Assets less debtors > 90 days/ Current Liabilities		1,96	1,10	1,10
Monetary Assets/ Current Liabilities		1,26	0,98	1,01

5.8 IDP Regulation Financial Viability Indicators

Table 290: IDP Regulation Financial Viability of Indicators

Description	Basis of Calculation	2021/22	2022/23	2023/24
Cost coverage	(Available cash + Investment - Unspent grants)/monthly fixed operational expenditure	3.14 months	2.19 months	2.44 months
The norm is 1-3 months. This ratio gives an indication of the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term, investment without collecting any additional revenue during that month. The monthly cost coverage is within the norm. It will take 2,44 months for George Municipality to cover expenditures out of available cash and liquid assets.				
Total outstanding service debtors to revenue	(Total outstanding service debtors)/annual revenue received for services	12.10%	13.72%	13.37%

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Description	Basis of Calculation	2021/22	2022/23	2023/24
Measures how much money is still owed by the community for water, electricity, waste removal and sanitation as compared to how much money has been paid for these services.				
Debt coverage	(Overdraft + Finance lease obligation + Borrowings) / (Total operating revenue - Conditional grants) x 100	17.52%	14%	22.68%
If the result of the Ratio Analysis indicates less than 45% then the Municipality still has the capacity to take increased funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality.				

5.9 Borrowing Management

Table 291: Borrowing Management

Description	Basis of Calculation	Norm	2021/22	2022/23	2023/24
Capital Charges to Operating Expenditure	Interest and Principal Debt Paid/ Operating Expenditure	6% - 8%	3.60%	4.12%	3.98%

5.10 Employee Costs

Table 292: Employee Costs

Description	Basis of Calculation	Norm	2021/22	2022/23	2023/24
Employee costs	Employee costs/ (Total revenue - capital revenue)		25.07%	23.33%	21.57%

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.11 Capital Expenditure

5.11.1 Capital Expenditure by funding source

Table 293: Capital Expenditure by funding source

Description	2022/23	2023/24					
	Actual (Audited Outcome)	Original Budget	Final Adjusted budget	Actual Outcome	Variance between Actual and Final Adjustments Budget	Adjustment to Original Budget Variance	Actual to Adjusted Budget Variance
R thousand							
Capital expenditure & funds sources							
Source of Finance							
Sources of capital funds							
Transfers recognised - capital	356 907 747	397 577 965	1 074 881 089	512 472 261	-562 408 828	170%	-52%
Public contributions & donations	0	0	0	0	0	0%	0%
Borrowing	234 205 740	376 685 001	359 540 000	259 564 733	-99 975 267	-5%	-28%
Internally generated funds	132 138 419	248 779 611	294 308 403	176 461 078	-117 847 325	18%	-40%
Total sources of capital funds	452 597 982	787 983 236	1 147 027 440	722 909 319	81 553 912.12	46%	-37%

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Description	2022/23 Actual (Audited Outcome)	2023/24					
		Original Budget	Final Adjusted budget	Actual Outcome	Variance between Actual and Final Adjustments Budget	Adjustment to Original Budget Variance	Actual to Adjusted Budget Variance
Percentage of Finance							
Transfers recognised - capital	49%	39%	62%	54%			
Public contributions & donations	0%	0%	0%	0%			
Borrowing	32%	37%	21%	27%			
Internally generated funds	18%	24%	17%	19%			
Capital expenditure							
Water	257 770 949	380 290 755	480 613 148	377 642 800	-102 970 348	26%	-21%
Sanitation	135 545 795	155 342 950	188 460 458	121 590 825	-66 869 633	21%	-35%
Electricity	138 105 209	259 845 762	169 467 685	142 105 235	-27 362 450	-35%	-16%
Road Transport	116 204 883	99 903 328	73 297 222	15 255 874	-58 041 348	-27%	-79%
Other	75 625 070	127 659 782	816 890 979	291 903 338	-524 987 641	540%	-64%
Total sources of capital funds	452 597 982	787 983 236	1 147 027 440	722 909 321	81 553 912.12	31%	-37%
Percentage of Finance							
Water	36%	37%	28%	40%			
Sanitation	19%	15%	11%	13%			
Electricity	19%	25%	10%	15%			
Road Transport	16%	10%	4%	2%			
Other	10%	12%	47%	31%			

5.11.2 Basic Services Infrastructure Backlogs

Owing to the lack of affordable accommodation for many families the Municipality is seeing an increase in people living together as one family unit. The migration of immigrants from other provinces has resulted in a significant increase in backyard dwellers, posing a social and economic dilemma. Children who reside in their parents' backyards put additional strain on existing resources.

Infrastructure is already overburdened, and it will be unable to meet the increased demand as the population grows. Pipes and other infrastructure are more prone to breaking. The necessity of adequate housing and the elimination of backlogs in proper housing facilities cannot be overstated. Our Municipality is now sponsoring numerous housing initiatives to provide adequate housing. The Indigent Policy was revised and updated to allow backyard inhabitants to apply for a subsidy to get free electricity units of 70 kilowatt hours and 6 kiloliters of water. This will benefit underprivileged areas by lowering the cost of housing and basic services.

George Municipality has been successful in providing power to all formal residences. However, there has been a significant increase in informal structures over the last 12 months. In the immediate term, the Electrotechnical Department will not be able to electrify all the new informal structures. The electrification of new housing projects in Thembalethu and Pacaltsdorp will be prioritised to give formal housing opportunities for individuals living in shacks. Electrification funding, on the other hand, remains a challenge.

5.11.3 Expenditure on Municipal Infrastructure Grant (MIG)

Table 294: MIG Expenditure

Details	Original Budget	Adjustment Budget	Actual	% Spent
	R			
Infrastructure Stormwater				
Infrastructure Water				
Water Purification	333 163 001	415 737 030	319 846 016	77%
Infrastructure Sanitation				
Sewerage Networks	41 975 000	74 805 059	18 704 937	25%
Total	375 138 001	490 542 089	338 550 953	69%

5.11.4 Basic Services and infrastructure backlogs - Overview

Out of the various Master Plans revised, various infrastructure backlogs and upgrades were identified which will be required to meet current and future development needs. Budgetary provisions will be made accordingly.

The service level above minimum standard can be interpreted as the backlogs to upgrade current households above minimum standard to households supplied with water inside dwelling.

In terms of the definition of backlogs for the minimum standard water supply, major backlogs exist in terms of dilapidated infrastructure and the bulk services to provide for future development and current provision of water and sanitation.

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5.11.5 Integrated Urban Development Grant (IUDG)

There was no allocation in the 2023/24 Financial Year.

5.12 Cash Flow

Table 295: Table 2: Cash flow

	2023/24			
R thousand	Original Budget	Final Budget	Actual Outcome	Variance
CASH FLOW FROM OPERATING ACTIVITIES				
Receipt				
Taxation	370 853 000	378 642 000	445 954 272	67 312 272
Sale of goods and services	1 417 688 700	1 362 944 700	1 485 293 103	122 348 403
Other revenue	238 998 016	235 931 071	107 145 258	-128 785 813
Grants	923 490 158	1 445 163 617	1 608 038 565	162 874 948
Interest	66 279 605	54 952 713	114 973 106	60 020 393
Payments				
Suppliers and employees	-2 499 835 175	-2 620 102 563	-2 388 689 084	231 413 479
Finance charges	-40 950 003	-35 120 003	-56 996 243	-21 876 240
NET CASH FROM/(USED) OPERATING ACTIVITIES	476 524 301	822 411 535	1 315 718 977	493 307 442
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipt				
Proceeds on disposal of PPE	6 100 000	0	848 537	848 537
Proceeds on disposal of investment property	0	0	121 720	0
Decrease (increase) other non-current receivables	0	0	0	0
Proceeds from the sale of loans and receivables	0	0	69 210	
Decrease (increase) in non-current investments	0	0	0	0
Payments				
Capital assets	-787 983 236	-1 147 027 440	-948 722 022	198 305 418
Intangible assets			0	0
NET CASH FROM/(USED) INVESTING ACTIVITIES	-781 883 236	-1 147 027 440	-947 682 555	199 344 885
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipt				
Short term loans	0	0		0
Borrowing long term/refinancing	304 377 500	304 377 500	215 929 000	-88 448 500
Increase (decrease) in consumer deposits	-15 000 000	-15 000 000	0	15 000 000
Payments				0
Repayment of finance lease liabilities			-16 538 803	-16 538 803
Repayment of borrowing	-66 150 545	-66 150 545	-54 286 695	11 863 850
NET CASH FROM/(USED) FINANCING ACTIVITIES	223 226 955	223 226 955	14 5 103 502	-78 123 453

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	2023/24			
R thousand	Original Budget	Final Budget	Actual Outcome	Variance
NET INCREASE/ (DECREASE) IN CASH HELD	-82 131 980	-101 388 950	513 139 927	
Cash/cash equivalents at the year begin:	1 177 726 637	1 177 726 637	843 879 110	
Cash/cash equivalents at the year-end:	1 095 594 657	1 076 337 687	1 357 019 037	

5.13 Gross Outstanding Debtors per Service

Table 296: Gross Outstanding Debtors per Service

Gross Outstanding Debtors per Service								
Financial year	Non- exchange	Trading services		Economic services		Housing rentals	Other	Total
	Rates	Electricity	Water	Sanitation	Refuse			
2022/23	62 726 512	55 789 815	182 944 181	73 712 145	69 549 401	160 173	28 809 802	473 692 029
2023/24	80 284 364	133 781 724	169 746 189	91 280 932	88 825 505	456 672	20 946 494	585 321 880
Difference	17 557 852	77 991 909	-13 197 992	17 568 787	19 276 104	296 500	-7 863 308	111 629 851
% growth year on year	**28,18%**	**93,19%**	**-9,18%**	**37,86%**	**46,55%**	**86,34%**	**-53,39%**	**27,70%**

5.14 Debtors Age Analysis

Table 297: Debtors Age Analysis

Financial Year	0-30	31-60	61-90	91-120	121-365	Total
2022/23	126 208 179	10 615 542	4 929 485	2 932 583	42 092 569	186 778 357
2023/24	165 384 948	15 110 481	7 810 738	5 786 455	69 827 151	263 919 773
Difference	4 968 332	-1 652 396	-1 692 524	-1 266 218	29 532 650	29 889 844

5.15 Borrowing and Investments

The Municipality's cash position is monitored on a daily basis and any cash not required immediately to meet cash flow requirements is invested on a monthly basis at approved institutions, strictly in accordance with Council's approved Cash and Investment Policy.

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5.16 Actual Borrowings

Table 298: Actual Borrowings

Instrument	2022/23	2023/24
Long-Term Loans (annuity/reducing balance)	261 957 242	414 367 952
Financial Leases	71 158 760	53 466 062
Total	333 116 002	467 834 014

5.17 Municipal Cost Containment

5.17.1 Municipal Cost Containment Measures

Municipal Cost Containment Regulations (MCCR)

National Treasury first published the draft MCCR for public comment on 16 February 2018, with the closing date being 31 March 2018. Comment/input hereon was received from the Department of Cooperative Governance and Traditional Affairs, SALGA, municipalities, and other stakeholders. After extensive consultation and consideration of all comments received, the MCCR were finalised and promulgated on 7 June 2019 in the Government Gazette, with the effective date being 1 July 2020.

5.17.2 Municipal Cost Containment Policy

The MCCR does not apply retrospectively, hence, contracts concluded prior to 1 July 2020 will not be impacted and/or applicable in this context. However, if municipalities and municipal entities decided to extend current contracts, these would have to be aligned with the principles outlined in the MCCR and SCM Regulations.

Regulation 4(1) of the MCCR requires municipalities and municipal entities to either develop or review their cost containment policies. The MCCR require municipalities to adopt the cost containment policies as part of their budget related policies

5.17.3 Municipal Cost Containment Measures and annual cost saving measures

The effective implementation of the MCCR is the responsibility of the municipal council and the municipal accounting officer. In terms of the cost containment framework provided in the MCCR, which is consistent with the provisions of the MFMA and other government pronouncements, the following cost savings for the financial year are disclosed:

Cost Containment						
Cost Containment Measure	2022/23			2023/24		
	Budget	Total Expenditure	Saving	Budget	Total Expenditure	Saving
	R			R		
Use of consultants	37 540 838	28 469 868.17	9 070 969.85	46 887 607.00	43 389 489.26	3 498 117.74
Vehicles used for political office - bearers	-	-	-	-	-	-
Travel and subsistence	1 799 427	1 636 738.06	162 688.94	2 036 456.00	1 682 587.13	353 868.87
Domestic accommodation	436 010	229 355.08	206 654.92	784 884.00	323 803.15	461 080.85

Cost Containment						
Cost Containment Measure	2022/23			2023/24		
	Budget	Total Expenditure	Saving	Budget	Total Expenditure	Saving
	R			R		
Sponsorships, events, and catering	16 413 859	15 605 773.87	804 604.61	18 174 371.00	17 708 161.76	466 209.24
Communication	4 408 558	2 699 825.76	1 708 732.24	3 694 689.00	2 370 492.94	1 324 196.06
Other related expenditure items	-	-	-	-	-	-
Total	60 598 692	48 641 560.94	11 953 650.56	71 578 007.00	65 474 534.24	6 103 472.76

5.18 Municipal Investments

Table 299: Municipal Investments

Investment type	2022/23	2023/24
Deposits - Bank	400 000 000	902 166 478

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CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

6.1 Introduction

This chapter provides the details on the audit outcomes for the past two financial years with the corrective steps implemented.

COMPONENT A: AUDITOR-GENERAL OPINION 2022/23

The Constitution S188 (1) (b) states the functions of the Auditor General include the auditing and reporting of the accounts, financial statements, and financial management of all municipalities. MSA section 45 states the results of performance measurement must be audited annually by the Auditor General.

6.2 Auditor General Report 2022/23

Report of the auditor-general to the Western Cape Provincial Parliament and the Council on George Municipality.

Report on the Audit of the Financial Statements

Opinion

1. I have audited the financial statements of the George Municipality set out on pages 6 to 144, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the George Municipality as at 30 June 2023 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 05 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the Municipality in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified with respect to these matters.

Restatement of the corresponding figures

7. As disclosed in note 49 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the Municipality at, and for the year ended, 30 June 2023.

Material impairments

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8. As disclosed in note 37 to the financial statements, the Municipality provided for the impairment of receivables from exchange transactions, amounting to R87 million (2021-22: R45 million).

9. As disclosed in note 37 to the financial statements, the Municipality provided for the impairment of receivables from non-exchange transactions, amounting to R63 million (2021-22: R52 million).

Underspending capital expenditure

10. As disclosed in note 52 to the financial statements, the Municipality has materially underspent the budget for capital expenditure by R424 million (2021-22: R37,2 million). The underspending was due to various reasons as explained in note 65 to the financial statements.

Underspending operating expenditure

11. As disclosed in note 52 to the financial statements, the Municipality has materially underspent the budget for operating expenditure by R360 million (2021-22: R243,3 million). The underspending was due to various reasons as explained in note 65 to the financial statements.

Material Losses

12. As disclosed in note 55 to the financial statements, the Municipality incurred a 27,22% (2021-22: 25.05%) water loss during distribution.

Other matters

13. I draw attention to the matter below. My opinion is not modified with respect to this matter.

Unaudited disclosure notes

14. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Unaudited supplementary schedules

15. The supplementary information set out on pages 145 to 147 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

16. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

17. 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 financial statements

18. 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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19. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the Audit of the Annual Performance Report

20. 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 objective presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

21. I selected the following objective presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected an objective that measures the Municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Objective	Page numbers	Purpose
Strategic Objective 3 – Affordable Quality Services	12-29	To deliver affordable quality services.

22. I evaluated the reported performance information for the selected objective against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the Municipality's planning and delivery of its mandate and objectives.

23. I performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the Municipality's mandate and the achievement of its planned objectives;
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements;
    - the targets can be linked directly to the achievement of the indicators and are specific, time-bound and measurable to ensure that it is easy to understand what should be delivered and by when the required level of performance as well as how performance will be evaluated;
    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents;
    - the reported performance information is presented in the annual performance report in the prescribed manner; and
    - there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

24. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

25. I did not identify any material findings on the reported performance information for the selected objective.

Other matter

26. I draw attention to the matter below.

Achievement of planned targets

27. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

28. The Municipality plays a key role in delivering services to South Africans. 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 reasons for any underachievement of targets/ measures taken to improve performance are included in the annual performance report on pages 12 to 29.

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Strategic objective 3: Affordable quality service

Target Achieved: 40%	Budget Spent: 87%	
Key service delivery indicator not achieved	Planned target	Reported achievement
Strategic Objective 3 – Affordable Quality Services	12-27	To deliver affordable quality services.
TL34: Provide free basic water to indigent account holders	11 500	10 488
TL35: Provide free basic electricity to indigent account holders	16 500	15 439
TL36: Provide free basic sanitation to indigent account holders	11 500	10 228
TL37: Provide free basic refuse removal to indigent account holders	11 500	10 318

Report on compliance with legislation

29. 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.

30. 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.

31. 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.

32. I did not identify any material non-compliance with the selected legislative requirements.

Other Information in the Annual Report

33. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

34. 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.

35. 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 objectives presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

36. 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

37. 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.

38. I did not identify any significant deficiencies in internal control.

Other Report

39. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

40. As a result of S106 investigations into allegations and other misconduct, further investigations are being conducted by an independent consultant at the request of the Municipality. At the date of the auditor's report, the investigation is still in progress.

Auditor General

Cape Town

30 November 2023

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditors 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 objectives and on the Municipality's compliance with selected requirements in key legislation.

As part of an audit in accordance with the ISAs, I exercise professional judgement andmaintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected objective and on the Municipality's compliance with respect to the selected subject matter.

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

• Legislation	• Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 – paragraph (a), (b) & (d) of the definition: irregular expenditure Section 1 – definition: service delivery and budget implementation plan Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1) Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b) Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i) Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b) Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e) Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1) Sections 126(1)(a), 127(2), 127(5)(a)(i), 127(5)(a)(ii) Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170

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• Legislation	• Sections or regulations
	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), 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), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a) Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Division of Revenue Act 5 of 2022	Section 16(1), 12(5)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)

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• Legislation	• Sections or regulations
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8) Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Section 1(i), 2.1 (a), 2.1 (b), 2.1 (f)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

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COMPONENT B: AUDITOR-GENERAL OPINION 2023/24

6.3 Auditor General Report 2023/24

Report of the auditor-general to Western Cape Provincial Legislature and the council of George Municipality

Report on the audit of the financial statements Opinion

1.I have audited the financial statements of the George Municipality set out on pages 6 to 165, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2.In my opinion, the financial statements present fairly, in all material respects, the financial position of the George 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 opinion

3.I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4.I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5.I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7.As disclosed in note 49 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.

Material impairment

8.As disclosed in note 37 to the financial statements, the municipality provided for impairment of receivables from exchange transactions, amounting to R100 million (2022-23: R87 million)

9.As disclosed in note 37 to the financial statements, the municipality provided for impairment of receivables from non-exchange transactions, amounting to R35 million (2022-23: R51 million).

Underspending of capital expenditure

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10.As disclosed in note 52 to the financial statements, the municipality has materially underspent the budget for capital expenditure by R780 million (2022-23: R386 million). The underspending was due to various reasons as explained in note 64 to the financial statements.

Underspending of operating expenditure

11.As disclosed in note 52 to the financial statements, the municipality has materially underspent the budget for operating expenditure by R227 million (2022-23: R347 million). The underspending was due to various reasons as explained in note 64 to the financial statements.

Material losses

12.As disclosed in note 55 to the financial statements, the municipality incurred 20.78% (2022-23: 27.22%) water loss during distribution.

Other matters

13.I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

14.In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on them.

Unaudited supplementary schedules

15.The supplementary information set out on pages 166 to 168 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

16.The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

17.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

18.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.

19.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 seven (7), forms part of our auditor's report.

Report on the audit of the annual performance report

20.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 objective presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

21.I selected the following objective presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected an objective that measure the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Objective	Page numbers	Purpose
Strategic objective 3: Affordable quality services	14-27	To deliver affordable quality services

22.I evaluated the reported performance information for the selected objective against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

23.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 measures taken to improve performance.

24.I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

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25.I did not identify any material findings on the reported performance information for the selected objective.

Other matter

26. I draw attention to the matter below.

Achievement of planned targets

27.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.

28.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 14 to 27.

Strategic objective 3: Affordable quality services

Targets achieved: 89% **Budget spent: 81%**		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
TL4: Number of residential electricity meters connected to the municipal electrical infrastructure network.	48 580	45 881

Report on compliance with legislation

29.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.

30.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.

31.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.

32.I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

33.The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

34.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.

35.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 objectives presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

36.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.

internal control deficiencies

37.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.

38.I did not identify any significant deficiencies in internal control.

Other reports

39.I draw attention to the following engagement which did not form part of my opinion on the financial statements, assessment of performance information and compliance with laws and regulations:

40.Stemming from section106 investigations, into allegations and other misconduct of municipal officials, further investigations are being conducted by the Directorate for Priority Crime Investigation. At the date of the auditor's report the investigation is still in progress.

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act No. 56 of **2003 (MFMA)**	Section 1 Section 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b) Section 32(2), 32(2)(a), 32(2)(b)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), 32(7), Section 53(1)(c)(ii), 54(1)(c) Section 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii), 62(1)(f)(iii), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), **64(2)(f), 64(2)(g)** Section 65(2)(a), 65(2)(b), 65(2)(e), 66(1)(b) Section 72(1)(a)(ii) Section 112(1)0), 116(2)(b), 116(2)(c)(ii), 117 Section 122(1), 126(1)(a), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3) Section 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii) Section 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
Division of Revenue Act 5 of 2023	Section 12(5), 16(1)
MFMA: Municipal Budget & Reporting Regulations, 2009	Regulations 71(1)(a), 71(1)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
Prevention and Combatting of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)

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Municipal Systems Act 32 of 2000 (MSA)	Section 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 43(2) Section 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), **66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)**
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulation 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulation on Appointment and Conditions of Employment of Senior Managers, 2014	Regulation 17(2), 36(1)(a)
MSA: Municipal Staff Regulations, 2021	Regulation 7(1), 31

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Legislation	Sections or regulations
Municipal Property Rates Act 6 of 2004	Section 3(1)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulation 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), 15(1)(a)(ii)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulation 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 19(b) Regulation 21(b), 22(1)(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 29(5)(b)(ii) Regulation 32, 36, 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) Regulation 43, 44, 46(2)(e), 46(2)(f)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Section 1(i), 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulation 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) Regulation 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulation 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Construction Industry Development Board Act 38 of2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)

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List of Abbreviations

Abbreviation	Description
ABS	Access to Basic Services
ACDP	African Christian Democratic Party
AGSA	Auditor-General of South Africa
AMEU	Association of Municipal Electricity Utilities
ANC	African National Congress
ANPR	Automatic Number Plate Recognition System
BAC	Bid Adjudication Committee
BBBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BICLS	Bulk Infrastructure Development Contribution Levies
CAC	Civic Amenity Centre
CAPEX	Capital Expenditure
CBD	Central Business District
CBP	Community-Based Planning
CCTV	Closed Circuit Television
CDW	Community-Development Worker
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGI	Compliance and Governance Index
CIGFARO	Chartered Institute of Government Finance, Audit and Risk Officers
CITP	Comprehensive Integrated Transport Plan
COGTA	Cooperative Governance and Traditional Affairs
COPE	Congress of the People
CRSES	Sustainable Energy Studies
DA	Democratic Alliance
DCAS	Department of Arts, Culture and Sports
DEA and DP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DOE	Department of Education
DORA	Division of Revenue Act
DWS	Department of Water and Sanitation
ECD	Early Childhood Development
EE	Employment Equity
EHP	Emergency Housing Policy
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
ESTA	Extension of Security of Tenure Act
GRDM	Garden Route District Municipality
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
GDP-R	Gross Domestic Product - Regional
HR	Human Resources
HSDG	Human Settlements Development Grant

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Abbreviation	Description
IBR	Inverted Box Rib
ICT	Information and Communication Technology
IDP	Integrated Development Plan
iGRAP	Interpretations of Standards of Generally Recognised Accounting Practice
IFRS	International Financial Reporting Standards
IMATU	Independent Municipal Trade Union
IPC	Integrated Planning Committee
IWMP	Integrated Waste Management Plan
IWAA	Integrated Water Availability Assessment
IZS	Integrated Zoning Scheme
JPI	Joint Planning Initiative
JSE	Johannesburg Stock Exchange
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LGMTEC	Local Government Medium Term Expenditure Committee
LGSETA	Local Government Sector Education and Training Authority
LM	Local Municipality
LR	Labour Relations
LUMS	Land Use Management System
LUPA	Land Use Planning Act
LUPO	Land Use Planning Ordinance
MAYCO	Executive Mayoral Committee
MERO	Municipal Economic Review Outlook
MFMA	Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
MGRO	Municipal Governance Review and Outlook
MIG	Municipal Infrastructure Grant
MINMAY	Provincial Ministers, Provincial Heads of Departments, Mayors and Municipal Managers
MM	Municipal Manager
MMC	Member of the Mayoral Committee
MMF	Municipal Managers Forum
MOU	Memorandum of Understanding
MPAC	Municipal Public Accounts Committee
MPC	Multipurpose Centre
MSA	Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
mSCOA	Municipal Standard Chart of Accounts
MVA	Mega Volt Amp
NDP	National Development Plan
NEMA	National Environment Management Authority
NGO	Non-Governmental Organisation
NHBRC	National Housing Building Regulation Council
NPO	Non-Profit Organisation
NRTLEC	National Road Traffic Legislation Enforcement Code
NT	National Treasury

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Abbreviation	Description
OHS	Occupational Health and Safety
OPEX	Operating Expenditure
PDO	Predetermined Objectives
PDoHS	Provincial Department of Human Settlement
PIE	Prevention of Illegal Evictions
PMS	Performance Management System
PPDO	Provincial Predetermined Objectives
PPP	Public Private Partnership
PRASA	Passenger Rail Agency of South African
PSDF	Provincial Spatial Development Framework
PSDF	Provincial Spatial Development Framework
PSP	Provincial Strategic Plan
PT	Provincial Treasury
RBIG	Regional Bulk Infrastructure Grant
RUMC	Rural Urban Market Centre
SABS	South African Bureau of Standards
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SAMWU	South African Municipal Workers Union
SANS	South Africa National Standards
SAPS	South African Police Service
SASSA	South African Social Security Agency
SCMU	Supply Chain Management Unit
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SITA	State Information Technology Agency
SMME	Small Medium Micro Enterprises
SMS	Short Message Service
SOP	Standard Operating Procedure
SPLUMA	Spatial Planning and Land Use Management Act
TASK	Tuned Assessment of Skills and Knowledge
TIATCP	Technical Innovation Agency Technical Centre Programme
VTS	Vehicle Testing System
WC	Western Cape

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ANNEXURE A: ANNUAL FINANCIAL STATEMENTS 2023/24

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ANNEXURE B: ANNUAL PERFORMANCE REPORT 2023/24

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ANNEXURE C: AUDIT AND PERFORMANCE AUDIT COMMITTEE ANNUAL REPORT 2023/24

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ANNEXURE D: REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA 2023/24

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GEORGE

THE CITY FOR ALL REASONS

GEORGE LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

30 November 2024

GENERAL INFORMATION

Nature of business and principal activities

George Municipality (the municipality) is a category B, medium capacity, local government institution in George, Western Cape. The addresses of its registered office and principal place of business are disclosed hereunder and in the introduction of the Annual Report. The principal activities of the municipality are disclosed in the Annual Report and are prescribed by the Constitution.

Reporting entity's mandate:

The reporting entity (hereafter 'the Entity') is a medium-capacity, category B local authority established in terms of section 151 of the Constitution of the Republic of South Africa (Act 108 of 1996).

The principal activities of the Entity are to:
* provide democratic and accountable government to the local communities;
* ensure sustainable service delivery to communities;
* promote social and economic development;
* promote a safe and healthy environment; and
* encourage the involvement of communities and community organisations in the matters of local government.

The Entity's operations are governed by the Local Government: Municipal Finance Management Act (MFMA) (Act 56 of 2003), Municipal Structures Act (Act 117 of 1998), Municipal Systems Act (Act 32 of 2000) and various other acts and regulations.

Mayoral committee

Executive Mayor	L van Wyk (Resigned 20 June 2024)
	J Von Brandis
Deputy Executive Mayor	RS Figland
Speaker	S Snyman

Councillors

Ward	
1	J Safers
2	DL Cronje
2	V Gericke (27 October 2023)
3	E Brown
4	M Barnardt
5	M Simmers
6	JH Jantjies
7	VS Mruqhli
8	B Petrus (21 November 2023)
8	S Vorster
9	TE Lento
10	ZB Gom
11	SZ Ntondini
12	ET Mdaka
13	SM Toto
14	M Roelfse
16	B Hani

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GENERAL INFORMATION

16	T Jeyi
17	B Adams
18	D Gultig
20	I Kritzinger
20	C Alexander
21	S Manxele
22	M Kruger
23	B Johnson
24	J Fry
25	J Esau
26	B Von Brandis
27	R Hector (20 July 2023)
27	M Kleynhans
28	S Snyman

Proportionally elected councillors

EC America
VD Carolus
CM Clarke
J du Toit
ED Figland
V Gericke (Resigned 27 October 2023)
M Greef
C Jansen (Resigned 6 November 2023)
KS Lose
RMI Louw
G Masase
N Mbete
F Mdaka
L Ncamile (07 May 2023)
C Neethling
GC Niehaus
JC Petersen
P Qampi
TM Qatana
SJ Smart
G van Niekerk
L Van Wyk (Resigned 20 June 2024)
R Voster
D Wessels (20 June 2024)
R Windwaai
E Bussack
DB Coeries
M Gultig
GD Leminie
H Philander
JG Stander

AUDITOR-GENERAL SOUTH AFRICA
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GENERAL INFORMATION

Grading of local authority	5
Municipal Demacation code	WC044
Auditor	The Auditor General of South Africa
Bankers	First National Bank
Registered office	Civic Centre 71 York Street George 6530
Postal address	PO Box 19 George 6530
Accounting Officer	Mr. D Adonis (Acting)
Chief Finance Officer (CFO)	R du Plessis
Website	www.george.gov.za
E-mail	post@geoge.gov.za

AUDITOR-GENERAL SOUTH AFRICA
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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
mSCOA	Municipal Standard Chart of Accounts

AUDITOR-GENERAL SOUTH AFRICA
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ACCOUNTING OFFICER'S APPROVAL OF THE FINANCIAL STATEMENTS

Section 60 of the MFMA states that the municipal manager is the accounting officer, thus as the accounting officer of the municipality I hereby certify that -

Financial Management and administration

The top management of the municipality have assisted me with the management and co-ordination regarding the financial administration of the municipality. An appropriate system of delegation has been developed in order to both maximise administrative and operational efficiency, as well as provide adequate checks and balances in the municipality's financial administration. Each senior manager of the municipality has taken all reasonable steps within their respective areas of responsibility to ensure -

- that the system of financial management and internal control established for the municipality is carried out diligently;
- that the financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;
- that any unauthorised, irregular or fruitless and wasteful expenditure and any other losses are prevented;
- that all revenue due to the municipality is collected;
- that the assets and liabilities of the municipality are managed effectively and that assets are safeguarded and maintained to the extent necessary;
- that all information required by the accounting officer for compliance with the provisions of this Act is timeously submitted to the accounting officer; and
- that the provisions of this Act, to the extent applicable to that senior manager or official, including any delegations in terms of section 79, are complied with.

The salaries, allowances and benefits of Councillors as disclosed in the notes of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act, and the Minister of Provincial and Local Government's determination in accordance with this Act.

Preparation of AFS and submission for audit purposes

I am responsible for the preparation of these Financial Statements in terms of Section 126(1) of the Municipal Finance Management Act which I have signed on behalf of the municipality.

Issues raised by the Auditor-General in audit reports

All issues raised by the Auditor-General regarding the prior year Annual Financial Statements have been addressed.

B-BBEE Disclosure

In terms of Section 13G, 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. Please refer to note 61.

GW Louw
Acting Accounting Officer

AUDITOR-GENERAL SOUTH AFRICA
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30 November 2024

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Inventories	2	116,749,323	121,257,268
Receivables from exchange transactions	3	206,584,906	189,026,240
Receivables from non-exchange transactions	4	74,962,040	85,208,870
Prepayments	6	7,218,596	7,322,843
VAT receivable	7	23,875,342	26,929,202
Construction contracts and receivables	8	2,537,515	3,468,641
Loans and receivables	9	122,910	156,473
Principle agent arrangement: amounts due from principle	10	1,103,983	1,103,983
Cash and cash equivalents	11	1,357,019,037	843,879,110
		1,790,173,652	**1,278,352,630**
Non-Current Assets			
Property, plant and equipment	12	4,603,622,224	3,894,819,455
Intangible assets	13	584,729	909,691
Heritage assets	14	4,236,000	4,236,000
Investment property	15	143,744,521	143,911,704
Loans and receivables	9	95,577	119,039
		4,752,283,051	**4,043,995,889**
Total Assets		**6,542,456,703**	**5,322,348,519**
Liabilities			
Current Liabilities			
Loans and borrowings	16	55,989,941	46,758,346
Service concession liability	17	19,848,947	16,538,804
Payables from exchange transactions	18	363,017,070	258,113,335
Consumer deposits	19	45,628,334	39,659,086
Employee benefit obligation	20	84,313,413	84,665,993
Provisions	21	18,495,179	24,818,292
Unspent conditional grants and receipts	22	757,265,419	422,809,718
		1,344,558,303	**893,363,574**
Non-Current Liabilities			
Loans and borrowings	16	414,367,952	261,957,242
Service concession liability	17	29,066,031	48,914,977
Payables from exchange transactions	18	10,504,474	8,113,143
Employee benefit obligation	20	215,022,400	197,450,828
Provisions	21	83,767,224	88,968,626
		752,728,081	**605,404,816**
Total Liabilities		**2,097,286,384**	**1,498,768,390**
Net Assets		**4,445,170,319**	**3,823,580,129**
Housing development fund	23	33,869,830	35,729,371
Accumulated surplus		4,411,300,489	3,787,850,758
Total Net Assets		**4,445,170,319**	**3,823,580,129**

AUDITOR-GENERAL SOUTH AFRICA
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STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Sale of electricity	24	931,086,882	785,776,767
Sale of water	24	228,473,527	211,952,855
Sewerage and sanitation charges	24	168,467,446	157,407,731
Refuse removal	24	153,295,801	141,374,178
Rental of facilities and equipment		4,425,474	4,214,837
Income from agency services	25	14,083,052	14,304,911
GIPTN Fare Revenue	26	77,498,662	63,779,838
Operating revenue	27	101,372,713	83,712,016
Interest received - Outstanding Debtors	28	21,634,976	14,405,852
Interest received - External Investments	28	103,305,656	63,346,326
Total revenue from exchange transactions		**1,803,644,189**	**1,540,275,311**
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	29	443,330,073	384,703,012
Licences and Permits	30	1,779,415	1,836,903
Transfer revenue			
Government grants & subsidies - Operating	31	680,045,129	624,643,277
Government grants & subsidies - Capital	31	580,648,646	408,296,370
Public contributions and donations		10,000	-
Construction contract revenue	8	314,874	271,625
Fines, Penalties and Forfeits	32	35,343,550	61,038,941
Other			
Availability charges	33	22,296,913	22,312,412
Actuarial gains	20	2,963,805	31,724,308
Total revenue from non-exchange transactions		**1,766,732,405**	**1,534,826,848**
Total revenue		**3,570,376,594**	**3,075,102,159**
Expenditure			
Employee related costs	34	644,896,264	604,733,822
Remuneration of councillors	35	25,563,677	25,556,683
Depreciation and amortisation	36	216,787,183	179,597,594
Impairment loss	37	135,065,902	138,479,479
Finance costs	38	89,393,067	77,897,108
Bulk purchases	39	715,566,093	598,225,496
Contracted services	40	700,573,012	640,910,412
Grants and subsidies paid	41	85,765,255	79,459,407
Cost of housing sold		4,011,995	5,389,776
Loss on disposal of assets and liabilities	42	1,290,473	994,607
Inventories losses/write-downs	43	26,162,832	22,845,376
Other materials / Inventory	44	192,922,619	180,989,391
General Expenses	45	110,788,037	103,712,936
Total expenditure		**2,948,786,409**	**2,658,792,087**
Surplus for the year		**621,590,185**	**416,310,072**

AUDITOR-GENERAL SOUTH AFRICA
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STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand	Transfer to / (from) the Housing Development Fund'	Accumulated surplus / defici	Total net assets
Opening balance as previously reported	35,872,551	3,371,766,867	3,407,639,418
Adjustments			
Prior period errors - Refer to Note 49	-	(369,361)	(369,361)
Balance at July 1, 2022 as restated*	**35,872,551**	**3,371,397,506**	**3,407,270,057**
Changes in net assets			
Surplus for the year	-	416,310,072	416,310,072
Transfer to / (from) the Housing Development Fund	(143,180)	143,180	-
Total changes	(143,180)	416,453,252	416,310,072
Restated* Balance at July 1, 2023	**35,729,371**	**3,787,850,763**	**3,823,580,134**
Changes in net assets			
Surplus for the year	-	621,590,185	621,590,185
Transfer to / (from) the Housing Development Fund	(1,859,541)	1,859,541	-
Total changes	(1,859,541)	623,449,726	621,590,185
Balance at June 30, 2024	**33,869,830**	**4,411,300,489**	**4,445,170,319**
Note(s)	23		

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CASH FLOW STATEMENT

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Taxation		445,954,272	390,084,385
Sale of goods and services		1,485,293,103	1,278,942,047
Grants		1,608,038,565	1,416,738,985
Construction contracts		1,246,000	1,078,416
Interest income		114,973,106	68,353,182
Other receipts		105,899,258	78,771,024
		3,761,404,304	3,233,968,039
Payments			
Employee costs		(698,062,207)	(651,584,295)
Suppliers		(1,690,626,877)	(1,639,174,072)
Finance costs		(56,996,243)	(44,917,564)
		(2,445,685,327)	(2,335,675,931)
Net cash flows from operating activities	46	**1,315,718,977**	**898,292,108**
Cash flows from investing activities			
Purchase of property, plant and equipment	12	948,722,022	(709,387,324)
Proceeds from sale of property, plant and equipment	12	848,537	7,072,475
Proceeds from sale of investment property	15	121,720	-
Proceeds from sale of loans and receivables		69,210	293,444
Net cash flows from investing activities		**(947,682,555)**	**(702,021,405)**
Cash flows from financing activities			
Proceeds from loans and borrowings		215,929,000	116,717,783
Repayment of loans and borrowings		(54,286,695)	(49,539,467)
Service concession liability		(16,538,803)	(12,105,440)
Net cash flows from financing activities		**145,103,502**	**55,072,876**
Net increase/(decrease) in cash and cash equivalents		**513,139,924**	**251,343,578**
Cash and cash equivalents at the beginning of the year		843,879,110	592,535,532
Cash and cash equivalents at the end of the year	11	**1,357,019,037**	**843,879,110**

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue by source						
Property rates	441,877,370	-	**441,877,370**	443,330,073	**1,452,703**	64
Service charges	1,446,139,976	-	**1,446,139,976**	1,481,323,656	**35,183,680**	64
Investment revenue	57,414,834	-	**57,414,834**	103,305,656	**45,890,822**	64
Transfers recognised - operational	731,260,000	-	**731,260,000**	680,045,129	**(51,214,871)**	64
Other own revenue	552,788,844	-	**552,788,844**	281,723,434	**(271,065,410)**	64
Total Revenue (excluding capital transfers and contributions)	**3,229,481,024**	**-**	**3,229,481,024**	**2,989,727,948**	**(239,753,076)**	
Expenditure by type						
Employee costs	703,368,313	5,296,990	**708,665,303**	644,896,265	**(63,769,038)**	64
Remuneration of councillors	29,923,188	(234,000)	**29,689,188**	25,563,677	**(4,125,511)**	64
Debt impairment	103,918,450	-	**103,918,450**	135,065,902	**31,147,452**	64
Depreciation and Amortisation	187,493,795	-	**187,493,795**	216,787,183	**29,293,388**	64
Finance charges	40,388,003	6,244,000	**46,632,003**	89,393,067	**42,761,064**	64
Inventory consumed and bulk purchases	1,030,066,463	(6,855,967)	**1,023,210,496**	934,651,544	**(88,558,952)**	64
Transfers and grants	83,008,299	3,506,204	**86,514,503**	85,765,255	**(749,248)**	64
Other expenditure	997,179,425	(7,934,757)	**989,244,668**	816,663,516	**(172,581,152)**	64
Total expenditure	**3,175,345,936**	**22,470**	**3,175,368,406**	**2,948,786,409**	**(226,581,997)**	
Surplus / (Deficit)	**54,135,088**	**22,470**	**54,112,618**	**40,941,539**	**(466,335,073)**	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,315,946,060	-	**1,315,946,060**	580,648,646	**(735,297,414)**	64
Surplus / (Deficit) after capital transfers & contributions	**1,370,081,148**	**22,470**	**1,370,058,678**	**621,590,185**	**(1,201,632,487)**	
Surplus / (Deficit) for the year	**1,370,081,148**	**22,470**	**1,370,058,678**	**621,590,185**	**(1,201,632,487)**	

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
30 November 2024

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Capital expenditure						
Capital expenditure by vote						
Finance and Administration	4,404,380	-	**4,404,380**	4,063,204	**(341,176)**	64
Internal Audit	94,061	-	**94,061**	86,658	**(7,403)**	64
Community and Social Services	24,806,044	-	**24,806,044**	15,750,503	**(9,055,541)**	64
Community Halls and Facilities	837,383	-	**837,383**	-	**(837,383)**	64
Sport and recreation	14,102,890	-	**14,102,890**	13,624,993	**(477,897)**	64
Public Safety	35,934,005	-	**35,934,005**	34,437,256	**(1,496,749)**	64
Housing	4,037,937	-	**4,037,937**	3,699,842	**(338,095)**	64
Planning and Development	22,034,227	-	**22,034,227**	15,607,887	**(6,426,340)**	64
Road Transport	766,438,753	-	**766,438,753**	204,437,781	**(562,000,972)**	64
Energy Sources	169,467,685	-	**169,467,685**	142,105,235	**(27,362,450)**	64
Water Management	480,613,148	-	**480,613,148**	377,642,800	**(102,970,348)**	64
Waste Water Management	189,839,821	-	**189,839,821**	121,590,825	**(68,248,996)**	64
Waste Management	15,754,334	-	**15,754,334**	15,255,874	**(498,460)**	64
Other	364,824	-	**364,824**	195,214	**(169,610)**	64
	1,728,729,492	**-**	**1,728,729,492**	**948,498,072**	**(780,231,420)**	
	-	**-**	**-**	**-**	**-**	
Sources of Capital Funds						
Borrowing	291,938,457	-	**291,938,457**	259,564,733	**(32,373,724)**	
Internally Generated funds	226,145,784	-	**226,145,784**	176,461,078	**(49,684,706)**	
Transfers recognized - Capital	1,210,645,251	-	**1,210,645,251**	512,472,261	**(698,172,990)**	
	1,728,729,492	**-**	**1,728,729,492**	**948,498,072**	**(780,231,420)**	

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Taxation	424,232,880	-	**424,232,880**	445,954,272	**21,721,392**	
Sale of goods and services	1,465,400,390	-	**1,465,400,390**	1,485,293,103	**19,892,713**	
Grants	1,640,280,000	-	**1,640,280,000**	1,608,038,565	**(32,241,435)**	
Construction contracts	-	-	**-**	1,246,000	**1,246,000**	
Interest income	57,740,274	-	**57,740,274**	114,973,106	**57,232,832**	
Other receipts	194,473,336	-	**194,473,336**	105,899,258	**(88,574,078)**	
	3,782,126,880	**-**	**3,782,126,880**	**3,761,404,304**	**(20,722,576)**	
Payments						
Suppliers and employee cost	(2,601,606,750)	-	**(2,601,606,750)**	(698,062,207)	**1,903,544,543**	
Suppliers	-	-	**-**	(1,690,626,877)	**(1,690,626,877)**	
Finance costs	(36,826,835)	-	**(36,826,835)**	(56,996,243)	**(20,169,408)**	
	(2,638,433,585)	**-**	**(2,638,433,585)**	**(2,445,685,327)**	**192,748,258**	
Net cash flows from operating activities	**1,143,693,295**	**-**	**1,143,693,295**	**1,315,718,977**	**172,025,682**	
Cash flows from investing activities						
Purchase of property, plant and equipment	(1,728,729,492)	-	**(1,728,729,492)**	(948,722,022)	**780,007,470**	
Proceeds on disposal of property, plant and equipment	4,800,000	-	**4,800,000**	848,537	**(3,951,463)**	
Proceeds on disposal of Investment property	-	-	**-**	121,720	**121,720**	
Proceeds from sale of loans and receivables	-	-	**-**	69,210	**69,210**	
Net cash flows from investing activities	**(1,723,929,492)**	**-**	**(1,723,929,492)**	**(947,682,555)**	**776,246,937**	
Cash flows from financing activities						
Receipts						
Proceeds from loans and borrowings	266,204,443	-	**266,204,443**	215,929,000	**(50,275,443)**	
Repayment of loans and borrowings	(46,598,376)	-	**(46,598,376)**	(54,286,695)	**(7,688,319)**	
Repayment of Service concesson liabilty	-	-	**-**	(16,538,803)	**(16,538,803)**	
Net cash flows from Financing activities	**219,606,067**	**-**	**219,606,067**	**145,103,502**	**(74,502,565)**	

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Net increase/(decrease) in cash held	(360,630,130)	-	**(360,630,130)**	513,139,924	**873,770,054**	
Cash/cash equivalents at the year begin:	592,532,651	-	**592,532,651**	843,879,110	**251,346,459**	
Cash and cash equivalents at the end of the year	**231,902,521**	**-**	**231,902,521**	**1,357,019,037**	**1,125,116,513**	

The accounting policies on pages 14 to 46 and the notes on pages 47 to 165 form an integral part of the annual financial statements.

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ACCOUNTING POLICIES

George Municipality is a local government institution in George, Western Cape. The addresses of its registered office and principal place of business are disclosed under General Information. Refer to page 4.

The accounting policies for the municipality are:

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Municipal Finance Management Act (MFMA) and effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures have been rounded to the nearest Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were 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, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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

These accounting policies are consistent with the previous period.

The following GRAP standards, guidelines and interpretations have been issued but are not yet effective and have not been early adopted by the municipality.

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ACCOUNTING POLICIES

Standard	Description	Effective Date (Year starting on).
GRAP 103	**Heritage assets** There are proposed amendments to the classification of mixed use, cultural significance and the fiar value accounting. The amendments to the Standard are appoved by the Board. The amendments may not be applied by entities in developing an accounting policy. Entities are only permitted to adopt the amendments once an effective date has been determined by the Minister of Finance. No significant impact is expected as the Municipality`s current treatment is already in line with the Standards treatment.	Date unkown
.		
GRAP 104	**Financial Instruments** The objective of this standards is to establish principles for recognising, measuring, presenting and disclosing financial instruments. Will have an significant impact on the categories of financial and impairment model.	1 April 2025
GRAP 1	**Presentation of Financial statements: Going Concern** The objective of this Standard is to prescribe the basis for presentation of general purpose financial statements, to ensure comparability both with the entity`s financial statements of . previous periods and with the financial statements of other enities Adjustments for going concer proposed to provide guidance on the preparation of AFS as going concern and the related disclosure. The transitional provisions are specified in the revised Standard. The amendments may not be applied by entities in developing an accounting policiy. Entities are only permitted to adopt the amendments once an effective date has been determined by the Minister of Finance. No significant impact is expected as the municipality`s current treatment is already in line with the Standards treatment.	Unknown
GRAP 105, GRAP 106, and GRAP 107 (amendments)	**Transfer of Functions and Merges** The amendments to the Standard are approved by the Board. The amendments may not be applied by entities in developing an accounting policy. Entities are only permitted to adopt the amendments once an effective date has been determined by the Minister of Finance	Unknown
iGRAP 22	**Foreign Currency Transactions and Advanced Consideration** The interpretation is to provide guidance on determining the transactions date for purpose of determining the exchange rate to use on initial recognition of the related assets, expense or revenue (or part of it) on the derecognition of a non-monetary assets or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency. Early adoption of the Interpretation is encourage. No significant impact is expected as the foreign currency transactions and advance consideration is not relevant to the operations of the	1 April 2025

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	Municipality.	
Guideline	**Application of Materiality of Financial Statements** The guideline is not authoritative but only encourage.	No effective date
Improvements to GRAP standards (2023)	The improvements are approved by the Board, The effective date is yet to be determined by the Minister of Finance. The improvements may not be applied by entities in developing an accounting policy. Entities are only permitted to adopt the improvements once an effective date has been determined by the Minister of Finance. No significant impact is expected as the Municipality`s current treatment is already in line with the Standards treatment.	Unknown

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going concern assumption

These annual financial statements have been prepared on a going concern basis.

1.3 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. In general, materiality is determined as 1% of total expenditure. This indicator is from management's perspective and does not necessarily correlate with the auditors' materiality.

1.4 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements in conformity with GRAP, management is required to make estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from these estimates.

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

Significant judgements include:

Property, plant and equipment

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

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1.4 Significant judgements and sources of estimation uncertainty (continued)

Componentisation of Infrastructure assets

All infrastructure assets are unbundled into their significant components in order to depreciate all major components over the expected useful lives. The cost of each component is calculated based on the cost price of each component.

Intangible assets

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

Investment property

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

Impairment of Property, plant and equipment, Intangible assets, Heritage assets and Inventory

Management consider the potential indicators of impairment as set out in GRAP 21: Impairment of cash-generating assets and GRAP 26: Impairment of non-cash generating assets.

The determination of the recoverable amount is dependent on the availability of required data.

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

Revenue Recognition

Accounting Policy 1.25 on Revenue from Non-Exchange Transactions and on Revenue from Exchange Transactions describes the conditions under which revenue will be recognised by management of the Municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and GRAP 23: Revenue from Non-Exchange Transactions. Specifically, whether the Municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been performed. Revenue from the issuing of spot fines and summonses has been recognised on the accrual basis using estimates of future collections based on the actual results of prior periods. Revenue from the sale of electricity prepaid units is recognised when the risks and rewards of ownership has passed to the buyer. At year-end the recognition is based on an estimate of the prepaid electricity consumed as at the reporting date. The consumption of pre-paid electricity is measured by using a trend analysis and other historical data about electricity usage. The accounting policy stated above also includes the policies for the measurement of unbilled services estimation. The management of the Municipality is satisfied that recognition of the revenue in the current year is appropriate.

Provisions and Contingent Liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the effect of discounting is material. Additional disclosures of these estimates of provisions are included in Notes 21 and 48.

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1.4 Significant judgements and sources of estimation uncertainty (continued)

Provision for landfill site

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

Management referred to the following when making assumptions regarding provisions:

- Professional engineers were utilised to determine the cost of rehabilitation of landfill sites as well as the remaining useful life of each specific landfill site.
- Interest rates linked to government bond rate and CPI was used to calculate the effect of the time value of money.

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

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

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 20.

Employee benefits: Staff leave and bonus

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

The provision for bonuses represents the best estimate of the obligation at year end and is based on historical patterns of payment of bonuses.

Impairment of receivables

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

Water inventory

The estimation of the water stock in the reservoirs is based on the measurement of water via electronic level sensors, where the level indicates the depth of the water in the reservoir, which is then converted into volumes based on the total capacity of the relevant reservoir. Furthermore, the length and width of all pipes are also taken into account in determining the volume of water on hand at year-end. Refer to Accounting Policy 1.14 for more detail.

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1.4 Significant judgements and sources of estimation uncertainty (continued)

Recognition and Derecognition of Land

In some instances the municipality is not the legal owner or the custodian of land appointed in terms of legislation, but assessed that it controls such land. Key judgements made and assumptions applied to conclude that it controls such land, are as follow (IGRAP 18 par. 41):

- Land controlled by the municipality as a result of a past event and from which future economic benefit or service potential is expected to flow to the entity are recognised by the municipality. Control is evidenced by the municipality's ability to use, or direct others to use, the land and also by the right to direct access to the land and to restrict or deny access of others to the land.

In some instances the municipality is the legal owner, or the custodian of land appointed in terms of legislation, but concludes that it does not control such land. Key judgements made and assumptions applied to conclude that it does not control such land, are as follow (IGRAP 18 par. 41):

- Land not controlled by the municipality as a result of a past event and from which future economic benefit or service potential will not flow to the municipality. The municipality does not have the ability to use or direct others to use the land. The municipality does not have rights to direct access to the land and to restrict or deny access of others to the land. There are various housing scheme land where the municipality is still the legal owner per the deeds office, but where control and substantive rights were not transferred. These land are not recognised by the municipality.

1.5 Property, plant and equipment

Recognition and measurement
Property, plant and equipment is recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to the municipality and the cost of the item can be measured reliably.

Property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and other directly attributable costs incurred in the acquisition, establishment and installation of such assets so as to bring them to a working condition for their intended use.

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, where applicable.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Trade discounts and rebates are deducted in arriving at the cost.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the assets acquired are initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition, including transaction costs.

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1.5 Property, plant and equipment (continued)

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

The cost of day-to-day servicing of property, plant and equipment is recognised in surplus or deficit as incurred.

Classification

The following items will be regarded as Property, plant and equipment rather than investment property:

- Owner-occupied property (including held for future use);
- Owner-occupied property held for development;
- Property occupied by employees for housing;
- Owner-occupied property held for disposal;
- Property held by the municipality to fulfil their mandated function rather than rental or capital appreciation and;
- Property held by the municipality for strategic purpose.

Leased assets
Leases in terms of which the municipality assumes substantially all the risks and rewards of ownership are classified as finance leases. Vehicles and office equipment acquired by way of finance leases are measured upon initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Leased assets are depreciated over the lesser of the useful life or lease term.

Subsequent costs
Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally best estimate of the expected useful life of the asset, then it is regarded as repairs and maintenance and is expensed.

Depreciation
Depreciation is recognised in surplus or deficit on a straight-line basis over the estimated useful life of each item of property, plant and equipment.

Depreciation begins when an asset 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 management, and ceases when the asset is derecognised. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The depreciation rates are initially based on the following originally estimated useful lives and thereafter on the estimated remaining useful lives as at year-end. The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The useful lives of items of property, plant and equipment have been assessed as follows:

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1.5 Property, plant and equipment (continued)

Item	Average useful life
Infrastructure	
• Electricity	20 - 45
• Roads and paving	10 - 50
• Water	5 - 50
• Gas	20
• Sewerage	3 - 35
• Security measures	3 - 40
Community	
• Buildings	3 - 75
• Recreational facilities	30
Other	
• Office equipment	5 - 30
• Furniture and fittings	5 - 40
• Bins and containers	5 - 30
• Emergency equipment	5 - 50
• Motor vehicles	5 - 50
• Waterraft	15 - 25
• Plant and equipment	5 - 50
Service concession arrangement	
• Busses	4 -12
Land and buildings	
• Buildings	75
• Land	Indefinite

Reviewing the useful life of an asset on an annual basis does not require the municipality to amend the previous estimate unless expectations differ from the previous estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Property, plant and equipment are reviewed for any indication of impairment. If any such indication exists, the accounting policy as disclosed under 1.17 or 1.18 (which ever is relevant) is applied. 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.

Items of municipality are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the municipality.

Property, plant and equipment are not used as security unless stated otherwise in the notes.

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1.6 Investment property

Initial Recognition

Investment property shall be recognised as an asset when, and only when:

- it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and
- the cost or fair value of the investment property can be measured reliably.

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

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

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Subsequent Measurement

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

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. 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 management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Investment Property	Years
Buildings	30 - 75
Land	Indefinite

Derecognition

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

Investment property is not used as security unless stated otherwise in the notes.

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ACCOUNTING POLICIES

1.7 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in a municipality's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Heritage assets are not used as security unless stated otherwise in the notes.

Recognition

The municipality recognises a heritage asset 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.

Initial measurement

Heritage assets are measured at cost less any accumulated impairment loss.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The municipality assess at each reporting date whether there is an indication that the heritage assets may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

1.8 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

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1.8 Intangible assets (continued)

An asset meets the identifiable criteria in the definition of an intangible asset when it:

- is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or
- arises from contractual rights (including rights arising from binding arrangements) or other legal rights (excluding rights granted by statute), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

The Municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Municipality and the cost or fair value of the asset can be measured reliably.

Initial recognition

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Where an intangible asset is acquired by the Municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Intangible assets are not used as security unless stated otherwise in the notes.

Computer software	3 - 12

Subsequent measurement

After the initial measurement of intangible assets, subsequent expenditure is only capitalised if future economic benefits or service potential over the total life of the intangible assets, in excess of the most recently assessed standard of performance of the existing intangible assets, will flow to the municipality.

Intangible assets consist of computer software and amortisation is charged on a straight-line basis over their useful lives, which is estimated to be between 5 to 10 years. (2023: 5 to 10 years). The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Where items of intangible assets have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified. The impairment loss is the difference between the carrying amount and the recoverable amount or recoverable service amount.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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.

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1.9 Prepayments

Prepayments are the payments for goods or services to be received in the future and are recognised as a current asset. Prepayments are transferred to the Statement of Financial Performance upon the receipt of the goods or services paid for. Prepayments are accounted for at cost.

1.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset in one municipality and a financial-liability or a residual interest of another entity.

A financial asset is:
- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange of financial assets or financial liabilities with another entity under conditions that are potentially favourable to the municipality.

A financial liability is any liability that is a contractual obligation to:
- deliver cash or another financial asset to another entity; or
- exchange of financial assets or financial liabilities under conditions that are potentially unfavourable to the municipality.

Classification

The municipality has the following types of financial assets as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade receivables from exchange transactions	Financial asset measured at amortised cost
Trade and other receivables from non-exchange transactions	Financial asset measured at amortised cost
Loans and receivables	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Principle agent arrangement: amounts due from principle	Financial asset measured at amortised cost
Construction contracts and receivables	Financial asset measured at fair value

The municipality has the following types of financial liabilities as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Loans and borrowings	Financial liability measured at amortised cost
Trade and other payables from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost
Financial liabilities	Financial liability measured at amortised cost

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

The municipality recognises financial assets using trade date accounting.

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1.10 Financial instruments (continued)

Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability in the case of a financial asset or financial liability not subsequently measured at fair value.

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost are subject to an impairment review.

Gains and losses

For financial assets and financial liabilities measured at amortised cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The municipality assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For amounts due from debtors carried at amortised cost, the Municipality first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Objective evidence of impairment includes significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 90 days overdue). If the Municipality determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

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 (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

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 loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

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1.10 Financial instruments (continued)

Derecognition

Financial assets

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
  - derecognises the asset; and
  - recognises separately any rights and obligations created or retained in the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

Financial instruments are not used as security unless stated otherwise in the notes.

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1.11 Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments.

1.12 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset. Statutory receivables can arise from both exchange and non-exchange transactions.

Initial recognition

Statutory receivables are recognised when the related revenue is recognised or when the receivable meets the definition of an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

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 changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

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

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.

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1.12 Statutory receivables (continued)

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

1.13 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.

When a lease includes land and buildings elements, the municipality assesses the classification of each element separately.

The Municipality as Lessor

Under a finance lease, the Municipality recognises the lease payments to be received in terms of a lease agreement as an asset (receivable). The 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 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. The accounting policies relating to derecognition and impairment of financial instruments are applied to lease receivables.

Payments received under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. The difference between the straight-lined revenue and actual payments received will give rise to an asset.

The Municipality as Lessee

Under a finance lease, property, plant and equipment subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments as determined at the inception of the lease. The corresponding liabilities are initially recognised at the inception of the lease and are measured at the lower of the asset's fair value or the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the Municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

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1.13 Leases (continued)

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

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

1.14 Inventories

Inventories are recognised as an asset if, and only if, it is propable 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 consisting of consumable stores, raw materials and properties held for sale are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average cost of commodities. If inventories are to be distributed at no charge or for a nominal charge they are valued at the lower of cost and current replacement cost.

Water inventory is being measured by multiplying the cost per kilo-litre of purified water by the amount of water in storage.

Unsold properties held for sale are valued at the lower of cost and net realisable value. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs. The net realisable value for this class of inventory is assessed each year by comparing the current book value to recent sales of properties in each area.

Cost of inventory comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.

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

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction and then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;
- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

Erven used for housing developments are properties that were part of the commonage when the municipality was established and the municipality received these properties at no or nominal consideration. The value of these properties is deemed to be equal to their fair value on the date of acquisition.

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1.14 Inventories (continued)

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Inventory is not used as security unless stated otherwise in the notes.

1.15 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses. Revenue is recognised in terms of actual expenditure occured on housing projects.

The municipality assessed all of the contracts in place and found that only those contracts pertaining to Housing Arrangements as those described in ASB's Accounting for Arrangements Undertaken in terms of the National Housing Programme would meet the definition on Construction Contracts.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by completion of a physical proportion of the contract work.

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

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

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

1.16 Accounting by principals and agents

Identification

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).

Assessing which entity benefits from the transactions with third parties

When the entity in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the entity concludes that it is not the agent, then it is the principal in the transactions.

The entity is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction,
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit,

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1.16 Accounting by principals and agents (continued)

- It is not exposed to variability in the results of the transaction.

Where the entity 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 entity applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the entity is an agent.

Where the municipality is considered the principal, all revenues, expenses, liabilities and assets are recorded in the records of municipality in accordance with the relevant standards of GRAP.

Where the municipality is the agent to the transaction, only the portion of revenue and expenses it receives or incurs in executing the transactions on behalf of the principal is recorded with unspent or moneys due being recorded in terms of GRAP.

1.17 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Recognition and measurement

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in the Statement of Financial Performance.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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1.17 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. 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 (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in the Statement of Financial Performance.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.18 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

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

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

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1.18 Impairment of non-cash-generating assets (continued)

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in the Statement of Financial Performance.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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1.18 Impairment of non-cash-generating assets (continued)

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 a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. 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 (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.19 Service concession arrangements: Entity as grantor

Identification

Service concession arrangement is a contractual arrangement between a grantor and an operator in which an operator uses the services concession asset to provide a mandated function on behalf of a grantor for a specified period, where the operator is compensated for its services over the period of service concession arrangement.

A grantor is the entity that grants the right to use the service concession asset to the operator.

A mandated function involves the delivery of a public service by an operator on behalf of a grantor that falls within the grantor's mandate.

An operator is the entity that uses the service concession asset to provide a mandated function subject to the grantor's control of the asset

A service concession asset is an asset used to provide a mandated function in a service concession arrangement that:

- is provided by the operator which:
  - the operator constructs, develops, or acquires from a third party; or
  - is an existing asset of the operator; or
- is provided by the grantor which:
  - is an existing asset of the grantor; or
  - is an upgrade to an existing asset of the grantor.

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1.19 Service concession arrangements: Entity as grantor (continued)

Recognition of asset and liability

The entity recognises an asset provided by the operator and an upgrade to an existing asset of the entity, as a service concession asset if the entity controls or regulates what services the operator must provide with the asset, to whom it must provide them, and at what price, and if the entity controls (through ownership, beneficial entitlement or otherwise) any significant residual interest in the asset at the end of the term of the arrangement. This applies to an asset used in a service concession arrangement for its entire economic life (a "whole-of-life" asset).

After initial recognition or reclassification, service concession assets are clearly identified from other assets within the same asset category, and are clearly identified from owned and/or leased assets.
Where the entity recognises a service concession asset, and the asset is not an existing asset of the entity (grantor), the entity (grantor) also recognises a liability.
The entity does not recognise a liability when an existing asset of the entity is reclassified as a service concession asset, except in circumstances where additional consideration is provided by the operator.

Measurement of asset and liability

The entity initially measures the service concession asset as follows:
- Where the asset is not an existing asset of the entity, the asset is measured at its fair value.
- Where the asset is an existing asset of the entity and it meets the recognition criteria of a service concession asset, the asset is reclassified as a service concession asset, and the asset is accounted for in accordance with the policy on Property, plant and equipment, Intangible assets, or Heritage assets, as approriate.

The entity initially measures the liability at the same amount as the service concession asset, adjusted by the amount of any other consideration from the entity to the operator, or from the operator to the entity.

Provisions, contingent liabilities and contingent assets

The entity accounts for other liabilities, contingent liabilities, and contingent assets arising from a service concession arrangement in accordance with the policy on Provisions, Contingent liabilities and contingent assets and Financial instruments.

Other revenues

The entity accounts for revenues from a service concession arrangement, other than those relating to the grant of a right to the operator model, in accordance with the Standard of GRAP on Revenue from exchange transactions. Refer to 1.25 for the accounting policy of GIPTN fare revenue.

1.20 Employee benefits

Employee benefits are all forms of consideration given by a municipality in exchange for services rendered by employees.

Short-term employee benefits

Remuneration to employees is recognised in the statement of financial performance as the services are rendered, except for non-accumulating benefits which are only recognised when the specific event occurs.

The costs of all short-term employee benefits such as leave pay and bonuses, are recognised during the period in which the employee renders the related service. The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

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1.20 Employee benefits (continued)

Long-service Award
Long service awards are provided to employees who achieve certain pre-determined milestones of service within the municipality. The municipality's obligation is valued by independent qualified actuaries at year-end and the corresponding liability is raised. Payments set-off against the net liability, including notional interest, resulting from the valuation by the actuaries, are charged against the statement of financial performance. Defined benefit plans are post-employment plans other than defined contribution plans.

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

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

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

Performance bonuses
A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is maintained. Municipal entities' performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

Post-employment benefits

The Municipality provides post-retirement benefits for its employees. Council pays 70% as contributions and the remaining 30% are paid by the members.

These obligations are valued periodically by independent qualified actuaries.

Multi-employer Defined Benefit Plans and Defined Contribution Plans

The municipality classifies a multi-employer plan as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms).

Where a plan is a defined contribution plan, the municipality accounts for it in the same way as for any other defined contribution plan.

Where a plan is a defined benefit plan, the municipality accounts for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan.

The municipality contributes to various National- and Provincial-administered plans on behalf of its qualifying employees. These funds are multi-employer funds (refer to Note 20 of the Financial Statements for details)

Post-retirement medical obligation

The municipality provides certain post-retirement medical benefits by funding the medical aid contributions of certain retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee.

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1.20 Employee benefits (continued)

The Municipality provides post-retirement medical benefits by subsidising the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 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 net defined benefit liability is actuarially determined on an annual basis (using a discount rate applicable to high quality government bonds). The plan is unfunded.

These contributions are charged to the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The liability was calculated by means of the projected unit credit actuarial valuation method. The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

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

1.21 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Municipality has a present legal or constructive obligation as a result of past events, it is possible that an outflow of resource embodying economic benefits 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 the expenditure required to settle the present obligation. 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 shall be reversed.

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 (for example in the case of obligations for the rehabilitation of land).

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.

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

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 settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent Assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not fully within the control of the municipality.

1.22 Unspent conditional government grants and receipts

Conditional government grants are subject to specific conditions. If these specific conditions are not met, the monies received are repayable.

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1.22 Unspent conditional government grants and receipts (continued)

A liability for unspent conditional grants is recognised only to the extent that the conditions attached to the grant have not been satisfied and are separately reflected on the Statement of Financial Position. They represent unspent government grants, subsidies and contributions from the public.

This liability always has to be asset-backed. The following provisions are set for the creation and utilisation of this creditor:

- Unspent conditional grants are recognised as a liability when the grant is received.
- When grant conditions are met an amount equal to the conditions met is transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor is invested as individual investment or part of the operating account of the municipality until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.23 Conditional government grants and subsidies receivables

Conditional government grants and subsidies receivable are assets in terms of GRAP that are separately reflected on the Statement of Financial Position. The asset is recognised when the municipality has an enforceable right to receive the grant or if it is virtually certain that it will be received based on that grant conditions have been met. They represent unpaid government grants, subsidies and contributions from the public.

The following provision is set for the creation and utilisation of the grants as receivables:

- Unpaid conditional grants are recognised as an asset when the grant is receivable.

1.24 Grant-in-aid

The municipality transfers money to individuals, organisations and other sectors of government from time to time in accordance with Section 67 of the MFMA. When making these transfers, the municipality does not:

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

These transfers are recognised in the Statement of Financial Performance as expenses in the period that the events giving rise to the transfer occurred.

1.25 Revenue

Revenue from the sale of goods in the ordinary course of the municipality's activities is measured at the fair value of the consideration received or receivable, net of value-added tax, estimated returns, rebates and discounts. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

Revenue from Exchange Transactions

Service Charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

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1.25 Revenue (continued)

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.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved by Council and are levied monthly.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

Revenue from the services rendered is recognised when:

- The amount of revenue can be measured reliably;
- It is probable that economic benefits or service potential associated with the transaction will flow to the municipality;
- The stage of completion at the reporting date can be measured reliably;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Pre-paid electricity

Revenue from the sale of electricity prepaid units is recognised when the risks and rewards of ownership has passed to the buyer. At year-end the recognition is based on an estimate of the prepaid electricity consumed as at the reporting date. The consumption of pre-paid electricity is measured by using a trend analysis and other historical data about electricity usage.

Interest earned and rentals received

Interest income is recognised in the Statement of Financial Performance as it accrues, using the effective interest rate method. Rental income is recognised on a straight-line basis over the lease term. Interest may be transferred from the Accumulated Surplus to the Housing Development Fund.

Tariff Charges

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

Agency commission

Commission for agency services is recognised on a monthly basis once the income collected on behalf of the principles has been quantified. The income recognised is in terms of the agency agreement.

Housing rental and instalments

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised as it accrues in surplus or deficit using the effective interest method.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing managerial involvement with the goods, and the amount of revenue can be measured reliably.

GIPTN Fare Revenue

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1.25 Revenue (continued)

Transit products are sold as single and multi-journey products that are scripted to the passengers' Europay, MasterCard and Visa (EMV) compliant GO GEORGE Smart Card. The products are sold at fixed and mobile kiosks and through third-party vendors. The transit products are redeemed on the bus when the passenger presents (taps) the Smart Card to the Optima reader to board the bus. If the transaction is successful, a trip is deducted from the balance on the Smart Card and the machine provides a receipt. Upon a successful transaction, a trip is valid for an hour and the passenger may transfer between buses and routes within this period for free by presenting their receipt with the timestamp to the driver for verification. The Municipality collects the full revenue from products sold. The revenue is adjusted annually to account for unused trips. The unused trips are the difference between the total product sales and the taps on bus.

Revenue from non-exchange transactions

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 using the effective interest method. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Fines

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

Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, at the fair value of the property, plant and equipment received or receivable. Contributed property, plant and equipment is recognised when the risks and rewards of ownership have transferred to the municipality.

Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure

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

Unconditional grant

An unconditional grant is recognised in the Statement of Financial Performance when the grant is receivable.

Conditional grants and receipts

Income received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Grants that compensate the municipality for expenses incurred are recognised in the Statement of Financial Performance on a systematic basis in the same periods in which the expenses are recognised.

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

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1.25 Revenue (continued)

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the grantor it is recorded as part of the liability and if not, it is recognised as interest earned in the Statement of Financial Performance.

Unclaimed monies forfeit

The municipality reserves the right to enforce the Prescription Act on all unidentified and unallocated monies after 3 years.

Public contributions

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property , plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

1.26 Borrowing costs

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

1.27 Value Added Tax

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

The municipality accounts for Value Added Tax on the payment basis. The municipality is liable to account for Value Added Tax at the standard rate of 15% in terms of section 7(1) of the VAT Act, in respect of the supply of goods or services except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 or are out of scope for VAT purposes. The timing of payments to or from the South African Revenue Service is the last day of each of the twelve months of the financial year.

1.28 Housing Development Fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from National and Provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

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ACCOUNTING POLICIES

1.29 Municipal Land Transport Fund

The municipality, jointly with the Provincial Government of the Western Cape via its Department of Transport and Public Works, has implemented the George Integrated Public Transport Network for the delivery of public transport services in the George municipal area.

The National Land Transport Act, (Act No. 5 of 2009) requires that a municipality establishing an integrated public transport network must establish a Municipal Land Transport Fund in terms of Section 27 of the Act. Money appropriated by the Minister and / or MEC for the Fund, user charges collected and interest on invested cash balances belonging to the Fund, should be paid into the fund. The fund is utilised to defray the costs of the functions in terms of its integrated transport plan.

The Municipal Land Transport Fund was established on 8 December 2014, which is the date the transport service commenced.

The Municipal Land Transport Fund is treated as a ring fenced cost centre within the municipality. Refer to note 56 for more detail.

1.30 Capital commitments

Capital commitments disclosed in the financial statements represent the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date. The amounts disclosed in note 47 are inclusive of VAT.

1.31 Events after reporting date

Events after the reporting date that are classified as adjusting events are accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the financial statements.

1.32 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control.

Related parties include:

- Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the reporting entity;
- Individuals owning, directly or indirectly, an interest in the reporting entity that gives them significant influence over the entity, and close members of the family of any such individual;
- Key management personnel, and close members of the family of key management personnel; and
- Entities in which a substantial ownership interest is held, directly or indirectly, by any person described in the 2nd and 3rd bullet, or over which such a person is able to exercise significant influence.

Key management personnel include:

- All directors or members of the governing body of the entity, being the Executive Mayor, Deputy Mayor, Speaker and members of the Mayoral Committee.
- Other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting entity being the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

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1.32 Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

All transactions with related parties are disclosed.

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.

1.33 Budget information

The Municipality is subject to budgetary limits in the form of a Council approved budget, which is given effect through authorising legislation.

General purpose financial reporting by the municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis. The approved budget covers the fiscal period from 01/07/2023 to 30/06/2024.

The annual financial statements and the budget are on the same basis of accounting except for certain accounting entries (e.g. movement in legal provisions) therefore a reconciliation between the Statement of Financial Performance and the budget has been included in the annual financial statements. Refer to the Statement of Comparison of Budget and Actual Amounts.

Explanations for differences between the approved and final budget are included in the Notes to the Financial Statements. Material differences are being defined by Management as 10% of a specific line-item and amounts greater than R1,000,000. Explanations for material differences between the final budget amounts and actual amounts are included in the Notes to the Financial Statements - refer to Note 64.

1.34 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 the 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 in the Statement of Financial Performance in the year that the expense was incurred and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. Unauthorised expenditure is submitted to Council after year end for authorisation.

1.35 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

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ACCOUNTING POLICIES

1.36 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 excludes unauthorised expenditure. 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.

1.37 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.38 Change in accounting policies, estimates and errors

Changes in accounting policies that are affected by management are applied retrospectively except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively. Details of changes in estimates are disclosed in the notes to the financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Refer to note 48 of the financial statements for details of corrections of errors recorded during the period under review.

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1.39 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

The municipality manages its assets and liability as a whole and are not reviewed on a segregated basis for each town. Segment reporting per geographical area is not deemed relevant.

Identification

Segments are identified by the way in which information is reported to management for purposes of assessing performance as well as allocating resources to the various activities undertaken. The classifications of activities identified in monthly management accounts and / or budget documentation usually reflect the segments reported to management.

It is prudent to note the following:

- activities performed by administrative units and functional departments which do not on its own give rise to future economic benefits or service potential, are not regarded as segments.
- post-employment benefit plans are expressly excluded from the scope of the standard of GRAP on segment reporting (i.e. GRAP 18), and thus is not regarded as a segment.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2024	2023

2. Inventories

Consumable stores - at cost	9,864,006	14,554,368
GIPTN Smart Cards for electronic fare revenue system	202,863	375,500
Maintenance materials, chemicals and water reserve - at cost	14,503,667	11,280,427
Purified water	1,047,109	850,905
Property Developments - at cost	39,266	61,918
Unsold Properties Held for Resale - at net realisable value	91,092,412	94,134,150
	116,749,323	**121,257,268**

Reconciliation of Purified Water

Opening balance	850,905	634,693
System Input Volume	142,651,455	123,278,394
Authorised Consumption	(116,326,249)	(102,461,382)
Water losses	(26,129,002)	(20,600,800)
Purified Water	**1,047,109**	**850,905**

Refer to note 44 for the amount of inventories consumed and recognised as an expense during the period.

Refer to note 43 for details of items written down to net realisable value.

Inventory pledged as security

No inventory was pledged as security as at 30 June 2024.

Refer to note 49 for detail regarding the correction of prior period errors.

3. Trade receivables from exchange transactions

Service debtors	197,982,579	177,877,215
Other exchange receivables	8,602,327	11,149,025
- Prepaid electricity	6,221,339	8,575,688
- Rental debtors	1,429,565	1,676,843
- GIPTN fare revenue	951,423	896,494
	206,584,906	**189,026,240**

Gross balances

Electricity	133,781,724	102,649,885
Water	169,746,189	199,477,927
Sewerage	91,280,933	77,482,711
Refuse	88,825,505	75,286,383
Housing loans instalments	586,237	674,465
Housing rental	456,672	471,365
Other	20,360,256	16,753,736
	505,037,516	**472,796,472**

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Figures in Rand	2024	2023
3. Trade receivables from exchange transactions (continued)		
Less: Allowance for impairment		
Electricity	(25,783,530)	(10,143,455)
Water	(125,607,889)	(154,519,060)
Sewerage	(69,043,437)	(59,684,575)
Refuse	(67,142,725)	(57,792,888)
Housing loans instalments	(541,561)	(635,951)
Housing rental	(346,109)	(380,953)
Other	(18,589,686)	(11,762,375)
	(307,054,937)	**(294,919,257)**
Net balance		
Electricity	107,998,194	92,506,430
Water	44,138,300	44,958,867
Sewerage	22,237,496	17,798,136
Refuse	21,682,780	17,493,495
Regional services levies	44,676	38,514
Housing rental	110,563	90,412
Other	1,770,570	4,991,361
	197,982,579	**177,877,215**
Electricity		
Current (0 -30 days)	97,666,751	77,711,339
31 - 60 days	4,801,829	3,664,604
61 - 90 days	3,379,348	2,085,740
91 - 120 days	2,255,884	1,364,969
121 - 365 days	25,677,912	17,823,233
Less: Allowance for impairment	(25,783,530)	(10,143,455)
	107,998,194	**92,506,430**
Water		
Current (0 -30 days)	32,820,195	32,999,603
31 - 60 days	12,390,901	9,139,812
61 - 90 days	6,815,700	7,731,023
91 - 120 days	6,417,822	7,339,392
121 - 365 days	111,301,571	142,268,097
Less: Allowance for impairment	(125,607,889)	(154,519,060)
	44,138,300	**44,958,867**
Sewerage		
Current (0 -30 days)	13,021,796	11,813,259
31 - 60 days	4,336,997	4,035,742
61 - 90 days	3,188,969	3,293,101
91 - 120 days	2,899,328	2,894,268
121 - 365 days	67,833,843	55,446,341
Less: Allowance for impairment	(69,043,437)	(59,684,575)
	22,237,496	**17,798,136**

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2024	2023

3. Trade receivables from exchange transactions (continued)

Refuse		
Current (0 -30 days)	12,515,612	11,742,185
31 - 60 days	4,288,335	4,162,957
61 - 90 days	3,167,268	3,397,669
91 - 120 days	2,881,583	2,988,134
121 - 365 days	65,972,707	52,995,438
Less: Allowance for impairment	(67,142,725)	(57,792,888)
	21,682,780	**17,493,495**
Housing loans instalments		
Current (0 -30 days)	11,482	15,814
31 - 60 days	7,047	10,887
61 - 90 days	5,924	10,925
91 - 120 days	5,707	9,087
121 - 365 days	556,077	627,752
Less: Allowance for impairment	(541,561)	(635,951)
	44,676	**38,514**
Housing rental		
Current (0 -30 days)	56,047	38,425
31 - 60 days	30,419	18,721
61 - 90 days	23,301	11,825
91 - 120 days	16,822	8,437
121 - 365 days	330,083	393,957
Less: Allowance for impairment	(346,109)	(380,953)
	110,563	**90,412**
Other		
Current (0 -30 days)	1,512,468	1,684,582
31 - 60 days	547,672	809,413
61 - 90 days	177,304	17,367
91 - 120 days	1,223,343	358,413
121 - 365 days	16,899,469	13,883,961
Less: Allowance for impairment	(18,589,686)	(11,762,375)
	1,770,570	**4,991,361**

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3. Trade receivables from exchange transactions (continued)

Summary of debtors by customer classification

Consumers		
Current (0 -30 days)	55,146,761	45,461,293
31 - 60 days	22,744,795	17,376,962
61 - 90 days	14,394,951	14,124,144
91 - 120 days	14,586,292	13,164,440
121 - 365 days	266,372,043	260,805,315
	373,244,842	350,932,154
Less: Allowance for impairment	(287,146,493)	(283,807,560)
	86,098,349	**67,124,594**
Industrial/ commercial		
Current (0 -30 days)	97,533,277	85,619,419
31 - 60 days	3,274,467	4,198,932
61 - 90 days	2,059,122	2,327,873
91 - 120 days	1,043,994	1,776,730
121 - 365 days	22,173,065	23,774,088
	126,083,925	117,697,042
Less: Allowance for impairment	(19,908,444)	(11,102,102)
	106,175,481	**106,594,940**
National and provincial government		
Current (0 -30 days)	3,738,239	3,349,268
31 - 60 days	383,955	266,243
61 - 90 days	303,753	95,634
91 - 120 days	70,215	21,529
121 - 365 days	1,213,615	434,603
	5,709,777	4,167,277
Less: Allowance for impairment	-	(9,596)
	5,709,777	**4,157,681**
Total		
Current (0 -30 days)	156,418,277	134,429,980
31 - 60 days	26,403,217	21,842,137
61 - 90 days	16,757,826	16,547,651
91 - 120 days	15,700,501	14,962,699
121 - 365 days	289,757,695	285,014,006
	505,037,516	472,796,473
Less: Allowance for impairment	(307,054,937)	(294,919,258)
	197,982,579	**177,877,215**

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3. Trade receivables from exchange transactions (continued)

Reconciliation of allowance for impairment of consumer debtors

2024	Balance at the beginning of the year	Impairment losses recognised / (reversed)	Amounts written off as uncollectible	Balance at the end of the year
Electricity	10,143,455	17,867,609	(2,227,534)	25,783,530
Water	154,519,059	47,589,443	(76,500,613)	125,607,889
Sewerage	59,684,576	19,840,835	(10,481,974)	69,043,437
Refuse	57,792,889	20,276,453	(10,926,616)	67,142,726
Housing loan instalments	635,951	(77,017)	(17,374)	541,560
Housing rentals	380,952	3,812	(38,656)	346,108
Other consumer debtors	11,762,376	7,283,022	(455,712)	18,589,686
	294,919,258	**112,784,157**	**(100,648,479)**	**307,054,939**

2023	Balance at the beginning of the year	Impairment losses recognised / (reversed)	Amounts written off as uncollectible	Balance at the end of the year
Electricity	7,480,687	3,234,955	(572,187)	10,143,455
Water	127,844,665	45,168,368	(18,493,974)	154,519,059
Sewerage	40,852,371	23,735,094	(4,902,889)	59,684,576
Refuse	37,556,263	24,829,361	(4,592,735)	57,792,889
Housing loan instalments	609,673	40,184	(13,906)	635,951
Housing rentals	380,121	23,811	(22,980)	380,952
Other consumer debtors	11,548,476	1,854,482	(1,640,582)	11,762,376
	226,272,256	**98,886,255**	**(30,239,253)**	**294,919,258**

Trade debtors past due but not impaired.

Figures in Rand	2024	2023
31 - 60 days	11,478,506	10,223,863
61 - 90 days	6,349,850	5,854,431
91 - 120 days	4,584,154	4,716,680
121 - 365 days	41,565,520	45,445,022
	63,978,030	**66,239,996**

Credit quality of consumer debtors

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.

Concentrations of credit risk with respect to trade receivables are limited due to the municipality's large number of customers. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's receivables from exchange transactions.

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4. Receivables from non-exchange transactions

Taxation receivables		
Net Rates	36,662,289	38,973,863
Gross rates	64,773,759	63,084,881
Allowance for impairment on rates	(28,112,470)	(24,111,018)
Transfer receivables		
Net Fines	5,952,919	9,772,310
Fines	47,359,805	73,293,030
Allowance for impairment of fines	(41,406,886)	(63,520,720)
Conditional government grants and subsidies receivable (Refer note 22)	4,498,063	17,387,152
Other receivables	27,848,769	19,075,545
Sundry receivables	24,614,868	14,835,047
Allowance for impairment on sundry receivables	(2,203,732)	(1,439,979)
Availability charges receivables	15,513,517	14,030,938
Allowance for impairment on availability charges receivables	(11,170,983)	(9,444,284)
Non-cash portion of Housing Development Fund	771,560	818,102
Operating lease receivables	323,539	275,721
	74,962,040	**85,208,870**

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4. Receivables from non-exchange transactions (continued)

The ageing of taxation receivables from non-exchange transactions

Rates		
Current (0 - 30 days)	26,476,703	22,182,978
31 - 60 days	6,028,209	4,118,176
61 - 90 days	2,229,341	2,698,386
91 - 120 days	1,588,799	2,001,237
121 - 365 days	28,451,707	32,084,104
Less: Allowance for impairment	(28,112,470)	(24,111,018)
	36,662,289	**38,973,863**

Summary of Rates by customer classification

Residential consumers		
Current (0 - 30 days)	18,034,596	14,974,838
31 - 60 days	3,560,632	2,855,245
61 - 90 days	1,602,833	1,707,482
91 - 120 days	1,119,523	1,326,917
121 - 365 days	22,509,410	25,680,109
Less: Allowance for impairment	(24,028,240)	(22,437,075)
	22,798,754	**24,107,516**
Industrial / commercial		
Current (0 - 30 days)	7,965,738	6,690,444
31 - 60 days	2,136,972	1,046,763
61 - 90 days	363,504	819,811
91 - 120 days	210,890	536,175
121 - 365 days	3,328,374	6,146,826
Less: Allowance for impairment	(4,084,230)	(1,673,943)
	9,921,248	**13,566,076**
National and provincial government and other		
Current (0 - 30 days)	391,085	241,748
31 - 60 days	330,588	216,168
61 - 90 days	262,994	171,092
91 - 120 days	258,375	138,145
121 - 365 days	2,697,215	533,118
	3,940,257	**1,300,271**
Total of rates by customer classification	**36,662,289**	**38,973,863**

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4. Receivables from non-exchange transactions (continued)

Fines

The ageing of fines is as follows:

Current (0 - 30 days)	1,963,700	4,173,500
31 - 60 days	1,772,300	3,790,700
61 - 90 days	2,026,750	5,080,545
91 - 120 days	2,516,700	6,491,125
121 days - 365 days	39,080,355	53,757,160
	47,359,805	73,293,030
Less: Allowance for impairment	(41,406,886)	(63,520,720)
	5,952,919	**9,772,310**

Availability charges receivables

The ageing of availability charges receivables is as follows:

Current (0 - 30 days)	1,459,062	1,533,982
31 - 60 days	626,529	636,536
61 - 90 days	496,129	561,553
91 - 120 days	438,338	479,777
121 days - 365 days	12,493,459	10,819,090
	15,513,517	14,030,938
Less: Allowance for impairment	(11,170,983)	(9,444,284)
	4,342,534	**4,586,654**

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4. Receivables from non-exchange transactions (continued)

Reconciliation of provision for impairment of receivables from non-exchange transactions

2024	Balance at the beginning of the year	Impairment losses recognised / (reversed)	Amounts written off as uncollectible	Balance at the end of the year
Taxation receivables (Gross Rates)	24,111,018	5,930,522	(1,929,070)	28,112,470
Transfer receivables (Fines)	63,520,720	25,583,433	(47,697,268)	41,406,885
Sundry receivables	1,439,979	763,753	-	2,203,732
Availability charges receivables	9,444,284	2,883,174	(1,156,475)	11,170,983
	98,516,001	**35,160,882**	**(50,782,813)**	**82,894,070**

2023	Balance at the beginning of the year	Impairment losses recognised / (reversed)	Amounts written off as uncollectible	Balance at the end of the year
Taxation receivables (Gross Rates)	22,788,818	3,185,042	(1,862,842)	24,111,018
Transfer receivables (Fines)	68,639,046	43,124,948	(48,243,274)	63,520,720
Sundry receivables	792,583	647,396	-	1,439,979
Availability charges receivables	7,319,556	2,613,641	(488,913)	9,444,284
	99,540,003	**49,571,027**	**(50,595,029)**	**98,516,001**

The impairment allowance was calculated after grouping all the financial assets of similar nature and risk ratings and by calculating the historical payment ratios for the groupings and by assuming that the future payment ratios would be similar to the historical payment ratios. The impairment allowance on Taxation Receivables and Other Receivables exists predominantly due to the possibility that these debts will not be recovered. Taxation Receivables and Other Receivables were assessed individually and grouped together as financial assets with similar credit risk characteristics and collectively assessed for impairment. Accordingly, management believes no further credit provisions are required in excess of the present allowance for doubtful debts.

Rates debtors past due but not impaired		
31 - 60 days	2,620,699	1,927,635
61 - 90 days	844,739	954,668
91 - 120 days	463,890	630,848
121 - 365 days	4,098,006	5,144,184
	8,027,334	**8,657,335**

Fines debtors past due but not impaired		
31 - 60 days	166,852	499,205
61 - 90 days	217,117	661,534
91 - 120 days	263,613	846,822
121 - 365 days	5,088,480	7,221,174
	5,736,062	**9,228,735**

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4. Receivables from non-exchange transactions (continued)

Availability charges receivables past due but not impaired		
31 - 60 days	272,377	297,950
61 - 90 days	187,993	198,673
91 - 120 days	127,984	151,240
121 - 365 days	1,797,358	1,734,672
	2,385,712	**2,382,535**

Credit quality of receivables from non-exchange transactions

Taxation 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.

Concentrations of credit risk with respect to taxation debtors are limited due to the municipality's large number of customers. The municipality's historical experience in collection of non-exchange receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's receivables from non-exchange transactions.

Receivables from non-exchange transactions

Opening balance	275,721	298,447
Straight lining adjustment in the Statement of Financial Performance	47,818	(22,726)
	323,539	**275,721**

Operating leases - as lessor (income).

Minimum lease payments receivable		
- within one year	1,306,198	1,151,792
- in second to fifth year inclusive	3,216,140	1,575,138
- after five years	925,176	375,936
	5,447,514	**3,102,866**

Operating leases relate to property owned by the municipality with lease terms of between 5 and 20 years, with an option to extend for a further 10 years. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period

The municipality has operating lease agreements for the following classes of assets, which are only significant collectively:
· Municipal buildings
· Vacant land.

No restrictions have been imposed on the municipality in terms of the operating lease agreements.

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5. Statutory receivables

The municipality had the following statutory receivables where the Framework for the Preparation and Presentation of Financial Statements have been applied, for the initial recognition

Rates	36,662,289	38,973,863
Fines	5,952,919	9,772,310
VAT	23,875,342	26,929,202
	66,490,550	**75,675,375**

Statutory receivables general information

Transaction(s) arising from statute

Rates - Municipal Property Rates Act (MPR Act) section 2 states that a metropolitan or local municipality may levy a rate on property in its area.

Fines - Fines are issued in terms of the National Road Traffic Regulations of 2000 and the National Road Traffic Act 93 of 1996.

VAT - VAT is received and paid as required per the Value Added Tax Act No 89 of 1991 (VAT Act).

Determination of transaction amount

Rates - Rates amounts are determined in terms of section 11 of the MPR Act and the approved rates policy of the municipality.

Fines - All fines are governed by the specific regulation which is applicable to the offence.

VAT - VAT is applied to all relevant goods or services as stated in the Vat Act and the amount thereof is determined in terms of the Vat Act.

Interest or other charges levied/charged

Rates - Interest is charged on past due balances at the prime interest rate.

Fines - No interest or other charges are charged on outstanding fines.

VAT - VAT is submitted and paid on a monthly basis thus no interest is charged on outstanding VAT amounts.

No discount rate is applied on the above mentioned statutory receivables to estimate future cash flows.

Statutory receivables impaired and past due not impaired

Rates - Payment percentage of receivables is used to assess whether the receivable is impaired. Refer to note 4 for more detail on the impairment provision and ageing of statutory receivables past due not impaired.

Fines - Payment percentage of fines is used to assess whether fines are impaired. Refer to note 4 for more detail on the impairment provision and ageing of statutory receivables past due not impaired.

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5. Statutory receivables (continued)

VAT - VAT receivable from SARS is not impaired as the South African Revenue Services has sufficient funds to pay any outstanding amounts. VAT on output provision is assessed with the debtors impairment provision and included therein. Refer to note 3 for more detail on the impairment provision.

VAT Receivable has been restated. Refer to note 49 for more information.

6. Prepayments

Prepayments consist of the following:

SALGA	7,212,077	7,303,371
Accommodation	2,520	19,472
SATSA	3,999	-
	7,218,596	**7,322,843**
Current assets	7,218,596	7,322,843

SALGA

SALGA membership fees for the 2024/20245 financial year were paid in April 2024 and the municipality received a 5% discount for early settlement.

Accommodation

Accommodation paid in advance for municipal officials attending out of town municipal matters in July 2024.

SATSA

Conference registration fee paid in advance for a municipal official attending the SATSA (South African Tourism Association) Conference schedule for August 2024.

7. VAT receivable

VAT receivable from SARS	27,621,994	37,133,781
VAT input accrual	21,416,074	11,933,950
VAT output accrual	(15,746,271)	(14,212,944)
VAT output payable: Library Services	(9,416,455)	(7,925,585)
	23,875,342	**26,929,202**

VAT is payable to SARS on the payment basis. Only once payment is received from customers, VAT is paid over to SARS. No interest is payable to SARS if the VAT is paid over timeously, but interest for late payments is charged according to SARS policies. The municipality has financial risk policies in place to ensure that payments are effected before the due date.

For statutory receivable information regarding VAT refer to Note 5.

VAT output payable: Library Services

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7. VAT receivable (continued)

As per the Schedule 5 of the Constitution of the Republic of South Africa, the responsibility to render library services is allocated to the provincial government. The Western Cape Provincial Department of Cultural Affairs and Sport (DCAS) therefore has a responsibility to provide the library services as per its mandate.

The library function has not been assigned to George Municipality. Library services therefore remains a provincial government function performed by DCAS.

In order for DCAS to carry out its library services, DCAS entered into a Memorandum of Agreement (MOA) with George Municipality in which DCAS makes a payment of library grant funding to the municipality, in order for the municipality to provide the library services for the benefit of the general public.

As per the Memorandum of Agreement between the Western Cape Government via its Department of Cultural Affairs and Sport and George Municipality, the funding provided is a contribution towards partially addressing the unfunded mandate, for staffing, the new library building project, instalment of a book detection system and / or other specified project cost of the public libraries in the municipality

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8. Construction contracts and receivables

Contracts in progress at Statement of Financial Position date

Construction contracts and receivables/(payables)	2,537,515	3,468,641

Contract revenue is fixed based on the arrangement with the Provincial Department of Housing. Revenue is recognised to the extent that contract costs incurred are recoverable. The following projects were included in the balances reported above:

30 June 2024	Golden Valley	Thembalethu 700 Units	Thembalethu 42 & 58	Completed construction projects	Total
Opening balance from/(due to) customers	(1,102,745)	1,931,636	383,286	2,256,464	3,468,641
Advances received	-	-	-	(1,246,000)	(1,246,000)
Revenue recognised / (derecognised)	-	-	-	314,874	314,874
	(1,102,745)	**1,931,636**	**383,286**	**1,325,338**	**2,537,515**
Accumulated revenue recognised	(5,994,627)	(86,692,345)	(7,201,293)	(3,467,754)	(103,356,019)
Accumulated expenditure	5,994,627	86,692,345	7,201,293	3,467,754	103,356,019
	-	-	-	-	-

30 June 2023	Golden Valley	Thembalethu 700 Units	Thembalethu 42 & 58	Completed construction projects	Total
Opening balance from/(due to) customers	(1,152,546)	1,973,778	446,595	3,007,605	4,275,432
Advances received	-	(104,000)	(78,000)	(896,416)	(1,078,416)
Revenue recognised / (derecognised)	49,801	61,858	14,691	145,275	271,625
	(1,102,745)	**1,931,636**	**383,286**	**2,256,464**	**3,468,641**
Accumulated revenue recognised	(5,994,627)	(86,692,345)	(7,201,293)	(3,152,880)	(103,041,145)
Accumulated expenditure	5,994,627	86,692,345	7,201,293	3,152,880	103,041,145
	-	-	-	-	-

Refer to note 49 for detail regarding the corrections of prior period errors.

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9. Loans and receivables

As at 30 June 2024	Gross balance	Repayments	Reversal of impairment	Net Balance	Transferred to current assets	Non-current
Housing scheme loans	36,462	(26,680)	12,185	21,967	(14,305)	7,662
Sale of erven loans	20,690	-	-	20,690	(20,690)	-
Actaris meter debt	218,360	(42,530)	-	175,830	(87,915)	87,915
	275,512	**(69,210)**	**12,185**	**218,487**	**(122,910)**	**95,577**

As at 30 June 2023	Gross balance	Impairment allowance	Net balance	Transferred to current assets	Non-current
Housing scheme loans	48,647	(12,185)	36,462	(26,602)	9,860
Sale of erven loans	20,690	-	20,690	(20,690)	-
Actaris meter debt	218,360	-	218,360	(109,180)	109,180
	287,697	**(12,185)**	**275,512**	**(156,472)**	**119,040**

Housing scheme loans
No housing loans may be granted to officials and the public. The outstanding amount is in respect of loans granted before 1 July 2005 and will be recovered over the remaining period of the loan agreements. The interest rate applicable to the loans is 13.5%.

Sale of erven loans
As from 1 July 2006 no loan agreements are entered into for the sale of erven. The outstanding loans will be recovered over the remaining period of the individual agreements entered into. The interest rates applicable to the loans vary between 11.0% and 14.5%.

Actaris meter cost
Arrear amounts on services are capitalised on completion of a formal agreement. These arrear amounts are then paid to the municipality in monthly instalments over a period not exceeding 60 months. No interest is charged on these amounts where the stipulations of the agreement are adhered to.

The management of the municipality is of the opinion that the carrying value of loans and receivables recorded at amortised cost in the Financial Statements approximate their fair values.

The fair value of loans and receivables was determined after considering the standard terms and conditions of agreements entered into between the municipality and other parties as well as the current payment ratios of the municipality's loans and receivables.

The provision for doubtful debts on loans and receivables exists due to the possibility that not all these debts will be recovered. Loans and receivables were assessed individually and grouped together at the Statement of Financial Position date as financial assets with similar credit risk characteristics and collectively assessed for impairment.

Reconciliation of impairment allowance

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9. Loans and receivables (continued)

2024	Balance at beginning of year	Impairment losses reversed	Amounts written off as uncollectible	Balance at end of the year
Housing scheme loans	12,185	(12,185)	-	-

2023	Balance at beginning of year	Impairment losses reversed	Amounts written off as uncollectible	Balance at end of the year
Housing scheme loans	22,725	(10,540)	-	12,185

10. Principle agent arrangement

The municipality entered into the following arrangements with the Provincial Housing Department to act as agent on their behalf:

- Thembalethu Bungalow Housing Project: This project is for the rehabilitation of services and construction of 200 houses in Thembalethu via the Developer Driven Individual Subsidy Programme (DDISP).
- Title Deed Restoration Grant: This project was launched to eradicate the backlog of title deed registrations of houses allocated to beneficiaries pre-2014. This includes the professional fees associated with the process as well as beneficiary verification.

Transactions on these projects consists out of the following:

2024	Opening balance	Amounts paid back	Receipts from Department	Expenses on behalf of principal	Receivable / (Advances received) from Department
Housing scheme loans	1,103,983	-	-	-	1,103,983
	1,103,983	-	-	-	**1,103,983**

2023	Opening balance	Amounts paid back	Receipts from Department	Expenses on behalf of principal	Receivable / (Advances received) from Department
Housing scheme loans	295,319	-	-	808,664	1,103,983
Title Deed Restoration Grant	(3,076,304)	3,076,316	-	-	-
	(2,780,985)	**3,076,316**	**-**	**808,664**	**1,103,983**

The beneficiary arrangement relating to the process of managing beneficiaries for the construction contracts as disclosed in Note 8, is managed on behalf of the Department of Human Settlements (Now known as Department of Infrastructure due to re-organisation of Departments on 1 April 2023), by the municipality.

No resources are held on behalf of the Department of Human Settlements.

The municipality does not receive any compensation from the department for the management of the beneficiary arrangement.

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11. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	27,380	24,720
Bank balances	454,825,179	443,854,390
Investments	902,166,478	400,000,000
	1,357,019,037	**843,879,110**

Cash and cash equivalents pledged as collateral

Cash and cash equivalents to an amount of R 4,295,000 have been pledged as guarantee in favour of Eskom.

The balance of unspent conditional grants as per note 22 can only be used for the purpose as set out in the different grant conditions and is not available to the municipality to use in its normal business operations. The same applies to the cash portion of the Housing Development Fund as per note 23. This balance can only be used for the purpose of the Housing Development Fund.

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2024	June 30, 2023	June 30, 2022
ABSA BANK - Cheque Account - 102 222 0981	915,754	976,935	29,779,020	895,523	749,784	37,694,150
First National Bank - Cheque Account - 628 696 23150	454,560,757	441,589,131	550,177,093	453,929,655	443,104,606	554,816,462
First National Bank - Cheque Bank - 762 034 22458	1,083,120	-	-	1,083,120	-	-
First National Bank - Cheque Bank - 630 596 62304	1,083,359	-	-	1,083,359	-	-
ABSA - George Charitable Relief Fund - 914 955 4208	6,283	5,930	-	-	-	-
Nedbank Fixed Deposit	300,000,000	100,000,000	-	300,000,000	100,000,000	-
Standard Bank Fixed Deposit	100,000,000	200,000,000	-	100,000,000	200,000,000	-
ABSA Bank Fixed Deposit	500,000,000	100,000,000	-	500,000,000	100,000,000	-
Total	**1,357,649,273**	**842,571,996**	**579,956,113**	**1,356,991,657**	**843,854,390**	**592,510,612**

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings.

Credit ratings are as follows:

Credit rating		
Ba2	1,357,649,273	842,571,996

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12. Property, plant and equipment

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	922,840,318	-	922,840,318	923,830,099	-	923,830,099
Infrastructure	4,699,216,614	(1,772,981,900)	2,926,234,714	3,920,366,481	(1,623,092,833)	2,297,273,648
Community	298,883,239	(125,412,626)	173,470,613	262,618,047	(111,579,024)	151,039,023
Other	86,164,913	(47,498,140)	38,666,773	73,797,595	(40,912,700)	32,884,895
Other - Buildings	204,640,139	(85,552,010)	119,088,129	173,026,004	(79,372,082)	93,653,922
Service concession assets - GIPTN Buses	305,813,153	(166,592,929)	139,220,224	305,813,153	(131,968,905)	173,844,248
Machinery and Equipment	213,714,916	(82,313,118)	131,401,798	171,456,695	(67,392,243)	104,064,452
Transport	228,329,650	(75,629,995)	152,699,655	182,811,749	(64,582,581)	118,229,168
Total	**6,959,602,942**	**(2,355,980,718)**	**4,603,622,224**	**6,013,719,823**	**(2,118,900,368)**	**3,894,819,455**

Reconciliation of property, plant and equipment 2024

	Opening balance	Additions	WIP additions	Disposals	Transfers	Depreciation	Total
Land	923,830,099	-	-	(989,781)	-	-	922,840,318
Infrastructure	2,297,273,648	266,896,164	511,953,987	-	-	(149,889,085)	2,926,234,714
Community	151,039,023	28,027,778	8,237,414	-	-	(13,833,602)	173,470,613
Other	32,884,895	12,393,320	11,029	-	(23,814)	(6,598,657)	38,666,773
Other - Buildings	93,653,922	20,700,799	11,054,274	(61,449)	23,814	(6,283,231)	119,088,129
Service concession assets - GIPTN Buses	173,844,248	-	-	-	-	(34,624,024)	139,220,224
Machinery and Equipment	104,064,452	41,289,049	969,173	-	-	(14,920,876)	131,401,798
Transport	118,229,168	46,965,085	-	(980,358)	-	(11,514,240)	152,699,655
	3,894,819,455	**416,272,195**	**532,225,877**	**(2,031,588)**	**-**	**(237,663,715)**	**4,603,622,224**

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12. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	WIP additions	Disposals	Transfers	Depreciation	Total
Land	928,870,099	-	-	(5,040,000)	-	-	923,830,099
Infrastructure	1,850,219,574	215,573,568	365,736,147	(18,798)	-	(134,236,843)	2,297,273,648
Community	128,164,966	25,693,680	8,129,909	(21,489)	-	(10,928,043)	151,039,023
Other	24,339,374	6,613,564	8,068,162	(41,165)	-	(6,095,040)	32,884,895
Other - Buildings	84,777,658	9,734,249	4,783,345	(9,825)	-	(5,631,505)	93,653,922
Service concession assets - GIPTN Buses	154,202,039	37,760,250	-	-	-	(18,118,041)	173,844,248
Machinery and Equipment	84,034,891	26,043,980	5,006,276	(281,958)	407,260	(11,145,997)	104,064,452
Transport	82,078,000	47,526,444	-	(2,477,542)	(407,260)	(8,490,474)	118,229,168
	3,336,686,601	**368,945,735**	**391,723,839**	**(7,890,777)**	**-**	**(194,645,943)**	**3,894,819,455**

Pledged as security

Property, plant and equipment was not pledged as security for financial liabilities.

Refer to note 49 for detail regarding the correction of prior period errors.

Assets subject to finance leases (Net carrying amount)

Vehicles	1,072,081	1,195,360

Service concession assets
GIPTN Buses used as public transport assets are classified as service concession assets. 75 buses are the property of the municipality and 29 buses are owned by the VOC. Refer to note 57 for details of service concession arrangements.

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12. Property, plant and equipment (continued)

Property, plant and equipment in the process of being constructed or developed

WIP not finished in the current year are due to muliple year contracts within the set deadline.

Reconciliation of Work-in-Progress 2024

	Included within Infrastructure	Included within Community	Included within Other PPE	Included within remaining PPE	Included within Land	Total
Opening balance	1,035,184,771	22,957,794	40,064,379	20,034,766	196,882	1,118,438,592
Additions/capital expenditure	511,953,987	8,237,414	980,202	11,054,274	-	532,225,877
Transferred to completed items	(19,797,891)	-	-	-	-	(19,797,891)
	1,527,340,867	**31,195,208**	**41,044,581**	**31,089,040**	**196,882**	**1,630,866,578**

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Included within Other PPE	Included within remaining PPE	Included within Land	Total
Opening balance	717,279,230	14,827,885	26,989,943	15,251,424	196,882	774,545,364
Additions/capital expenditure	365,736,147	8,129,909	13,074,436	4,783,342	-	391,723,834
Transferred to completed items	(47,830,606)	-	-	-	-	(47,830,606)
	1,035,184,771	**22,957,794**	**40,064,379**	**20,034,766**	**196,882**	**1,118,438,592**

R222 933 which formed part of the prior year WIP additions were incorrectly included within remaing PPE which was moved to Other PPE.

Other PPE WIP additions Previously dislcosed R12 851 503.

Remaining PPE WIP additions Previously dislosed R5 006 275.

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12. Property, plant and equipment (continued)

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Contracted services	174,062,540	191,365,069
Employee related costs	26,493,290	13,375,948
Material and other expenditure	23,173,528	29,519,216
	223,729,358	**234,260,233**

Changes in estimates

The municipality reviews the useful lives and residual values of the assets in the asset register regularly and makes adjustments as needed. The effect of the adjustments on the useful life and residual values of the assets had the following effect on the depreciation of the assets compared to the prior year:

Infrastructure	(5,042,984)	(2,285,974)
Community	(600,769)	(394,542)
Other	(945,584)	(1,938,389)
Other - Buildings	(234,837)	-
Transport	(688,470)	-
Machinery and Equipment	(915,563)	-
Service concession assets - GIPTN Buses	1,137,009	-
	(7,291,198)	**(4,618,905)**

Land appointed in terms of legislation which entity controls without legal ownership or custodianship (IGRAP 18 par 40)

In some instances, the municipality is not the legal owner or the custodian of land appointed in terms of legislation, but assessed that it controls such land. Key judgements made and assumptions applied to conclude that it controls such land are disclosed in note 1.4. The land of the municipality is under the control of the municipality due to a vesting substantive right over the land. Land mainly represents public open spaces and roads vesting to the municipality.

	2024	**2023**
Carrying value of land which the entity controls without legal ownership or custodianship included in property, plant and equipment	4,846,390	4,846,390

13. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	4,249,227	(3,664,498)	584,729	4,249,227	(3,339,536)	909,691

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13. Intangible assets (continued)

Reconciliation of intangible assets - Notes to the Annual Financial Statements

	Opening balance	Amortisation	Total
Computer software	909,691	(324,962)	584,729

Reconciliation of intangible assets - 2023

	Opening balance	Disposals	Amortisation	Total
Computer software	1,248,983	(1,250)	(338,042)	909,691

14. Heritage assets

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Historical monuments and open areas	4,236,000	-	4,236,000	4,236,000	-	4,236,000

Reconciliation of heritage assets 2024

	Opening balance	Total
Historical monuments and open areas	4,236,000	4,236,000

Reconciliation of heritage assets 2023

	Opening balance	Total
Historical monuments and open areas	4,236,000	4,236,000

Details of heritage assets

Wilderness Commonage	4,050,000	4,050,000
Old Uniondale Fort	186,000	186,000
	4,236,000	**4,236,000**

Wilderness Commonage: This piece of land has a cultural and historical value due to being a stopover or resting place for ox-wagons travelling to Cape Town.

Old Uniondale Fort: During the Anglo Boer War, Uniondale was protected by six British forts of which one has been restored to its original state.

Expenditure incurred to repair and maintain heritage assets

No costs were incurred to repair and maintain heritage assets during the year (2023: RNil).

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15. Investment property

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	142,565,696	-	142,565,696	142,570,866	-	142,570,866
Buildings	4,981,974	(3,803,149)	1,178,825	4,981,973	(3,641,136)	1,340,837
Total	**147,547,670**	**(3,803,149)**	**143,744,521**	**147,552,839**	**(3,641,136)**	**143,911,704**

Reconciliation of investment property - 2024

	Opening balance	Disposals	Depreciation	Total
Land	142,570,866	(5,170)	-	142,565,696
Buildings	1,340,838	-	(162,013)	1,178,825
	143,911,704	**(5,170)**	**(162,013)**	**143,744,521**

Reconciliation of investment property - 2023

	Opening balance	Depreciation	Total
Land	142,570,866	-	142,570,866
Buildings	1,502,408	(161,570)	1,340,838
	144,073,274	**(161,570)**	**143,911,704**

Investment property was not pledged as security for financial liabilities.

Other disclosure

Included in the surplus for the year are the following:

Total rental income from investment property	1,384,842	1,345,336
Repairs and maintenance of investment property	273,969	104,896
	1,658,811	1,450,232

Repairs and maintenance incurred during the year were for the Davidsonhof apartments and Thusong Center.

16. Loans and borrowings

At amortised cost		
Annuity loans	470,357,893	308,715,588
Non-current liabilities		
Annuity loans	414,367,952	261,957,242

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16. Loans and borrowings (continued)

Current liabilities		
Annuity loans	55,989,941	46,758,346

Annuity loans

Annuity loans are repaid over periods varying from 1 year to 15 years (2023: 1 year to 15 years) and at interest rates varying from 6.75% to 12,15% (2023: 6.75% to 12,15%) per annum. Annuity loans are not secured.

Loans are for mainly for financing of Infrastructure and Transport assets.

17. Service concession liability

Minimum lease payments due		
- within one year	28,404,413	28,404,413
- in second to fifth year inclusive	33,916,880	62,321,292
	62,321,293	90,725,705
less: future finance charges	(13,406,315)	(25,271,924)
Present value of minimum lease payments	**48,914,978**	**65,453,781**
Present value of minimum lease payments due		
- within one year	19,848,947	16,538,804
- in second to fifth year inclusive	29,066,031	48,914,977
	48,914,978	**65,453,781**

George municipality has enterered into a service concession arrangement with one Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN). The municipality shall pay the operator the agreed rates as detailed in the Operator agreement.

The average term is 4-7 years whereby the payments made to the VOC are affected by the change in Prime Rate.

Refer to note 49 for detail regarding the correction of prior period errors.

18. Payables from exchange transactions

Current liabilities		
Trade payables	217,655,480	146,605,026
Compensation Commissioner	3,779,053	2,811,270
GIPTN compensation liability	4,850,881	4,594,736
Other payables	13,350,974	16,324,361
Payments received in advanced - contract in process	32,285,826	25,816,177
Retentions	84,392,402	58,210,359
Unidentified deposits	6,702,454	3,751,406
	363,017,070	**258,113,335**
Non-current liabilities		
GIPTN compensation liability	10,504,474	8,113,143

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18. Payables from exchange transactions (continued)

The average credit period on purchases is 30 days from the receipt of the statement, as determined by the MFMA. No interest is charged for the first 30 days from the date of receipt of the statement. Thereafter interest is charged in accordance with the credit policies of the various individual creditors that the municipality deals with. The municipality has financial risk policies in place to ensure that all payables are paid within credit timeframe.

The management of the municipality is of the opinion that the carrying value of trade and other payables approximate their fair values. The fair value of trade and other payables was determined after considering the standard terms and conditions of agreements entered into between the municipality and other parties.

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Sundry deposits previously reported: R243 305.

George Integrated Public Transport Network (GIPTN) compensation liability.

The public transport bus services commenced during the 2015 financial year. Taxi operators who signed buy-in agreements started receiving their monthly buy-in payments with the relinquishment of the taxi operator licences. The accrual was transferred from Provisions and is split between current and non-current based on the expected payments to be made as determined in the signed contracts. Refer to note 22 for more detail.

Balance at beginning of the year	12,707,878	7,210,901
Transferred from Provisions	10,637,552	12,040,762
Change in liability due to inflation and discounting rates	(1,933,833)	(2,664,231)
Paid during the year	(6,056,242)	(3,879,554)
	15,355,355	**12,707,878**
Non-current liabilities	10,504,474	8,113,143
Current liabilities	4,850,881	4,594,736
	15,355,355	**12,707,878**

Refer to note 49 for detail regarding the correction of prior period errors.

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19. Consumer deposits

Electricity and water	45,182,856	39,415,781
Sundry deposits	445,478	243,305
	45,628,334	**39,659,086**
Guarantees held in lieu of electricity and water deposits	22,709,048	21,655,484

Consumer deposits are paid by consumers on application for new water and electricity connections. The deposits are repaid when the water and electricity connections are terminated. In cases where consumers default on their accounts, the municipality can utilise the deposit as payment for the outstanding accounts.

Guarantees are given by business consumers on application for new water and electricity connections instead of deposits. In cases where consumers default on their accounts, the municipality can request the guarantee amounts from the consumers' bank as payment for the outstanding accounts.

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Sundry deposits previously reported: Rnil.

Refer to note 49 for detail regarding the correction of prior period errors.

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20. Employee benefit obligations

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

Non-current liabilities		
Post-Retirement Medical Aid benefits liability	185,942,000	171,692,000
Ex-gratia pension benefits liability	1,633,400	1,533,000
Long service awards	27,447,000	24,225,828
	215,022,400	**197,450,828**
Current liabilities		
Post-Retirement Medical Aid benefits liability	10,405,000	8,954,000
Ex-gratia pension benefits liability	470,500	590,500
Long service awards	2,138,000	4,753,000
Staff leave	53,610,112	53,405,045
Staff annual bonus	17,689,801	16,963,448
	84,313,413	**84,665,993**
Total liabilities		
Post-Retirement Medical Aid benefits liability	196,347,000	180,646,000
Ex-gratia pension benefits liability	2,103,900	2,123,500
Long service awards	29,585,000	28,978,828
Staff leave	53,610,112	53,405,045
Staff annual bonus	17,689,801	16,963,448
	299,335,813	**282,116,821**

Post-retirement medical aid benefit liability

The municipality provides certain post-retirement medical benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continuation member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

In-service (Employees) members	684	640
In-service (Employees) non-members	651	640
Continuation members (Retirees, widow and orphans)	153	147
	1,488	**1,427**
In-service members	72,523,000	69,109,000
In-service non-members	11,480,000	10,519,000
Continuation members	112,344,000	101,018,000
	196,347,000	**180,646,000**

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

- Bonitas

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20. Employee benefit obligations (continued)

- Sizwe-Hosmed
- LA Health
- Key Health
- Samwumed

Regulatory framework

GRAP 25, derived from IPSAS 39 and IAS 19, has been approved by the ASB and the Minister of Finance, and is effective for financial periods commencing on or after 1 April 2023.

It applies to institutions falling within the ambit of the Finance Management Act.

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20. Employee benefit obligations (continued)

Risks of the plan

Inflation: The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.

Longevity: The risk that eligible individuals live longer than assumed i.e. their benefits are payable for longer than expected.

Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its long-term nature.

Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.

Future changes in legislation: The risk that changes to legislation with respect to the post-employment medical aid benefit may increase the DBO for the Municipality.

There are no curtailments or settlements to reflect.

Valuation Method

The projected unit credit method has been used to value the DOB.

Post Retirement Benefits (PEMA)	196,347,000	180,646,000
Post Retirement Health Care Benefits		
Balance 1 July	180,646,000	189,776,000
Contribution for the year	6,142,000	6,893,000
Interest cost	21,932,000	21,926,000
Expenditure for the year	(8,954,000)	(8,477,000)
Actuarial Loss/(Gains)	(3,419,000)	(29,472,000)
	196,347,000	**180,646,000**
Transfer of Current Portion to Current Provisions	(10,405,000)	(8,954,000)
Non-current portion: Net defined benefit liability	**185,942,000**	**171,692,000**

The total defined benefit obligation has increased by 9% (or R15 701 million) since the last valuation. The main reasons for the change in liability:

1. A decrease in the average age which means members are further from retirement (more discounting) and more likely to leave before retirement;
2. A decrease in the average past service;
3. An increase in the average post-employment subsidy;
4. An increase in the net discount rate;
5. An increase in the average post-employment subsidy;
6. An increase in the average past service.

Key actuarial assumptions used:

Financial assumptions

Rate on interest

Discount rate	12.20 %	12.44 %
CPI (Consumer Price inflation)	6.19 %	6.55 %
Medical Aid Contribution Inflation Rate	7.69 %	8.05 %

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Figures in Rand	2024	2023

20. Employee benefit obligations (continued)

Net Effective Discount Rate	4.19 %	4.06 %

The next contribution increases were assumed to occur at 1 January 2025.

Demographic assumptions

Mortality during employment
SA85-90 tables, adjusted for female lives.

Mortality rates post-employement
The PA 90-1 with 1% mortality improvement from p.a from 2010.

Normal retirement age
The normal retirement age is 65 for males and 60 for females.

Average retirement age
The normal retirement age of employees is 65. It has been assumed that employees will retire at age 62 on average, which then implicitly allows for expected rates of ill-health and early retirement.

Proportion of Eligible In-Service Non-Members Joining a Scheme by Retirement
It has been assumed that 15% of eligible in-service non-members will be on a medical scheme by retirement (should they not exit employment before then) and continue with the subsidy at and after retirement.

Continuation from membership
It has been assumed that 80% of in-service members will remain on the Municipality's health care arrangement should they stay until retirement.

Family Profile
It has been assumed that female spouses will be three years younger than their male counterparts. Furthermore, we've assumed that 65% of eligible employees on a health care arrangement at retirement will have a subsidised spouse dependant. For current retiree members, actual subsidised spouse dependants were used and the potential for remarriage was ignored.

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Figures in Rand	2024	2023

20. Employee benefit obligations (continued)

Termination of service

Valuation: 30 June 2024

Age	Rate
20 - 24	9%
25 -29	8%
30 - 34	6%
35 - 39	5%
40 - 44	5%
45 - 49	4%
50 - 54	3%
55+	0%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	196,347,000	180,646,000

There are currently no long-term assets set aside off-balance sheet in respect of the DBO, thus plan assets is zero.

As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation.

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	180,646,000	189,776,000
Total expenses	**19,120,000**	**20,342,000**
Service cost	6,142,000	6,893,000
Interest	21,932,000	21,926,000
Payments to the plan	(8,954,000)	(8,477,000)
Actuarial (gains)/losses	**(3,419,000)**	**(29,472,000)**
Demographic assumptions	-	-
Financial assumptions	(3,613,000)	(24,899,000)
Experience adjustments	194,000	(4,573,000)
Present value of fund obligation at the end of the year	**196,347,000**	**180,646,000**
Transfer of Current Portion	(10,405,000)	(8,954,000)
	185,942,000	**171,692,000**

Sensitivity Analysis on the Accrued Liability on 30 June 2024:

Assumption	Change	Total liability	%Change
Central Assumptions	-	196,347,000	-
Medical aid contribution inflation rate	1 %	223,556,000	14 %
Medical aid contribution inflation rate	(1)%	173,853,000	(11)%
Discount rate	1 %	174,855,000	11 %
Discount rate	(1)%	222,613,000	13 %
Post-employment mortality (year)		190,894,000	(3)%
Post-employment mortality (year)	(1)	201,759,000	3 %
Average retirement age (year)	(1)	204,408,000	4 %
Membership continuation	10 %	186,313,000	(5)%

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2024:

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20. Employee benefit obligations (continued)

Assumption	Change	Current cost	Interest	Total Cost	%Change
Central Assumptions		6,142,000	21,932,000	28,074,000	
Medical aid contribution inflation rate	1.00 %	7,519,000	25,058,000	32,577,000	16 %
Medical aid contribution inflation rate	(1.00)%	5,060,000	19,349,000	24,409,000	(13)%
Discount rate	1.00 %	5,149,000	21,025,000	26,174,000	(7)%
Discount rate	(1.00)%	7,405,000	22,948,000	30,353,000	8 %
Post-employment morality (years)	1	5,994,000	21,304,000	27,298,000	(3)%
Post-employment morality (years)	(1)	6,291,000	22,555,000	28,846,000	3 %
Average retirement age (years)	(1)	6,640,000	22,897,000	29,537,000	5 %
Membership continuation	(10)%	5,424,000	20,751,000	26,175,000	(7)%

The method used to prepare the sensitivity analysis remained unchanged from the previous period. The assumptions used would be based on the market conditions and demographic inputs as at 30 June 2024.

The Service Cost for the ensuing year is estimated to be R6 474 000 whereas the Interest Cost for the next year is estimated to be R23 338 000.

Maturity analysis of the DBO (up to 80 years, R millions)

Future year	Expected benefits vesting
1	10.41
2	11.60
3	12.55
4	13.78
5	15.37
6 - 10	106.74
11 - 15	178.93
16 - 20	273.46
21 - 25	398.70
26 - 30	530.20
31 - 40	1 403.65
41 - 50	1 509.38
51 - 60	1 153.84
61 - 70	565.68
71 - 80	143.22

The table below summarises the accrued liabilities and the plan assets for the current period and the previous four periods **(R millions)**.

Net Defined Benefit Liability History	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Defined benefit obligation	161.464	182.599	189.776	180.646	196.347

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20. Employee benefit obligations (continued)

Fair value of plan asset	-	-	-	-	-
Surplus / (Deficit)	**161.464**	**182.599**	**189.776**	**180.646**	**196.347**

The table below summarises the experience adjustments for the current period and the previous four periods. Experience adjustments are the effects of differences between the previous actuarial assumptions and what has actually occurred **(R millions)**.

Experience adjustments	**30 June 2020**	**30 June 2021**	**30 June 2022**	**30 June 2023**	**30 June 2024**
2024 Defined benefit obligation: (Gain) /Loss	5.402	(6.705)	(8.765)	(4.573)	0.194
Assets: Gains / (Loss)	-	-	-	-	-
	5.402	**(6.705)**	**(8.765)**	**(4.573)**	**0.194**

Long service awards

The municipality's obligation for Long Service Awards is a defined benefit plan. This plan is wholly unfunded as no contributions are made by the municipality into funds that are legally separate from the municipality and from which the employee benefits are paid (each subsequent financial year's expected payments of long service bonuses are budgeted for).

The municipality, in substance, underwrites the actuarial and investment risks associated with the plan. Consequently, the expense recognised for the defined benefit plan is the full additional liability accrued due to additional benefit entitlement. The municipality's net obligation in respect of the defined benefit long service allowances is the present value of the defined benefit obligation less the fair value of any plan assets, together with adjustments for unrecognised actuarial gains or losses and past service cost. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows of the benefits that will be paid to employees and using suitable interest rates.

The calculation is performed by registered actuaries using the projected unit credit method. The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2024.

Eligible employees - Female	534	496
Eligible employees - Male	802	785
	1,336	**1,281**

The Service Cost for the ensuing year is estimated to be R2 566 000 whereas the Interest Cost for the next year is estimated to be R3 262 000.

Regulatory framework

GRAP 25, derived from IPSAS 39 and IAS 19, has been approved by the ASB and the Minister of Finance, and is effective for financial periods commencing on or after 1 April 2023.

It applies to institutions falling within the ambit of the Finance Management Act.

Risks of the plan

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20. Employee benefit obligations (continued)

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 fewer eligible employees terminate their service at the Municipality i.e. more long service awards vest than expected.

Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its long-term nature.

Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.

Future changes in legislation: The risk that changes to legislation with respect to long service awards may increase the DBO for the Municipality.

There are no curtailments or settlements to reflect.

Valutation method

The Projected Unit Credit Method has been used to value the DBO.

The Projected Unit Credit Method has been used to value the DBO.	29,585,000	28,978,000
Defined benefit obligation		
Balance 1 July	28,978,000	28,759,000
Contribution for the year	2,351,000	2,397,000
Interest cost	3,053,000	3,058,000
Expenditure for the year	(4,861,095)	(2,752,192)
Actuarial Loss/(Gain)	64,095	(2,483,808)
	29,585,000	**28,978,000**
Transfer of Current Portion to Current Provisions	(2,138,000)	(4,753,000)
Non-current portion: Net defined benefit liability	**27,447,000**	**24,225,000**

The total DBO has increased by 2% (or R 607,000) due to the above being more than offset by an increase in the number of eligible employees since the last valuation.

Key actuarial assumptions used:

Financial assumptions

Rate of interest		
Discount rate	11.43 %	11.45 %
CPI (Consumer Price inflation)	5.53 %	5.68 %
General earnings inflation rate	6.53 %	6.68 %
Net Effective Discount Rate	4.60 %	4.47 %

The next general earnings increase was assumed to take place on 1 July 2025.

Demographic assumptions

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20. Employee benefit obligations (continued)

Mortality during employment
SA85-90 tables, adjusted for female lives.

Promotional Earnings Scale
The annual escalation rates below are in addition to the general earnings inflation assumption of 6.53% per annum for all employees.

Average retirement age
The normal retirement age of employees is 65. It has been assumed that employees will retire at age 62 on average, which then implicitly allows for expected rates of ill-health and early retirement.

Termination of service

Valuation: 30 June 2024

Age	Rate
20 - 24	9%
25 - 29	8%
30 - 34	6%
35 - 39	5%
40 - 44	5%
45 - 49	45
50 - 54	3%
55+	0%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	29,585,000	28,978,000

Management has indicated that there are currently no long-term assets set aside off-balance sheet in respect of the LSA DBO.

Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	28,978,000	28,759,000
Total expenses	**542,905**	**2,702,808**
Service cost	2,351,000	2,397,000
Interest Cost	3,053,000	3,058,000
Payments to the plan	(4,861,095)	(2,752,192)
Actuarial (gains)/losses	**64,095**	**(2,483,808)**
Financial assumptions	(23,905)	(1,944,808)
Experience adjsutments	88,000	(539,000)
	29,585,000	**28,978,000**
Transfer of Current Portion	(2,138,000)	(4,753,000)
Net defined benefit liability	**27,447,000**	**24,225,000**

Sensitivity Analysis on the Accrued Liability on 30 June 2024

Assumption	Change	Total Liability	%Change'
Central Assumptions	-	29,585,000	-
General earnings inflation rate	1.00 %	31,442,000	6.00 %
General earnings inflation rate	(1.00)%	27,897,000	(6.00)%

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20. Employee benefit obligations (continued)

Discount rate	1.00 %	27,876,000	(6.00)%
Discount rate	(1.00)%	31,493,000	6.00 %
Average retirement age	2	33,648,000	14.00 %
Average retirement age	(2)	25,027,000	(15.00)%
Rates of termination serives (x)	2	24,165,000	(18.00)%
Rates of termination serives (x)	0.5	33,273,000	12.00 %

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2024.

Assumptions	Change	Current cost	Interest	Total Cost	%Change
Central Assumptions	-	2,351,000	3,053,000	5,404,000	-
General earnings inflation rate	1.00 %	2,549,000	3,255,000	5,804,000	7.00 %
General earnings inflation rate	(1.00)%	2,174,000	2,871,000	5,045,000	(7.00)%
Discount rate	1.00 %	2,194,000	3,119,000	5,313,000	(2.00)%
Discount rate	(1.00)%	2,528,000	2,976,000	5,504,000	2.00 %
Average retirement age (years	2	2,616,000	3,492,000	6,108,000	13.00 %
Average retirement age (years)	(2)	2,074,000	3,569,000	4,643,000	(14.00)%
Rates of termination serives	2	1,715,000	2,465,000	4,180,000	(23.00)%
Rates of termination serives	0.5	2,827,000	3,456,000	6,283,000	16.00 %

The method used to prepare the sensitivity analysis remained unchanged from the previous period. The assumptions used would be based on the market conditions and demographic inputs as at 30 June 2024.

Maturity analysis of the DBO (up to 40 years, R millions);

Future year	Expected benefits vesting
1	2.138
2	4.872
3	4.503
4	5.246
5	5.426
6 - 10	30.079
11 - 15	38.547
16 - 20	38.843
21 - 30	62.429
31 - 40	9.868

The table below summarises the accrued liabilities and the plan assets for the current period and the previous four periods **(R millions)**.

Liability History	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Accrued Liability	27.586	27.660	28.759	28.978	29.585
Fair value of plan assets	-	-	-	-	-
	27.586	**27.660**	**28.759**	**28.978**	**29.585**

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20. Employee benefit obligations (continued)

The table below summarises the experience adjustments for the current and previous four periods. Experience adjustments are the effects of differences between the previous actuarial assumptions and what has actually occurred **(R rands)**.

Experience adjustment	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Liabilities: (Gain) / Loss	1,196,866	37,000	215,000	(539,000)	180,000
Assets: Gain / (Loss)	-	-	-	-	-
	1,196,866	**37,000**	**215,000**	**(539,000)**	**180,000**

Ex-gratia benefits

The Ex-gratia pension benefit plan is a defined benefit plan. As at 30 June 2024, 96 employees and 9 pensioners were eligible for payments in terms of this plan.

As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation.

The effective date of this valuation is 30 June 2024 and its purpose is to enable the Municipality to provide appropriate disclosure in their financial statements in respect of this net defined benefit liability.

There are no current service costs as the benefit is fully accrued for all eligible individuals.

Eligible employees	96	100
Pensioners	9	9
	105	**109**
Eligible employees	887,900	984,000
Pensioners	1,216,000	1,139,500
	2,103,900	**2,123,500**

Regulatory framework

GRAP 25, derived from IPSAS 39 and IAS 19, has been approved by the ASB and the Minister of Finance, and is effective for financial periods commencing on or after 1 April 2023.

It applies to institutions falling within the ambit of the Finance Management Act.

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20. Employee benefit obligations (continued)

Risks of the plan

Inflation: The risk that future CPI inflation is 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.

Termination of service: The risk that fewer eligible employees terminate their service at the Municipality i.e. more benefits will be payable than expected.

Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its long-term nature.

Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.

Future changes in legislation: The risk that changes to legislation with respect to the ex-gratia benefits may increase the DBO for the Municipality.

There are no curtailments or settlements to reflect.

Valuation method

The projected unit credit method has been used to value the DBO.

Defined benefit obligation	2,103,900	2,123,500
Defined benefit obligation		
Balance 1 July	2,123,500	2,336,300
Contribution for the year	-	-
Interest cost	179,800	190,100
Expenditure for the year	(590,500)	(634,400)
Actuarial Loss/(Gain)	391,100	231,500
	2,103,900	**2,123,500**
Transfer of Current Portion to Current Provisions	(470,500)	(590,500)
Non-current portion: Net defined benefit liability	**1,633,400**	**1,533,000**

The total DBO has decreased by 1% (or R 19,600) since the last valuation. A numerical analysis of the unexpected movement (actuarial gain/loss) is provided in the next section. The main reasons for the actual movement in the DBO are:

1. The average employee DBO has decreased by 6% since the last valuation due to a decrease in the average current lump sum value.
2. The total employee DBO has decreased by 10% due to the above, combined with a decrease in the number of eligible employees.
3. The average pensioner DBO has increased by 7% since the last valuation.
4. The total pensioner DBO has also increased by 7% due to the above, and because there was no change in the number of pensioners.

Key actuarial assumptions used:

Financial assumptions

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20. Employee benefit obligations (continued)

Rate of interest		
Discount rate	9.68 %	9.80 %
CPI (Consumer Price inflation)	4.30 %	4.86 %
Net Effective Discount Rate (Lump sum)	**9.68 %**	**9.80 %**
Pension inflation rate	3.44 %	2.43 %
Net discount rate (Pension)	**6.03 %**	**7.20 %**

The next pension increase was assumed to occur at 1 July 2025.

Demographic assumptions

Mortality during employment
SA85-90 tables, adjusted for female lives

Mortality rates post-employement
The PA 90-1 with 1% mortality improvement from p.a from 2010

Average retirement age
The normal retirement age of employees is 65. It has been assumed that employees will retire at age 62 on average, which then implicitly allows for expected rates of ill-health and early retirement.

Termination of service
If an eligible employee leaves due to resignation or retrenchment, the employer's DBO in respect of that employee ceases. It is therefore important not to overstate termination rates.

Valuation: 30 June 2024:

Age	Females	Males
55 - 54	3%	3%
55+	0%	0%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	2,103,900	2,123,500

Management has indicated that there are no long-term assets set aside off-balance sheet in respect of the Municipality's ex-gratia DBO.

Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	2,123,500	2,336,300
Total expenses	**(410,700)**	**(444,300)**
Service cost	-	-
Interest cost	179,800	190,100
Payments to the plan	(590,500)	(634,400)
Actuarial (gains)/losses	**391,100**	**231,500**
Demographic assumptions	-	-
Financial assumptions	69,200	(70,600)
Experience adjustments	321,900	302,100
	2,103,900	**2,123,500**
Transfer of Current Portion	(470,500)	(590,500)
Net defined benefit liability	**1,633,400**	**1,533,000**

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20. Employee benefit obligations (continued)

Sensitivity analysis on the defined benefit obligation (Rands).

Assumptions	Change	Total Liability	%Change
Central Assumptions	-	2,103,900	-
Pension inflation rate	1.00 %	2,190,300	4.00 %
Pension inflation rate	(1.00)%	2,023,600	(4.00)%
Discount rate	1.00 %	2,020,700	(4.00)%
Discount rate	(1.00)%	2,195,500	4.00 %
Post-employment mortality (years)	1	2,053,100	(2.00)%
Post-employment mortality (years)	(1)	2,155,300	2.00 %
Average retirement age (years)	1	2,037,700	(3.00)%
Average retirement age (years)	(1)	2,171,600	3.00 %

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2024.

Assumption	Change	Interest cost	Total Cost	%Change
Central Assumptions	-	179,800	179,800	-
Pension inflation rate	1.00 %	185,700	185,700	3.00 %
Pension inflation rate	(1.00)%	174,500	174,500	(3.00)%
Discount rate	1.00 %	189,400	189,400	5.00 %
Discount rate	(1.00)%	169,300	169,300	(6.00)%
Post-employment mortality (years)	1	175,500	175,500	(2.00)%
Post-employment mortality (years)	(1)	184,200	184,200	2.00 %
Average retirement age (years)	1	175,700	175,700	(2.00)%
Average retirement age (years)	(1)	183,700	183,700	2.00 %

The method used to prepare the sensitivity analysis remained unchanged from the previous period. The assumptions used would be based on the market conditions and demographic inputs as at 30 June 2024.

The Service Cost for the ensuing year is estimated to be R6 474 000 whereas the Interest Cost for the next year is estimated to be R23 338 000.

Maturity analysis of the DBO (up to 40 years, Rands):

Future year	Expected benefits vesting
1	470 500
2	408 900
3	256 300
4	191 300
5	180 000
6 - 10	879 500
11 - 15	447 000
16 - 20	243 000
21 - 25	178 300
31 - 40	29 200

The table below summarises the accrued liabilities and the plan assets for the current period and the previous four periods **(R millions)**.

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20. Employee benefit obligations (continued)

Net Defined Benefit Liability History	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Defined benefit obligation	2.991	2.640	2.336	2.124	2.104
Fair value of plan assets	-	-	-	-	-
	2.991	**2.640**	**2.336**	**2.124**	**2.104**

The table below summarises the experience adjustments for the current period and the previous periods. Experience adjustments are the effects of differences between the previous actuarial assumptions and what has actually occurred **(R rands)**.

Experience adjustment	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Defined Benefit Obligation: (Gain) / Loss	1,508,539	35,900	204,800	302,100	321,900
Assets: Gain / (Loss)	-	-	-	-	-
	1,508,539	**35,900**	**204,800**	**302,100**	**321,900**

Multi-employer retirement benefit information

Employees belong to a variety of approved Pension and Provident Funds as described below. These schemes are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

SALA Pension Fund and the South African Municipal Workers Union Retirement Fund and Consolidated Retirement fund are defined benefit plans, whereas the LA Retirement Fund are defined contribution plans. All of these afore-mentioned funds are multi-employer plans. Sufficient information is not available to use defined benefit accounting for the pension and retirement funds due to the following reasons:

- The assets of each fund are held in one portfolio and are not notionally allocated to each of the participating employers.
- One set of financial statements is compiled for each fund and financial statements are not drafted for each participating employer.
- The same rate of contribution applies to all participating employers and no regard is paid to differences in the membership distribution of the participating employers.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where Councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

The total expense recognised in the Statement of Financial Performance of R67,759,990 for employees and R308,254 for Councillors represents contributions payable to these plans by the municipality at rates specified in the rules of the plans.

LA Retirement Fund

The LA Retirement Fund's contribution rate payable is 9% by the members and 18% by Council.

The last actuarial valuation performed for the year ended 30 June 2022 revealed that the fund has a funding level of 104.5% (30 June 2021 - 102%).

SALA Pension Fund

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20. Employee benefit obligations (continued)

The SALA Pension Fund operates both as a defined benefit and defined contribution scheme. The contribution rate paid by the members 8.60% and Council 22.78% is sufficient to fund the benefits accruing from the fund in the future. The most recent valuation statement available for SALA Pension Fund was the monthly report as at 30 April 2022. The total market value of the investments held by the Fund on the valuation date was R 12.8 billion.

Municipal Councillors Pension Fund

The contribution rate paid by the members (12%) and Council (15%) is sufficient to fund the benefits accruing from the fund in the future.

The Municipal Councilors Pension Fund operates as a defined contribution scheme. The statutory valuation performed as at 30 June 2018 revealed that the assets of the fund amounted to R1,798,030,000 (30 June 2017: R1,480,549,000), with funding levels of 103.26% (30 June 2017: 101.31%). The Actuary certified that the Fund was in a sound financial condition as at 30 June 2018, in that the assets of the fund were sufficient to cover the accrued service liabilities including the recommended contingency reserves in full.

Municipal Workers Retirement Fund (previously South African Municipal Workers Union National Provident Fund)

The Municipal Workers Retirement Fund is a defined contribution scheme.

The contribution rate paid by the members of 9% and Council of 18% are sufficient to fund the benefits accruing from the fund in the future.

The most recent valuation for the Municipal Workers Retirement Fund was performed for the year ended 30 June 2020. As at the valuation date, the total fund and reserves were R9 021 008 000(corresponding to a funding level of 102.22%). The previous valuation as at 30 June 2019 revealed an excess of R 9 272 763 000 (corresponding to a funding level of 110.6%).

The Fund was in a sound financial position at the valuation date. The funding level before allowing for the reserves has reduced to 102.2%, largely as a result of the poor investment returns over the year to 30 June 2020. The Fund's assets were sufficient to cover the members' Fund Credits and to provide a margin for contingency reserves as at 30 June 2020.

Staff leave

The movement on the leave provision consists of the following:

Opening balance	53,405,045	55,029,099
Payments	(3,979,283)	(4,362,572)
Increase / (Decrease) in provision	4,184,350	2,738,518
	53,610,112	**53,405,045**

Staff annual bonus

The movement on the annual bonus provision consist of the following:

Opening balance	16,963,448	14,355,419
Payments	(16,963,448)	(14,355,419)
Increase / (Decrease) in provision	17,689,801	16,963,448
	17,689,801	**16,963,448**

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21. Provisions

Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Change in discount factor	Reduction due to re-measurement or settlement without cost to entity	Total
Rehabilitation of landfill site	72,295,482	(6,465,507)	(250,897)	6,800,016	-	72,379,094
Compensation Liability GIPTN	41,491,436	12,313,773	(16,306,118)	3,021,769	(10,637,551)	29,883,309
	113,786,918	**5,848,266**	**(16,557,015)**	**9,821,785**	**(10,637,551)**	**102,262,403**

Reconciliation of provisions - 2023

	Opening Balance	Additions	Utilised during the year	Change in discount factor	Reduction due to re-measurement or settlement without cost to entity	Total
Rehabilitation of landfile site	69,833,300	(3,241,679)	(588,642)	6,292,503	-	72,295,482
Compensation Liability GIPTN	61,406,071	3,826,036	(15,675,721)	3,975,812	(12,040,762)	41,491,436
	131,239,371	**584,357**	**(16,264,363)**	**10,268,315**	**(12,040,762)**	**113,786,918**

Current liabilities consist of		
Rehabilitation of landfill site	2,528,531	1,360,785
Compensation Liability GIPTN	15,966,648	23,457,507
	18,495,179	**24,818,292**
Non-current liabilities	83,767,224	88,968,626
Current liabilities	18,495,179	24,818,292
	102,262,403	**113,786,918**

Refer to note 49 for detail regarding the correction of prior period errors.

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21. Provisions (continued)

Rehabilitation of landfill site

The provision is made in terms of the municipality's licensing stipulations on the landfill waste sites. The landfill sites have reached full capacity and the municipality obtained closure licences during the 2015 financial year for both the George and Uniondale landfill sites. The closure licences requires that the rehabilitation commence within five years after of the date of issue of the licence and the rehabilitation should be completed within three to five years after the rehabilitation commencement date. Mandatory 30 year monitoring cost after closure of the landfill sites were also included in the provision.

During the year Delta Built Environment Consultants (Pty) Ltd visited the George landfill site and Zutari (Pty) Ltd visited the Uniondale landfill site to assist the municipality with their rehabilitation plans so that the municipality can keep to the deadlines as stipulated in the closure licences.

The cost as at 30 June 2024 has been escalated annually with the Consumer Price Index rate until the estimated time of closure and discounted to present value using South African Government Bond rates of between 8.942 % and 12.365% depending on the estimated time of closure.

The movement on each of the landfill site's provisions is:

	Opening balance	Additions	Utilised during the year	Unwinding of discount	Total
George	69,238,717	(6,468,910)	(250,897)	6,528,117	69,047,027
Uniondale	3,056,765	3,402	-	271,899	3,332,066
	72,295,482	**(6,465,508)**	**(250,897)**	**6,800,016**	**72,379,093**

Compensation Liability: George Integrated Public Transport Network

The George Integrated Public Transport Network (GIPTN) has been developed by the municipality and the Provincial Government of the Western Cape to transform the road-based public transport sector through the establishment of a high quality, flexible and integrated public transport network.

An operating company was established and the current taxi owners form part of the operating company and operate the buses in the network. According to the signed operator's agreement, the taxi owners have to relinquish their existing taxi operators' licences to receive the compensation.

The bus services started operating during December 2014 and are rolled out in phases.

The provision for the compensation is based on the signed agreements with each of the taxi operators. Based on these agreements, 230 (2023: 230) licences were subject to the buy-in option, while 295 (2023: 295) licences were subject to the election of the buy-out option. The buy-in provision for operators who started receiving their monthly buy-in amounts was transferred to Trade and other payables. Refer to note 18.

The undiscounted provision for compensation before any pay outs over the five years covered by the compensation agreement is R35 706 820 (2023: R48 248 830). A discount rate of 7.575% (2023: 6.128%) (the 2 year Government Bond rate) was used to discount the provision.

The municipality expects to pay the buy-out options between September 2024 and January 2026 as the next phases are rolled out and the buy-in options within 5 years from the roll out dates.

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22. Conditional government grants and subsidies

Unspent conditional government grants and subsidies	**757,265,419**	**422,809,717**
National Government Grants	735,311,904	386,490,600
Provincial Government Grants	14,174,286	28,612,626
Other	7,704,027	7,704,027
District Government Grants	75,211	2,464
Less: Conditional government grants and subsidies receivable - Note 4	**(4,498,063)**	**(17,387,152)**
National Government Grants	(262,147)	(262,147)
Provincial Government Grants	(1,662,519)	(14,551,607)
District Government Grants	(2,573,398)	(2,573,398)
	752,767,356	**405,422,565**

The amount of unspent conditional grants and receipts is held in the operating bank account of the municipality until utilised.

The total grants recognised in the Statement of Financial Performance are (Refer to note 31):

Unconditional Grants		
Grants	214,689,971	193,460,000
Conditional Grants		
Grants and Donations	1,044,565,336	838,246,468
Subsidies	1,438,468	1,233,177
Total Government Grants and Subsidies	**1,260,693,775**	**1,032,939,645**
Operating	680,045,129	624,643,277
Capital	580,648,646	408,296,370
	1,260,693,775	**1,032,939,647**

Details of the different grants are set out below.

Unconditional Grants

22.1 Equitable share

Grants received	(214,689,971)	193,460,000
Conditions met - Operating	214,689,971	(193,460,000)
Conditions met - Capital	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

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.

Free basic services are services provided for poor households (indigent support) that are funded through the Equitable Share allocation. The cost of free basic services for 2024 were R133 832 229 (2023: R 120,475,786).

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22. Conditional government grants and subsidies (continued)

Conditional Grants

22.2 National: Finance Management Grant (FMG)

Opening balance	-	-
Grants received	1,771,000	1,721,000
Conditions met - Operating	(1,771,000)	(1,721,000)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Program (e.g. salary costs of the Financial Management Interns).

22.3 National: Infrastructure Skills Development

Opening balance	1,221,971	-
Grants received	6,217,000	6,000,000
Conditions met - Operating	(5,044,783)	(4,634,343)
Conditions met - Capital	-	(143,686)
Repayment of grant	(1,221,971)	-
Conditions still to be met/(Grant expenditure to be recovered)	**1,172,217**	**1,221,971**

The Infrastructure Skills Development Grant is given to strengthen the capacity of local government to effectively and efficiently deliver quality infrastructure, by increasing the pool of skills available and to facilitate lifelong learning and the transfer of knowledge to municipalities.

22.4 National: Energy Efficiency and Demand Side Management Grant

Opening balance	399,612	-
Grants received	-	2,500,000
Conditions met - Capital	-	(2,100,388)
Repayment of grant	(399,612)	-
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**399,612**

The Energy Efficiency and Demand Side Management Grant is given to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.

22.5 National: Municipal Infrastructure Grant (MIG)

Opening balance	1,960,306	-
Grants received	-	45,508,000
Conditions met - Operating	-	(750,002)
Conditions met - Capital	(1,960,306)	(42,797,692)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**1,960,306**

The grant was utilised to construct water and sewerage infrastructure and also to upgrade sport facilities, with the main focus on the historically disadvantaged areas.

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22. Conditional government grants and subsidies (continued)

22.6 National: Water Service Infrastructure Grant

Opening balance	-	-
Grants received	3,820,000	-
Conditions met - Capital	(3,820,000)	-
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

The grant was allocated to the municipality to provide water and sanitation services and reduce backlogs.

22.7 National: Regional Bulk Infrastructure Grant (RBIG)

Opening balance	129,404,089	-
Grants received	365,138,000	374,896,000
Conditions met - Operating	(4,000,000)	(2,903,210)
Conditions met - Capital	(338,550,953)	(242,588,701)
Conditions still to be met/(Grant expenditure to be recovered)	**151,991,136**	**129,404,089**

The grant was allocated to the municipality to construct bulk infrastructure for water and waste water. This grant was used specifically for raising the dam wall of the Garden Route dam.

22.8 National: Integrated National Electrification Grant

Opening balance	104,578	-
Grants received	6,346,000	38,036,000
Conditions met - Capital	(5,752,314)	(37,931,422)
Conditions still to be met/(Grant expenditure to be recovered)	**698,264**	**104,578**

The National Electrification Grant was used to upgrade the sub-station and electrification network.

22.9 National: Expanded Public Works Program Grant (EPWP)

Opening balance	-	-
Grants received	4,173,000	1,990,000
Conditions met - Operating	(3,240,873)	(1,990,000)
Conditions still to be met/(Grant expenditure to be recovered)	**932,127**	**-**

The Expanded Public Works Program Grant was used to increase labour employment through infrastructure programs that increase job creation and skills development.

22.10 National: Lawaaikamp Sports Grounds (Lotto)

Opening balance	(262,147)	(262,147)
Grants received	-	-
Conditions met - Capital	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**(262,147)**	**(262,147)**

The National Lottery has given this grant to the municipality specifically for the upgrading of the Lawaaikamp Sports Grounds.

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22. Conditional government grants and subsidies (continued)

22.11 National: Public Transport Grant

Opening balance	24,304,645	-
Grants received	649,823,000	237,100,000
Conditions met - Operating	(170,300,423)	(149,292,686)
Conditions met - Capital	(53,858,055)	(63,502,669)
Conditions still to be met/(Grant expenditure to be recovered)	**449,969,167**	**24,304,645**

This grant's purpose is to provide supplementary operational funding to municipalities operating approved Integrated Public Transport Network services and to provide improved public transport network services that are formal, scheduled and well managed, as well as to provide funding for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.

The unspent conditional grant mainly resulted from additinnal funding received during March 2024.

22.12 National: Municipal Disaster Recovery Grant

Opening balance	229,095,398	-
Grants received	-	237,497,000
Conditions met - Capital	(98,574,332)	(8,401,602)
Conditions still to be met/(Grant expenditure to be recovered)	**130,521,066**	**229,095,398**

The National Disaster Recovery Grant aims to facilitate the restoration of the municipal infrastructure that has been adversely affected by environmental hazards, such as flooding. This grant is intended to support the comprehensive recovery and repair efforts necessary to reinstate the functionality and resilience of the municipality's infrastructure systems.

22.13 National: Integrated Urban Develpment Grant

Grants received	59,878,999	-
Conditions met - Operating	(1,033,998)	-
Conditions met - Capital	(58,836,937)	-
Conditions still to be met/(Grant expenditure to be recovered)	**8,064**	**-**

To provide funding for public investment in infrastructure for the poor and to promote increased access to municipal own sources of capital finance in order to increase funding for public investment in economic infrastructure; to ensure that public investments are spatially aligned and to promote the sound management of the assets delivered.

22.14 National: Neighbourhood Development Partnership Grant

Grants received	5,000,000	-
Conditions met - Capital	(4,980,136)	-
Conditions still to be met/(Grant expenditure to be recovered)	**19,864**	**-**

To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under- served neighbourhoods, townships and rural towns.

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22. Conditional government grants and subsidies (continued)

22.15 Provincial: Western Cape Financial Management Capacity Building Grant

Opening balance	324,535	124,535
Grants received	1,200,000	1,450,000
Conditions met - Operating	(1,000,000)	(1,250,000)
Repayment of grant	(324,535)	-
Conditions still to be met/(Grant expenditure to be recovered)	**200,000**	**324,535**

This grant is given 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.

22.16 Provincial: Integrated Public Transport Network Grant

Opening balance	(12,997,789)	12,671,346
Grants received	288,868,000	214,811,000
Conditions met - Operating	(274,856,674)	(240,480,135)
Conditions still to be met/(Grant expenditure to be recovered)	**1,013,537**	**(12,997,789)**

The Integrated Public Transport Network Operations grant is given to the municipality to implement a public transport service as contemplated in the George Integrated Public Transport Network (GIPTN). This grant will fund the shortfall in operational cost and provide for the additional operational support to underwrite the consequences of significantly impaired operating conditions and magnified transformation obligations. This grant will also enhance infrastructure for public transport services provided by the municipality.

22.17 Provincial: Human Settlements Development Grant

Opening balance	12,838,249	10,135,335
Grants received	-	10,570,200
Conditions met - Operating	-	(189,000)
Conditions met - Capital	-	(7,678,286)
Conditions still to be met/(Grant expenditure to be recovered)	**12,838,249**	**12,838,249**

This grant is given to provide funding for the creation of sustainable human settlements. The outcome of this grant is to provide top structures and basic social and economic amenities that contributes to the establishment of sustainable human settlements.

22.18 Provincial: Housing Accredit/Capacity Buidling Grants

Opening balance	182,363	667,233
Grants received	245,000	411,837
Conditions met - Operating	(122,500)	(484,870)
Repayment of grant	(182,363)	(411,837)
Conditions still to be met/(Grant expenditure to be recovered)	**122,500**	**182,363**

To fund the estabishment of a human settlement unit within the accreditation priority municipality as well as enhancing the existing human settlements unit; and to finance the municipal institutional capacity requirements.

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22. Conditional government grants and subsidies (continued)

22.19 Provincial: Accelarated Housing Programme Grants

Opening balance	530,000	530,000
Grants received	-	-
Conditions met - Capital	-	-
Repayment of grant	(530,000)	-
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**530,000**

The Accelerated Housing Program grant is a provincial initative aimed at expediting the construction and availability of affordable housing units. Through this program eligible developers and organizations receive financial support, incentives, and streamlined regulatory processes to accelerate the planning and construction of housing projects. The grant aims to address housing shortages and promote urban development by facilitating the creation of new residential properties, thereby contributing to improved housing accessibility and affordability for a broader segmetn of the population.

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22.20 Provincial: Informal Settlements Upgrade Grants

Opening balance	1,171,868	2,715,969
Grants received	-	-
Conditions met - Operating	(1,261,341)	(1,544,102)
Conditions still to be met/(Grant expenditure to be recovered)	**(89,473)**	**1,171,868**

To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements.

Below is a summary of the net amount payable / (receivable) to the Department of Human Settlements.

Department of Human Settlements

22.17 Provincial: Human Settlements Development Grant	12,838,248	12,838,249
22.18 Provincial: Housing Accredit/Capacity Grants	122,500	182,363
22.19 Provincial: Accelarated Housing Programme Grants	-	530,000
22.20 Provincial: Informal Settlements Upgrade Grants	(89,473)	1,171,868
Construction contracts Refer to note 8	(2,537,515)	(3,468,641)
Principle agent arrangements: amounts due from principle - Refer to note 10	(1,103,983)	(1,103,983)
	9,229,777	**10,149,856**

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22. Conditional government grants and subsidies (continued)

22.21 Provincial: Proclaimed Roads

Opening balance	-	-
Grants received	504,946	22,153,393
Conditions met - Operating	(504,946)	(22,153,393)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

This grant is given by Provincial Treasury to financially assist municipalities with the maintenance/construction of proclaimed municipal main roads, where the municipality is the Road Authority (Section 50 of Ordinance 19 of 1976).

22.22 Provincial: Thembalethu & Pacaltsdorp sport fields (YDVS)

Opening balance	(1,453,818)	(1,453,818)
Grants received	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**(1,453,818)**	**(1,453,818)**

This grant was utilised to upgrade the Thembalethu and Pacaltsdorp sport fields.

22.23 Provincial: Provide resources for the Cycle Infrastructure Project Grant

Opening balance	(100,000)	(100,000)
Grants received	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**(100,000)**	**(100,000)**

This grant was given by Provincial Treasury to the Municipality to further develop and enhance cycle infrastructure in the municipal area.

22.24 Provincial: Title Deeds Restoration Grant

Grants received	434,670	-
Conditions met - Operating	(453,898)	-
Conditions still to be met/(Grant expenditure to be recovered)	**19,228**	**-**

To provide funding for the eradication of the pre-2014 title-deeds registration backlog and the professional fees associatied with it, including beneficiary verification.

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22. Conditional government grants and subsidies (continued)

22.25 Provincial: Community Development Workers' Operational Grant

Grants received	94,000	94,000
Conditions met - Operating	(94,000)	(188,000)
Repayment of grant	-	(30,450)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

This grant is for financial assistance to Municipalities to cover the operational expenses i.r.o the functions of the community development workers including the supervisors and regional organisers.

22.26 Provincial: Thembalethu Thusong Service Centre

Opening balance	-	-
Grants received	150,000	-
Conditions met - Operating	(150,000)	-
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

This grant is given to provide financial assistance to Municipalities, ensuring the financial sustainability of the Thusong Service Centres.

22.27 Provincial: Sport / Recreational Facilities

Opening balance	693,491	700,000
Grants received	750,000	800,000
Conditions met - Capital	(1,443,491)	(806,509)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**693,491**

This grant is given by Provincial Treasury to initiate and support socially cohesive sport and recreation stuctures and/or activities.

22.28 Provincial: Emergency Municipal Load-Shedding Relief

Opening balance	12,872,121	-
Grants received	-	14,220,000
Conditions met - Capital	(12,872,121)	(1,347,879)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**12,872,121**

Provide a financial contribution to municipalities towards the purchase and installation of back-up energy supply (which may include generators, renewable power sources, batteries and all ancillary costs associated with the installation i.e: switch gear, safe keeping, caging etc) for water and wastewater infrastructure as an immediate response to the prolonged load-shedding, thereby mitigating the impact on the provision of basic services and potential health risks.

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22. Conditional government grants and subsidies (continued)

22.29 Provincial: LG Public Employement Support Grant

Opening balance	-	1,440,695
Conditions met - Operating	-	(1,440,695)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

The Local Government Public Employment Support Grant is given to coordinate and ensure the implementation of targeted, short term public employment programmes for communities identified as being in distress, through conditional transfers to local and district municipalities and the Metro in the Western Cape.

The Western Cape Municipal Energy Resilience Grant is given to support the implementation of renewable energy and energy resilience projects in the Province.

22.30 Other: GRDM Electrification Grant

Opening balance	200,000	200,000
Grants received	-	-
Conditions met - Capital	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**200,000**	**200,000**

The Eden District Municipality grant was given for electrification of certain areas.

22.31 Other: GRDM Emergency Relief Funds

Opening balance	(2,573,398)	(2,573,398)
Grants received	-	-
Conditions met - Capital	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**(2,573,398)**	**(2,573,398)**

This grant was given to reimburse municipalities for flood damage incurred by the municipality.

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22. Conditional government grants and subsidies (continued)

22.32 Other SANRAL N2 / York Relief

Opening balance	7,504,027	7,504,027
Grants received	-	-
Conditions met - Capital	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**7,504,027**	**7,504,027**

This grant was utilised to widen the N2/York Street bridge and to add a pedestrian crossing to the bridge.

22.33 Other: LG Seta

Opening balance	-	-
Grants received	1,438,468	1,233,177
Conditions met - Operating	(1,438,468)	(1,233,177)
Conditions still to be met/(Grant expenditure to be recovered)	**-**	**-**

These amounts were received from LG Seta based on the municipality's workplace skills plan.

22.34 Other: GRDM Community Safety Initiatives

Opening balance	-	120,000
Grants received	155,000	-
Conditions met - Operating	(82,254)	(120,000)
Conditions still to be met/(Grant expenditure to be recovered)	**72,746**	**-**

The Garden Route District Municipality Community Initiatives Grant is given to the municipality to provide community safety initiatives in the George Municipal area.

22.35 Other: GRDM Micro Enterprise Facilities Grant

Opening balance	2,465	1,000,000
Conditions met - Capital	-	(997,536)
Conditions still to be met/(Grant expenditure to be recovered)	**2,465**	**2,465**

The Garden Route District Municipality Micro Enterprise Facilities grant is given to the municipality to allocate trading space to informal traders where they can trade in a safe and regulated environment.

Anti Land Invasion grant is given to protect public land and infrastructure from illegal invasion and opportunistic land grabs.

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22. Conditional government grants and subsidies (continued)

Total Grants		
Opening balance	405,422,566	33,544,227
Grants received	1,610,697,055	1,404,451,607
Conditions met - Operating	(680,045,129)	(623,834,611)
Conditions met - Capital	(580,648,647)	(408,296,370)
Repayment of grant funding received	(2,658,480)	(442,287)
Conditions still to be met/(Grant expenditure to be recovered)	**752,767,356**	**405,422,566**

Refer to note 49 for detail regarding the corrections of prior period errors.

23. Housing development fund

Unappropriate surplus	(19,513,413)	(17,653,872)
Loans extinguished by Government on 1 April 1998	53,383,243	53,383,243
	33,869,830	**35,729,371**

The housing development fund is represented by the following assets and liabilities

Housing selling scheme loans	9	21,967	36,462
Inventory	2	39,266	61,918
Receivables from exchange transactions	3	1,042,910	1,145,830
Receivables from non-exchange transactions	4	771,560	818,102
Cash and cash equivalents	11	32,765,687	34,485,161
Payables from exchange transactions	18	(771,560)	(818,102)
Total Housing Development Fund Assets and Liabilities		**33,869,830**	**35,729,371**

24. Service charges

Sale of electricity	931,086,882	785,776,767
Sale of water	228,473,527	211,952,855
Sewerage and sanitation charges	168,467,446	157,407,731
Refuse removal	153,295,801	141,374,178
	1,481,323,656	**1,296,511,531**

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Sale of electricity previously reported: R785 775 792

Refer to note 49 for detail regarding the corrections of prior period errors.

25. Income from agency services

Provincial vehicle registrations	14,083,052	14,304,911

Refer to note 58 regarding the principle-agent agreement.

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25. Income from agency services (continued)

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Provincial drivers licenses previously reported: R1 836 903

Refer to note 49 for detail regarding the corrections of prior period errors.

26. GIPTN Fare Revenue

GIPTN Fare Revenue	77,498,662	63,779,838

Fare revenue is recognised in accordance with accounting policy 1.25.

The GIPTN is part of a service concession arrangement. Refer to note 56 for more detail.

27. Operating revenue

Building plan fees and related income	10,888,745	12,622,126
Camping fees	1,216,357	1,018,770
Cemetery fees	1,666,201	1,491,192
Collection charges	8,516,535	4,269,076
Development charges	44,539,709	35,090,189
Insurance claims received	2,508,053	2,737,489
Entrance fees	60,247	69,756
Libraries	9,939,130	10,366,087
Land usage application fee	1,825,252	2,186,079
Rates clearance certificates for property transfers	808,960	980,179
Reversal to the rehabilitation of the landfill sites provision	6,465,507	3,241,679
Sale of Erven	4,561,714	5,405,224
Sundry income	8,376,303	4,234,170
	101,372,713	**83,712,016**

The amounts disclosed above for Other Income are in respect of services rendered, other than described in notes 24 and 29 which are billed to or paid for by the users of the services as required according to approved tariffs.

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Development charges previously reported: R35 159 945.

Entrance fees previously reported: Rnil.

Sale of Erven previously reported: Rnil.

Sundry income previously reported: R4 294 921.

Refer to note 49 for detail regarding the correction of prior period errors.

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28. Interest received

Interest revenue		
Trade receivables	21,634,976	14,405,852
Interest revenue		
Bank accounts	53,603,837	27,367,980
Short term investments	49,701,819	35,978,346
	103,305,656	**63,346,326**
	124,940,632	**77,752,178**

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29. Property rates

Rates received

Agriculture	6,648,952	6,533,674
Business and Commercial	91,342,049	92,299,929
Industrial	32,770,058	21,587,887
Public benefit organisations	318,239	393,115
Public service infrastructure	140,518	179,058
Mining	402,814	-
Residential	311,807,201	275,516,786
Public sercie purposes	18,620,814	18,019,031
Vacant land	30,365,018	17,466,979
Less: Income forgone	(45,440,474)	(37,800,371)
Less: Impermissible rates	(3,645,116)	(9,493,076)
	443,330,073	**384,703,012**

Valuations

Agriculture	4,619,342,000	3,179,707,000
Churches, Monuments and Parks	480,619,000	373,690,000
Business and Commercial	7,862,707,350	7,646,507,000
Public Service Purposes	1,670,432,060	1,567,731,000
Industrial	2,827,572,900	1,869,784,000
Municipal Exempt	1,410,568,100	1,386,578,000
Public Service Infrastructure	140,330,100	86,929,000
Public Benefit Organisations	225,430,000	185,631,000
Residential	53,533,875,500	33,720,021,000
Mining	35,570,000	-
Vacant land	2,542,368,965	1,470,523,000
	75,348,815,975	**51,487,101,000**

Assessment rates are levied on the total value of property of which the valuation must be performed every four years in terms of the Municipal Property Rates Act, 6 of 2004 and the Amendment Act, 29 of 2014. Interim valuations are processed on a monthly basis to take into account changes in individual property value due to alterations, completions, consolidations and subdivisions.

Uniform rates of 0.5846 (2023: 0,8219) cents in the Rand on total valuations were applied to determine assessment rates. Business tariffs are levied at 1.1691 (2023: 1.1596) for Commercial, Industrial, Business and Mining erven, and this was applicable for all Areas.

Rebates of 15%, 20% and 40% (2023: 15%, 20% and 40%) were applied to pensioners based on the annual income of the ratepayer.

Rates are levied monthly on property owners and are payable by the 15th of each month. Owners are allowed to pay the 12 monthly instalments annually by 30 September each year. Interest is levied at the prime rate on outstanding rates amounts.

Prior year amount for Industrial valuations were corrected to agree to the signed recons performed.

Industrial valuations previously reported: R1 869 754 000.

30. Licences and permits (non-exchange)

License and permits	1,779,415	1,836,903

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30. Licences and permits (non-exchange) (continued)

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

License and permits previously reported: Rnil.

Refer to note 49 for detail regarding the corrections of prior period errors.

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31. Government grants & subsidies

Operating grants		
Equitable share	214,689,971	193,460,000
National: Integrated Urban Development Grant	1,033,998	-
National: Expanded Public Works Program Grant	3,240,873	1,990,000
National: Financial Management Grant (FMG)	1,771,000	1,721,000
National: Infrastructure Skills Development	5,044,783	4,634,343
National: Municipal Infrastructure Grant (MIG)	-	750,000
National: Public Transport Grant	170,300,423	149,292,687
National: Regional Bulk Infrastructure Grant (RBIG)	4,000,000	2,903,210
Pronvicial: Capacity Building and Other Grant	-	-
Provincial: Community Development Workers Grant	94,000	188,000
Provincial: Human Settlements Grant	1,383,841	3,026,635
Provincial: Integrated Public Transport Network Grant	274,856,674	240,480,135
Provincial: Title Deeds Restoration Grant	453,898	-
Provincial: Proclaimed Roads	504,946	22,153,393
Provincial: Thusong Centre Grant	150,000	-
Provincial: Western Cape Financial Management Capacity Building	1,000,000	1,250,001
Provincial: Western Cape Municipal Energy Resilience Grant	-	-
Other: LG Public Employment Grant	-	1,440,696
Other: LG Seta	1,438,468	1,233,177
Other: GRDM: Community Intiatives	82,254	120,000
	680,045,129	**624,643,277**
Capital grants		
National: Energy Efficiency and Demand Side Management Grant	-	2,100,388
Provincial: Emergency Municipal Load-Shedding Relief	12,872,121	1,347,879
Provincial: Sport and Recreational Facilities	1,443,491	806,509
Other: JDMA Grant	-	997,536
National: Municipal Disaster Recovery Grant	98,574,332	8,401,602
National: Water Services Infrastructure Grant	3,820,000	-
National: Neighbourhood Development Partnership Grant	4,980,136	-
National: Integrated Urban Development Grant	58,836,937	-
National: Municipal Disaster Recovery Grant	-	-
National: Infrastructure Skills Development	-	143,686
National: Integrated National Electrification Grant	5,752,314	37,931,422
National: Municipal Infrastructure Grant (MIG)	1,960,307	42,797,692
National: Public Transport Grant	53,858,055	63,502,669
National: Regional Bulk Infrastructure Grant (RBIG)	338,550,953	242,588,701
Provincial: Human Settlements Grant	-	7,678,286
	580,648,646	**408,296,370**
	1,260,693,775	**1,032,939,647**

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31. Government grants & subsidies (continued)

Revenue recognised per vote as required by Section 123 (c) of the MFMA

Civil Engineering Services	1,062,459,054	867,989,318
Community Services	90,109,968	55,175,082
Corporate Services	9,076,783	2,882,172
Electro- Technical Services	59,663,910	97,494,928
Financial Services	22,164,745	2,971,001
Human Settlements, Planning and Property Management	17,219,315	6,427,146
	1,260,693,775	**1,032,939,647**

32. Fines, penalties and forfeits

Property rates penalties	2,563,413	1,995,314
Other fines	2,777,817	1,279,011
Traffic fines	28,176,823	52,649,804
Unclaimed Money Forfeits	1,825,497	5,114,812
	35,343,550	**61,038,941**

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered.

Unclaimed money forfeits previously reported: R5 055 036.

Refer to note 49 for detail regarding the corrections of prior period errors.

33. Availability Charges

Sewerage - Availability charges	5,230,346	5,351,726
Refuse - Availability charges	2,505,074	6,629,234
Electricity - Availability charges	2,925,451	3,119,706
Water - Availability charges	11,636,042	7,211,746
	22,296,913	**22,312,412**

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Figures in Rand	2024	2023

34. Employee related costs

Basic	396,563,650	363,754,711
Housing benefits and allowances	2,318,581	2,282,027
Medical aid - company contributions	28,100,347	24,840,958
Other payroll levies	11,175,855	10,265,536
Overtime payments	51,511,251	57,018,827
Employee benefit obligations	8,277,534	8,977,176
Bonus	30,865,858	29,754,772
Staff leave	4,184,350	2,738,518
Travel, motor car, accommodation, subsistence and other allowances	40,946,672	35,770,747
UIF	3,192,176	3,032,985
Pension	67,759,990	64,138,780
Settlement agreements	-	2,158,785
	644,896,264	**604,733,822**

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Basic previously reported: R376 419 520.

Medical aid - company contributions previously reported: R25 639 484.

Other payroll levies previously reported: R10 636 358.

Employee benefit obligations previously reported: R2 426 968.

Bonus previously reported: R29 912 052.

Travel, motor car, accommodation, subsistence and other previously reported: R36 564 859.

UIF previously reported: R3 138 755.

Pension previously reported: R65 837 458.

Arbitration awards previously reported: R42 198.

Severence package and settlement agreements previously reported seperately.

Severence package previously reported: R1 313 610.

Settlement agreements previously reported: R845 175.

Refer to note 49 for detail regarding the correction of prior period errors.

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34. Employee related costs (continued)

Remuneration of Municipal Manager

Annual Remuneration	2,019,177	1,669,252
Car Allowance	132,000	132,000
Acting expense	7,513	-
Contributions to UIF, Medical and Pension Funds	2,262	2,255
Performance bonus	248,608	241,367
Cellphone allowance	40,800	40,800
Once-off Gratuity	21,819	40,680
	2,472,179	**2,126,354**

Remuneration of Director Financial Services

Annual Remuneration	1,502,697	1,268,078
Car Allowance	120,000	120,000
Contributions to UIF, Medical and Pension Funds	108,076	126,141
Cellphone allowance	40,800	40,800
Performance bonus	208,927	115,910
Once-off Gratuity	20,340	38,985
Acting allowance	3,635	3,144
	2,004,475	**1,713,058**

Remuneration of Director Corporate Services

Annual Remuneration	1,314,299	1,005,534
Car Allowance	100,000	115,031
Settlement agreement (previous director)	-	594,775
Contributions to UIF, Medical and Pension Funds	2,062	70,621
Acting expense	7,196	26,884
Performance Bonuses	81,282	-
Cellphone allowance	34,000	32,794
Leave gratuity (previous director)	-	45,862
Once-off Gratuity	16,950	11,395
	1,555,789	**1,902,896**

Remuneration of Human Settlements, Planning and Development and Property Management

Annual Remuneration	1,699,330	1,485,635
Performance Bonuses	208,927	202,842
Contributions to UIF, Medical and Pension Funds	31,443	30,369
Cellphone allowance	40,800	40,800
Once-off Gratuity	20,340	40,680
	2,000,840	**1,800,326**

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Figures in Rand	2024	2023

34. Employee related costs (continued)

Remuneration of Director Electro- Technical Services

Annual Remuneration	272,200	1,428,878
Performance Bonuses	134,310	202,842
Contributions to UIF, Medical and Pension Funds	15,578	88,465
Leave gratuity	-	40,800
Acting expense	40,849	-
Once-off Gratuity	3,390	40,680
Cellphone allowance	6,800	-
	473,127	**1,801,665**

Remuneration of Director Community Services

Annual Remuneration	1,304,531	684,085
Settlement agreement (Previous Director)	-	845,175
Car Allowance	156,000	26,000
Contributions to UIF, Medical and Pension Funds	220,995	169,830
Acting expense	-	22,183
Cellphone allowance	40,800	23,172
Once-off Gratuity	20,340	23,730
	1,742,666	**1,794,175**

Remuneration of Director Protection Services

Contributions to UIF, Medical and Pension Funds	-	57
Leave gratuity	-	5,733
	-	**5,790**

Remuneration of Director Civil Engineering Services

Annual Remuneration	1,308,866	722,165
Car Allowance	-	82,400
Performance Bonuses	89,540	-
Contributions to UIF, Medical and Pension Funds	298,307	191,830
Cellphone allowance	40,800	27,200
Once-off Gratuity	20,340	13,560
Acting expense	3,153	17,402
	1,761,006	**1,054,557**

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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35. Remuneration of councillors

Basic salaries		
Executive Major	697,549	725,487
Deputy Executive Mayor	574,555	580,385
Speaker	693,838	701,342
Chief Whip	538,634	544,036
Executive and Section 79 Committee	6,315,807	6,469,418
Councillors	8,640,414	8,728,767
Allowances and contributions		
Car allowance	5,231,292	4,929,917
Cell phone allowance	2,348,811	2,337,523
Contributions to medical aid	214,523	271,072
Contributions to pension fund	308,254	268,736
	25,563,677	**25,556,683**

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35. Remuneration of councillors (continued)

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 Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act. Refer to page 5 for the certification by the Accounting Officer.

Remuneration for the Executive Mayor, Deputy Executive Mayor, Speaker and Chief Whip are:

Executive Mayor		
Basic salary	697,549	725,487
Car allowance	232,145	230,164
Cell phone allowance	42,240	43,200
	971,934	**998,851**
Deputy Executive Mayor		
Basic salary	574,555	580,385
Car allowance	189,963	184,133
Cell phone allowance	43,200	43,200
	807,718	**807,718**
Speaker		
Basic salary	693,838	701,342
Cell phone allowance	43,200	43,200
Contributions to medical aid	70,680	64,344
	807,718	**808,886**
Chief Whip		
Basic salary	538,634	544,036
Car allowance	178,104	172,702
Cell phone allowance	43,200	43,200
	759,938	**759,938**
Executive Committee		
Basic salary	5,129,029	5,330,005
Car allowance	1,688,547	1,669,452
Cell phone allowance	410,520	429,600
Contributions to pension fund	61,828	99,417
	7,289,924	**7,528,474**
Section 79 committee chairperson		
Basic Salary	1,186,778	1,139,413
Car allowance	207,440	201,073
Cell phone allowance	91,560	81,600
	1,485,778	**1,422,086**
All Other Councillors		
Basic Salary	8,640,414	8,708,967
Car allowance	2,735,092	2,472,394
Cell phone allowance	1,674,891	1,653,523
Contributions to medical aid	143,843	206,728

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35. Remuneration of councillors (continued)

Contributions to pension fund	246,426	169,319
Public Office bearer allowance	-	19,800
	13,440,666	**13,230,731**

In-kind benefits

The Councillors occupying the positions of Executive Mayor, Deputy Executive Mayor, Speaker, Chief Whip and Executive Mayoral Committee Members of the municipality serve in a full-time capacity. They are provided with office accommodation and secretarial support at the expense of the municipality in order to enable them to perform their official duties.

The Executive Mayor and Deputy Executive Mayor have use of a Council owned vehicle for official duties.

36. Depreciation and amortisation

Property, plant and equipment	216,300,208	179,097,982
Intangible assets	324,962	338,042
Investment property	162,013	161,570
	216,787,183	**179,597,594**

Refer to note 49 for detail regarding the correction of prior period errors.

37. Impairment loss

Impairments

Trade receivables from exchange transactions	100,204,061	87,289,560
Trade and other receivables from non-exchange transactions	34,874,026	51,200,459
Loans and receivables	(12,185)	(10,540)
	135,065,902	**138,479,479**

Impairment loss is disclosed VAT exclusive.

38. Finance costs

Borrowings	40,016,132	32,282,109
Employee benefits obligations	25,164,800	25,174,100
Finance leases	32,171	4,939
Service concession Liability	14,358,179	10,167,644
Provision for rehabilitation of landfill site	6,800,016	6,292,504
Provision for Compensation Liability GIPTN (provision and accrual)	3,021,769	3,975,812
	89,393,067	**77,897,108**

Refer to note 21 for detail on the discounting of the provisions for the rehabilitation of the landfill site and the GIPTN Compensation Liability.

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Employee benefit obligations previously reported: Rnil.

Refer to note 49 for detail regarding the corrections of prior period errors.

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39. Bulk purchases

Electricity - Eskom	715,566,093	598,225,496

Bulk purchases are the cost of commodities not generated by the municipality, which the municipality distributes in the municipal area for resale to the consumers. Electricity is purchased from Eskom.

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Figures in Rand	2024	2023
40. Contracted services		
Consultants and Professional Services		
Business and Advisory		
Accounting and Auditing	1,857,597	1,611,380
Air Pollution	73,130	-
Audit Committee	332,517	148,456
Human Resources	4,137,497	1,699,689
Project Management	2,309,450	4,469,633
Quality Control	-	-
Valuer and Assessors	2,281,215	3,526,771
Infrastructure and Planning		
Engineering	12,955,883	8,170,730
Town Planner	1,868,840	1,362,216
Other		
Laboratory Services	384,322	202,887
Legal Cost	16,333,232	17,296,804
Medical examination and Occupational	412,852	121,417
Contractors		
Artist and Performers	543,358	791,444
Building	118,954	-
Catering Services	2,310,966	1,982,137
Electrical	7,859,182	10,096,572
Employee Wellness	982,337	710,990
Event Promoters	15,882,570	15,645,484
Fire Protection	67,063	188,110
First Aid	146,789	585,044
Haulage	6,223,733	5,070,346
Buildings and Facilities	39,064,018	42,760,069
Equipment	7,480,403	6,502,710
Unspecified Assets	150,639,748	162,471,515
Management of Informal Settlements	11,255,720	8,097,931
Hygiene services	250,474	179,157
Prepaid Electricity Vendors	26,818,467	24,282,386
Safeguard and Security	701,193	1,011,026
Traffic and Street Lights	401,032	1,000,039
Other	188,617	155,466
Outsourced Services		
Business and Advisory		
Accounting and Auditing	1,169,180	1,234,471
Business and Financial Management	4,163,554	3,044,208
Communications	815,280	725,980
Human Resources	270,982	627,783
Organisational	7,157,602	7,111,955
Electrical	30,102	59,412
Other		
Administrative and Support Staff	1,510,604	661,580
Alien Vegetation Control	1,196,422	1,232,170
Animal Care	3,270,250	3,100,106
Clearing and Grass Cutting Services	4,778,823	3,298,673
Internal Auditors	2,586,850	4,232,755
Legal Cost	5,103,496	736,617
Meter Management	2,337,682	2,541,271
Refuse Removal	21,906,329	9,157,295
Removal of chemical waste	704,005	926,981
Printing Services	392,006	1,842,986

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40. Contracted services (continued)

Security Services	34,831,812	26,494,002
Sewerage Services	-	47,162
Traffic Fines Management	2,163,524	3,912,806
Transport Services	289,990,595	249,627,777
Other	167,944	154,013
Personel and labour	2,144,811	-
	700,573,012	**640,910,412**

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Valuer and Assessors previously reported: R3 524 071.

Engineering previously reported: R10 459 233.

Town Planner previously reported: R1 362 451.

Medical examination and Occupational: Rnil.

Electrical previously reported: R10 298 628.

Employee Wellness previously reported: R633 501.

Event Promoters previously reported: R17 144 174.

First Aid previously reported: R1 300 676.

Buildings and Facilities previously reported: R46 652 078.

Unspecified Assets previously reported: R164 116 961.

Hygiene services previously reported: Rnil.

Prepaid Electricity Venders previously reported: R24 282 908.

Other previously reported: R154 944.

Electrical previously reported: Rnil.

Administrative and support staff previously reported: R661 254.

Removal of chemical waste previously reported: Rnil.

Security services previously reported: R29 633 879.

Refer to note 49 for detail regarding the corrections of prior period errors.

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41. Grants and subsidies paid

Other subsidies		
Bursary Grants	538,892	11,935
Provincial Department of Mobility	83,784,442	79,358,414
Donations	1,441,921	46,860
Arbitration awards	-	42,198
	85,765,255	**79,459,407**

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Arbitration awards previously reported: Rnil.

Refer to note 49 for detail regarding the corrections of prior period errors.

42. Loss on disposal of assets

Property, plant and equipment	1,003,954	818,302
Inventory	286,519	176,305
	1,290,473	**994,607**

43. Inventories losses/write downs

Net realisable value adjustments		
GIPTN Smart Cards for electronic fare revenue system	33,830	282,526
Unsold properties held for resale	-	1,962,050
Water distribution losses	26,129,002	20,600,800
	26,162,832	**22,845,376**

Refer to note 2 for details of inventories held by the municipality.

Net realisable value adjustments were performed on the GIPTN Smart Cards held as inventory as at 30 June 2024.

Water inventory to the value of R26 129 002 (2023: R20 600 170) were lost during the financial year. The main reason for these water losses is due to defective meters, breakage in pipelines, leaking valves, vandalism and theft.

Refer to note 49 for detail regarding the correction of prior period errors.

44. Other materials / Inventory

Fuel	29,387,700	33,141,416
Chemicals	4,154,728	924,804
Other	43,053,942	44,461,789
Inventory consumed Purified Water	116,326,249	102,461,382
	192,922,619	**180,989,391**

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44. Other materials / Inventory (continued)

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Fuel previously reported: R35 642 100.

Other previously reported: R45 677 993.

Refer to note 49 for detail regarding the correction of prior period errors.

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45. General expenses

Advertising, publicity and marketing	3,599,887	3,368,090
Auditors remuneration	7,793,739	7,633,410
Bank charges	2,952,324	2,329,182
Bargaining Council	7,307,582	6,624,179
Commission Third Party Vendors	9,065,668	5,917,332
External computer services	19,470,031	20,548,825
Rental of vehicles and equipment	13,376,178	11,488,188
Insurance	9,480,974	16,944,683
Internet charges	4,972,867	4,681,597
Learnerships and interns	578,685	459,522
Lease rentals on operating leases	4,425,171	2,694,143
Levies	1,839,559	2,510,318
Other general expenses	(19,635,824)	(17,002,414)
Postage, courier and delivery services	90,171	71,462
Printing and stationery	832,680	865,444
Refuse	21,138,340	10,560,825
Skills Development Levy	6,800,004	6,302,176
Telephone and fax	703,855	1,505,111
Travel	2,158,444	1,997,009
Uniforms	4,775,977	5,625,052
Vehicle Tracking	4,735,841	3,952,611
Warranties paid	-	1,715,239
Workmen's Compensation Fund	4,325,884	2,920,952
	110,788,037	**103,712,936**

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

Advertising, publicity and marketing previously reported: R3 279 869.

Bus ticketing services previously reported: R35 860 832.

Commission Third Party Vendors previously reported: R5 928 728.

Lease rentals on operating leases previously reported: R2 769 151.

Other general expenses previously reported: R8 458 064.

Printing and stationery previously reported: Rnil.

Travel - local previously reported: R 2 112 159.

Refer to note 49 for detail regarding the correction of prior period errors.

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46. Cash generated from operations

Surplus	621,590,185	416,310,072
Adjustments for:		
Depreciation and amortisation	216,787,183	195,145,555
Gain (loss) on sale of assets and liabilities	1,290,473	(1,926,923)
Finance costs - Finance leases	-	4,939
Impairment deficit	135,065,902	150,597,470
Movements in bonus provision	726,353	2,608,029
Movements in provisions	5,032,500	(1,421,887)
Provisions utilised during the year	(16,557,015)	(16,264,363)
Movement in Employee benefit asset and liabilities - Medical Aid, Pension and Long Service Awards	1,881,977	2,472,236
Movement in Employee benefit asset and liabilities - Staff leave	205,067	(1,624,054)
Receipts from principal	-	(808,664)
Payments on behalf of principal	-	(3,178,604)
Benefits paid in terms of employee benefits obligations	(16,050,232)	(11,595,208)
Construction contracts receipts	-	825,716
Unspent conditional grants received	1,608,038,565	1,416,738,985
Payments from unspent conditional grants	(1,260,693,775)	(1,045,161,112)
Construction contracts revenue	616,252	(126,350)
Inventory Losses / Write - downs	26,162,832	2,244,576
Other income	193,175	-
Changes in working capital:		
Inventories	4,507,945	(2,781,690)
(Increase) / Decrease in Receivables from non-exchange transactions	(11,738,107)	(73,764,273)
(Increase) / Decrease in Prepayments	104,247	8,847,729
Increase) / Decrease in Receivables from exchange transactions	(117,762,727)	(117,129,900)
Increase / (Decrease) in Trade and other payables from exchange transaction	107,295,069	(10,415,117)
(Increase) / Decrease in VAT	3,053,860	(14,717,484)
Increase / (Decrease) in Consumer deposits	5,969,248	3,412,430
	1,315,718,977	**898,292,108**

The cashflow was adjusted based on the restated figures. Refer to note 49.

47. Commitments

Authorised capital expenditure

Already contracted for but not provided for		
• Infrastructure	825,788,802	527,923,953
• Community	36,189,556	4,908,406
	861,978,358	**532,832,359**

Total capital commitments		
Already contracted for but not provided for	861,978,358	532,832,359

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47. Commitments (continued)

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	1,448,138	1,150,336
- in second to fifth year inclusive	2,190,144	3,638,282
	3,638,282	**4,788,618**

Operating leases relate to property, plant and equipment with lease terms not longer than 5 years with an option to extend for a further period. All operating lease contracts contain market review clauses in the event that the municipality exercises its option to renew. The municipality does not have an option to purchase the leased asset at the expiry of the lease period.

48. Contingencies

Compensation for damages		
Magnolia Ridge Properties 77 (Pty) Ltd	3,000,000	3,000,000
Construction of Nelson Mandela Boulevard	1,000,000	1,000,000
N Landu	-	1,362,784
Royal Haskoning	600,000	600,000
K Langeveldt	350,000	350,000
D Viljoen	30,000	-
	4,980,000	**6,312,784**

Magnolia Ridge Properties 77 (Pty) Ltd: Claimant brought a review application against the George Municipality regarding a decision made to claimant's application for and uses of erven 25538 and 25541 which was refused. The company appealed against the decision and the appeal was dismissed by the Appeal Authority after which the company lodged a revised application which was heard in the High Court of South Africa but the High Court referred the matter back to the Appeals Authority for consideration. There was an oral hearing on 1 April 2019 at the offices of the municipality and at this hearing, written and oral submissions were made. After the hearing, the Appeals Authority met with independent technical advisors for assistance and advice. The Appeals Authority dismissed the appeal in May 2019. The municipality paid R503,399 for legal costs in this matter. Magnolia Ridge Properties 77 (Pty) Ltd indicated that they intend to take the decision under review. To date the municipality did not receive any further communication from them on this matter.
Magnolia Ridge Properties 77 (Pty) Ltd also lodged a further application to change the zoning of erf 25541 in March 2019 for setting aside the decision of the Appeals Authority against the refusal of the company's request for rectification of a reported error on the municipality's zoning scheme map. The company requested an order that the entire extent of the property be rezoned and a cost order was also requested against the municipality. The municipality indicated that they would oppose this matter and filed the necessary documentation in June 2019. The appeal of the claimant was dismissed, but the claimant subsequently brought a review application in the High Court for the setting aside of the decision of the Appeal Authority.
On 20 April 2021 the Applicant served a Rule 28(1) Notice to amend their Notice of Motion requesting further relief to review and set aside the decision of the Municipality. The Municipality made objection to the proposed amendment. The Applicant thereafter served a Notice of Application for Leave to Amend and Joinder Application on 25 May 2021. The Municipality does not intend to oppose the Joinder Application, however instructions were received to oppose the Application for Leave to Amend and the Municipality's answering papers will be filed within the time limits allowed.
Application for Special Leave to Appeal on behalf on the Municipality was lodged at the Supreme Court on 19 June 2023 and granted on 11 September 2023. The date of the hearing of the Application for Special leave to Appeal is awaited. The cost exposure for the municipality will be approximately R3 000 000
(2023: R3 000 000) if the company is successful.

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48. Contingencies (continued)

Construction of Nelson Mandela Boulevard: The High Court Litigation contains claims against both the contractor and principal agent based on the contracts between the parties and defective works as well as a claim against the principal agent for over certification.
The High Court Litigation is currently in the discovery phase, and the matter needs to be set for pre-trail. The combined amount claimed against the two defendants will, after amendment to the pleadings, be in the region of R30 000 000 (2023: R30,000,000). The estimated amount of financial exposure for the Municipality as far as legal fees are concerned, is approximately R1 000 000 (2023: R1,000,000). Should the case be unsuccessful in the litigation, the costs of the Municipality's opponents, should they obtain a costs order, will also be in the region of R1 000 000 (2023: R1,000,000).

N Landu: Acting on behalf of a minor, S Landu, he instituted a claim for damages of R2,300,000 against the municipality as a result of an incident when the minor's hand was injured when the rear loading mechanism of one of the municipality's refuse compactors allegedly closed on the minor's left hand. The attorneys (Clyde & Co) had conducted investigations regarding the merits and noted that the court is likely to find a negligent act by the insured. Both merit and quantum assessments were investigated and it was agreed that a 35% apportionment will be applicable in this matter. The matter has been finalised.

Royal Haskoning: The matter is centred around the professional negligence of the consulting engineer during the construction of a new 12.5ML Reservoir at the George Old Water Treatment Works. The claims is for damages as a result of the 1.38ML loss of water storage capacity due to the engineer`s designs being incorrect. The matter has been transferred to the commercial court for purposes of expendiency and cost-effectiveness. After statements have been filed, the matter can proceed to trial. The cost exposure for the municipality will be approximately R600 000.

K Langeveldt: The matter is a review application by the plaintiff to have his dismissal set aside and declared unlawful. The plaintiff was appointed on a fixed term contract in the office of the mayor. Upon the end of the mayors term his contract had come to an end and his contract was not renewed. The plaintiff is claiming retrospective reinstatement, which monetary amount is one year`s annual salary, should he be successful. The cost exposure for the municipality will be approximately R350 000. The plaintiff is unlikely to persue.

D Viljoen: A summons was issued against the municipality for damage to his vehicle as a result of an incident which took place on 31 July 2023 when the plaintiff`s vehicle collided with a pothole. The cost exposure for the municipality will be approximately R30 000.

The George Municipality is performing Library function due to unfunded mandates being imposed on municipalities. Library function is not assigned to George Municipality and is also not acting formally as an agent in terms of the SLA with the Western Cape Provincial Department of Cultural Affairs. Currently there is uncertainty regarding the VAT Treatment and therefore the municipality applied for a SARS binding ruling and is currently awaiting a formal response. Potential penalties and interest imposed by SARS could be on the receipts received for the past 5 years. SARS Penalties for late payment of Output Vat is at 10% and interest charged is in accordance to the latest interest rates from SARS. In order to mitigate the exposure to penalties, has resulted in the municipality applying for the VDP program at SARS. Based on the above the most prudent approach for the municipality is to disclose a contingent liability regarding the possible interest and penalties.

49. Prior period errors

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

A series of error corrections have been made to ensure the disclosures align with the Municipal Standard Chart of Accounts (MSCOA) classifications. Although the adjustments are due to MSCOA changes, the requirements of the GRAP standard were still considered,

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Figures in Rand			2024	2023

49. Prior period errors (continued)

Statement of financial position

2023

	Note	As previously reported	Prior period error	MSCOA Reclassifications	Restated
Current Assets					
Inventories	49.1	121,964,845	(707,577)	-	121,257,268
Receivables from exchange transactions		189,026,240	-	-	189,026,240
Receivables from non-exchange transactions		85,208,870	-	-	85,208,870
Prepayments		7,322,843	-	-	7,322,843
Vat receivable	49.2	34,854,787	(7,925,585)	-	26,929,202
Construction contracts and receivables/(payables)	49.3	3,323,366	145,275	-	3,468,641
Loans and receivables		156,473	-	-	156,473
Principle agent arrangement: amouns due from principle		1,103,983	-	-	1,103,983
Cash and cash equivalents		843,879,110	-	-	843,879,110
		1,286,840,517	**(8,487,887)**	**-**	**1,278,352,630**
Non-Current Assets					
Property, plant and equipment	49.4	3,817,952,592	76,866,863	-	3,894,819,455
Intangible assets		909,691	-	-	909,691
Heritage assets		4,236,000	-	-	4,236,000
Investment property		143,911,703	-	-	143,911,703
Loans and receivables		119,039	-	-	119,039
		3,967,129,025	**76,866,863**	-	**4,043,995,888**
Current Liabilities					
Loans and borrowings		(46,758,346)	-	-	(46,758,346)
Service concession liability	49.5	-	(16,538,804)	-	(16,538,804)
Payables from exchange transactions	49.6	(258,425,408)	68,767	243,305	(258,113,336)
Consumer deposits		(39,415,781)	-	(243,305)	(39,659,086)
Employee benefit obligation		(84,665,993)	-	-	(84,665,993)
Provisions	49.7	(6,123,845)	(18,694,447)	-	(24,818,292)
Unspent conditional grants and receipts	49.8	(422,976,457)	166,739	-	(422,809,718)
		(858,365,830)	**(34,997,745)**	-	**(893,363,575)**
Non-Current Liabilities					
Loans and borrowings		(261,957,242)	-	-	(261,957,242)
Service concession liability	49.9	-	(48,914,977)	-	(48,914,977)
Payables from exchange transactions	49.10	(8,278,174)	165,032	-	(8,113,142)
Employee benefit obligation		(197,450,828)	-	-	(197,450,828)
Provisions	49.11	(109,429,841)	20,461,215	-	(88,968,626)
		(577,116,085)	**(28,288,730)**	-	**(605,404,815)**
Net Assets					
Housing development fund		(35,729,371)	-	-	(35,729,371)

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49. Prior period errors (continued)					
Accumulated surplus (Opening balance 1 July 2023)	49.12	(3,371,766,867)	369,361	-	(3,371,397,506)
		(3,407,496,238)	**369,361**	-	**(3,407,126,877)**

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2024	2023

49. Prior period errors (continued)

Statement of financial performance

2023

	Note	As previously reported	Prior period error	MSCOA Reclassifications	Restated
Revenue from exchange transactions		**1,531,805,783**	-	-	**1,540,275,311**
Service charges - Electricity		785,775,792	-	975	785,776,767
Service charges - Water		211,952,855	-	-	211,952,855
Service charges - Sewerage and sanitation charges		157,407,731	-	-	157,407,731
Service charges - Refuse removal		141,374,178	-	-	141,374,178
Rental of facilities and equipment		4,214,717	-	120	4,214,837
Income from agency services		16,141,814	-	(1,836,903)	14,304,911
Sale of erven		5,405,224	-	(5,405,224)	-
GIPTN Fare Revenue		63,779,838	-	-	63,779,838
Operating revenue	49.13	68,001,456	10,366,087	5,344,473	83,712,016
Interest received - Outstanding Debtors		14,405,852	-	-	14,405,852
Interest received - External Investments		63,346,326	-	-	63,346,326
				-	
Revenue from non-exchange transactions		**1,525,400,042**	-	-	**1,534,826,848**
Property rates		384,703,012	-	-	384,703,012
Licences and Permits		-	-	1,836,903	1,836,903
Government grants and subsidies - Operating	49.14	636,047,523	(11,404,246)	-	624,643,277
Governement grants and subsidies - Capital	49.15	409,113,589	(817,219)	-	408,296,370
Construction contract revenue	49.16	126,350	145,275	-	271,625
Fines, penalties and forteits	49.17	73,097,156	(12,117,991)	59,776	61,038,941
Availability charges		22,312,412	-	-	22,312,412
Actuarial gains		-	-	31,724,308	31,724,308
Total Revenue		**3,057,205,825**	-	-	**3,075,102,159**
Expenditure		**(2,646,357,616)**		-	**(2,658,792,085)**
Employee related costs	49.18	(617,888,616)	19,728,439	(6,573,643)	(604,733,820)
Remuneration of Councillors		(25,556,683)	-	-	(25,556,683)
Depreciation and amortisation	49.19	(188,171,111)	8,573,517	-	(179,597,594)
Impairment loss	49.20	(150,597,470)	12,117,991	-	(138,479,479)
Finance costs	49.21	(45,064,727)	(7,658,281)	(25,174,100)	(77,897,108)
Bulk purchases		(598,225,496)	-	-	(598,225,496)
Contracted services	49.22	(676,925,883)	36,015,471	-	(640,910,412)
Grants and subsidies paid	49.23	(43,556,377)	(35,860,832)	(42,198)	(79,459,407)
Cost of Erven sold		(5,389,776)	-	-	(5,389,776)
Loss on disposal of assets and liabilities		(994,607)	-	-	(994,607)
Inventories losses/write-downs	49.24	(2,244,576)	(20,600,800)	-	(22,845,376)
Other materials / Inventory	49.25	(127,170,070)	(54,706,183)	886,863	(180,989,390)
General Expenses	49.26	(164,572,224)	61,680,634	(821,347)	(103,712,937)
Surplus for the year		**410,848,209**	**5,461,862**	**-**	**416,310,074**

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49. Prior period errors (continued)

Segment reporting note 65 have been adjusted subsequent to the corrections performed above.

Cash flow statement

2023

	Note	As previously reported	Prior period error	Restated
Cash flow from operating activities				
Taxation		391,536,614	(1,452,229)	390,084,385
Sale of goods and services		1,282,496,674	(3,554,627)	1,278,942,047
Interest income		63,346,325	5,006,856	68,353,181
Other receipts		81,692,554	(2,921,530)	78,771,024
Suppliers		(1,661,271,348)	22,097,275	(1,639,174,073)
Finance cost		(34,749,920)	(10,167,644)	(44,917,564)
		123,050,899	**9,008,101**	**132,059,000**
Cash flow from investing activities				
Property, plant and equipment -Disposal		4,150,945	2,921,530	7,072,475
Cash flow from financing activities				
Repayment of Finance leases		(175,808)	(11,929,631)	(12,105,439)

Presented below are those items affected by prior-year errors excluding MSCOA Reclassifications.

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49. Prior period errors (continued)

49.1 Inventories

Applying Grap 12 measurement requirments on purified water inventory.

Inventories (Balance as previously reported)	121,964,845
Correction of error	(707,577)
Inventories (Restated balance)	**121,257,268**

49.2 VAT Receivable

Output tax treatment of library funding.

VAT Receivable (Balance as previously reported)	34,854,787
Correction of error	(7,925,585)
VAT Receivable (Restated balance)	**26,929,202**

49.3 Construntion contracts and receivables

Accounts relating to construction contracts projects incorrected disclosed under unspent conditional grants and receipts.

Construntion contracts and receivables (Balance as previously reported)	3,323,366
Correction of error	145,275
Construntion contracts and receivables (Restated balance)	**3,468,641**

49.4 Property, plant and equipment

Accounting for the busses procured by the Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN) using the financial liability method as per GRAP 32.

Property, plant and equipment (Balance as previously reported)	3,817,952,592
Correction of error	76,866,863
Property, plant and equipment (Restated balance)	**3,894,819,455**

49.5 Service concession liability (Current liability)

Accounting for the busses procured by the Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN) using the financial liability method as per GRAP 32.

Service concession liability (Current liability) (Balance as previously reported)	-
Correction of error	(16,538,804)
Service concession liability (Current liability) (Restated balance)	**(16,538,804)**

49.6 Payables from exchange transactions

Correction of mathematical errors in the Compensation liability GIPTN calculations.

Payables from exchange transactions (Balance as previously reported)	(258,425,408)
Correction of error	68,767
Payables from exchange transactions (Restated balance)	**(258,356,641)**

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49. Prior period errors (continued)

49.7 Provisions (Current Liabilities)

Correction of mathematical errors in the Compensation liability GIPTN calculations.

Disclosing of Compensation liability GIPTN Buy-outs current portion.

Provisions (Balance as previously reported)	(6,123,845)
Correction of error (GIPTN calculations)	231,291
Correction of error (Buy-outs)	(18,925,738)
Provisions (Restated balance)	**(24,818,292)**

49.8 Unspent conditional grants and receipts

Accounts relating to construction contracts projects incorrected disclosed under unspent conditional grants and receipts.

Output tax treatment of library funding.

Unspent conditional grants and receipts (Balance as previously reported)	(422,976,457)
Correction of error (Construction Contract)	(145,275)
Correction of error (Output Tax treatment of library funding)	312,015
Unspent conditional grants and receipts (Restated balance)	**(422,809,717)**

49.9 Service concession liability (Non - Current Liabilties)

Accounting for the busses procured by the Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN) using the financial liability method as per GRAP 32.

Service concession liability (Non - Current Liabilties) (Balance as previously reported)	-
Correction of error	(48,914,977)
Service concession liability (Non - Current Liabilties) (Restated balance)	**(48,914,977)**

49.10 Payables from exchange transactions (Non-Current Liabilities)

Correction of mathematical errors in the Compensation liability GIPTN calculations.

Payables from exchange transactions (Non-Current Liabilities) (Balance as previously reported)	(8,278,174)
Correction of error	165,032
Payables from exchange transactions (Non-Current Liabilities) (Restated balance)	**(8,113,142)**

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49. Prior period errors (continued)

49.11 Provisions (Non-Current Liability)

Correction of mathematical errors in the Compensation liability GIPTN calculations.

Disclosing of Compensation liability GIPTN Buy-outs current portion

Provisions (Non-Current Liability) (Balance as previously reported)	(109,429,841)
Correction of error (GIPTN calculations)	1,535,477
Correction of error (Buy-outs)	18,925,737
Provisions (Non-Current Liability) (Restated Balance)	**(88,968,626)**

49.12 Accumulated surplus Opening balance

Accounting for the busses procured by the Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN) using the financial liability method as per GRAP 32.

Applying Grap 12 measurement requirments on purified water inventory.

Output tax treatment of library funding.

Opening balance as previously reported	(3,371,766,867)
Service concession liability	39,623,163
Service concession assets	(46,081,057)
Purified water	923,788
Library - VAT Service	5,903,467
Balance at July 1, 2022 as restated*	**(3,371,397,506)**

49.13 Operating revenue

Output tax treatment of library funding.

Operating revenue (Balance as previously reported)	68,001,456
Correction of error	10,366,087
Operating revenue (Restated Balance)	**78,367,543**

49.14 Government grants and subsidies - Operating

Output tax treatment of library funding.

Accounts relating to construction contracts projects incorrected disclosed under unspent conditional grants and receipts.

Government grants and subsidies - Operating (Balance as previously reported)	636,047,523
Correction of error (Librrary funding)	(11,258,971)
Correction of error (Construction Contracts)	(145,275)
Government grants and subsidies - Operating (Restated Balance)	**624,643,277**

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49. Prior period errors (continued)

49.15 Governement grants and subsidies - Capital

Output tax treatment of library funding.

Governement grants and subsidies - Capital (Balance as previously reported)	409,113,589
Correction of error	(817,219)
Governement grants and subsidies - Capital (Restated Balance)	**408,296,370**

49.16 Construction Contracts

Accounts relating to construction contracts projects incorrected disclosed under unspent conditional grants and receipts.

Construction Contracts (Balance as previously reported)	126,350
Correction of error	145,275
Construction Contracts (Restated Balance)	**271,625**

49.17 Fines, penalties and forteits

Applying iGrap 20 for fines withdrawn in the current year.

Fines, penalties and forteits (Balance as previously reported)	73,097,156
Correction of error	(12,117,991)
Fines, penalties and forteits (Restated Balance)	**60,979,165**

49.18 Employee related costs

Applying Grap 12 measurement requirments on purified water inventory.

Employee related costs (Balance as previously reported)	(617,888,616)
Correction of error	19,728,439
Employee related costs (Restated Balance)	**(598,160,177)**

49.19 Depreciation and amortisation

Accounting for the busses procured by the Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN) using the financial liability method as per GRAP 32.

Applying Grap 12 measurement requirments on purified water inventory.

Depreciation and amortisation (Balance as previously reported)	(188,171,111)
Correction of error (GIPTN)	(6,974,445)
Correction of error (Inventory)	15,547,962
Depreciation and amortisation (Restated balance)	**(179,597,594)**

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49. Prior period errors (continued)

49.20 Impairment loss

Applying iGrap 20 for fines withdrawn in the current year.

Impairment loss (Balance as previously reported)	(150,597,470)
Correction of error	12,117,991
Impairment loss (Restated balance)	**(138,479,479)**

49.21 Finance cost

Accounting for the busses procured by the Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN) using the financial liability method as per GRAP 32.

Correction of mathematical errors in the Compensation liability GIPTN calculations.

Applying Grap 12 measurement requirments on purified water inventory.

Finance cost (Balance as previously reported)	(45,064,727)
Correction of error (Service consession assets)	(10,167,644)
Correction of error (Compensation liability)	41,552
Correction of error (Inventory)	2,467,811
Finance cost (Restated balance)	**(52,723,008)**

49.22 Contracted services

Correction of mathematical errors in the Compensation liability GIPTN calculations.

Accounting for the busses procured by the Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN) using the financial liability method as per GRAP 32.

Applying Grap 12 measurement requirments on purified water inventory.

Contracted services (Balance as previously reported)	(676,925,883)
Correction of error (Compensation liability)	1,959,015
Correction of error (Inventory)	11,959,181
Correction of error (Service consession assets)	22,097,275
Contracted services (Restated Balance)	**(640,910,412)**

49.23 Grants and subsidies paid

GIPTN expenditure incorrectly disclosed under general expenditure.

Grants and subsidies paid (Balance as previously reported)	(43,556,377)
Correction of error (GIPTN Expenses)	(35,860,832)
Grants and subsidies paid (Restated balance)	**(79,417,209)**

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49. Prior period errors (continued)

49.24 Inventories losses/write-downs

Applying Grap 12 measurement requirments on purified water inventory.

Inventories losses/write-downs (Balance as previously reported)	(2,244,576)
Correction of error	(20,600,800)
Inventories losses/write-downs (Restated balance)	**(22,845,376)**

49.25 Other materials / Inventory

Applying Grap 12 measurement requirments on purified water inventory.

Other materials / Inventory (Balance as previously reported)	(127,170,070)
Correction of error	(54,706,183)
Other materials / Inventory (Balance as previously reported)	**(181,876,253)**

49.26 General Expenses

GIPTN expenditure incorrectly disclosed under general expenditure.

Applying Grap 12 measurement requirments on purified water inventory.

General expenses (Balance as previously reported)	(164,572,224)
Correction of error (GIPTN)	35,860,832
Correction of error (Inventory)	25,819,802
General expenses (Restated balance)	**(102,891,590)**

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50. Financial instruments disclosure

Categories of financial instruments

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Loans and receivables		
Housing Scheme loans	21,967	36,462
Sale of Erven Loans	20,690	20,690
Actaris Meter Debt	175,830	218,360
Trade and other receivables from exchange transactions		
Service debtors	197,982,579	177,877,215
Other debtors	8,602,327	11,149,025
Other receivables from non-exchange transactions		
Other debtors	26,753,670	17,981,722
Construction contracts and receivables/(payables)	2,537,515	3,468,641
Principle agent arrangement: amounts due from principle	1,103,983	1,103,983
Cash and cash equivalents		
Cash and cash equivalents	1,357,019,037	843,879,110
	1,594,217,598	**1,055,735,208**

Financial liabilities

Loans and borrowings		
Annuity loans	470,357,893	308,715,588
Service concession Liability		
Service concession Liability	48,914,978	65,453,781
Consumer deposits		
Electricity and water deposits	45,628,334	39,659,086
Trade and other payables		
Trade payables	334,280,813	236,658,897
	899,182,018	**650,487,352**

Financial instruments is affected by the prior period errors corrected. Refer to note 49.

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51. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The municipality's Treasury function provides services to the business, co-ordinates access to domestic markets, monitors and manages the financial risks relating to the operations of the municipality through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including interest rate risk and price risk), credit risk and liquidity risk.

The municipality seeks to minimise the effects of these risks in accordance with its policies approved by the Council. The policies provide written principles on interest rate risk, credit risk and in the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Director Financial Services on a continuous basis. The municipality does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

The Treasury function reports periodically to the municipality's finance committee, that monitors risks and policies implemented to mitigate risk exposures.

Liquidity risk

Liquidity risk is the risk that the municipality will encounter difficulty in raising funds to meet commitments associated with financial liabilities.

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timely basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At June 30, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	107,453,768	98,154,747	240,963,368	363,047,398
Service Concession Liabilities	28,404,413	26,752,535	7,164,345	-
Consumer deposits	45,628,334	-	-	-
Trade and other payables	324,028,790	3,827,053	6,677,421	-

At June 30, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	79,245,578	72,159,758	203,366,632	129,065,819
Service Concession Liabilities	28,404,413	28,404,413	33,916,880	-
Consumer deposits	39,659,086	-	-	-
Trade and other payables	228,545,753	3,160,328	4,952,815	-

Liquidity risk is affected by the prior period errors corrected. Refer to note 49.

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51. Risk management (continued)

Interest rate risk

The municipality is exposed to interest rate risk due to the movements in long-term and short term interest rates.

Interest rate risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

The municipality's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings and finance leases are therefore usually at fixed rates.

This risk is managed on an ongoing basis.

Credit risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur financial loss.

Potential concentrations of credit rate risk consist mainly of investments, loans and receivables, trade receivables, other receivables, short-term investment deposits and cash and cash equivalents.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction/ exposure limits, which are included in the municipality's Investment Policy.

Trade receivables comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these customers. Trade receivables are presented net of an allowance for impairment and where appropriate, credit limits are adjusted.

Credit risk pertaining to trade and other receivables is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply.

In the case of customers whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Non-current Receivables and Other Receivables are collectively evaluated annually at reporting date for impairment or discounting. A report on the various categories of customers is drafted to substantiate such evaluation and subsequent impairment / discount, where applicable.

The municipality only deposits with major banks with high quality credit standing. Cash and cash equivalents were pledged as guarantee in favour of Eskom. Refer to note 11 for more detail. Although the credit risk pertaining to cash and cash equivalents is considered to be low, the maximum exposure is disclosed below.

The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follows:

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51. Risk management (continued)

Financial instruments

Loans and receivables	218,487	275,512
Trade and other receivables from exchange transactions	206,584,906	189,026,240
Other receivables from non-exchange transactions	8,139,561	21,959,776
Cash and cash equivalents	1,357,019,037	843,879,110
	1,571,961,991	**1,055,140,638**

The method for determining the credit quality of the different financial instruments is disclosed in their individual notes.

Consumer deposits and guarantees held in lieu of service accounts are disclosed in note 19.

Credit risk is affected by the prior period errors corrected. Refer to note 49.

Price risk

The effect of any price risk in the foreseeable future is regarded as minimal given the fact that amounts receivable from the municipality's customers are levied in terms of the relevant statutes. It is not anticipated that given the nature of the municipality's business that changes in market prices will have a material impact on the trading results of the municipality.

There has been no change, since the previous financial year, to the municipality's exposure to market risks or the manner in which it manages and measures the risk.

52. Unauthorised expenditure

Opening balance as previously reported	-	3,288,035
Add: Unauthorised expenditure - current (Operating)	31,271,056	-
Less: Unauthorised expenditure authorised by council	-	(3,288,035)
Closing balance	**31,271,056**	**-**

The over expenditure incurred by municipal departments during the year is attributable to the following categories

Non-cash	31,271,056	-
Cash	-	-
	31,271,056	**-**

Analysed as follows: non-cash

Bulk purchases (Eskom accrual)	19,365,693	-
Other	1,523,371	-
Impairment Loss	10,381,992	-
	31,271,056	**-**

Council approved the unauthorised expenditure amounting to R3 288 035 on 26 January 2023.

Unauthorised expenditure for the current year is disclosed in terms of Municipal Vote as per the MFMA definition of Vote.

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52. Unauthorised expenditure (continued)

Budget Comparison by Municipal Vote in total	2024 Actual	2024 Budget	2024 Variance	2024 Unauthorised
Civil Engineering Services	1,850,349,603	2,786,198,886	(935,849,283)	-
Community Services	451,867,502	463,197,879	(11,330,377)	-
Corporate Services	216,683,935	227,099,737	(10,415,802)	-
Electro-Technical services	1,070,314,366	1,066,453,053	3,861,313	31,271,056
Financial Services	156,450,578	186,980,682	(30,530,104)	-
Human Settlements, Planning and Development and Property Management	125,232,805	145,151,550	(19,918,745)	-
Office of the Municipal Manager	26,385,690	28,978,111	(2,592,421)	-
	3,897,284,479	**4,904,059,898**	**(1,006,775,419)**	**31,271,056**

Budget Comparison by Municipal Vote - Operating Expenditure	2024 Actual	2024 Budget	2024 Variance	2024 Unauthorised
Civil Engineering Services	1,146,219,273	1,348,757,164	(202,537,891)	-
Community Services	379,851,683	386,876,814	(7,025,131)	-
Corporate Services	208,881,427	211,039,363	(2,157,936)	-
Electro-Technical services	928,206,424	896,935,368	31,271,056	31,271,056
Financial Services	153,555,975	183,993,682	(30,437,707)	-
Human Settlements, Planning and Development and Property Management	105,772,594	118,843,965	(13,071,371)	-
Office of the Municipal Manager	26,299,032	28,884,050	(2,585,018)	-
	2,948,786,408	**3,175,330,406**	**(226,543,998)**	**31,271,056**

Budget Comparison by Municipal Vote - Capital Expenditure	2024 Actual	2024 Budget	2024 Variance	2024 Unauthorised
Civil Engineering Services	704,130,330	1,437,441,722	(733,311,392)	-
Community Services	72,015,819	76,321,065	(4,305,246)	-
Corporate Services	7,802,508	16,060,374	(8,257,866)	-
Electro-Technical services	142,107,942	169,517,685	(27,409,743)	-
Financial Services	2,894,603	2,987,000	(92,397)	-
Human Settlements, Planning and Development and Property Management	19,460,211	26,307,585	(6,847,374)	-
Office of the Municipal Manager	86,658	94,061	(7,403)	-
	948,498,071	**1,728,729,492**	**(780,231,421)**	**-**

Budget Comparison by Municipal Vote in total	2023 Actual	2023 Budget	2023 Variance	2023 Unauthorised
Civil Engineering Services	1,604,755,914	2,130,069,216	(525,313,302)	-
Community Services	419,393,203	445,181,786	(25,788,583)	-
Corporate Services	165,820,151	219,598,233	(53,778,082)	-
Electro-Technical services	932,549,022	1,011,307,072	(78,758,050)	-
Financial Services	165,159,207	192,542,897	(27,383,690)	-
Human Settlements	106,343,638	125,631,777	(19,288,139)	-
Office of the Municipal Manager	25,440,522	28,912,429	(3,471,907)	-
	3,419,461,657	**4,153,243,410**	**(733,781,753)**	**-**

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52. Unauthorised expenditure (continued)

Budget Comparison by Municipal Vote - Operating Expenditure	2023 Actual	2023 Budget	2023 Variance	2023 Unauthorised
Civil Engineering Services	1,057,503,189	1,236,742,567	(179,239,378)	-
Community Services	362,009,189	375,061,573	(13,052,384)	-
Corporate Services	159,878,766	212,479,969	(52,601,203)	-
Electro-Technical services	793,373,801	850,467,543	(57,093,742)	-
Financial Services	162,250,382	189,604,747	(27,354,365)	-
Human Settlements	98,462,953	113,157,142	(14,694,189)	-
Office of the Municipal Manager	25,313,803	28,702,429	(3,388,626)	-
	2,658,792,083	**3,006,215,970**	**(347,423,887)**	**-**

Budget Comparison by Municipal Vote - Capital Expenditure	2023 Actual	2023 Budget	2023 Variance	2023 Unauthorised
Civil Engineering Services	547,252,725	893,326,649	(346,073,924)	-
Community Services	57,384,014	70,120,213	(12,736,199)	-
Corporate Services	5,941,385	7,118,264	(1,176,879)	-
Electro-Technical services	139,175,221	160,839,529	(21,664,308)	-
Financial Services	2,908,825	2,938,150	(29,325)	-
Human Settlements	7,880,685	12,474,635	(4,593,950)	-
Office of the Municipal Manager	126,719	210,000	(83,281)	-
	760,669,574	**1,147,027,440**	**(386,357,866)**	**-**

Alleged Unauthorised Expenditure under investigation

There is a case under investigation at year end which may possibly result in Unauthorised Expenditure. The cases relate to soup kitchen payments and the quantum are unknown at year end.

Unauthorised Expenditure were affected by the prior period errors corrected. Refer to note 49 for corrections performed.

53. Irregular expenditure

Opening balance as previously reported	10,322,836	14,349,712
Add: Irregular expenditure - current	19,188,320	10,322,836
Add: Irregular expenditure - prior period	10,703,800	-
Less: Amount written off - current	(173,220)	(14,349,712)
Closing balance	**40,041,736**	**10,322,836**

Council approved the irregular expenditure amounting to R 173 220 on 29 August 2024.

Prior year Irregular expenditure have been restated to include the non-compliance with S2(1) of the PPPFA amounting to R10 149 616.

Irregular expenditure previously reported: R173 220.

Irregular expenditure is disclosed VAT inclusive.

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53. Irregular expenditure (continued)

Details of irregular expenditure

Identified during the financial year		
Non-compliance with SCM regulation 17	-	160,340
Non-compliance with SCM regulation 36	-	12,880
Non-compliance with SCM regulations 13(b) and 43	5,279,959	-
Non-compliance with S2(1)(a) of the PPPFA	13,063,754	10,149,616
Non-compliance with regulation 3(1) of the PPR (2022)	95,571	-
Non-compliance with regulation 4(2),4(4) and 9 of the PPR (2022)	46,850	-
Supplier in contravention to tender specification	160,983	-
Expenditure in excess of orignal contract value	541,203	-
Contravention section 67(1)(a) of the Municipal System Act	10,703,800	-
	29,892,120	**10,322,836**

Alleged Irregular Expenditure under investigation

There are two cases under investigation at year end which may possibly result in Irregular Expenditure. The nature of each case differs and the outcomes and quantum are unknown at year end. The cases relate to overtime paid and traffic fines revenue.

There are two cases being considered under section 106 investigation at year end which may possibly result in Irregular Expenditure. The nature of each case differs and the outcomes and quantum are unknown at year end. The cases relate to various human resource matters which occurred in previous years (between 2012 to 2020) and are confidential at this stage.

54. Fruitless and wasteful expenditure

Opening balance as previously reported	728,648	728,648

Fruitless and wasteful expenditure is presented inclusive of VAT.

Alleged fruitless and wasteful Expenditure under investigation

There is a case currently under investigation and still in progress as at 30 June 2024 which may result in fruitless and wasteful expenditure. The outcome and quantum are unknown at year end. The case relates to the 145 toilet project dated 23 March 2023.

55. Material losses

Electricity distribution		
Units purchased (KWh)	418,242,602	405,199,546
Units lost during distribution	35,959,955	34,526,298
Percentage lost during distribution	8.60	8.52
Water distribution		
Kilolitres purified	13,084,619	13,127,347
Kilolitres lost during distribution	2,718,399	3,573,909
Percentage lost during distribution	20.78	27.22

56. Municipal Land Transport Fund

Included in the Accumulated surplus is the Municipal Land Transport Fund for the George Integrated Public Transport Network as required by the National Land Transport Act, (Act No. 5 of 2009). Refer to accounting policy 1.29 for more information on the fund.

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56. Municipal Land Transport Fund (continued)

The transactions for the year were:

Opening balnce	118,356,494	131,090,503
National grants - note 31	170,300,423	149,292,687
Provincial grants - note 31	274,856,674	240,480,135
Fare revenue - note 26	77,498,662	63,779,838
Other income - note 27	320,457	337,880
Less: Expenses	(499,139,123)	(466,624,549)
Surplus	**142,193,587**	**118,356,494**

The Municipal Land Transport Fund was established by the Municipality as required by the National Land Transport Act, No 5 if 2009. All fare revenues and other income from the operation of the GIPTN were received in the fund as well as grants received for the payment of operational contracts and related costs.

The following items did not form part of the MLTF:

National grants	390,998	2,250,487
Less: Expenses (depreciation and compensation adjustment)	(59,471,897)	(34,007,068)
Surplus / (Loss)	**(59,080,899)**	**(31,756,581)**
Total GIPTN Surplus / (Loss)	83,112,688	86,599,913

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57. Service concession arrangements

George Municipality has entered into a service concession arrangement with one Vehicle Operating Company (VOC) for the George Integrated Public Transport Network (GIPTN). Included in this arrangement is the bus fleet.

The objective of the concession arrangement is to support the National Land Transport Act (Act No. 5 of 2009) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable, and affordable integrated municipal public transport network services. The overall objective of the GIPTN project is to ensure that all members of the George community can use safe, affordable, accessible, and reliable public transport to access social, economic and employment opportunities. This is being achieved through the transformation of the existing local bus and minibus taxi industries, as well as through the support of non-motorised transport.

The Municipality and the VOC entered into a negotiated operator agreement which commenced 8 December 2014 with a termination date of 12 years after the commencement date. The contract does not contain a renewal clause.

The GIPTN bus fleet consists of 104 vehicles (Initial Vehicle Fleet) with the useful life ranging from six (6) to (12) years, split as per the table below:

Bus type	Quantity	Useful life
Standard	36	12 years
Midi	33	12 years
Mini	35	6 years
	104	

The asset may only be used for scheduled public transport services in the area as agreed between the parties. It is the intention of the municipality to transfer the Initial Vehicle Fleet to the VOC as soon as possible at a nominal value in terms of the operator agreement. All vehicles must be compliant with the Vehicle Schedule, Vehicle Specifications as well as be maintained in terms of the Vehicle Operation and Maintenance Standards and Conditions to the Operator Contract.

The municipality retains full control over the nature, timing and extent of the services that the operator must perform. Routes, timetables and fare rates are determined by the muncipality. Fareboes are increased annually.

Fare revenue received by the municipality is disclosed in note 26.

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58. Accounting by principals and agents

The entity is a party to the following principal-agent arrangements.

Municipality as agent

Motor Vehicle Registrations Arrangement

As per Circular R12.1994 the executive committee of the Provincial Administration of the Cape of Good Hope and the Department of State Expenditure granted authority that a new agency fee be paid to local authorities who have been appointed as registering authorities in the Cape Province for the registration and licensing of motor vehicles in terms of the National Road Traffic Act 93 of 1996.

The municipality is the agent in this binding agreement and uses its own resources in performing the service delivery and capturing the information on the ENATIS (Electronic National Administration Traffic Information System).

Agency Fee Circular R5.2005 further states that all municipalities must perform weekly pay-overs in terms of MFMA 56 of 2003 section 64(4).

Revenue and expenses from principal-agent transactions:

2024	Drivers licences	Vehicle registrations	Total
Revenue received from third parties	3,320,058	73,400,895	76,720,953
Payment to provincial traffic department	(1,540,643)	(59,317,843)	(60,858,486)
Agency fee income	1,779,415	14,083,052	15,862,467
Depreciation	-	(302,655)	(302,655)
Employee cost	(4,025,308)	(5,412,618)	(9,437,926)
Contracted services	(17,995)	(850,798)	(868,793)
General expenses	(570,665)	(1,017,114)	(1,587,779)
	(2,834,553)	**6,499,867**	**3,665,314**

2023	Drivers licences	Vehicle registrations	Total
Revenue received from third parties	4,040,507	75,135,964	79,176,471
Payment to provincial traffic department	(2,203,604)	(60,831,182)	(63,034,786)
Agency fee income	1,836,903	14,304,782	16,141,685
Depreciation	-	(278,167)	(278,167)
Employee cost	(2,877,844)	(5,603,654)	(8,481,498)
Contracted services	(7,833)	(711,249)	(719,082)
General expenses	(528,987)	(922,495)	(1,451,482)
	(1,577,761)	**6,789,217**	**5,211,456**

Municipality as the principal

Arrangement with George Link (Pty) Ltd to provide public transport service

There is a contractual arrangement between George Link (Pty) Ltd and the Municipality for operating the buses and collecting fare revenue from passengers. The arrangement between the two parties is a service concession arrangement (refer to note 56 for details).

George Link (Pty) Ltd operates the buses on the time tables, routes and at fares determined by the Municipality.

The municipality paid R301 603 981 (2023: R267 782 971) to the operator for providing the service on their behalf.

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58. Accounting by principals and agents (continued)

In the event that the arrangement is terminated and the municipality decides to provide the service and not make use of a contractor, the municipality will as a minimum have to procure additional buses, employ bus operators and administrative personnel.

A memorandum of understanding was entered into between the municiplaity and AFSOL implementing the automated fare revenue collection system which collects the fare revenue from passengers entering the buses.

No resources of the municipality are under the custodianship of AFSOL.

No fees are paid by the municipality to AFSOL.

There are no cost implications for the municipality if the memorandum of understanding between the municipality and AFSOL is terminated.

Distribution of prepaid electricity

The municipality entered into an agreement with Ontech Systems (Pty) Ltd to provide the hosting, vending, data management and supplementary support services to the municipality. Ontech Systems (Pty) Ltd distributes the prepaid electricity (by way of vendors) to third parties and pays the revenue received over to the municipality. The company does not use any of the municipality's resources

The fees paid to Ontech Systems (Pty) Ltd during the year were R26 818 467 (2023: R24 282 386).

In the event that the arrangement is terminated and the municipality decides to provide the service and not make use of a contractor, the municipality will as a minimum have to procure software, computer infrastructure and additional employees.

The municipality entered into an agreement with Pay At Services (Pty) Ltd to provide vending services where consumers can pay their municipal accounts at various points in the George area. The contract between Pay At Services (Pty)Ltd ended November 2022. The municipality entered into a new agreement with Cigicell (Pty) Ltd to provide the services for which Pay At Services (Pty) Ltd were appointed for. The purpose of the agreement is to increase the ability of the municipality to collect payments due to more available stations being open for payment collection. There are no resources of the municipality under custodianship of Pay At Services (Pty) Ltd.

The fees paid to Pay At Services (Pty) Ltd during the year were Rnil (2023: R475 056).

The fees paid to Cigicell (Pty) Ltd during the year were R3 337 114 (2023.R1 436 995).

In the event that the arrangement is terminated and the municipality decides to provide the service and not make use of a contractor, the municipality will as a minimum have to procure the required infrastructure with the appropriate intellectual property and workforce to provide oversight and support services.

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59. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Opening balance	(7,303,371)	(6,553,191)
Current year subscription / fee	7,303,371	6,553,191
Amount paid - current year	(7,212,077)	(7,303,371)
Prepayment - Refer to note 6	**(7,212,077)**	**(7,303,371)**

The municipality pays the SALGA membership fees annually in May for the following financial year in order to receive a 5% discount. Refer to note 6 for more detail.

Audit fees

Current year subscription / fee	7,793,739	7,633,410
Amount paid - current year	(7,789,807)	(7,590,568)
	3,932	**42,842**

The unpaid amount are included under trade payables. Refer to note 18.

Refer to note 45 for reclassification of expenditure incorrectly classified under auditors remuneration.

PAYE and UIF

Current year subscription / fee	115,732,429	94,360,883
Amount paid - current year	(115,732,429)	(94,360,883)
	-	-

Pension and Medical Aid Deductions

Current year subscription / fee	150,558,628	137,948,165
Amount paid - current year	(150,558,628)	(137,948,165)
	-	-

Skills Development Levies

Current year subscription / fee	6,800,004	6,302,176
Amount paid - current year	(6,800,004)	(6,302,176)
	-	-

VAT

VAT receivable / (payable)	23,875,342	26,929,202

VAT output payables and VAT input receivables are shown in note 7.

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

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

Councillors' arrear consumer accounts

Councillors' consumer accounts all have current balances. None of their accounts are outstanding for more than 90 days.

June 30, 2024	Outstanding less than 90 days	Outstanding more than 90 days	Total
S Snyman	1,999	-	1,999
B Johnson	4,979	-	4,979
EC America	1,323	-	1,323
M Kruger	1,639	-	1,639
S Manxele	37,985	-	37,985
SZ Ntondini	1,217	-	1,217
SJ Smart	3,758	-	3,758
R Windwaai	44	-	44
GC Niehaus	9,538	-	9,538
VD Carolus	3,508	-	3,508
GJ Stander	1,898	-	1,898

No Councillors had arrear accounts outstanding for more than 90 days at any point in time during the year ended June 30, 2023:

Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved by the Accounting Officer and noted by Council. Deviations from the Supply Chain Management processes were identified for the following categories and have been approved by the Accounting Officer and reported to Council.

2024 Directorate	Less than R30 000	Between R30 001 and R200 000	Between R200 001 and R2 000 000	More than R2 000 001	Total per Directorate
Civil Engineering Services	38,828	989,409	4,076,051	2,895,768	8,000,056
Community Services	124,893	295,920	4,842,415	-	5,263,228
Corporate Services	40,149	534,155	667,614	-	1,241,918
Electro-Technical Services	74,547	79,797	3,834,361	12,073,324	16,062,029
Financial Services	8,280	332,813	431,461	5,279,959	6,052,513
Human Settlements, Planning and development	36,067	128,530	-	-	164,597
Office of the Municipal Manager	-	455,237	205,432	-	660,669
	322,764	**2,815,861**	**14,057,334**	**20,249,051**	**37,445,010**

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

Category	Less than R30 000	Between R30 001 and R200 000	Between R200 001 and R2 000 000	More than R2 000 001	Total per Category
Emergency	15,789	-	3,403,324	12,073,324	15,492,437
Single Provider	96,864	457,268	627,145	-	1,181,277
Exceptional Case (Impractical or impossible)	210,111	2,358,593	10,026,865	8,175,727	20,771,296
	322,764	**2,815,861**	**14,057,334**	**20,249,051**	**37,445,010**

2023 Directorate	Less than R30 000	Between R30 001 and R200 000	Between R200 001 and R2 000 000	Total per Directorate
Civil Engineering Services	52,574	385,622	1,694,009	2,132,205
Community Services	100,137	752,625	1,705,426	2,558,188
Corporate Services	92,656	606,364	-	699,020
Electro-Technical Services	27,261	486,169	-	513,430
Financial Services	4,255	371,538	1,402,033	1,777,826
Office of the Municipal Manager	4,858	96,020	-	100,878
Human Settlement, Planning and Development	4,485	185,611	-	190,096
Protection Services	-	470,391	-	470,391
	286,226	**3,354,340**	**4,801,468**	**8,442,035**

Category	Less than R30 000	Between R30 001 and R200 000	Between R200 001 and R2 000 000	Total per Directorate
Emergency	25,236	616,230	362,897	1,004,363
Single Provider	119,939	605,360	1,490,376	2,215,675
Exceptional Case (Impractical or impossible)	141,051	2,132,749	2,948,195	5,221,996
	286,226	**3,354,339**	**4,801,468**	**8,442,035**

Included in the deviations are rates-based deviations where a rate per unit or commodity is approved. The final quantities of units may no be known at the time of approving the deviations and is only quantified once invoices are paid after goods have been delivered or services rendered at the end of the period.

The major deviations were as follows:

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

2024

Awarded	Amount	Reason / Explanation
Harvey World	224,630	Exceptional case and impractical to follow the official procurement process.Poor service from current service provider.
Henque Waste	1,457,811	Impossible to follow the official procurement process. The current service provider, LG-Waste withdraw from the project.
South Cape Petroleum	862,319	Emergency:Appointed supplier could not address the demand and supply challenges.
Eden FM	205,432	Impossible to follow the official procurement process. The municipality did went out on tender, but the tender has been cancelled due to non-compliance of all bidders.
South Cape Petroleum	12,073,324	Emergency:The municipality terminated the services of the bulk fuel delivery service provider.
SSK Agri	656,801	Emergency:The municipality terminated the services of the bulk fuel delivery service provider.
Millers Attorneys	1,279,998	Impossible to follow the official procurement process. Purchase of specific portion of land.
Millers Attorneys	1,800,002	Impossible to follow the official procurement process. Purchase of specific portion of land.
Red Ant	2,895,769	Impractical to follow the official procurement process due to the sensitivity of the operations.
Henque Waste	1,378,730	Impossible to follow the official procurement process. The current service provider, LG Waste withdraw from the project.
Minnaar Niehaus Attorneys	388,759	Exceptional case and impractical to follow the official procurement process.Specialised knowledge and expertise are required.
South Cape Petroleum	1,884,205	Emergency:The appointed service provider could not deliverd any fuel.
Henque Waste	662,400	Impossible to follow the official procurement process, LG-Ewaste withdraw from the project.
Fairbridges Wertheim Becker Inc	278,855	Exceptional case and it is impractical to follow the official procurement processes. The sensitivity and confidentiality of this matter necessitates the appointment of an attorney who is not on our panel of Attorneys.
Henque Waste	716,330	Impossible to follow the official procurement process.The tender for the collection for green bags still in process.
South Cape Petroleum	1,087,838	Impossible to follow the official procurement process.New tender in process.
Red Ant	339,250	Impossible to follow the official procurement process due to the sensitivity of the operations.
Ross Excavations	5,279,959	Impssible to follow the official procurement process because of the disaster that occurred on Monday, 6 May.
Hamilton Hydraulic Services	627,144	Sole Supplier of specific equipment in SA.
Ruwacon (Pty) Ltd	206,830	Impssible to follow the official procurement process because of the disaster that occurred on Monday, 6 May.
	34,306,386	

2023

Awarded	Amount	Reason / Explanation
ComUnity Systems	508,734	Impossible to follow the official procurement process.The Tourism sections destination marketing website is built on the community System on the Municipality license.
Pay At Services	530,403	Impossible to follow the official procurement process.The new services provider and Solvem are currently addressing intergration issues.

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

Marce Fire Fighting Technology	466,433	Sole supplier.Marce Fire Fighting is the sole supplier of Ziegler firefighting pumps in SA.
Droomers Motorsport	626,750	Sole supplier.The supplier is the only manufacturer of this specialised equipment.
Marce Fire Fighting Technology	397,193	Sole supplier.Marce is the sole supplier of Ziegler pumps to George Municipality.
Community Systems	362,897	Emergency.Communication with public to keep them informed on the water restrictions.
Millors Attorneys	1,694,009	Impossible to follow the official procurement process.Purchase of specific portion of land.
	4,586,419	

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59. Additional disclosure in terms of Municipal Finance Management Act (continued)
Purchases from persons in service of the state

The municipality made the following payments to companies / persons in service of the state:

Company Name	Related Person	Company Capacity	Capacity at State/Municipality	Relationship		
Zutari (Pty) Ltd	Various ZB Ebrahim	Various Non-Executive Director	Various Social Housing Regulatory	Various Various	25,794,245	19,127,543
Royal Haskoning DHV	JD van Eeden	Member	Councillor - Langeberg Department of Water Affairs	Brother Nephew	15,530,772	13,734,264
SMEC South Africa (Pty) Ltd	M Phosa	Member	Finance - Mpumalanga Provincial Government	Spouse	22,123,390	18,226,067
Moreki Distributors	MD Moreki	Director	Palm Springs Magistrates Court	Spouse	93,924	6,350,211
Kathaka Enterprises (Pty) Ltd	MG Modise - Director	Not indicated	Not indicated	Shareholder at Kathaka Raw Enterprise (Pty) Ltd	19,400	-
Willvest Twenty Three (Pty) Ltd t/a Urhwebo E-transand	Various	Various	Various	Various	71,725,448	44,321,473
Minolta SA: George	KR Mthimunye	Non-Executive director	Mintek	Various	2,749,194	2,491,189
IMQS Software (Pty) Ltd	Various	Various	Various	Various	43,296	48,901
GLS Consulting	Various	Various	Various	Various	3,941,781	2,615,619
Ian Dickie and Company (Pty) Ltd	M Samuels	Director	SAPS - SCM	Spouse	2,049,185	768,239
Bidvest Waltons	KB Wakeford GC McMahon NT Madisa	Director Director Director	Various Various Various	Bidvest (Pty) Ltd and all affiliated companies	903,402	1,217,368
Trentyre	NP Mona A Sing	Member Non-Executive Director	SA Forestry Company DBSA	Not Indicated Not Indicated	-	510,539

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

Conlog	L Moodley L Gaxeni	Commercial Director Quality Manager	Provincial Health Department of KZN - Director of Informatics - GIS Eskom KZN - Deductor Manager	Spouse Spouse	58,296	805,281
Chlorcape (Pty) Ltd	PW Pretorius	Director	Not indicated	Shareholder in Ultra Water, Ikapa Commodities	47,759,352	50,593,733
Cobus Louw Professional Eng (Pty) Ltd	DE Janeke	Director	Dept. of Education - Psychologist	Spouse	4,854,871	484,153
Just Breeze General Trading CC	CL Ntladi	Lebowakgomo Hospital	Lebowakgomo Hospital	Shareholder in Jomash Construction, Bakgorong Security, Mahlako Travels, LMN Training & Mosadi Holdings	22,873,994	5,058,945
2 Brothers Enterprise	J Booysen	Owner	George Municipality - Cleaner/Tea Lady	Sister-In-Law	412,775	264,650
Vilconsec	C Viljoen	Owner	Official at George Municipality - C Langeveldt Official at George Municipality - A Viljoen	Sister Wife	1,128,766	1,242,169
Agate & Bryl t/a Rock Solutions	L Coetzee	Director	Corporate Service: Tea Lady/Caretaker	Mother-in-law	350,820	340,340
First Technology Western Cape	A Sharp	Director	Various	Various	2,604,335	2,981,939
Amandla GCF Construction cc	G Jones - Director W Frazenburg - Director	Not indicated	Not indicated	Interest in other companies: Empower Asphalt	202,388	-
Lexis Nexis South Africa (Pty) Ltd	I Andrew TR Naidoo	Various	Various	Shareholders	64,321	36,261
OWS & EAS Joint Venture	CR Stockwell	Director	Area Manager at City of Cape Town	CR Stockwell shareholder at Nadeson Consulting Services	8,503,396	3,860,506
Bearing Warehouse	FC Zeelie	Member	Department of Agriculture	Spouse	12,661	18,297

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

Entsha Henra (Pty) Ltd	V Zitumane BKD Mafu	Sharegolder and Director in other companies	Not indicated	K Lutchman, Non-Executive director of Entsha Henra (Pty) Ltd; Entsha Henra Plant Hire (Pty) Ltd; Entsha BEE (Pty) Ltd & Willvest Twenty Three (Pty) Ltd	122,727,171	122,142,065
CHM Vuwani Computer Solutions (Pty) Ltd	Shareholding & director in other companies	Not indicated	Interest in other related companies	First Technology Group, etc.	293,835	-
Inca Portfolio Managers	M Mokoene	Non-Executive Director	Gautrain Management Agency	Not Indicated	1,072,087	766,130

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

Company Name	Related Person	Company Capacity	Capacity at State/Municipality	Relationship		
Ruwacon (Pty) Ltd	PP Rantsoareng KA Michael PB Ruthven HP van H Badenhorst FJ Prinsloo JL De Bruin JHJ Rheeder GF Le Roux D Plekker	Director Director Director Director Director Director Director Director Director	Various Various Various Various Various Various Various Various Various	Various Various Various Various Various Various Various Various Various	31,473,455	1,135,509
Direct Wholesale	Zona van Greunen, Managing Director	Director	Professional Nurse - Mosselbay Hospital	Child	1,583,305	-
Raubenheimers Attorneys	WM Luttig	Director	Teacher	Spouse	1,579,042	3,723,004
Falcon Safety Management (Pty) Ltd	Zona van Greunen, Managing Director	Director	Nelson Mandela Bay Municipality	Spouse	58,880	-
Capstone VMG Enterprises (Pty) Ltd	V Sambokwe	Owner	Garden Route District Municipality - Administrative Clerk	Spouse	5,864	-
Hessequa Consulting Engineers cc	G Pepler	Director	Not indicated	Shareholder in Iviwe Engineering Solutions	317,288	-
Avela General Service and Construction	Sivuyile Mtila Phelo Nongogo Thembakazi Mtila	Owner Owner Owner	George Municipality: Community Services (Environtmental) Department of Health: Admin Clerk Department of Labour: Administration Officer	Son-in-law Daughter Daughter	-	80,271
Seebosrand Catering	ME Classen	Owner	Official at George Municipality	Daughter	624,133	384,195

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

Bidvest Food Service	KB Wakeford GC McMahon NT Madisa	Director Director Director	Various Various Various	Bidvest (Pty) Ltd and all affiliated companies	21,291	32,615
Bidvest Prestige	KB Wakeford GC McMahon NT Madisa	Director Director Director	Various Various Various	Bidvest (Pty) Ltd and all affiliated companies	9,510,033	2,121,301
Bidvest Prestige Cleaning Services	KB Wakeford GC McMahon NT Madisa	Director Director Director	Various Various Various	Bidvest (Pty) Ltd and all affiliated companies	112,794	300,803
Bidvest Steiner George	KB Wakeford GC McMahon NT Madisa	Director Director Director	Various Various Various	Various Various Various	112,794	181,595
Kishugu Aviation (Pty) Ltd	T Abrahams	Director	National Department: Agriculture, Forestry and Fisheries	Sister	-	77,817
Kathaka Raw Enterprises (Pty) Ltd	MG Modise	Director	Not indicated	Shareholder at Kathaka Enterprise (Pty) Ltd	247,018	499,325
iX Engineers (Pty) Ltd	JC Karemaker	Director	Not indicated	Shareholder in BJE/IX/WRP JV	16,656,829	16,223,790

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

Company Name	Related Person	Company Capacity	Capacity at State/Municipality	Relationship		
Improchem (Pty) Ltd t/a AECI Water	Dr Khotso Mokhele	Non-executive chairman at AECI Limited	Not indicated	Dr Khotso Mokhele - University of Free State and Dept. of Science and Technology - Chancellor	148,919	-
Loyiso Civil Construction	L Gardiner	Director	Not indicated	Interest in related company: Entsha Henra	114,885	150,480
Maverick Trading 59 CC	C Simons L vd Poll	Director Director	Not indicated	Maverick Trading 170 CC - shareholders	2,409,274	2,202,858
Memotek Trading CC	TG Sedumedi	Director	Not indicated	Director has shares in Gabriel & Michael Marketing	1,062,484	2,200,842
Elihlumayo Projects (Pty) Ltd	LA Mapolisa	Director	General Assistant at George Municipality	Family member	6,389	59,316
MDL Engineering Company (Pty) Ltd	MD Loubser	Director	Not indicated	Director has share in MDL Electrical cc	53,669,898	43,620,101
Transand (Pty) Ltd	JW Robertson CH Robertson RC Moiloa	Director Director Director	Not indicated Not indicated Not indicated	Directors interest in related company Enonbrick (Pty) Ltd	-	23,710

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

Company Name	Related Person	Company Capacity	Capacity at State/Municipality	Relationship		
Poongavanum General Cleaning Services t/a RIG Marketing	RS Poongavanum	Director	PetroSA - SHEQ Officer	Daughter	4,357,394	8,589,132
Fockens Engineering (Pty) Ltd	Not indicated	Not indicated	Not indicated	In service of state past 5 years: SANParks Tsitsikamma, Bontebok, West Coast National Parks, George Municipality	-	2,343,002
Commix Vision (Pty) Ltd	Not indicated	Not indicated	Active telematics Commix Academy & Muthenia Group	Active Telematics Commix Academy & Muthenia group	1,077,897	1,874,465
Icon Construction (Pty) Ltd	Shareholding & director in other companies	Not indicated	Interest in other related companies	Shareholders in other companies	127,692,614	-
Roy Steele & Associates CC	R Steele	Director	Managing ODS Consultants CC	Managing ODS Consultants cc	138,000	160,475
Cape Environmental Assessment Practitioners t/a Cape EAPRAC	DJ Jeffrey	Director	Not indicated	Shareholder in Doug Jeffrey Environmental Consultants	662,890	541,019
QJ Jaji t/a Jaji Bee Relocation and Honey Farming	N Jaji	Owner/Director	Electro-Technical Services	Daughter	70,000	35,500
VE Reticulation (Pty) Ltd	JJ Bosman HAR van Niekerk K Lutchman	Director Director Director	Not indicated	Shareholders in VE Management Services (Pty) Ltd	36,838,369	69,832,354

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

Company Name	Related Person	Company Capacity	Capacity at State/Municipality	Relationship		
Londoloza Utility Solution (Pty) Ltd	TS Mazibuko	Director	Not indicated	Department of Arts and Culture - National Archivist	356,208	-
SABS Commercial	JL Scholtz T Demana	Director Director	Department of Trade & Industry	JL Scholtz works at DTI. T Demana in service of state for thepast twelve months at DTI.	95,805	29,754
Norland Construction (Pty) Ltd	Shareholding & director in other companies	Not indicated	Not indicated	Interest in other companies: Norlan Plant Holdings (Pty) Ltd; NJV Contractors (Pty) Ltd; Bastu Investments (Pty) Ltd; NAS Air Services (Pty) Ltd	3,801,603	-
Nikwe Enterprise (Pty) Ltd	M Olivier	Director	Admin Offider, George Municipality	Souse	84,876	-
Platinum Suppliers (Pty) Ltd	B Brass	Director	Not indicated	Shareholder at Bizconex (Pty) Ltd	27,233	-
Red Ant Security Relocation and Eviction Services	Buti Lesiela	Shareholder	Mogale City Local Municipality - Practitioner	Spouse	5,446,688	-
Sakhikhaya Suppliers cc	Mahadevan Valoo (Director) member Ikamva Facilities Management cc & Camel Rock Trading cc	Not indicated	Not indicated	Mahadevan Valoo member Ikamva Facilities Management cc & Camel Rock Trading cc	149,106	-

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

UDS Africa	AAE Khan	Director	Not indicated	Principal member at Edifice Consulting Engineers	392,645	-
VST Consulting Engineers (Pty) Ltd	V Thavar	Director	Not indicated	Shareholder in Khula Africa Engineers cc	1,064,240	-
Vanguard Fire and Safety Inland	J Buchan; L Sarabjit	Director Director	Not indicated Not indicated	J Buchan has Shares in other companies: Vanguard Fire and Safety Coastal and Vanguard Fire and safety Cape	42,809	-
Herold Gie Attorneys	Shareholding and director in other companies	Not indicated	Interest in other related companies	Interest in other related companies	191,007	-
Wolf Pack Race	Cheryl Langeveldt	Owner	Official at George Municipality	Spouse	116,190	-
Mimebe Projects	Mary-Anne Beukes	Director	South African Post Office	Director	1,448,643	-
Acumen Software (Pty) Ltd	Ismail Cachalia	Director	High Commissionet to Zambia Saad Chachalia	Father	506,000	-
					662,055,100	**500,951,430**

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60. Related parties

Relationships	
Councillors	Details of councillors are listed as part of General Information. Refer to page 1.
Directors	
Directorate Financial Services	R du Plessis
Directorate Corporate Services	E Ganza (Acting)
Directorate Corporate Services	K Moodley (Resigned 30 April 2024)
Directorate Human Settlements, Planning and Development and Property Management	L Waring (Resigned 30 June 2024)
Directorate Civil Engineering Services	J Koegelenberg
Directorate Electro- Technical Services	D Greeff (Acting)
Directorate Electro- Technical Services	B Mandla (Resigned 31 August 2023)
Directorate Community Services	D Adonis
Municipal Manager	Dr M Gratz (Resigned 30 June 2024)
Municipal Manager	D Adonis (Acting)

Related party transactions

The services rendered to related parties are charged at approved tariffs that were advertised to the public. No bad debts were written off or recognised in respect of amounts owed by related parties.

The amounts outstanding are unsecured and will be settled in cash. Consumer deposits were received from Councillors, the Municipal Manager and Section 57 personnel.

Compensation of related parties

Compensation of Key Management Personnel and Councillors is set out in notes 34 and 35 to the Annual Financial Statements.

61. 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.

62. Events after reporting date

No events after the reporting date were identified.

63. Utilisation of Long-term liabilities reconciliation

Long-term liabilities raised	470,357,893	308,715,588

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

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64. Budget differences

Material differences are being defined by Management as 10 % of a specific line-item and amounts greater than R1 000 000.

AFS Line item	Material differences between budget and actual amounts
Property rates	Difference is less than 10%.
Service charges	Difference is less than 10%.
Investment revenue	Additional interest was received on short term investments due to increase in interest rates.
Transfers recognised - Operational	Difference is less than 10%.
Other own revenue	Budgeting of purified water stock gains as other income.
Employee related cost	The reason for the variance is due to vacant budgeted positions that have not been filled by 30 June 2024.
Remuneration of councillors	Variance due to remuneration increase budgeted for but not implemented.
Debt impairment	Provisions as included in the Customer Care, Credit Control and Debt Collection Policy are implemented on a daily and monthly basis to ensure that all monies and deposits due and payable to the municipality are collected and used to deliver services in the best interest of the community, residents, and customers; and, in a financially sustainable manner. It relates to historical water losses at indigent households.
Depreciation and asset impairment	Service concession assets not taken into account during the budgeting processes.
Finance charges	Landfill sites, GIPTN interest and the finance cost component on the service concession arrangement was not budgeted for.
Material and bulk purchases	Difference is less than 10%.
Transfers and grants	Difference is less than 10%.
Other expenditure	Application of the FAQ and GRAP 12 on the purified water treatment.
Transfers recognised - Capital	The under spending is mainly due to the grants that could not be fully spent during the 2023/2024 financial year. George Municipality also received an additional Public Transport grant during March 2024, which constitutes as fiscal dumping.

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64. Budget differences (continued)

Capital expenditure by vote	Material differences between budget and actual amounts
Finance and administration	Difference is less than 10%.
Internal audit	Difference is less than 10%.
Community and social services	Botanical Garden - Wall: Disaster recovery grant: A roll-over request have been received for a o roll-over of the projects to the 2024/25 financial year.
Community Halls and Facilities	The underspending is mainly due to the fact that the wooden floor at the civic centre could not be replaced and the upgrading of bathrooms and kitchen did not take place.
Sport and recreation	Difference is less than 10%.
Public safety	Difference is less than 10%.
Housing	Difference is less than 10%.
Planning and development	Upgrading of York Hostel: Varios factors restricted the contractor to arry out the projected expenditure for the 2023/24 financial year and the budget not spent will be rolled over to the 2024/2025 financial year.
Road transport	The underspending is mainly due to the fact that additional grant funding was PTNG grant funding was gazetted and received during March 2024. An application to roll-over the grant to 2024/25 has been done.
Energy sources	Electrical rehabilitation of facilities - Disaster recovery grant: Construction in progress and scheduled for completion end September 2024. The project will be roll-over to the 2024/25 financial year. Herolds Bay substation Transformer: Delivery of materials was delayed resulting in project delays. The project will be roll-over to the 2024/25 financial year.
Water management	Projects funded by the Regional Bulk Infrastructure Grant could not be completed by 30 June 2024 for various reasons. A roll-over request has been submitted to roll-over the budget to the 2024/25 financial year.
Waste water management	Projects funded by the Regional Bulk Infrastructure Grant could not be completed by 30 June 2024 for various reasons. A roll-over request has been received to roll-over the projects to the 2024/25 financial year.
Waste management	Difference is less than 10%.
Other	Difference is less than R1 000 000.

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65. Segment information

General information

Identification of segments

The municipality is organised and operates in four key functional segments. To this end, management monitors the operating results of these functional segments for the purpose of making decisions about resource allocations and assessment of performance. Revenue and expenditures relating to these functional segments are allocated at a transactions level.

The four key functional segments comprise of:

- Community and Public Safety, which includes Community and Social Services, Sport and Recreation, Public Safety and Health and Housing Services.
- Economic and Environmental Services, which includes Planning and Development, Road Transport and Environmental Protection Services;
- Trading Services, which includes Energy Sources, Water Management, Waste Water Management and Waste Management Services;
- Municipal Governance and Administration, which includes Executive and Council and Finance and Administration Services.

The grouping of these segments is consistent with the functional classification of government activities which considers the nature of the services, the beneficiaries of such services and the fees charged for the services rendered (if any).

Management does not monitor performance geographically as it does not at present have reliable separate financial information for decision making purposes. Processes have been put in place to generate this information at a transaction level and in the most cost effective manner.

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Figures in Rand	2024	2023

65. Segment information (continued)

Segment surplus or deficit, assets and liabilities

Notes to the Annual Financial Statements

2024

	Municipal Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Total
Revenue from exchange transactions					
Sale of electricity	2,843	-	-	931,084,039	931,086,882
Sale of water	-	-	-	228,473,527	228,473,527
Sewerage and sanitation charges	-	-	-	168,467,446	168,467,446
Refuse removal	-	-	-	153,295,801	153,295,801
Rental of facilities and equipmentl	1,985,575	1,477,930	596,317	365,652	4,425,474
Income from agency services	-	-	14,083,052	-	14,083,052
GIPTN Fare Revenue	-	-	77,498,662	-	77,498,662
Operating revenue	15,240,108	17,591,900	16,738,123	51,802,584	101,372,715
Interest received - Outstanding Debtors	702	-	-	21,634,274	21,634,976
Interest received - External Investments	100,632,099	2,673,557	-	-	103,305,656
Revenue from non-exchange transactions					
Taxation revenue					
Property rates	443,330,073	-	-	-	443,330,073
License and permits	-	-	1,779,415	-	1,779,415
Transfer revenue					
Government grants & subsidies - Operating	31,661,205	15,346,429	447,805,482	185,232,013	680,045,129
Government grants & subsidies - Capital	-	13,800,111	58,838,191	508,010,344	580,648,646
Public contributions and donations	-	10,000	-	-	10,000
Construction contract revenue	-	-	-	314,874	314,874
Fines, Penalties and Forfeits	4,825,378	28,159,472	2,043,852	314,848	35,343,550
Other					
Availability charges	-	-	-	22,296,913	22,296,913
Actuarial gains	2,963,805	-	-	-	2,963,805
Total segment revenue	**600,641,788**	**79,059,399**	**619,383,094**	**2,271,292,315**	**3,570,376,594**
Entity's revenue					**3,570,376,594**

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Figures in Rand	2024	2023

65. Segment information (continued)

	Municipal Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Total
Expenditure					
Employee related costs	237,176,433	133,366,244	59,420,193	214,933,395	644,896,265
Remuneration of councillors	25,563,675	-	-	-	25,563,675
Depreciation and amortisation	13,006,321	15,992,035	51,167,153	136,621,674	216,787,183
Impairment loss	15,188,436	25,571,249	-	94,306,218	135,065,903
Finance charges	25,221,141	3,360,372	17,515,752	43,295,802	89,393,067
Bulk purchases	-	-	-	715,566,093	715,566,093
Contracted services	57,579,619	57,873,098	405,603,066	179,517,228	700,573,011
Grants ans subsidies paid	1,752,636	-	83,844,087	168,532	85,765,255
Cost of housing sold	4,011,995	-	-	-	4,011,995
Loss on disposal of assets and liabilities	600,925	239,360	6,072	444,116	1,290,473
Inventories losses/write-downs	-	-	33,830	26,129,002	26,162,832
Other materials / Inventory	4,137,664	12,015,562	1,590,403	175,178,990	192,922,619
General Expenses	26,332,624	45,226,631	27,290,136	11,938,647	110,788,038
Total segment expenditure	**410,571,469**	**293,644,551**	**646,470,692**	**1,598,099,697**	**2,948,786,409**
Total segmental surplus/(deficit)	**190,070,319**	**(214,585,152)**	**(27,087,598)**	**673,192,618**	**621,590,185**
Assets					
Segment assets	5,877,702,517	9,820,857	90,264,950	564,668,379	6,542,456,703
Total assets as per Statement of financial Position					**6,542,456,703**
Liabilities					
Segment liabilities	1,145,522,434	13,725,057	528,425,185	409,613,708	2,097,286,384
Total liabilities as per Statement of financial Position					**2,097,286,384**

	Municipal Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Total
Other information					
Additions to non-current assets (PPE, Investment Property and Intangible Assets)	12,404,349	68,020,265	262,743,078	605,330,379	948,498,072

AUDITOR-GENERAL SOUTH AFRICA
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65. Segment information (continued)

2023

	Municipal Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Total
Revenue from exchange transactions					
Sale of electricity	-	-	-	785,776,767	785,776,767
Sale of water	-	-	-	211,952,855	211,952,855
Sewerage and sanitation charges	-	-	-	157,407,731	157,407,731
Refuse removal	-	-	-	141,374,178	141,374,178
Rental of facilities and equipment	1,815,659	1,672,181	443,499	283,497	4,214,836
Income from agency services	-	-	14,304,911	-	14,304,911
GIPTN Fare Revenue	-	-	63,779,838	-	63,779,838
Operating revenue	6,868,363	15,528,540	22,449,581	38,865,532	83,712,016
Interest received - Outstanding Debtors	2,646	-	-	14,403,206	14,405,852
Interest received - External Investment	60,658,714	2,687,612	-	-	63,346,326
Revenue from non-exchange transactions					
Taxation revenue					
Property rates	384,703,013	-	-	-	384,703,013
Licences and Permits	-	-	1,836,903	-	1,836,903
Transfer revenue					
Government grants & subsidies - Operating	8,975,943	4,535,183	414,181,689	196,950,460	624,643,275
Government grants & subsidies - Capital	143,686	992,983	70,199,879	336,959,822	408,296,370
Construction contract revenue	-	271,625	-	-	271,625
Fines, Penalties and Forfeits	7,537,202	52,673,974	614,046	213,719	61,038,941
Other					
Availability charges	-	-	-	22,312,412	22,312,412
Actuarial gains	31,724,308	-	-	-	31,724,308
Total segment revenue	**502,429,534**	**78,362,098**	**587,810,346**	**1,906,500,179**	**3,075,102,157**
Entity's revenue					**3,075,102,157**

AUDITOR-GENERAL SOUTH AFRICA
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Figures in Rand

	Municipal Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Total
65. Segment information (continued)					
Expenditure					
Employee related costs	212,141,321	131,276,382	50,477,983	210,838,136	604,733,822
Remuneration of councillors	25,556,683	-	-	-	25,556,683
Depreciation and amortisation	10,706,719	13,461,983	35,456,264	119,972,628	179,597,594
Impairment loss	7,596,626	45,048,754	-	85,834,101	138,479,481
Finance costs	26,362,067	3,674,771	14,302,187	33,558,083	77,897,108
Bulk Purchases	-	-	-	598,225,496	598,225,496
Contracted services	53,145,897	53,350,743	377,559,376	156,854,394	640,910,410
Grants and subsidies paid	58,795	42,198	79,358,414	-	79,459,407
Cost of housing sold	5,389,776	-	-	-	5,389,776
Loss on disposal of assets and liabilities	2,065,481	(30,835)	(242,234)	(797,805)	994,607
Inventories losses/write-downs	1,962,050	-	282,526	20,600,800	22,845,376
Other materials / Inventory	4,431,962	8,622,623	1,551,691	166,383,115	180,989,391
General Expenses	28,343,219	37,930,856	25,995,920	11,442,941	103,712,936
Total segment expenditure	**377,760,596**	**293,377,475**	**584,742,127**	**1,402,911,889**	**2,658,792,087**
Total segmental surplus/(deficit)	**124,668,938**	**(215,015,377)**	**3,068,219**	**503,588,290**	**416,310,072**
Assets					
Segment assets	4,711,815,614	12,108,668	90,901,187	507,523,050	5,322,348,519
Total assets as per Statement of financial Position					**5,322,348,519**
Liabilities					
Segment liabilities	870,596,198	23,977,293	111,525,117	492,669,782	1,498,768,390
Total liabilities as per Statement of financial Position					**1,498,768,390**

	Municipal Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Total
Other information					
Additions to non-current assets (PPE, Investment Property and Intangible Assets)	29,199,316	33,823,589	236,348,381	461,298,283	760,669,574

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
30 November 2024

APPROPRIATION STATEMENT

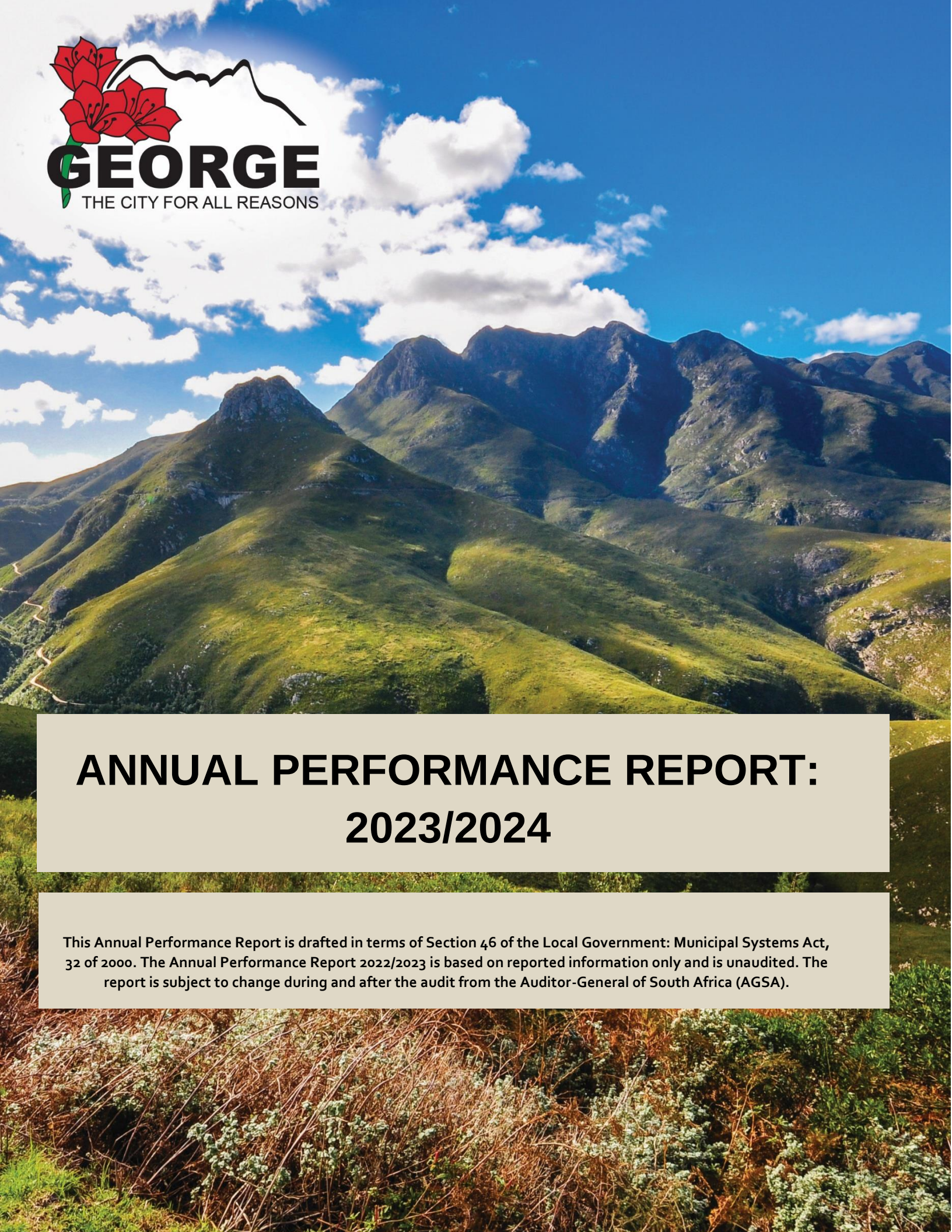
Figures in Rand	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Notes to the Annual Financial Statements											
Financial Performance											
Property rates	441,577,886	299,484	441,877,370	-		441,877,370	443,330,073		1,452,703	100 %	100 %
Service charges	1,454,149,370	(8,009,394)	1,446,139,976	-		1,446,139,976	1,481,323,656		35,183,680	102 %	102 %
Investment revenue	42,414,834	15,000,000	57,414,834	-		57,414,834	103,305,656		45,890,822	180 %	244 %
Transfers recognised - operational	635,102,098	96,157,902	731,260,000	-		731,260,000	680,045,129		(51,214,871)	93 %	107 %
Other own revenue	544,593,223	8,195,621	552,788,844	-		552,788,844	281,723,434		(271,065,410)	51 %	52 %
Total revenue (excluding capital transfers and contributions)	**3,117,837,411**	**111,643,613**	**3,229,481,024**	**-**		**3,229,481,024**	**2,989,727,948**		**(239,753,076)**	**93 %**	**96 %**
Employee costs	708,327,172	(4,958,859)	703,368,313	-	5,296,990	708,665,303	644,896,265	-	(63,769,038)	91 %	91 %
Remuneration of councillors	30,568,078	(644,890)	29,923,188	-	(234,000)	29,689,188	25,563,677	-	(4,125,511)	86 %	84 %
Debt impairment	103,918,450	-	103,918,450	-	-	103,918,450	135,065,902	-	31,147,452	130 %	130 %
Depreciation and asset impairment	187,803,795	(310,000)	187,493,795			187,493,795	216,787,183	-	29,293,388	116 %	115 %
Finance charges	40,388,003	-	40,388,003	-	6,244,000	46,632,003	89,393,067	-	42,761,064	192 %	221 %
Materials and bulk purchases	1,028,704,177	1,362,286	1,030,066,463	-	(6,855,967)	1,023,210,496	934,651,544	-	(88,558,952)	91 %	91 %
Transfers and grants	40,657,687	42,350,612	83,008,299	-	3,506,204	86,514,503	85,765,255	-	(749,248)	99 %	211 %
Other expenditure	924,691,014	72,488,411	997,179,425	-	(7,934,757)	989,244,668	816,663,517	-	(172,581,151)	83 %	88 %
Total expenditure	**3,065,058,376**	**110,287,560**	**3,175,345,936**	**-**	**22,470**	**3,175,368,406**	**2,948,786,410**	**-**	**(226,581,996)**	**93 %**	**96 %**
Surplus/(Deficit)	**52,779,035**	**1,356,053**	**54,135,088**	**-**		**54,112,618**	**40,941,538**		**(13,171,080)**	**76 %**	**78 %**

Appropriation Statement

Figures in Rand	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-		-	580,648,646		580,648,646	DIV/0 %	DIV/0 %
Surplus (Deficit) after capital transfers and contributions	**52,779,035**	**1,356,053**	**54,135,088**	**-**		**54,112,618**	**621,590,184**		**567,477,566**	**1,149 %**	**1,178 %**
Surplus/(Deficit) for the year	**52,779,035**	**1,356,053**	**54,135,088**	**-**		**54,112,618**	**621,590,184**		**567,477,566**	**1,149 %**	**1,178 %**
Capital expenditure and funds sources											
Total capital expenditure	1,023,042,577	705,686,915	1,728,729,492	-		1,728,729,492	948,498,071		(780,231,421)	55 %	93 %
Sources of capital funds											
Transfers recognised - capital	400,127,965	810,500,286	1,210,628,251	17,000		1,210,645,251	512,472,261		(698,172,990)	42 %	128 %
Borrowing	371,569,029	(79,630,572)	291,938,457	-		291,938,457	259,564,733		(32,373,724)	89 %	70 %
Internally generated funds	251,345,583	(25,182,799)	226,162,784	(17,000)		226,145,784	176,461,078		(49,684,706)	78 %	70 %
Total sources of capital funds	**1,023,042,577**	**705,686,915**	**1,728,729,492**	**-**		**1,728,729,492**	**948,498,072**		**(780,231,420)**	**55 %**	**93 %**

APPROPRIATION STATEMENT

Figures in Rand	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated audited outcome
2023				
Financial Performance				
Property rates				384,703,012
Service charges				1,296,511,531
Investment revenue				63,346,326
Transfers recognised - operational				624,643,277
Other own revenue				297,601,643
Total revenue (excluding capital transfers and contributions)				**2,666,805,789**
Employee costs	-	-	-	(604,733,822)
Remuneration of councillors	-	-	-	(25,556,683)
Debt impairment	-	-	-	(138,479,479)
Depreciation and asset impairment	-	-	-	(179,597,594)
Finance charges	-	-	-	(77,897,108)
Inventory consumed and bulk purchases	-	-	-	(802,060,263)
Transfers and grants	-	-	-	(79,459,407)
Other expenditure	-	-	-	(751,007,731)
Total expenditure	**-**	**-**	**-**	**(2,658,792,087)**
Surplus/(Deficit)				**8,013,702**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				408,296,370
Surplus (Deficit) after capital transfers and contributions				**416,310,072**
Surplus/(Deficit) for the year				**416,310,072**



ANNUAL PERFORMANCE REPORT: 2023/2024

This Annual Performance Report is drafted in terms of Section 46 of the Local Government: Municipal Systems Act, 32 of 2000. The Annual Performance Report 2022/2023 is based on reported information only and is unaudited. The report is subject to change during and after the audit from the Auditor-General of South Africa (AGSA).

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ANNUAL PERFORMANCE REPORT: 2023/2024

Please find attached hereto the Annual Performance Report for the financial year 2023/2024

Date: _____

1 Introduction

The Annual Performance Report of the George Municipality in terms of Section 46 of Local Government: Municipal System Act 32 of 2000 will form an integral part of the entire Annual Report which will be drafted in terms of Chapter 12 of the Local Government: Municipal Finance Management Act 56 of 2003. The report covers the performance information from 1 July 2023 to 30 June 2024 and focuses on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP), in relations to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP) for the year under review.

1.1 Overview of Performance within the Organisation

Performance management is a strategic approach to management, which equips leaders, managers, workers and stakeholders at different levels with tools and techniques to plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact. This is institutionalised through legislative and other regulatory requirements. Performance management provides the mechanism to measure whether set targets against strategic goals are met. The report will reflect on the Municipality's Key Performance Indicators (KPIs) per municipal Key Performance Area.

1.2 Legislative Requirements

The Constitution of the Republic of South Africa, 1996, Section 152, deals with the objectives of local government and paves the way for performance management. The democratic values and principles in terms of Section 195 (1) of the Constitution of the Republic of South Africa are also linked with the concept of performance management, by:

- promoting efficient, economic and effective use of resources;
- accountable public administration;
- transparently providing information;
- being responsive to the needs of the community; and
- facilitating a culture of public service and accountability amongst staff.

The Local Government: Municipal Systems Act 32 of 2000 (MSA) requires a municipality to establish a performance management system. Further, the MSA and the Local Government: Municipal Finance Management Act 56 of 2003 (MFMA) requires the municipal budget to be aligned to the Integrated Development Plan (IDP) and create a mechanism for the

implementation of the budget against the IDP using the Service Delivery and Budget Implementation Plan (SDBIP).

In terms of Section 46(1) of the MSA a municipality must prepare an annual performance report reflecting:

- the performance of the municipality and of each external service provider during that financial year;
- a comparison of the performance referred to above with targets set for and performance in the previous financial year; and
- measures taken to improve performance.

2 Municipal Overview

The George Local Municipality is a Category B municipality located within the Garden Route District in the Western Cape Province. It is bordered by the Eastern Cape in the north and east, Knysna and the Indian Ocean to the south-east, and Mossel Bay in the west. It is one of seven municipalities in the Garden Route District Municipality.

The City of George is the hub of the Garden Route, nestled among the slopes of the majestic Outeniqua Mountains and flanked by the Indian Ocean to the south. George also enjoys the strategic advantage of being situated on the major road and rail transport routes between Cape Town in the and Gqeberha in the east, as well as an airport flying nationally and internationally.

2.1 Organisational Performance

Strategic Performance indicates how well the municipality is meeting its objectives (i.e. which policies and processes are working). All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plan and allocate resources for the implementation. The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role players to enable them to timeously implement corrective measures where required.

This report highlights the strategic performance in terms of the Municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP); performance on the National Key Performance Indicators prescribed in terms of Section 43 of the MSA; and an overall summary of performance on municipal services.

2.2 Performance System followed for the Financial Year 2023/2024

i. The IDP and the Budget

The Top Layer SDBIP was approved by the Executive Mayor on 12 June 2023 and was subsequently revised on 19 February 2024.The IDP and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

ii. Service Delivery and Budget Implementation Plan

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level.

The SDBIP is devolved to departments and converts the IDP and budget into measurable criteria on how, where and when strategies, objectives and business processes of the Municipality are implemented. It also assigns the responsibility to Directorates of delivering of municipal services in terms of the IDP and budget. The Top Layer SDBIP was approved by the Executive Mayor on 12 June 2023 but was later revised and the Revised document was approved by the Executive Mayor on 19 February 2024.The following were considered in the development of the Top Layer SDBIP:

- Areas to be addressed and the root causes contained in Management Letter of the Auditor-General, as well as the risks identified during the 2023/2024 audit;
- Alignment with the IDP, National Key Performance Areas (KPAs), Municipal KPAs and IDP objectives;
- Municipal Public Accounts Committee's Oversight Report to Council on the Annual Report 2023/2024; and
- The risks identified by the Internal Auditor during the municipal risk analysis.

iii. Actual Performance

The municipality utilises an electronic web-based system on which Key Performance Indicator (KPI) owners update actual performance every month. The same system forms the basis of performance evaluations of the Executive Directors and the Accounting Officer.

KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set;
- A performance comment; and
- Actions to improve the performance against the target set, if the target was not achieved.

It is the responsibility of the KPI owner to maintain a portfolio of evidence to support the actual performance results updated. The portfolio of evidence for the Top Layer SDBIP is internally audited to ensure compliance and reliability.

iv. Quarterly Reporting

Both the Executive Mayor and the Municipal Manager duly signed off all the quarterly reports (as prescribed in S52 and S72 of the Municipal Finance Management Act, 56 of 2003) and subsequently submitted them to Council as prescribed by Section 52(d) and 72(1) of the Municipal Finance Management Act, 56 of 2003 (MFMA). Table 1 indicates the dates on which the reports were signed off.

Table 1: Dates on which quarterly performance report were signed off:

Period of Reporting	Date Signed
Quarter 1 (01 July 2023 – 30 September 2023)	17 October 2023
Quarter 2 (01 October 2023 – 31 December 2023)	25 January 2024
Quarter 3 (01 January 2024 – 31 March 2024)	16 April 2024
Quarter 4 (01 April 2024– 30 June 2024)	16 July 2024

2.3 Performance Management

Municipal performance management is prescribed by the MSA and Municipal Planning and Performance Management Regulations, (796 of August 2001). The aforementioned regulation states that *"A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and process of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players."* This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP, individual and service provider performance. The Municipal Council last reviewed and approved the Organisational Performance Framework on 18 April 2024

i. Organisational Performance

The organisational performance is monitored and evaluated through the SDBIP. Some highlights of the performance process include:

- The Top Layer SDBIP was approved by the Executive Mayor on 12 June 2023 and was subsequently revised on 19 February 2024;
- Staff update actual performance against key performance indicator targets every month;
- A mid-year budget and performance (Section 72) report was compiled within the legislative timeframes, tabled to Council on 25 January 2023 and approved and thereafter submitted to Provincial Treasury;
- The Municipal Manager and all Directors have entered into performance agreements within the prescribed timeframes as per Table 2 below;
- Internal Audit conducted an audit on the Top Layer SDBIP for all quarters and reported to the Performance Audit Committee on a quarterly basis; and
- The Audit Committee also acts as the Performance Audit Committee and is fully functional.

ii. Individual Performance - Senior Management (S57)

The MSA prescribes that the municipality must enter into performance-based agreements with all Section 57 employees and that performance agreements must be reviewed annually. The Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (Regulation 805, August 2006) sets out this process in detail.

Table 2: Dates on which performance agreements were signed-off

Name	Position	Date Signed (Original Agreement)	Date Signed (Revised Agreement)
Dr M Gratz	Municipal Manager	31 July 2023	16 February 2024
Mr D Adonis	Director: Community Services	19 July 2023	29 February 2024
Mr R Du Plessis	Director: Financial Services	19 July 2023	29 February 2024
Mr J Koegelenberg	Director: Civil Engineering	19 July 2023	Unchanged
Ms K Moodley	Director: Corporate Services	19 July 2023	29 February 2024
Ms L Waring	Director: Human Settlements, Planning and Development	19 July 2023	29 February 2024
Mr B Mandla	Director: Electrotechnical Engineering Services	19 July 2023	Vacant

3 Performance against the National Key Performance Indicators

3.1 National Key Performance Indicators (NKPIS)

Set out below is the performance for the year under review against the National Key Performance Indicators

3.1.1 National Key Performance Indicator: Basic Service Delivery and Local Economic Development

Table 3 below depicts the municipality's performance in terms of the National Key Performance Indicator as stipulated in the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the Local Government: Municipal Systems Act (MSA), 2000 (Act 32 of 2000).

Table 3: National Key Performance Areas: Basic Service Delivery and Local Economic Development

National Key Performance Area	Indicators	2022/2023	2023/2024
Basic Service Delivery (BSD)	The number of households with access to basic level of water	10 488*	11 300
	The number of households with access to basic level of sanitation/sewerage removal	10 228*	11 089
	The number of households with access to basic level of electricity	15 439*	16 196
	The number of households with access to basic level of solid waste removal/refuse removal	10 318*	11 174
Local Economic Development (LED)	Create Full Time Equivalents (FTEs) through government expenditure with EPWP	344.55	354.52

* Actual lower due to ongoing verification of indigent account holders and data cleansing to remove non-qualifying applicants. Indigents must reapply annually to retain their indigent status. During the 2023/24 financial year roadshows were done to assist consumers and to solicit applications. Indigent subsidies must only be provided to qualifying households to ensure that the equitable share allocation reaches those in need.

3.1.2 National Key Performance Indicator: Good Governance and Public Participation

This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

Table 4: Percentage of Capital budget spent on Capital Projects

Indicator	2022/2023	2023/2024
The percentage of a municipality's capital budget spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	64.05%**	55.72%**

** Performance Comment: In both the current and previous financial year, National Treasury allocated substantial additional grant funding to George Municipality. George Municipality received R431.6 million in March 2023. In the 2023/24 year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received. The R439 million allocated in March 2024 was for the Public Transport Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget had been spent.

Notably, the Civil engineering Services (CES) directorate achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year—a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources.

The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.

3.1.3 National Key Performance Indicators: Municipal Financial Viability and Management Ratios

These key performance indicators are linked to the National Key Performance Area (KPA), namely Municipal Financial Viability and Management Ratios:

Table 5: National Key Performance Indicators: Municipal Financial Viability and Management Ratios

Description	Basis of calculation	2021/2022	2022/2023	2023/2024
		Audited Outcome	Audited Outcome	Pre-Audited Outcome
Cost Coverage	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment)/Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	3.15 months	2.19 months	2.77 months
Total Outstanding Service Debtors to Revenue	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 [(Total outstanding service debtors/ revenue received for services) x 100]	11.66%	13.72%	12.22%

Description	Basis of calculation	2021/2022	2022/2023	2023/2024
		Audited Outcome	Audited Outcome	Pre-Audited Outcome
Debt Coverage	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2024 {(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) X 100}	13.83%	10.19%	20.75%

3.1.4 National Key Performance Indicators: Municipal Transformation and Organisational Development

Table 6: National Key Performance Indicator: Municipal Transformation and Organisational Development

Indicator	2022/2023	2023/2024
The percentage of people from employment equity target groups employed (newly appointed) in the three highest levels of Management in compliance with the Municipality's approved Employment Equity Plan by 30 June 2024	85%	75%
The percentage of the Municipality's approved workplace skills budget actually spend on implementing its Workplace Skills Plan by 30 June 2024. (2022/23: The percentage of a municipality's budget actually spent on implementing its workplace skills plan.)	0.23%	87.36%

3.2 Top Layer (TL) Service Delivery Budget Implementation Plan (SDBIP)

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP as per the IDP (strategic) objectives.

The following figure explains the method by which the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPIs) of the SDBIP is measured:

Table 7: Performance Assessment Criteria

Category	Colour	Explanation
KPI Not Met		0% <= Actual/Target <= 74.999%
KPI Almost Met		75.000% <= Actual/Target <= 99.999%
KPI Met		Actual meets Target (Actual/Target = 100%)
KPI Well Met		100.001% <= Actual/Target <= 149.999%
KPI Extremely Well Met		150.000% <= Actual/Target

The graphs and table below show the overall performance per Strategic Objective of George Municipality for 2023/2024 financial year. The five strategic objectives are:

- Affordable Quality Services;
- Develop and Grow George;
- Good Governance and Human Capital;
- Participative Partnerships; and
- Safe, Clean and Green.

3.2.1 OVERALL PERFORMANCE

The graph below displays the overall performance for 2023/2024 financial year as the per Strategic Objective:

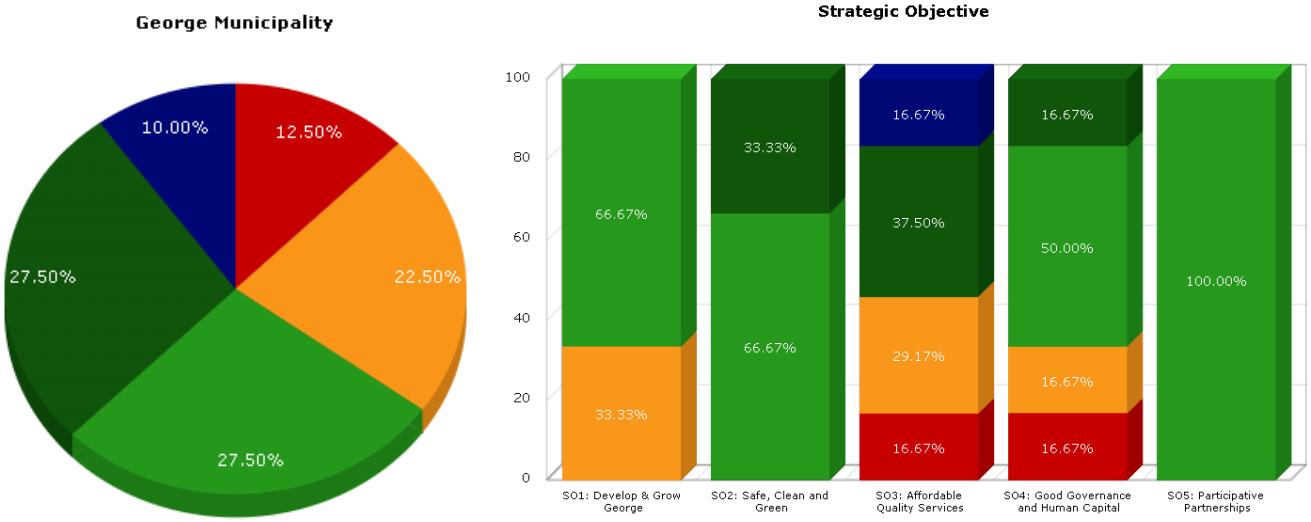


Table 8: Overall Performance Per Strategic Objective

George Municipality			Strategic Objectives				
			Develop and Grow George	Safe, Clean and Green	Affordable Quality Services	Good Governance and Human Capital	Participative Partnerships
R	KPI Not Met	5 (12.50%)	-	-	4 (16.67%)	1 (16.67%)	-
O	KPI Almost Met	9 (22.50%)	-	-	7 (29.17%	1 (16.67%)	-
G	KPI Met	11 (27.50%)	1 (33.33%)	2 (66.67%)	-	3 (50.00%)	4(10.00%)
G2	KPI Well Met	11 (27.50%)	2 (66.67%)	1 (33.33%)	9 (37.50%)	1 (16.67%)	-
B	KPI Extremely Well Met	4 (10.00%)	-	-	4 (16.67%)	-	-
Total		**40**	**3**	**3**	**24**	**6**	**4**
Total% target achieved		**100%**	**7.50%**	**(7.50%)**	**60.00%**	**15.00%**	**10.00%**

3.3 Actual Performance against KPIS set in terms of Top Layer (TL) Service Delivery Budget Implementation Plan (SDBIP)

A. Develop and Grow George

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL17	To maximise job creation opportunities through government expenditure	Create Full Time Equivalents (FTE's) through government expenditure by 30 June 2024	Create Full-Time Equivalents (FTE's) created through government expenditure by 30 June 2024	Whole Municipal Area: All	**625**	**180**	1400	400	309	200	89	400	354.52	O	**400**	**354.52**	O
Performance Comment		Target was not met due to delays with appointments as a result of delays with Programmes starting late.															
Corrective Action		Appointments to be monitored on a monthly basis and staring EPWP programmes earlier.															
TL35	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Develop a draft Integrated Economic Development Strategy by 30 June 2024	Number of Draft Integrated Economic Development Strategies developed by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G
TL36	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Establish One-Stop-Shop Information Receptacle by 30 June 2024	Number of One-Stop-Shop Information Receptacles established by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G

B. Safe, Clean and Green

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL31	To ensure Infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Implement renewable energy projects by 30 June 2024	Number of renewable energy projects submitted by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	5	5	3	1	1	2	1	G	**5**	**6**	G 2
TL40	To revitalise the current community facilities to increase the access to services for the public	Obtain Blue Flag status for at least 3 beaches by 30 November 2023	Number of Blue Flag status beaches obtained	Whole Municipal Area: All	**2**	**2**	0	3	N/A	3	N/A	N/A	N/A	N/A	**3**	**3**	G
TL41	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	Review and submit a Disaster Management Plan to Council by 31 March 2024	Number of Disaster Management Plans Reviewed and submitted to Council by 31 March 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G

C. Affordable Quality Service

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL1	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2024 {(Actual amount spent on projects/Total amount budgeted for capital projects less savings) X100}	Percentage of the municipal capital budget actually spent on capital projects by 30 June 2024	Whole Municipal Area: All	**64.05%**	**95%**	95%	95%	11.50%	34.70%	51.20%	95%	55.72%	R	**95%**	**55.72%**	R
Performance Comment		National Treasury allocated substantial additional grant funding to George Municipality over the past two financial years. In the 2022/23 year, George Municipality received R431.6 million in March 2023, which was quite late in the fiscal year to utilize these funds by 30 June 2023. As a result, the original capital expenditure budget was augmented from R548.6 million to R893.3 million for the 2023 financial year due to this extra funding. The R431.6 million received in March 2023 comprised: • Public Transport Network Grant (PTNG) of R45.69 million, • Regional Bulk Infrastructure Grant (RBIG) of R134.2 million, • Municipal Disaster Recovery Grant (MDRG) of R237.5 million, and • Emergency Municipal Loadshedding Relief Grant of R14.2 million. The RBIG allocation followed a request to National Treasury for a R134.2 million modification to annual cashflows over three years for BFI projects. This adjustment did not affect the overall RBIG grant total. However, as no response was received from National Treasury, the Civil Engineering Services (CES) directorate had to decelerate some project aspects in 2022 to remain within the available funding. The R134.2 million for adjusted cashflows was gazetted and transferred in March 2023, necessitating an Adjustment Budget process to incorporate it into the capital budget, enabling acceleration of the affected BFI projects. The MDRG relates to the significant storm damage experienced by George on 21 November and 6 December 2021. Covering 34 different projects, the grant application took considerable time to finalise before the National Disaster Management Centre transferred the funds to the municipality on 31 March 2023. Following an April 2023 Adjustment Budget, CES proceeded with consultant appointments concluded in May 2023. It was impractical to complete these 34 projects by 30 June 2023. Unspent 2022/23 funds were rolled over to the 2023/24 financial year; however, lengthy statutory approvals delayed certain projects, affecting their completion by 30 June 2024. The included project programs, linked to the disaster grant application and Business Plan approved by the National Disaster Management Committee, extended implementation timelines to 2025/26. Despite CES's efforts to expedite all projects, the anticipated full completion is now projected for 30 June 2025. Similarly, the Electrotechnical Services Directorate faced challenges meeting expenditure targets for their MDRG portion, leading to project completions scheduled for 2024/25. These difficulties—including obtaining necessary approvals—were frequently communicated to NDMC and discussed in various meetings with NT, COGTA, DEADP, DWS, SALGA, etc. The funds for PTNG and Loadshedding Relief Grants were fully expended within the 2023/24 fiscal year. Of the additional R134.2 million RBIG funding, R19.2 million was utilised, while R115 million was added to the 2023/24 expenditures for the BFI projects. Of the R237.5 million MDRG, R229 million was rolled over for use in the 2023/24 and subsequent financial years after extensive motivation to National Treasury.													

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		In the 2023/24 year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received. The R439 million allocated in March 2024 was for the Public Transport Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget and 48.98% of the adjusted capital expenditure budget had been spent. Notably, the Civil Engineering Services (CES) Directorate achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year—a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources.														
Corrective Action		The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL3	To provide world-class water services in George to promote development and fulfil basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential water meters which are connected to the municipal water infrastructure network	Whole Municipal Area: All	**37 586**	**37 250**	37 250	37 250	N/A	N/A	N/A	37 250	38 293	G 2	**37 250**	**38 287**	G 2
TL4	To provide sufficient electricity for basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential electricity meters connected to the municipal electrical infrastructure network	Whole Municipal Area: All	**47 555**	**44 467**	44 467	48 580	N/A	48 580	N/A	48 580	45 881	O	**48 580**	**45 881**	O
Performance Comment		Due to an administrative error, the revised target is incorrectly reflected as 48 580, which was in fact the actual achievement as at end of Quarter 2. The correct target is 44 467 as reflected in the initially approved IDP and SDBIP for 2023/2024.															
Corrective Action		Actual performance of 45 881 against the correct target of 44 467 is an overachievement of the annual target. Additional internal control measures will be implemented to prevent similar administrative errors in future. A reduction in the number of residential electrical meters connected to the municipal infrastructure network is expected in the next financial year.															

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL5	To provide and maintain safe and sustainable sanitation management and infrastructure	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential account holders which are billed for sewerage	Whole Municipal Area: All	**39 014**	**38 085**	38 085	38 085	N/A	39 489	N/A	38 085	39 790	G 2	**38 085**	**39 790**	G 2
TL6	To provide integrated waste management services for the entire municipal area	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of residential account holders which are billed for refuse removal	Whole Municipal Area: All	**40 452**	**37 137**	37 173	37 173	N/A	41 085	N/A	37 173	41 368	G 2	**37 173**	**41 368**	G 2
TL7	To provide world class eater services in George to promote development and fulfil basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic water	Whole Municipal Area: All	**10 488**	**11 500**	11 500	11 000	11 881	12 021	11 306	11 000	11 300	G 2	**11 000**	**11 300**	G 2

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL8	To provide sufficient electricity for basic needs	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic electricity	Whole Municipal Area: All	**15 439**	**16 500**	16 500	14 000	15 964	16 487	16 625	14 000	16 196	G 2	**14 000**	**16 196**	G 2
TL9	To provide and maintain safe and sustainable sanitation management and infrastructure	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic sanitation	Whole Municipal Area: All	**10 228**	**11 500**	11 500	11 000	11 074	11 656	11 797	11 000	11 089	G 2	**11 000**	**11 089**	G 2
TL10	To provide integrated waste management services for the entire municipal area	Provision of basic service delivery to George Residents (NKPI Proxy – MFMA, Reg. S10(a))	Number of indigent account holders receiving free basic refuse removal	Whole Municipal Area: All	**10 318**	**11 500**	11 500	11 000	11 170	11 753	11 896	11 000	11 174	G 2	**11 000**	**11 174**	G 2
TL11	To develop mechanisms to ensure viable financial management and control	Financial viability measured in terms of the municipality's ability to meet it's service debt	Percentage Debt to Revenue obligations met as at 30 June 2024	Whole Municipal Area: All	**10.19%**	**45%**	45%	45%	N/A	N/A	N/A	45%	20.75%	B	**45%**	**20.75%**	B

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		obligations as at 30 June 2024{(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) X 100}															
TL12	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 [(Total outstanding service debtors/ revenue received for services) x 100]	Percentage Service debtors as at 30 June 2024	Whole Municipal Area: All	**13.72%**	**16%**	16%	16%	N/A	N/A	N/A	16%	12.22%	B	**16%**	**12.22%**	B

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL13	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment)/Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months it takes to cover fix operating expenditure with available cash as at 30 June 2024	Whole Municipal Area: All	**2.19**	**2**	2	2	N/A	N/A	N/A	2	2.77	B	**2**	**2.77**	B
TL14	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Achieve a payment percentage of 95% by 30 June 2024 {(Gross Debtors Opening Balance + Billed	Percentage of payment achieved by 30 June 2024	Whole Municipal Area: All	**91.87%**	**95%**	95%	95%	N/A	N/A	N/A	95%	92.89%	O	**95%**	**92.89%**	O

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100}															
Performance Comment		The Collection rate for the year to date is below target mainly due to the impact of the rising cost of living caused by the underperforming national economy. The impact of load-shedding on the economy have resulted in significantly losses, contributing to increased unemployment and decreased household income levels. A number of mitigating measures are being undertaken to take mitigate this reality and to improve the collection rate															
Corrective Action		Various credit control actions are being strengthened, including the collection of arrear debts through prepaid meters by recovering up to 50% of electricity sales to settle outstanding account debt. The municipality is finalising the co-sourcing of the credit control function to complement the existing staff and improve overall effectiveness of credit control and debt collection actions. Smart water meters are being installed to improve the efficiency water meter readings and detect water leakages, this will reduce the number of queries relating to estimates and prevent debt from escalating due to water leakages															
TL20	To explore and implement measures to preserve resources and ensure sustainable development	Limit water network losses to less than 24% measured annually (limit unaccounted for water to less than 24% by 30 June 2024 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100}	Percentage of water losses at 30 June 2024	Whole Municipal Area: All	**27.22%**	**20%**	<24%	<24%	N/A	N/A	N/A	<24%	20.78%	B	**<24%**	**20.78%**	B

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL21	To provide world class water services in George to promote development and fulfil basic needs	Achieve 95% water quality compliance as per SANS 241:2015 by 30 June 2024	Percentage of water quality compliance achieved as measured against the SANS 241:2015 by 30 June 2024	Whole Municipal Area: All	**97.42%**	**95%**	95%	95%	N/A	N/A	N/A	95%	99.02%	G 2	**95%**	**99.02%**	G 2
TL22	To implement an Integrated Public Transport Network that will serve the communities of George	Spend 95% of the approved capital budget on the rehabilitation and upgrade of streets and storm water by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of streets and storm water by 30 June 2024	Whole Municipal Area: All	**31.77%**	**95%**	95%	95%	10%	23%	90.17%	95%	26.62%	R	**95%**	**26.62%**	R
Performance Comment		Target not met due to the R505m received from the Department of Transport in March 2024. Unrealistic expectation to have the entire amount spent within 4 months. National Treasury has allocated substantial additional grant funding to George Municipality over the past two financial years. In the 2022/23-year, George Municipality received R431.6 million in March 2023, which was quite late in the fiscal year to utilize these funds by 30 June 2023. As a result, the original capital expenditure budget was augmented from R548.6 million to R893.3 million for the 2023 financial year due to this extra funding. The R431.6 million received in March 2023 comprised: Public Transport Network Grant (PTNG) of R45.69 million, Regional Bulk Infrastructure Grant (RBIG) of R134.2 million, Municipal Disaster Recovery Grant (MDRG) of R237.5 million, and Emergency Municipal Loadshedding Relief Grant of R14.2 million. The RBIG allocation followed a request to National Treasury for a R134.2 million modification to annual cashflows over three years for BFI projects. This adjustment did not affect the overall RBIG grant total. However, as no response was received from National Treasury, the Civil Engineering Services (CES) directorate had to decelerate some project aspects in 2022 to remain within the available funding. The R134.2 million for adjusted cashflows was gazetted and transferred in March 2023, necessitating an Adjustment Budget process to incorporate it into the capital budget, enabling acceleration of the affected BFI projects. The MDRG relates to the significant storm damage experienced by George on 21 November and 6 December 2021. Covering 34 different projects, the grant application took considerable time to finalise before the National Disaster Management Centre transferred the funds to the municipality on 31 March 2023. Following an April 2023 Adjustment Budget, CES proceeded with consultant appointments concluded in May 2023. It was impractical to complete these 34 projects by 30 June 2023. Unspent 2022/23 funds were rolled over to the 2023/24 financial year; however, lengthy statutory approvals delayed certain projects, affecting their completion by 30 June 2024. The included project programs, linked to the disaster grant application and Business Plan approved by the National Disaster Management Committee, extended implementation timelines to 2025/26. Despite CES's efforts to expedite all projects, the anticipated full completion is now projected for 30 June 2025. Similarly, the Electrotechnical Services Directorate faced challenges meeting expenditure targets for their MDRG portion, leading to project completions scheduled for 2024/25. These difficulties including obtaining necessary approvals were frequently communicated to NDMC and discussed in various meetings with NT, COGTA, DEADP, DWS, SALGA, etc. The funds for PTNG and Loadshedding Relief Grants were fully expended within the 2023/24 fiscal year. Of the additional R134.2 million RBIG funding, R19.2 million was utilised, while R115 million was added to the 2023/24 expenditures for the BFI projects. Of the R237.5 million MDRG, R229 million												

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		was rolled over for use in the 2023/24 and subsequent financial years after extensive motivation to National Treasury. In the 2023/24-year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received. The R439 million allocated in March 2024 was for the Public Transport Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget and 48.98% of the adjusted capital expenditure budget had been spent. Notably, CES achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources															
Corrective Action		The actual expenditure against the original approved budget would have reflected as 200.89%. The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL23	To implement an Integrated Public Transport Network that will serve the communities of George	Spend 95% of the approved capital budget on the rehabilitation and upgrade of the public transport infrastructure by 30 June 2024{(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of the public transport infrastructure by 30 June 2024	Whole Municipal Area: All	**62.34%**	**95%**	95%	95%	9%	33%	100%	95%	87.56%	O	**95%**	**87.56%**	O
Performance Comment		Target not met due to an additional R505 million Rand received from the Department of Transport very late in the financial year at March 2024. National Treasury has allocated substantial additional grant funding to George Municipality over the past two financial years. In the 2022/23-year, George Municipality received R431.6 million in March 2023, which was quite late in the fiscal year to utilize these funds by 30 June 2023. As a result, the original capital expenditure budget was augmented from R548.6 million to R893.3 million for the 2023 financial year due to this extra funding. The R431.6 million received in March 2023 comprised: Public Transport Network Grant (PTNG) of R45.69 million, Regional Bulk Infrastructure Grant (RBIG) of R134.2 million, Municipal Disaster Recovery Grant (MDRG) of R237.5 million, and Emergency Municipal Loadshedding Relief Grant of R14.2 million. The RBIG allocation followed a request to National Treasury for a R134.2 million modification to annual cashflows over three years for BFI projects. This adjustment did not affect the overall RBIG grant total. However, as no response was received from National Treasury, the Civil Engineering Services (CES) directorate had to decelerate some project aspects in 2022 to remain within the available funding. The R134.2 million for adjusted cashflows was gazetted and transferred in March 2023, necessitating an Adjustment Budget process to incorporate it into the capital budget, enabling acceleration of the affected BFI projects. The MDRG relates to the significant storm damage experienced by George on 21 November and 6 December 2021. Covering 34 different projects, the grant application took considerable time to finalise before the National Disaster Management Centre transferred the funds to the municipality on 31 March 2023. Following an April 2023 Adjustment Budget, CES proceeded with consultant appointments concluded in May 2023. It was impractical to complete these 34 projects by 30 June 2023. Unspent 2022/23 funds were rolled over to the 2023/24 financial year; however, lengthy statutory approvals delayed certain projects, affecting their completion by 30 June 2024. The included project programs, linked to the disaster grant application and Business Plan approved by the National Disaster Management Committee, extended implementation timelines to 2025/26. Despite CES's efforts to expedite all															

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		projects, the anticipated full completion is now projected for 30 June 2025. Similarly, the Electrotechnical Services Directorate faced challenges meeting expenditure targets for their MDRG portion, leading to project completions scheduled for 2024/25. These difficulties including obtaining necessary approvals "were frequently communicated to NDMC and discussed in various meetings with NT, COGTA, DEADP, DWS, SALGA, etc. The funds for PTNG and Loadshedding Relief Grants were fully expended within the 2023/24 fiscal year. Of the additional R134.2 million RBIG funding, R19.2 million was utilised, while R115 million was added to the 2023/24 expenditures for the BFI projects. Of the R237.5 million MDRG, R229 million was rolled over for use in the 2023/24 and subsequent financial years after extensive motivation to National Treasury. In the 2023/24-year, George Municipality received R439 million (excluding VAT) on 29 March 2024, again late in the fiscal year. Consequently, the original capital expenditure budget increased from R636.5 million to R1 437.4 million due in part to prior year rollovers and additional funding received. The R439 million allocated in March 2024 was for the Public Transport Network Grant (PTNG). Furthermore, George faced heavy rains in 2023, accumulating over 1200mm. Severe weather in April 2024 caused rainfall between 100mm and 220mm, resulting in delays across various projects. Despite this, by 30 June 2024, 110.63% of the original budget and 48.98% of the adjusted capital expenditure budget had been spent. Notably, CES achieved an unprecedented capital project expenditure of R704 million in the 2023/24 fiscal year a staggering 606% increase since 2019/20, when only R99.6 million was spent. This upsurge in funding facilitated numerous large-scale complex projects despite minimal increases in project management resources.															
Corrective Action		The actual expenditure against the original approved budget would have reflected as 1112.19%. (Amount of R66 847 288,89 was spent) The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL24	To provide world class water services in George to promote development and fulfil basic needs	Spend 95% of the approved capital budget on the rehabilitation and upgrade of Water - Networks by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of Water - Networks by 30 June 2024	Whole Municipal Area: All	**73.32%**	**95%**	95%	95%	13%	45%	65.36%	95%	91.41%	O	**95%**	**91.41%**	O
Performance Comment		Target not met and due to significant rainfall in April that subsequently caused construction delays. Termination of the contract for the industrial pipeline impacted directly on expenditure on this project.															
Corrective Action		Construction rain delays were on multi-year projects which has an impact on the program. These projects conclude in the 2024/25 financial year. CES in the process of appointing a second Contractor for the completion of the industrial pipeline. The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year. The actual expenditure against the original approved budget would have reflected as 107.3%.															

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL25	To provide world class water services in George to promote development and fulfil basic needs	Spend 95% of the approved capital budget on the rehabilitation and upgrade of Water-Purification by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of Water-Purification by 30 June 2024	Whole Municipal Area: All	**62.07%**	**95%**	95%	95%	11%	32%	64.51%	95%	76.73%	O	**95%**	**76.73%**	O
Performance Comment		Target just not met, due to legislative and other delays. Legal Services introduced new requirements for the vetting of contract documentation that required adaptation by the legal service provider, and numerous iterations to resolve on a final procedure and documentation list. Issuing of tree permits by the DFFE has been an ongoing challenge with the DFFE not adhering to their approval timelines. This had a significant impact on the Eden Sewer P/S upgrade with the Contractor incurring standing time. Delays in Environmental approval and the issue of a Water Use Licences delayed construction implementation. The Dir: CES has been through 6 recruitment processes for the appointment of an additional Project Manager for the BFI/RBIG projects. The management of consultants and projects for these large and complex projects is a significant challenge, and with the general poor performance of consultants this has also had an impact on ensuring that internal processes can be executed within the condensed timeframe that the BFI grant expenditure timeframe allows. Spend R298M, original budget was R326M. This amount is more than any other department in George Municipality/ The CES total expenditure in 2021/22 was R368M BFI Achieved 94% expenditure - which is excellent.															
Corrective Action		The actual expenditure against the original approved budget would have reflected as 97,44%. The KPI will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL26	To provide and maintain safe and sustainable sanitation management and infrastructure	Spend 95% of the approved capital budget on the rehabilitation and upgrade of the Sewerage Networks by 30 June 2024 {(Actual expenditure	Percentage of the approved capital budget spent on the rehabilitation and upgrade of the Sewerage Networks by 30 June 2024	Whole Municipal Area: All	**76.92%**	**95%**	95%	95%	2%	15%	31.41%	95%	62.63%	R	**95%**	**62.63%**	R

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		divided by the total approved budget less savings) x 100}															
Performance Comment		Target not met due to the following reasons: Position has been vacant for 4 months; Issuing of tree permits delaying process; Delayed in Environmental and Water Use License Approvals; Poor performance of consultants and Approval of contractual documents by legal delayed.															
Corrective Action		The reasons of delays are due to legislation, these external uncontrollable factors. The actual expenditure against the original approved budget would have reflected as 70,61%. The KPI will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL27	To provide and maintain safe and sustainable sanitation management and infrastructure	Spend 95% of the approved capital budget on the rehabilitation and upgrade of the Sewerage Treatment Works by 30 June 2024 {(Actual expenditure divided by the total approved budget less savings) x 100}	Percentage of the approved capital budget spent on the rehabilitation and upgrade of the Sewerage Treatment Works by 30 June 2024	Whole Municipal Area: All	**70.86%**	**95%**	95%	95%	19%	41%	86.11%	95%	73.43%	O	**95%**	**73.43%**	O
Performance Comment		Target not met due to environmental, and water use license approval requirements and delays. These are legislative requirements beyond the control of CES.															
Corrective Action		The actual expenditure against the original approved budget is 132.70%. The KPI will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL28	To explore and implement measures to preserve resources and ensure sustainable development	Limit the electricity losses to less than 10% annually (Limit unaccounted for electricity to less than 10% as at 30 June 2024{(Number of units purchased - Number of units Sold (incl. free basic electricity) / Number of units purchased) X100})	Percentage of electricity losses as at 30 June 2024	Whole Municipal Area: All	**8.52%**	<10%	<10%	<10%	8.35%	9.25%	9.68%	<10%	8.60%	B	**<10%**	**8.60%**	B
TL29	To provide sufficient electricity for basic needs	Submit Phase 2 of the MV Master Plan and submit to Council by 30 June 2024	Number of Phase 2 MV master plans submitted by 30 June 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	N/A	1	0	R	**1**	**0**	R
Performance Comment		The department has encountered capacity and human resource constraints. In the initial submission of the masterplan, the scope was established for George in particular. However, the project had to be phased in two sections due to resource constraints and the complexity of the details. The first phase has been finalised, and the second phase will be implemented in the upcoming fiscal year.															
Corrective Action		An amended MV master Plan is in progress and to be finalised in the new financial year.															

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL30	To ensure infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Spend 95% of the electricity capital budget by 30 June 2024 {(Actual capital expenditure divided by the total approved capital budget less savings) x100}	Percentage of the electricity capital budget spent by 30 June 2024	Whole Municipal Area: All 7%	**91.77%**	**95%**	95%	95%	5%	10.82%	34.32%	95%	88.87%	0	**95%**	**88.87%**	0
Performance Comment	There were project delays due to external legislative processes such as Health & Safety and Environmental processes that are outside the control of the Municipality. The department also has key positions vacant within the Directorate that contributed to create a challenge for the directorate to reach 95% actual expenditure																
Corrective Action	The frequency of follow ups with external governmental agencies and delays will be escalated to political leadership for assistance where needed.																

D. Participative Partnerships

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Target	Actual			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL32	To increase different partnerships with different stakeholders to strengthen the public private partnerships in George	Develop a Sports Masterplan and submit to Council by 31 March 2024	Number of Sports Masterplans submitted to Council by 31 March 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G
TL33	To increase different partnerships with different stakeholders to strengthen the public private partnerships in George	Develop a Pauper Burial Policy Masterplan by 31 March 2024	Number of Pauper Burial Policies submitted by 31 March 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G
TL34	To increase different partnerships with different stakeholders to strengthen the public private partnerships in George	Submit a Cemetery Masterplan to Council by 31 March 2024	Number of Cemetery Masterplans submitted to Council by 31 March 2024	Whole Municipal Area: All	**New KPI**	**New KPI**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G
TL39	To undertake strategic planning in order to address service delivery challenges in a coordinated manner	Submit the revised MSDF to Council by 31 May 2024	Number of revised MSDF to Council by 31 May 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G

E. Good Governance and Human Capital

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL2	To evaluate the effectiveness of risk management, control and governance processes and develop actions to address key risks identified	Review the 3-year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 June 2024	Number of RBAP (Risk Based Audit Plan) reviewed and submitted to Audit Committee by 30 June 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	N/A	1	1	G	**1**	**1**	G
TL16	To manage the municipal finances according to the Municipal Finance Management Act in an effective and efficient manner	Spend 95% RBIG funding allocated to George Municipality for BFI Projects in line with the conditions set out in the DoRA and the tranche schedule submitted to DWS	The percentage expenditure achieved in terms of the RBIG funding allocated to George Municipality for BFI Projects, in line with the conditions set out in the DoRA and the tranche schedule submitted to DWS	Whole Municipal Area: All	**New KPI**	**New KPI**	95%	95%	11.30%	34.86%	58%	95%	69.27%	R	**95%**	**69.27%**	R
Performance Comment		Target just not met, due to legislative and other delays. Legal Services introduced new requirements for the vetting of contract documentation that required adaptation by the legal service provider, and numerous iterations to resolve on a final procedure and documentation list. Issuing of tree permits by the DFFE has been an ongoing challenge with the DFFE not adhering to their approval timelines. This had a significant impact on the Eden Sewer P/S upgrade with the Contractor incurring standing time. Delays in Environmental approval and the issue of a Water Use Licenses delayed construction implementation. The Dir: CES has been through 6 recruitment processes for the appointment of an additional Project Manager for the BFI/RBIG projects. The management of consultants and projects for these large and complex projects is a significant challenge, and with the general poor performance of consultants this has also had an impact on ensuring that internal processes can be executed within the condensed timeframe that the BFI grant expenditure timeframe allows. Spend R298M, original budget was R326M. This amount is more than any other department in George Municipality/ The CES total expenditure in 2021/22 was R368M BFI Achieved 94% expenditure - which is excellent.														
Corrective Action		An SOP was created with a workflow and tracker system for the approval of legal documents. This has positively impacted on the process and significantly reduced the initial delays experienced. The Directorate meets regularly with DEADP to monitor approvals and resolve all matters that may impact on the delay in issuing of Environmental Approvals. The late issue of Tree Permits by the DFFE was escalated to the provincial Minister of Environmental Affairs and during a meeting with various sector departments that was chaired by the COGTA (this meeting was a MDRG, however the DFFE delays															

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
		impacts on all capital projects) Bi-weekly meetings are held with problematic consultants management to monitor performance. Monthly Performance Evaluations are also shared with consultants where necessary to alert harm to poor reports. Actual expenditure 93.81% on original budget. The KPI measuring capital expenditure will be revised to redefine its scope more realistically. A new target will be established for the original annual budget spend, and a separate KPI will be introduced to account for significant additional funding received during the financial year.															
TL18	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	The percentage of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved employment equity plan by 30 June 2024	The percentage of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved employment equity plan by 30 June 2024	70 Whole Municipal Area: All %	**85%**	**70%**	2	70%	N/A	N/A	N/A	70%	75%	G 2	**70%**	**75%**	G 2
TL19	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	Spend 95% of operational budget on training by 30 June 2024 {(Actual total training expenditure divided by total operational budget)x100}	Percentage of the Municipality's approved workplace skills budget actually spent on implementing its Workplace Skills Plan by 30 June 2024	Whole Municipal Area: All	**0.24%**	**0.15%**	98%	95%	N/A	N/A	N/A	95%	87.36%	0	**95%**	**87.36%**	0
Performance Comment		Target not achieved due to amendments that needed to be made to the training budget during the mid-year adjustment budget process to accommodate delays experienced in the supply chain management process when the tender for training service providers was done. Challenges were resolved but delayed the actual expenditure.															
Corrective Action		Training expenditure for the 2024/25 financial year will be expedited to ensure the full budget is utilised, now that the tender is awarded.															

Ref	Predetermined Objective	KPI Name	Unit of Measurement	Area	Past Year Performance		Original Annual Target	Revised Annual Target	Q1	Q2	Q3	Q4			Overall Performance for 2023/2024		
					Actual	Target			Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL37	To undertake strategic planning in order to address service delivery challenges in a coordinated manner	Submit the Draft IDP to Council by 31 March 2024	Number of Draft IDPs submitted to Council by 31 March 2024	Whole Municipal Area: All	**1**	**1**	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G
TL38	To undertake strategic planning in order to address service delivery challenges in a coordinated manner	Submit the Final Annual Report and Oversight Report to Council by 31 March 2024	Number of Final Annual Report and Oversight Report submitted to Council by 31 March 2024	Whole Municipal Area: All	1	1	1	1	N/A	N/A	1	N/A	N/A	N/A	**1**	**1**	G

3.4 SERVICE PROVIDERS PERFORMANCE

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

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

Monthly Supplier Evaluation Forms are in place for use by the Project Managers when evaluating the service received from all suppliers to George Municipality on contracts above R30,000 in value. This is done on a monthly basis.

These Supplier Evaluation Forms are drafted by the Contract Management Unit (CMU) during the roll-out of each new contract and distributed during the initial activation. All Supplier Evaluation Forms must be completed and returned to the CMU on a monthly basis for the duration of a contract.

In cases where poor performance is identified the CMU will communicate with the User Department regarding the nature of the issues experienced. The best course of intervention action will also be determined based on this communication. The specific Service Level Agreement will also guide the appropriate course of action. If it is determined that achieved performance constitutes a breach of contract (either through repetition or scale of the issues encountered) the Legal Department will be approached for intervention and remedial action

Service Provider Performance

George Municipality evaluates all service providers who are contracted to supply goods and services or services. Formal scoring and reporting is required for all tenders and quotations above R30,000.

Section 121(3)(b) requires that performance reporting forms part of the Annual Report.

Supplier Performance Evaluation forms have been designed to report on supplier performance. These forms are created and distributed for each new contract activated by the Municipality. From these forms the supplier performance is scored, documented and reported on. In cases of poor performance, intervention takes place in the form of Supplier Performance Review Notices. Remedial measures and targets are requested from poor performing suppliers / contractors and in collaboration with the Legal Department the way forward is decided on based on the response and subsequent performance received.

All Directors receive a monthly summary of contracts under their control and it is part of their KPI performance measures to ensure evaluations are done on a monthly basis. This strives to address the requirement of Section 116(2)(b): "monitor on a monthly basis the performance of the contractor under the contract or agreement."

Please see below summarised extract from these consolidated reports for the period ending 30 June 2024.

Table 104: Service Provider Performance Per Directorate

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
DIRECTORATE: HUMAN SETTLEMENTS, PLANNING AND DEVELOPMENT AND PROPERTY MANAGEMENT				
HS012/2022	Construction of Retaining Walls & Walkways to existing property on various erven	Silver Solutions 3108cc	Once-off	COMPLETED Satisfied with supplier
HS006/2020	Emerging plumbing work at Municipal buildings, facilities, indigent households and informal areas	a) AJ Enterprises b) Timers & Sons c) Misizapa d) Mimebe e) CK Cook f) Massvest g) Nuticept	3 Years	COMPLETED Satisfied with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
DPD056/2023	Asbestos roof removal and IBR Replacement at Worker Collection Point	GG Solomons	Once-off	COMPLETED Sometime issues experienced
DPD025b/2020	Appointment of a Service Provider for Graphic Design services as and when required until 30 June 2024	Blitsdruk	2 Years	Happy with supplier
DPD041/2020	Appointment of social media Agency to manage Tourism Department's social media Pages from 1 August 2021 until 31 July 2024	CINNABAR GRAPHIC DESIGN CC	3 Years	Expired end July
DPD048/2021	Appointment of Service Provider for the Procurement of Automated Performance Management System for a period of three (3) years from date of appointment	Ignite Advisory Services (Pty) Ltd	3 Years	Happy with supplier
DPD058/2022	Appointment of Service Provider for the supply of goods, services and licences to the Tourism Section for a period of (3) three years from date of appointment	CINNABAR Graphic Design CC	3 Years	Satisfied with supplier. Some VAT issues picked up earlier but resolved
HS005/2022	Supply and delivery of building material for flood and fire emergencies for a period of three (3) years	Hayward Building Supplies t/a Build It	3 Years	Happy with supplier
DPD064/2022	Town Planning and GIS Intern Mentor Training Program	PERCEPTION Planning and Development CC	3 Years	24h Mentoring requirement not adhered to during April. Happy with service since June
HS010/2022	Hiring and Maintenance / Servicing of Chemical Toilets in the George Municipal Area (informal) for a period of three (3) years from date of appointment	Bidvest Services (Pty) Ltd	3 Years	**Major concerns experienced due to specifications not met - being monitored for improvement in Dec. Intervention required in Jan (Notice issued - CMU) Intervention done by CMU during Feb and closely monitoring performance levels achieved. Rectification measures set out and monitoring measures in place.**

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
HS011/2021	Implementation of a pilot project for the design, supply and installation of alternative on-site technology to replace chemical toilets at informal settlements for a period of three (3) years - Pilot	Buffalo Tanks	3 Years	No issues experienced to date
DPD065/2022	Appointment of a service provider to prepare a Heritage strategy 1 for the George Municipality.	Vision Plan cc T/A NM & Associates planners and designers	Once-off	Issues resolved and satisfied at present
DPD073/2022	Appointment of a Service Provider to Prepare a Cost Benefit Analysis and a Proposed Leasing Model for the Lease of the Investment Properties of the George Municipality	Cadre Connect (Pty) Ltd	Once-off	Happy with service provider
DPD037/2023	Appointment of a Contractor for the converting the old York High Hostel into Municipal Offices	Ruwacon (Pty) Ltd	Once-off	Happy with contractor
DPD040/2023	Appointment of a Service Provider to Prepare an Integrated Economic Growth Strategy and Implementation Plan	H2P Project Management CC	Once-off	Satisfied to date
DPD064/2023q	Quotation for Supply and Delivery of Branded Event Equipment for George Tourism.	Brand Universe (Pty) Ltd	Once-off	Satisfied to date
HS034/2023q	Appointment of a Land Surveyor for the Survey of Plots and Confirmation of the Sewerage Line over the Properties on the new Crocodile Farm Development.	NPM Geomatics Inc	Once-off	Satisfied to date
HS033/2023	Appointment of a Framework of Contractors for Civil Engineering Services from date of appointment until June 2026 for Human Settlements Projects	Various	2 Years	Satisfied to date
HS031/2023	APPOINTMENT OF A PANEL OF CONTRACTORS FOR PLUMBING SERVICES	Various	2 Years	Satisfied to date
HS013/2024q	Geotechnical Investigations for Single Residential Purposes Erven	Indabuko Group (Pty) Ltd	Once-off	Newly active - no issues to date
HS014/2024q	Supply, Delivery and Installation of new and existing air-conditioning units for the new housing offices	Philtech Projects (Pty) Ltd	Once-off	Newly active - no issues to date
DPD008/2024	Appointment of a Building Contractor to Construct a Micro Enterprise Facility in Pacaltsdorp - Phase 1.	CSJ Civils and Construction (Pty) Ltd	Once-off	Newly active - no issues to date

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
DIRECTORATE: FINANCIAL SERVICES				
FIN018/2023q	Supply and Installation of New Air Conditioning Units at Supply Chain Management Office, George Municipality	Cooling Co Maintenance (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
FIN018/2019	Short Term Insurance Cover for the period of three (3) years	Silver Lake Trading 305 (Pty) Ltd t/a Opulentia Financial Services - Option 2	3 Years	COMPLETED Satisfied with supplier
MM012/2022	Purchase of Office Containers for a period of (1) year	Kazin Trading 5 (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
FIN007/2021	Supply and Delivery of Covid-19 Related PPE (If and when required) from 01 July 2021 until 30 June 2024	Medikem (Pty) Ltd	3 Years	COMPLETED Satisfied with supplier
FIN007/2023	Renewal of Trend Micro Apex One Licenses	Datategra (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
FIN011/2022	Appointment of a Panel of Service Providers for the Provision Travel Management Services, from date of appointment until 30 June 2024, as and when required	Tunimart (Pty) Ltd	2 Years	Various incidents reported which needs to be addressed. Usage stopped
FIN013/2019	Reading of water and electricity meters	Electro-Cuts	3 Years	Reading % remained a constant concern. Contract concluded in April 2024
FIN002/2024	Supply and delivery of new office LED lights	Skarrod Consultants (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
FIN005/2024q	Supply, Delivery, and Installation of new Airconditioning Units at the Financial Services Department of George Municipality.	VE Reticulation (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
MM012/2020	Appointment of service provider for the renewal of various (software licences) for a period of three (3) years from date of appointment	First Technology Western Cape (Pty) Ltd	3 Years	COMPLETED Satisfied with supplier
MM016/2020	Appointment of Biometrics Network Service Provider for all municipal sites for the period of three (3) years	VILCONSEC (Pty) Ltd	3 Years	Concluded in June

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
FIN006a/2021	Hiring of Storage and Office Containers from 01 July 2021 until 30 June 2024 (Storage Containers)	A. Ibhokisi Containers (Pty) Ltd B. Kazin	3 Years	Concluded in June
FIN005/2021	Hiring of Chemical Toilets from 01 July 2021 until 30 June 2024	Moreki Distributors CC	3 Years	Concluded in June
FIN009/2022	Tender for a panel of service providers for Catering Services for the period ending 30 June 2024, as and when required	A.Creamillion B. Golden Rewards 1222 C. Imbhokodo Group D. Sokumila Take Aways	2 Years	User Departments have had some issues with the menus but no evidence thus far of breach of specs
FIN015/2020	Store Stock Tender for the period of three (3) years, from date of appointment	**VARIOUS**	3 Years	Satisfied with supplier
MM013/2021	Geographic Information System Software Licencing for period of three (3) years, from date of appointment	ESRI South Africa (Pty) Ltd	3 Years	No significant issues raised to date regarding supplier
FIN008/2021	Tender for Litigation Services for the period of three (3) years	Nico Smit Incorporated	3 Years	Satisfied with supplier
FIN024/2021	Appointment of a Service Provider for the Transportation of Cash for a Period of Three (3) Years from date of appointment.	Fidelity Cash Solutions (Pty) Ltd	3 Years	Happy with supplier
FIN025/2021	Appointment of a Service Provider for the Printing of the Municipal Accounts, Newsletters and the distribution thereof, for a period of three (3) years	CAB Holdings (Pty) Ltd	3 Years	Happy with supplier
FIN023/2021	Appointment of a Service Provider to Manage Third Party Payments for George Municipality, for a Period of Three (3) Years from date of appointment.	Cigicell (Pty) Ltd	3 Years	Some early issues experienced. Improved service
FIN005/2022	Appointment of a Service Provider for the Provision of Accounting Services for the period of three (3) years	Tsholo Consortium	3 Years	Satisfied with supplier
FIN014/2019	Banking Services for the period of five (5) years, from date of appointment	Firstrand Bank Limited	5 Years	Satisfied with supplier
FIN003/2022	Appointment of a Service Provider for Electronic Search and information verification for a period of three (3) years	Searchworks 360 (Pty) Ltd	3 Years	Some early issues experienced. Improved service

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
FIN022/2022	Installation of Alarm System and Monthly Monitoring & Armed Response at the Municipal Stores, Mitchell Street for a period of three (3) years from date of appointment	SS Salutions (Pty) Ltd t/a Seal Secuirty	3 Years	Early installation issues experienced but noted as resolved in May'23. No additional issues noted since
MM014/2021	Supply, delivery and installation of an electronic records, documents and workflow system for a period of three (3) years	Business Engineering (Pty) Ltd	3 Years	No significant issues raised to date regarding supplier
MM006/2022	Ad-hoc Maintenance, support and hosting of Municipal Website, for three (3) years	LMK Digital Holdings	3 Years	No major issues with supplier to date
FIN014/2022	Tender for the appointment of a service provider for the renewal and management of darktrace for the period of three (3) years.	First Technology Western Cape (Pty) Ltd	3 Years	No issues to date
MM005/2022	Tender to Supply and Deliver Printers for the period of three (3) years	Konica Minolta South Africa, a division of Bidvest Office (Pty) Ltd (won dispute)	3 Years	No major issues reported to date
FIN016/2022	Management of Digital Citizens Engagement Platform for a period of three (3) years	Acumen Software (Pty) Ltd	3 Years	Satisfied to date
FIN023/2022	Tender for the Development of a Long-Term Financial Planning Tool	Inca Portfolio Managers	3 Years	Satisfied to date
FIN021/2022	Appointment of a Service Provider for the Provision of Information & Communication Technology (ICT) Management Services for a period of three (3) years	Tipp Focus Holdings (Pty) Ltd	3 Years	Satisfied to date after initial issue
FIN006/2023	Appointment of a Service Provider for Credit Control and Indigent Management System for a period of three (3) years.	Debt Manager (Pty) Ltd	3 Years	Some integration issues early on but good progress made in the right direction
FIN015/2022	Appointment of a Service Provider to manage the Microsoft Account and licensing for a Period of Three(3) years	Altron Karabina,a Division of Altron TMT (Pty) Ltd	3 Years	Satisfied to date
FIN002/2023	Short Term Insurance Cover for the period of three (3) years	Silver Lake Trading 305 (Pty) Ltd t/a Opulentia Financial Services - Option 2	3 Years	No major issues to date

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
FIN016/2021	Valuers for compilation and maintenance of general valuation roll and supplementary valuation rolls as well as the other valuation related services	DDP Valuers	5 Years	Some concerns to monitor
FIN025/2023	Appointment of a Service Provider for the Review/Recovery and Calculation of Value Added Tax (VAT) Apportionment Percentage and Application Thereof from date of Appointment until 30 June 2025.	Maximum Profit Recovery (Pty) Ltd	Once-off	Satisfied to date
FIN023/2023	Purchase of Office Containers and Storage Containers, as and when required, from date of appointment to 30 June 2026	Ice Gee Holdings	3 Years	**First order was not as per specification. Supplier put on notice**
FIN032/2023	Appointment of a Service Provider to Manage, Renew, and Purchase Software Licensing and Hardware on an ad-hoc basis from fate of appointment until 30 June 2026.	First Technology Western Cape (Pty) Ltd	3 Years	No issues to date
FIN027/2023	Reading of water and electricity meters and other meter related services for George Municipality for a period of 3 years.	LONDOLOZA UTILITY PTY (LTD)	3 Years	No issues to date
FIN007/2024	Hiring of Containers (Office & Storage) until 30 June 2026	Grow Gree Planthire Solutions	3 Years*	Newly in use
DIRECTORATE: CORPORATE SERVICES				
BA049/2022	Appointment of a Contractor for the Supply, Delivery and Installation of a Modular Library at Touwsranten Library.	ICE GEE PROJECTS	Once-off	COMPLETED Serious Issues with specifications and time frames
BA006/2023q	Supply & Delivery of Motorised Wheelchair	Gifted Jack (Pty) Ltd	Once-off	COMPLETED Happy with supplier
BA002/2023	Renovation of Blanco Library - Furniture & Shelving	2 Brothers Enterprise	Once-off	**TERMINATED** Supplier couldn't proceed due to cash flow problems
BA008/2023	Servicing and Maintenance of Airconditioning and related work at the George Municipality's Main Building.	Cooling Co Maintenance (Pty)Ltd	Once-off	COMPLETED Happy with supplier
BA055/2022	Replace Asbestos Roof at Masizakhe Creche	1. Rock Solutions 2. Lande Group	Once-off	COMPLETED Some delays experienced with Rock Solutions

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA057/2023q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	COMPLETED Satisfied with supplier
BA070/2022	Appointment of a Suitably Accredited Service Provider for the Presentation of a Skills Programme: Operate Chainsaw based on unit standards 264195,117062 and 117058: Operate chainsaw, for a period of one year from date of appointment	Ezolimo Training & Supply (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA071/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a skills Program: Operate a Brush cutter in commercial forestry based on unit Standards 123243, for a period of one year from date of appointment	Ezolimo Training & Supply (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA060/2022q	Appointment of a Suitably Accredited service provider for the presentation of safety and environmental representative training based on unit standard 259622, for a period of one year from date of appointment.	Omni Exactus (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA061/2022q	Appointment of a Suitably Accredited service provider for the presentation of a short learning program: Provide Primary emergency care/ first aid based on unit standard 254220, for a period of one year from date of appointment.	Falcon Safety Academy (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA068/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Program: Clean and maintain area of responsibility Based on Unit Standard 113818	Eben-Tec	1 Year	COMPLETED Satisfied with supplier
BA034/2022	Appointment of a Service Provider for the Servicing and Maintenance of Elevators in the George Municipality's Main Building for a Period of One (1) Year	Skye Elevators (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA015/2023	Appointment of a Professional Architect for the Assignment, RE-Design and Preparation of Scope of works for the Corporate Services office at the George Municipality, as per quotation specifications	Tru Space (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
BA076/2022q	Off-site Storage of Records for the Registration Department of George Municipality for a Period of six (6) months from Date of Appointment	Metrofile (Pty) Ltd	6 Months	COMPLETED Satisfied with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA104/2023q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	COMPLETED Satisfied with supplier
BA028/2023q	Supply and Delivery of Furniture for Touwsranten Library	Office Central Supply and Services	Once-off	Supplier couldn't meet timelines expected initially but delivery has been achieved
COM013/2020	Supply of Soup and Related Products	EBK Distributors (Pty) Ltd	3 Years	COMPLETED Satisfied with supplier
BA065/2023q	Appointment of a Service Provider for the Re-Upholstery of Chairs and Related Work in the Conference Room of the George Municipality	Earl-Nique Decorators CC	Once-off	COMPLETED Satisfied with supplier
BA067/2023q	Supply, Delivery, and Installation of Curtains and Blinds at the Thembalethu Thusong Centre	Earl-Nique Decorators CC	Once-off	COMPLETED Satisfied with supplier
BA050/2023	Appointment of a Service Provider for the Supply and Delivery of Steel Folding Tables.	GR Cabinets & Fittings cc	Once-off	COMPLETED Satisfied with supplier
BA109/2023q	Quotation for the Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Programme: Demonstrate and Understanding of the Role and Functions of a Peace Officer; Demonstrate and Understanding of Legislative Framework based on Unit Standards 377224 and 256516.	Lesedi Guarding and Training	Once-off	COMPLETED Satisfied with supplier
BA001/2024	To appoint a service provider for the Recruitment and Selection process for the position of Director: Electrotechnical Services	Roy Steele & Associates CC	Once-off	CONCLUDED Happy with supplier
BA100/2023q	Supply, Delivery, and Installation of Wall and Floor Tiles and Related Work for the Upgrading of Restrooms at Thembalethu Thusong Centre	Lande Group (Pty) Ltd	Once-off	CONCLUDED Happy with supplier
BA014/2023q	Paint Work at George Municipality for a period of one (1) year	Nkonqa Construction CC	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA013/2023q	Supply, Delivery and Installation of Laminated Flooring at George Municipality for a period of one (1) year	2 Brothers Enterprise (Pty) Ltd	1 Year (Or R200k limit)	CONCLUDED Happy with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA108/2023q	Accredited Service Provider for the Presentation of a Short Learning program use of firearm	ZIBAR SECURITY SERVICES	Once-off	CONCLUDED Happy with supplier
BA086/2023q	Supply and Installation of Court Recording System	Smart Infra (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
BA064/2023q	Supply, Delivery, and Installation of Wall and Floor Tiles and Related Work for the Upgrading of Restrooms at Blanco Community Hall, George.	Midron Construction CC	Once-off	Issues experience with regard to delays and payment requests (but job completed in May)
MM011/2020	Invitation to practising attorneys in the George Municipal Area to register on the Municipal Panel of Attorneys	Panel of various suppliers	3 Years	One issue to intervene on- by CMU
BA027/2023q	Alarm System, Armed Response and Maintenance of Security Alarm System and Related Services at the George Civic Centre and Fifteen (15) Community Halls in the Greater George Including Touwsranten and Waboomskraal for a period of 1 year	SS Salutions(pty) Ltd t/a Seal Security	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA030/2023q	Supply, Delivery and Assembly of New Office Furniture for Corporate Services, George Municipality for a period of one year from Date of appointment	Office Central Supply and Services	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA059/2023	Appointment of a Service Provider for the Supply and Delivery of Tables and Chairs for Various Halls in the George Municipal Offices	Against the Grain Business Solutions	Once-off	CONCLUDED Happy with supplier
BA009/2021	Appointment of Service Provider: Underwriting of the Municipality's Group Life Portfolio for the period 01 July 2021 until 30 June 2024	VERSO Financial Services (Pty) Ltd	3 Years	Happy with supplier
BA070/2023q	Servicing and Maintenance of Aircons at George Municipality for a period of one (1) year.	EDZ Electrical & Projects	1 Year	Concluded in June
BA011/2021	Appointment of a service provider to provide a Rental / Maintenance agreement for a Integrated Telecommunications System for George Municipality and to provide a VOIP solution for a period of 3 years from date of appointment	Daisy Eastern Cape	3 Years	Some issues to monitor (satisfied since Mar)
BA025a/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 1: Sanitary Utensils)	Cristal a division of Freedom Group (Pty) Ltd	3 Years	Happy with supplier thus far

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA025b/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 2: Pest Control)	Bidvest Services (Pty) Ltd T/A Bidvest Steiner	3 Years	Happy with supplier thus far
BA024/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	(a) Dr JR Beneke (b) Healing River Ministry Academy (Pty) Ltd (c)health first 4 you (Pty) Ltd (d) Jacylynton (Pty)Ltd (e) Rochelle Jacobs (f)Praus Authentic Energy (Pty) Ltd (g)Charles Persence (h)Cumax 146 Cc t/a MA and Associates	3 Year	Satisfied with service providers to date
BA054/2023	Appointment of a Service Provider for the Servicing and Maintenance of Elevators in the George Municipality's Main Building from date of appointment until 30 June 2026	Skye Elevators (Pty) Ltd	3 Years	Happy with service provider
BA042/2023	Appointment of a Service Provider for the Provision of Various Training Interventions for a period of three (3) years.	Various Suppliers	3 Years	No issues identified with any supplier
BA049/2023	Supply and Delivery of Soup Kitchen Products for a period of three (3) years.	Direct Wholesale	3 Years	Happy with supplier
MM007/2022	Revision of municipal by-laws	Stadler & Swart Inc	Once-off	Satisfied with service provider to date
BA018/2023	Appointment of a Service Provider to Conduct a Work Study, Organisational Structure Review and Re-design within the George Municipality	Agito Minds (Pty) Ltd	Once-off	Satisfied to date
BA019/2023	Appointment of a Service Provider for the Review of Existing Job Descriptions and Writing of New Job Descriptions in terms of the Task Job Evaluation System in line with the Municipal Staff Regulations.	Agito Minds (Pty) Ltd	Once-off	Will only be utilised once work study is complete

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA090/2023	Appointment of a Contractor for the Refurbishment of the Wooden Floor and Other Related Work Specifications at the George Civic Centre.	Potts Devco (Pty) Ltd	Once-off	Satisfied to date
BA041/2024q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	Net yet utilised
BA051/2024q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Corporate Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates	Once-off	Net yet utilised
DIRECTORATE: COMMUNITY SERVICES				
BA049/2022	Appointment of a Contractor for the Supply, Delivery and Installation of a Modular Library at Touwsranten Library.	ICE GEE PROJECTS	Once-off	COMPLETED Serious Issues with specifications and time frames
BA006/2023q	Supply & Delivery of Motorised Wheelchair	Gifted Jack (Pty) Ltd	Once-off	COMPLETED Happy with supplier
BA002/2023	Renovation of Blanco Library - Furniture & Shelving	2 Brothers Enterprise	Once-off	**TERMINATED** Supplier couldn't proceed due to cash flow problems
BA008/2023	Servicing and Maintenance of Airconditioning and related work at the George Municipality's Main Building.	Cooling Co Maintenance (Pty)Ltd	Once-off	COMPLETED Happy with supplier
BA055/2022	Replace Asbestos Roof at Masizakhe Creche	1. Rock Solutions 2. Lande Group	Once-off	COMPLETED Some delays experienced with Rock Solutions
BA057/2023q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	COMPLETED Satisfied with supplier
BA070/2022	Appointment of a Suitably Accredited Service Provider for the Presentation of a Skills Programme: Operate Chainsaw based on unit	Ezolimo Training & Supply (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
	standards 264195,117062 and 117058: Operate chainsaw, for a period of one year from date of appointment			
BA071/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a skills Program: Operate a Brush cutter in commercial forestry based on unit Standards 123243, for a period of one year from date of appointment	Ezolimo Training & Supply (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA060/2022q	Appointment of a Suitably Accredited service provider for the presentation of safety and environmental representative training based on unit standard 259622, for a period of one year from date of appointment.	Omni Exactus (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA061/2022q	Appointment of a Suitably Accredited service provider for the presentation of a short learning program: Provide Primary emergency care/ first aid based on unit standard 254220, for a period of one year from date of appointment.	Falcon Safety Academy (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA068/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Program: Clean and maintain area of responsibility Based on Unit Standard 113818	Eben-Tec	1 Year	COMPLETED Satisfied with supplier
BA034/2022	Appointment of a Service Provider for the Servicing and Maintenance of Elevators in the George Municipality's Main Building for a Period of One (1) Year	Skye Elevators (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA015/2023	Appointment of a Professional Architect for the Assignment, RE-Design and Preparation of Scope of works for the Corporate Services office at the George Municipality, as per quotation specifications	Tru Space (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
BA076/2022q	Off-site Storage of Records for the Registration Department of George Municipality for a Period of six (6) months from Date of Appointment	Metrofile (Pty) Ltd	6 Months	COMPLETED Satisfied with supplier
BA104/2023q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	COMPLETED Satisfied with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA028/2023q	Supply and Delivery of Furniture for Touwsranten Library	Office Central Supply and Services	Once-off	Supplier couldn't meet timelines expected initially but delivery has been achieved
COM013/2020	Supply of Soup and Related Products	EBK Distributors (Pty) Ltd	3 Years	COMPLETED Satisfied with supplier
BA065/2023q	Appointment of a Service Provider for the Re-Upholstery of Chairs and Related Work in the Conference Room of the George Municipality	Earl-Nique Decorators CC	Once-off	COMPLETED Satisfied with supplier
BA067/2023q	Supply, Delivery, and Installation of Curtains and Blinds at the Thembalethu Thusong Centre	Earl-Nique Decorators CC	Once-off	COMPLETED Satisfied with supplier
BA050/2023	Appointment of a Service Provider for the Supply and Delivery of Steel Folding Tables.	GR Cabinets & Fittings cc	Once-off	COMPLETED Satisfied with supplier
BA109/2023q	Quotation for the Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Programme: Demonstrate and Understanding of the Role and Functions of a Peace Officer; Demonstrate and Understanding of Legislative Framework based on Unit Standards 377224 and 256516.	Lesedi Guarding and Training	Once-off	COMPLETED Satisfied with supplier
BA001/2024	To appoint a service provider for the Recruitment and Selection process for the position of Director: Electrotechnical Services	Roy Steele & Associates CC	Once-off	CONCLUDED Happy with supplier
BA100/2023q	Supply, Delivery, and Installation of Wall and Floor Tiles and Related Work for the Upgrading of Restrooms at Thembalethu Thusong Centre	Lande Group (Pty) Ltd	Once-off	CONCLUDED Happy with supplier
BA014/2023q	Paint Work at George Municipality for a period of one (1) year	Nkonqa Construction CC	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA013/2023q	Supply, Delivery and Installation of Laminated Flooring at George Municipality for a period of one (1) year	2 Brothers Enterprise (Pty) Ltd	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA108/2023q	Accredited Service Provider for the Presentation of a Short Learning program use of firearm	ZIBAR SECURITY SERVICES	Once-off	CONCLUDED Happy with supplier
BA086/2023q	Supply and Installation of Court Recording System	Smart Infra (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA064/2023q	Supply, Delivery, and Installation of Wall and Floor Tiles and Related Work for the Upgrading of Restrooms at Blanco Community Hall, George.	Midron Construction CC	Once-off	Issues experience with regard to delays and payment requests (but job completed in May)
MM011/2020	Invitation to practising attorneys in the George Municipal Area to register on the Municipal Panel of Attorneys	Panel of various suppliers	3 Years	One issue to intervene on- by CMU
BA027/2023q	Alarm System, Armed Response and Maintenance of Security Alarm System and Related Services at the George Civic Centre and Fifteen (15) Community Halls in the Greater George Including Touwsranten and Waboomskraal for a period of 1 year	SS Salutions(pty) Ltd t/a Seal Security	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA030/2023q	Supply, Delivery and Assembly of New Office Furniture for Corporate Services, George Municipality for a period of one year from Date of appointment	Office Central Supply and Services	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA059/2023	Appointment of a Service Provider for the Supply and Delivery of Tables and Chairs for Various Halls in the George Municipal Offices	Against the Grain Business Solutions	Once-off	CONCLUDED Happy with supplier
BA009/2021	Appointment of Service Provider: Underwriting of the Municipality's Group Life Portfolio for the period 01 July 2021 until 30 June 2024	VERSO Financial Services (Pty) Ltd	3 Years	Happy with supplier
BA070/2023q	Servicing and Maintenance of Aircons at George Municipality for a period of one (1) year.	EDZ Electrical & Projects	1 Year	Concluded in June
BA011/2021	Appointment of a service provider to provide a Rental / Maintenance agreement for a Integrated Telecommunications System for George Municipality and to provide a VOIP solution for a period of 3 years from date of appointment	Daisy Eastern Cape	3 Years	Some issues to monitor (satisfied since Mar)
BA025a/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 1: Sanitary Utensils)	Cristal a division of Freedom Group (Pty) Ltd	3 Years	Happy with supplier thus far
BA025b/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 2: Pest Control)	Bidvest Services (Pty) Ltd T/A Bidvest Steiner	3 Years	Happy with supplier thus far

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA024/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	(a) Dr JR Beneke (b) Healing River Ministry Academy (Pty) Ltd (c)health first 4 you (Pty) Ltd (d) Jacylynton (Pty)Ltd (e) Rochelle Jacobs (f)Praus Authentic Energy (Pty) Ltd (g)Charles Persence (h)Cumax 146 Cc t/a MA and Associates	3 Year	Satisfied with service providers to date
BA054/2023	Appointment of a Service Provider for the Servicing and Maintenance of Elevators in the George Municipality's Main Building from date of appointment until 30 June 2026	Skye Elevators (Pty) Ltd	3 Years	Happy with service provider
BA042/2023	Appointment of a Service Provider for the Provision of Various Training Interventions for a period of three (3) years.	Various Suppliers	3 Years	No issues identified with any supplier
BA049/2023	Supply and Delivery of Soup Kitchen Products for a period of three (3) years.	Direct Wholesale	3 Years	Happy with supplier
MM007/2022	Revision of municipal by-laws	Stadler & Swart Inc	Once-off	Satisfied with service provider to date
BA018/2023	Appointment of a Service Provider to Conduct a Work Study, Organisational Structure Review and Re-design within the George Municipality	Agito Minds (Pty) Ltd	Once-off	Satisfied to date
BA019/2023	Appointment of a Service Provider for the Review of Existing Job Descriptions and Writing of New Job Descriptions in terms of the Task Job Evaluation System in line with the Municipal Staff Regulations.	Agito Minds (Pty) Ltd	Once-off	Will only be utilised once work study is complete
BA090/2023	Appointment of a Contractor for the Refurbishment of the Wooden Floor and Other Related Work Specifications at the George Civic Centre.	Potts Devco (Pty) Ltd	Once-off	Satisfied to date

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA041/2024q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	Net yet utilised
BA051/2024q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Corporate Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates	Once-off	Net yet utilised
DIRECTORATE: ELECTROTECHNICAL SERVICES				
BA049/2022	Appointment of a Contractor for the Supply, Delivery and Installation of a Modular Library at Touwsranten Library.	ICE GEE PROJECTS	Once-off	COMPLETED Serious Issues with specifications and time frames
BA006/2023q	Supply & Delivery of Motorised Wheelchair	Gifted Jack (Pty) Ltd	Once-off	COMPLETED Happy with supplier
BA002/2023	Renovation of Blanco Library - Furniture & Shelving	2 Brothers Enterprise	Once-off	**TERMINATED** Supplier couldn't proceed due to cash flow problems
BA008/2023	Servicing and Maintenance of Airconditioning and related work at the George Municipality's Main Building.	Cooling Co Maintenance (Pty)Ltd	Once-off	COMPLETED Happy with supplier
BA055/2022	Replace Asbestos Roof at Masizakhe Creche	1. Rock Solutions 2. Lande Group	Once-off	COMPLETED Some delays experienced with Rock Solutions
BA057/2023q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	COMPLETED Satisfied with supplier
BA070/2022	Appointment of a Suitably Accredited Service Provider for the Presentation of a Skills Programme: Operate Chainsaw based on unit standards 264195,117062 and 117058: Operate chainsaw, for a period of one year from date of appointment	Ezolimo Training & Supply (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
BA071/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a skills Program: Operate a Brush cutter in commercial forestry based on unit Standards 123243, for a period of one year from date of appointment	Ezolimo Training & Supply (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA060/2022q	Appointment of a Suitably Accredited service provider for the presentation of safety and environmental representative training based on unit standard 259622, for a period of one year from date of appointment.	Omni Exactus (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA061/2022q	Appointment of a Suitably Accredited service provider for the presentation of a short learning program: Provide Primary emergency care/ first aid based on unit standard 254220, for a period of one year from date of appointment.	Falcon Safety Academy (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA068/2022q	Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Program: Clean and maintain area of responsibility Based on Unit Standard 113818	Eben-Tec	1 Year	COMPLETED Satisfied with supplier
BA034/2022	Appointment of a Service Provider for the Servicing and Maintenance of Elevators in the George Municipality's Main Building for a Period of One (1) Year	Skye Elevators (Pty) Ltd	1 Year	COMPLETED Satisfied with supplier
BA015/2023	Appointment of a Professional Architect for the Assignment, RE-Design and Preparation of Scope of works for the Corporate Services office at the George Municipality, as per quotation specifications	Tru Space (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
BA076/2022q	Off-site Storage of Records for the Registration Department of George Municipality for a Period of six (6) months from Date of Appointment	Metrofile (Pty) Ltd	6 Months	COMPLETED Satisfied with supplier
BA104/2023q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	COMPLETED Satisfied with supplier
BA028/2023q	Supply and Delivery of Furniture for Touwsranten Library	Office Central Supply and Services	Once-off	Supplier couldn't meet timelines expected initially but delivery has been achieved

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
COM013/2020	Supply of Soup and Related Products	EBK Distributors (Pty) Ltd	3 Years	COMPLETED Satisfied with supplier
BA065/2023q	Appointment of a Service Provider for the Re-Upholstery of Chairs and Related Work in the Conference Room of the George Municipality	Earl-Nique Decorators CC	Once-off	COMPLETED Satisfied with supplier
BA067/2023q	Supply, Delivery, and Installation of Curtains and Blinds at the Thembalethu Thusong Centre	Earl-Nique Decorators CC	Once-off	COMPLETED Satisfied with supplier
BA050/2023	Appointment of a Service Provider for the Supply and Delivery of Steel Folding Tables.	GR Cabinets & Fittings cc	Once-off	COMPLETED Satisfied with supplier
BA109/2023q	Quotation for the Appointment of a Suitably Accredited Service Provider for the Presentation of a Short Learning Programme: Demonstrate and Understanding of the Role and Functions of a Peace Officer; Demonstrate and Understanding of Legislative Framework based on Unit Standards 377224 and 256516.	Lesedi Guarding and Training	Once-off	COMPLETED Satisfied with supplier
BA001/2024	To appoint a service provider for the Recruitment and Selection process for the position of Director: Electrotechnical Services	Roy Steele & Associates CC	Once-off	CONCLUDED Happy with supplier
BA100/2023q	Supply, Delivery, and Installation of Wall and Floor Tiles and Related Work for the Upgrading of Restrooms at Thembalethu Thusong Centre	Lande Group (Pty) Ltd	Once-off	CONCLUDED Happy with supplier
BA014/2023q	Paint Work at George Municipality for a period of one (1) year	Nkonqa Construction CC	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA013/2023q	Supply, Delivery and Installation of Laminated Flooring at George Municipality for a period of one (1) year	2 Brothers Enterprise (Pty) Ltd	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA108/2023q	Accredited Service Provider for the Presentation of a Short Learning program use of firearm	ZIBAR SECURITY SERVICES	Once-off	CONCLUDED Happy with supplier
BA086/2023q	Supply and Installation of Court Recording System	Smart Infra (Pty) Ltd	Once-off	COMPLETED Satisfied with supplier
BA064/2023q	Supply, Delivery, and Installation of Wall and Floor Tiles and Related Work for the Upgrading of Restrooms at Blanco Community Hall, George.	Midron Construction CC	Once-off	Issues experience with regard to delays and payment requests (but job completed in May)

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
MM011/2020	Invitation to practising attorneys in the George Municipal Area to register on the Municipal Panel of Attorneys	Panel of various suppliers	3 Years	One issue to intervene on- by CMU
BA027/2023q	Alarm System, Armed Response and Maintenance of Security Alarm System and Related Services at the George Civic Centre and Fifteen (15) Community Halls in the Greater George Including Touwsranten and Waboomskraal for a period of 1 year	SS Salutions(pty) Ltd t/a Seal Security	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA030/2023q	Supply, Delivery and Assembly of New Office Furniture for Corporate Services, George Municipality for a period of one year from Date of appointment	Office Central Supply and Services	1 Year (Or R200k limit)	CONCLUDED Happy with supplier
BA059/2023	Appointment of a Service Provider for the Supply and Delivery of Tables and Chairs for Various Halls in the George Municipal Offices	Against the Grain Business Solutions	Once-off	CONCLUDED Happy with supplier
BA009/2021	Appointment of Service Provider: Underwriting of the Municipality's Group Life Portfolio for the period 01 July 2021 until 30 June 2024	VERSO Financial Services (Pty) Ltd	3 Years	Happy with supplier
BA070/2023q	Servicing and Maintenance of Aircons at George Municipality for a period of one (1) year.	EDZ Electrical & Projects	1 Year	Concluded in June
BA011/2021	Appointment of a service provider to provide a Rental / Maintenance agreement for a Integrated Telecommunications System for George Municipality and to provide a VOIP solution for a period of 3 years from date of appointment	Daisy Eastern Cape	3 Years	Some issues to monitor (satisfied since Mar)
BA025a/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 1: Sanitary Utensils)	Cristal a division of Freedom Group (Pty) Ltd	3 Years	Happy with supplier thus far
BA025b/2022	Appointment of a service provider for the renting of sanitary utensils and pest control services for a period of three (3) years (Part 2: Pest Control)	Bidvest Services (Pty) Ltd T/A Bidvest Steiner	3 Years	Happy with supplier thus far
BA024/2022	Rendering of Medical Related Services as well as Professional and Community Counselling Services for a period of three (3) years from date of appointment	(a) Dr JR Beneke (b) Healing River Ministry Academy (Pty) Ltd (c)health first 4 you (Pty) Ltd (d)	3 Year	Satisfied with service providers to date

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
		Jacylynton (Pty)Ltd (e) Rochelle Jacobs (f)Praus Authentic Energy (Pty) Ltd (g)Charles Persence (h)Cumax 146 Cc t/a MA and Associates		
BA054/2023	Appointment of a Service Provider for the Servicing and Maintenance of Elevators in the George Municipality's Main Building from date of appointment until 30 June 2026	Skye Elevators (Pty) Ltd	3 Years	Happy with service provider
BA042/2023	Appointment of a Service Provider for the Provision of Various Training Interventions for a period of three (3) years.	Various Suppliers	3 Years	No issues identified with any supplier
BA049/2023	Supply and Delivery of Soup Kitchen Products for a period of three (3) years.	Direct Wholesale	3 Years	Happy with supplier
MM007/2022	Revision of municipal by-laws	Stadler & Swart Inc	Once-off	Satisfied with service provider to date
BA018/2023	Appointment of a Service Provider to Conduct a Work Study, Organisational Structure Review and Re-design within the George Municipality	Agito Minds (Pty) Ltd	Once-off	Satisfied to date
BA019/2023	Appointment of a Service Provider for the Review of Existing Job Descriptions and Writing of New Job Descriptions in terms of the Task Job Evaluation System in line with the Municipal Staff Regulations.	Agito Minds (Pty) Ltd	Once-off	Will only be utilised once work study is complete
BA090/2023	Appointment of a Contractor for the Refurbishment of the Wooden Floor and Other Related Work Specifications at the George Civic Centre.	Potts Devco (Pty) Ltd	Once-off	Satisfied to date
BA041/2024q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Electrotechnical Services, in line with the Regulations and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates CC	Once-off	Net yet utilised
BA051/2024q	Appointment of a Service Provider for the Recruitment and Selection Process of the Director: Corporate Services, in line with the Regulations on Appointment and Conditions of Employment of Senior Managers, 2014.	Roy Steele & Associates	Once-off	Net yet utilised

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
DIRECTORATE: CIVIL ENGINEERING				
T/ING/028/2022q	Manufacture, Supply and Delivery of Trailers	Kathaka Raw Enterprises (Pty) Ltd	Once-off	COMPLETE No issues to report
T/ING/011/2023q	Supply and Delivery of Marketing Material for Go George	Counterpart Trading (Pty) Ltd	Once-off	COMPLETE No issues to report
T/ING/013/2023q	Supply and Installation of New Blue Emergency Lights, PA Systems and Sirens on Traffic Vehicles (as and when required) until Tender COM013/2023 has been awarded	Midron Construction CC	Once-off	COMPLETE Delays experienced but completed and good personal service in the end
T/ING/020/2022	Appointment of service provider to perform sludge classification analysis	AL Abbott and Associates (Pty) Ltd	1 Year	CONCLUDED Happy with supplier
T/ING/003/2022	Tender for the Supply and Installation of Emergency Standby Power for Municipal Raw Water Pumpstations 1 & 1A	VE Reticulation (Pty) Ltd	Once-Off	COMPLETED Post completion snags proved to be a problem
T/ING/032/2023q	Supply, Delivery, and Installation of Heavy-duty Shelving at the new Water Depot Storage Facility of George Municipality.	Apcot Trading (Pty) Ltd	Once-off	COMPLETE No issues to report
T/ING/023/2023q	Quotation for the Supply and Delivery of Safety Boots	Pienaar Brothers (Pty) Ltd	Once-off	COMPLETE No issues to report
T/ING/021/2023q	Manufacturing, Supply, and Delivery of Trailers.	Kathaka Raw Enterprises (Pty) Ltd	Once-off	COMPLETE No issues to report
T/ING/016/2019	Tender for the Supply, Installation, Maintenance and Support Services for the municipal telemetry for a three (3) year period	Spectrum Communications (Pty) Ltd	3 Years	CONCLUDED Na major issues experienced with the supplier
T/ING/023/2022	Print, supply and delivery of ad-hoc printing for Go George for a period of one (1) year	Mosselbaai Drukkers BK (t/a Drukkor Printing)	1 Year	CONCLUDED Happy with supplier
T/ING/018/2021	Upgrading Gwaing Waste Water Treatment Works: Phase 1A	Lektratek Water Technology (Pty) Ltd	Once-off	COMPLETED Some issues experienced but consultant delay hampered the contractor

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
T/ING/027/2022	Tender for the Swart River Dam: Rehabilitation of Access road	Phambili Civils	Once-off	COMPLETED Some post-completion issues had to be finalised
T/ING/024/2021	Install perimeter fencing at various Water Facilities	ONU Investment Group t/a OIG Fencing	Once-off	Performance Notice Issued - adherence to timeframes appears to be the biggest concern. Still some issues but completion achieved and defects period in play
T/ING/023/2021	Upgrading and Rehabilitation of the George Old Water Treatment Works	Active Phambili Civils cc	Once-off	COMPLETE No issues to report
T/ING/023/2018	Upgrading of the Outeniqua WWTW - Mechanical, Electrical and Instrumentation Works	Water Purification Chemicals & Plant cc	Once-Off	Some delays but only variations outstanding. Defects in process (Mar)
T/ING/030/2023q	Appointment of a Service Provider for the Servicing of Chlorine Systems at Outeniqua, Gwaing, Kleinkrantz and Uniondale Wastewater Treatment Plants.	Peninsula Water Treatment & Engineering CC	Once-off	COMPLETE No issues to report
PS030/2019	Tender for the appointment of a professional team to provide marketing and communication services for GIPTN Projects for a period of three years from date of appointment	Rock Solid JV	3 Years	CONCLUDED Happy with supplier to date
T/ING/042/2023q	Appointment of a Service Provider for the Supply and Delivery of a new Pipe Inspection Camera	Best Buy Online SA (Pty) Ltd	Once-off	COMPLETE Once-off purchase completed. No issues
T/ING/016/2021	Upgrading and Rehabilitation of the George Old Water Treatment Works, Chlorine Rooms	Maxal Projects SA (Pty) Ltd	Once-off	COMPLETE Some remedial work was required
T/ING/031/2018	Tender for the Appointment of a panel of contractors for the rehabilitation of roads in the George Municipality area for the period of three years	a) Civils 2000 b) Tau Pele c) Actophambili d) Entsha Henra e) Roadmac	3 Years	Henra: No issues at Golf St or Ngcakani

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
		f) Acqua Transport g) WTW Civils		
PS029/2019	Appointment for a suitable transportation planning consultant to prepare the George Comprehensive Integrated Transport Plan	Techso-Toplan-Lyners Consortium	3 Years	Happy with supplier to date
T/ING/008/2020	Tender for Minor Civil Works: Appointment of ad-hoc civil engineering contractors for a period of three (3) years	a) CSJ Civils b) ART c) Urhwebo d) Que Civils e) Benver Civils f) WJ Civils	3 Years	Various suppliers. No major issues with most suppliers A concern noted regarding Q Civils
T/ING/012/2020	Tender for the Maintenance and Refurbishment of Water and Wastewater Infrastructure: Appointment of various ad-hoc contractors from 19 July 2021 until 18 July 2024	a) TPZSN b) RIG Marketing c) Khubeka d) Coastal Armature	3 Years	Happy with suppliers to date
T/ING/010/2020	Tender for the Appointment of Consulting Engineers for Professional Engineering Services for various projects	Various	3 Years	Specifically monitored - see document
T/ING/006/2021	Appointment of Consulting Engineers to implement, update and Maintain a Water and Sanitation Management Information System on a bureau basis for a Three (3) year period.	GLS Consulting (Pty) Ltd	3 Years	Happy with supplier
T/ING/004/2021	Supply and Delivery of Chemicals for Water and Wastewater Treatment	a) IFA Lethu b) Metsi Chem c) Improchem d) Chlorcape e) Situc f) Ikusasa g) Master Chemicals	3 Years	No major issues with any suppliers but price increases a concern
PS017/2021	GIPTN Field Monitoring Services	SMEC South Africa (Pty) Ltd	3 Years	Satisfied with supplier
T/ING/025/2021	Supply of filter sand for various Water Treatment Works for the period of three (3) years	Chlorcape (Pty) Ltd	3 Years	No issues with this supplier

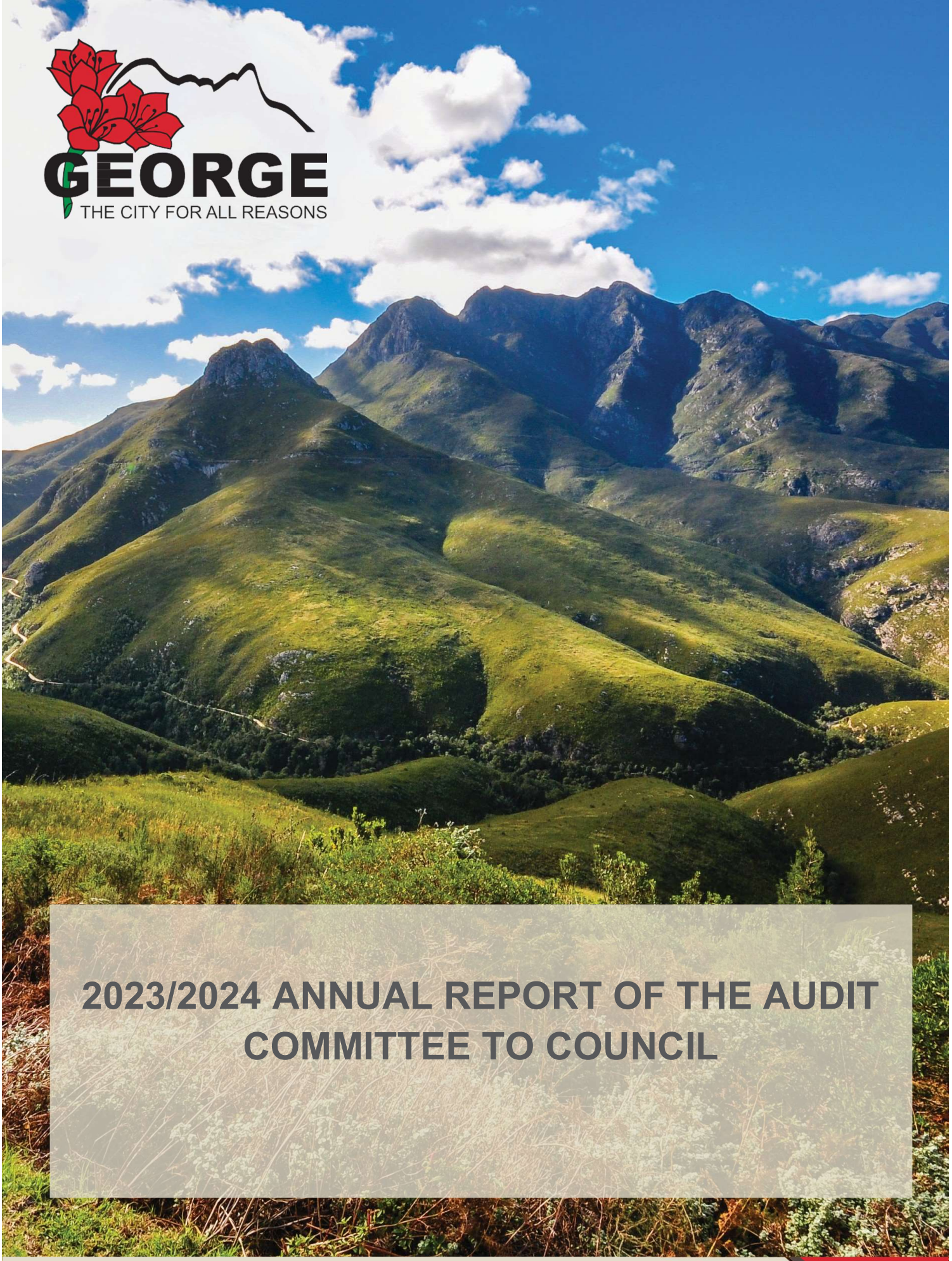
Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
PS032/2021	Routine Servicing, Maintenance and Repairs of Municipal Bus Fleet	Unitrans Passenger and George Link JV	3 Years	Satisfied with supplier
T/ING/027/2021	Installation of fencing for various municipal sites for a period of three (3) years	ONU Investment Group t/a OIG Fencing	3 Years	Some delays. But various users and vast number of projects
T/ING/002/2022	Appointment of a Health and Safety Agent for the George Municipality, from date of Appointment for the Period of Three (3) Years, As and When Required	Xaks Consulting (Pty) Ltd EQ Project Managers	3 years	No issues to date
T/ING/004/2022	Term tender for road rehabilitation, resurfacing and ancillary works for the period of three (3) years	Various - panel	3 years	Work progressing well
PS034/2021	Supply of Facilities management and guarding services for GIPTN	Bamogale enterprises	3 Years	Satisfied with supplier
T/ING/002/2023	Supply, Repair, and Maintenance of Camera Units for the Go George Bus Fleet for a Period of Two (2) Years	TMT Services and Supplies (Pty) Ltd	2 Years	Satisfied with supplier
T/ING/005/2022	The tender for the Supply and Delivery of Laboratory Consumables, Non-Inventory Items, and Personal Protective Equipment (PPE) from the date of appointment for the period of three (3) years, as and when required:	a) B and M Scientific b) Lasec c) Memtoek d) Sains e) United	3 Years	Happy with suppliers to date
T/ING/006/2022	Supply and Delivery of Smart Water Meters and After Sales Support for the period of three (3) years, as per tender T/ING/006/2022 specifications	Ontec Systems (Pty) Ltd	3 Years	Serious issues experienced. Dispute in process regarding remedial action. Meeting scheduled with manufacturer of the meters
T/ING/017/2022	Transportation and disposal of Laboratory Chemical and Microbiological Waste for a period of three (3) years	Apcot Trading (Pty) Ltd	3 Years	No issues to date
T/ING/026/2022	Maintenance of water purification and wastewater treatment sites and clearing of pathways to rivers for sampling for a period of three (3) years	a. TPZSN b. Forest Tree	3 Years	Happy with suppliers to date
T/ING/011/2021	Mechanical, Electrical and Civil Upgrading of the Meul Pumpstation, George (Phase 1)	Hidro-Tech Systems (Pty) Ltd	Once-Off	Failed generator fixed and re-installed, but costs claimed, and this is being disputed

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
T/ING/020/2021	Upgrading of the George New Water Treatment Works (20ml) Civil Extension	Icon Construction (Pty) Ltd	Once-Off	Delay by consultant has put this project 2 months behind schedule
T/ING/001/2022	Upgrading of George New Water Treatment Works (20Ml/d): Mechanical, Electrical and Instrumentation Works	H&I and HES Joint Venture	Once-Off (700 days estimate)	Some delays in reporting but being managed. No major issue
T/ING/033/2022	Tender for upgrading of the Garden Route Dam Pumpstations Suction Pipe and Associated works	Hidro-Tech Systems (Pty) Ltd	Once-off	No issues to date
T/ING/030/2022	Replacement of Kaaimans Raw Water Pumps and Switchgear: Mechanical, Electrical and Associated Works	Viking Pony Africa Pumps (Pty) Ltd t/a Tricom Africa	Once-off	No issues to date
T/ING/024/2022	Upgrading of Kleinkrantz Sewer Gravity Main	Urhwebo E-Transand	Once-off	No issues to date - official commencement 03 April 2024
T/ING/025/2022	Tender for the Upgrading of Industrial Water Pipeline - Denneoord	Emihle Live (Pty) Ltd	Once-off	Progress well behind schedule (Major issues - intervention)
T/ING/007/2023	Construction of new Bulk Electrical Ring Feed Supply to Thembalethu Pump Station No. 6	VE Reticulation (Pty) Ltd	Once-off	Sub-contractor issue remains a concern
T/ING/031/2022	Tender for the Upgrading of Groeneweide Park Bulk Water Pipeline	Urhwebo E-Transand	Once-off	Construction progressing well
T/ING/015/2022	Tender for the Appointment of Consulting Engineers for Professional Services for the Planning, Design, and Construction of the Permanent GIPTN (Go George) Bus Depot (Limited to Stage 1)	V3 Consulting Engineers (Pty) Ltd (V3 Consortium)	Once-off	Only commencing with work from Feb'24. No initial issues
T/ING/016/2023	Tender for the Supply and Installation of Standby Power for Municipal Facilities for a Period of Three (3) Years	MDL Engineering Company (Pty) Ltd	3 Years	Happy with supplier
T/ING/019/2023	Tender for the Supply and Delivery of Laboratory Consumables, Non-inventory Items & Personal Protective Equipment (as and when required) until 18 December 2025	Index Laboratories (Pty) Ltd	2 Years	Happy with supplier
T/ING/015/2023	Tender for the Supply, Installation, Maintenance and Support Services for the municipal telemetry for a three (3) year period	Spectrum Communications (Pty) Ltd	3 Years	Happy with supplier

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
T/ING/017/2023	Tender for the Appointment of a Service Provider for the Upgrading of Meul Sewage Pumpstation Phase 2, Portion 1: Rising Main & Civil Engineering Infrastructure, Parkdene, George.	Asla Construction (Pty) Ltd	Once-off	Documentation and safety concerns to monitor. Some time delays to date
T/ING/006/2023	Appointment of a Professional Team to Provide Marketing and Communication Services for the George Integrated Public Transport Network (GIPTN) for a period of three (3) years.	Rock Solid JV	3 Years	Happy with contractor to date
T/ING/020/2023	Tender for the Upgrade of Parkdene Water Reticulation	Entsha Henra cc	Once-off	Contractor is behind initial cash flow
T/ING/041/2023	Appointment of a Service Provider for the Upgrading of George South Stormwater Infrastructure: Phase 1.	Ruwacon (Pty) Ltd	Once-off	Serious delay experienced early in the project but construction commenced in May and some improvement witnessed
T/ING/031/2023q	Quotation for the Appointment of a Service Provider for the Sludge Classification Analysis.	AL Abbott and Associates (Pty) Ltd	1 Year	Not used to date
T/ING/046/2023q	Quotation for the Appointment of a Service Provider for the Annual Full SANS 241:2015 Water Analysis.	AL Abbott and Associates (Pty) Ltd	1 Year	Used in Feb only - no issues
T/ING/051/2023q	Quotation for the Appointment of a Service Provider for Blue Flag Sampling & Testing, together with External Testing for Infrastructure Monitoring, as and when required, for a period of one (1) year from date of appointment.	Swift Silliker (Pty Ltd t/a Merieux Nutri Sciences	1 Year	Happy with supplier
T/ING/025/2023	Tender for the Construction of 40 Ml Raw Water Balancing Dam and associated works	King Civil Engineering Contractors (Pty) Ltd	Once-off	No early issues experienced
T/ING/027/2023	Tender for the Upgrade of Thembalethu West Bulk Water Pipeline (In-situ pipe cracking)	Trenchless Technologies (Pty) Ltd	Once-off	Satisfied to date
T/ING/024/2023	Tender for the Appointment of a Service Provider for the Construction of Pacaltsdorp West 14,5MI Circular Reservoir, Pumpstation and Associated Infrastructure.	Icon Construction (Pty) Ltd	Once-off	Satisfied to date
T/ING/034/2023	Upgrading of Conville Water Reticulation Network	Trenchless Technologies (Pty) Ltd	Once-off	Some early execution issues to monitor. Contractor behind schedule and cashflow

Tender No	Description of services rendered	Successful Tender	Term of contract	Performance Comment
T/ING/039/2023	Construction of New Thembalethu (East) Reservoir, Water Tower, Pumpstation and Associated Works	Icon Construction (Pty) Ltd	Once-off	Satisfied to date
T/ING/035/2023	Tender for the Upgrading of Schaapkop Pumpstation and Associated Infrastructure, Portion 1	Hidro-Tech Systems (Pty) Ltd	Once-off	Inaugural meeting held. No issues to date
T/ING/040/2023	Tender for the Upgrading of the Thembalethu Bulk Sewer Gravity Main, Phase 2	Norland Construction (Pty) Ltd	Once-off	Some early execution issues to monitor. Commencement of construction - some safety issues
T/ING/026/2023	Tender for the Construction of New Pacaltsdorp East Reservoir, Water Tower, Pumpstation Building and associated works	Icon Construction (Pty) Ltd	Once-off	Satisfied to date
T/ING/044/2023	Construction of a Temporary Terminal Facility, Shelters and Associated Works for the George Integrated Public Transport Network (GIPTN), George.	WJVN Civils (Pty) Ltd	Once-off	Satisfied to date

GEORGE
THE CITY FOR ALL REASONS



2023/2024 ANNUAL REPORT OF THE AUDIT COMMITTEE TO COUNCIL

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2023/2024 Annual Report of the Audit Committee

We are pleased to present our report for the George Municipality for the 2023/2024 financial year.

1. RESPONSIBILITY

Section 166 of the Municipal Finance Management Act No. 56 of 2003 (MFMA) requires every Municipality to establish and maintain an Audit Committee, as an independent appraisal function. 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 George Municipality's Audit Committee is well established and functioning as required.

The Audit Committee also fulfils the functions of a performance management Audit Committee constituted in terms of Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001, and is well established and functioning as required.

The Audit Committee is an independent advisory body to Council, the Accounting Officer and the management and staff of the municipality on matters relating to internal financial control and internal audits; risk management; accounting policies; the adequacy, reliability and accuracy of financial reporting and information; performance management; effective governance; the MFMA and any other applicable legislation; performance evaluation; and any other issues.

The role of the Audit Committee is to promote accountability and service delivery through evaluating and monitoring responses to risks and overseeing the effectiveness of the internal control environment, including financial and performance reporting and compliance with legislation.

The Audit Committee is also expected to review the annual financial statements to provide an authoritative and credible view of the municipality, its efficiency and effectiveness and its overall level of compliance with applicable legislation.

Both the internal and external auditors had unrestricted access to the Audit Committee during the year under review.

2. TERMS OF REFERENCE

The Audit Committee is constituted in terms of the requirements of sound corporate governance practices and operates in accordance with a written charter that incorporates the specific requirements of section 166 of the MFMA. These terms of reference may from time to time be amended as required, subject to the approval of Council.

3. COMPOSITION OF THE AUDIT COMMITTEE

In terms of the approved Audit Committee Charter, the Audit Committee will comprise five (5) independent members with appropriate experience and skills, which are not in the employ of the municipality. The Audit Committee comprised of four (4) independent members for 2023/2024, all vacancies on the committee were filled after year end. Members are appointed for a period of three (3) years. Their contract may be extended for an additional three (3) years based on performance. Council strives for transformation, diversity and inclusiveness when appointing Audit Committee Members. The members of the Audit Committee as at 30 June 2024 were:

Table: Audit Committee members at 30 June 2024

Audit Committee members	Changes during 2023/2024	Date
E le Roux (ELR) - Chairperson	Appointed Chairperson	14 July 2020
B Gulwa (BG)	Appointment	1 April 2021
K Olivier (KO)	Appointment	24 August 2021
G Mellett (GM)	Appointment	26 August 2021

The skills and qualifications of Audit Committee members are mapped and recorded by means of a skills matrix and are aligned with the recommendations and identified skills priorities of King IV, the

Public Sector Audit Committee Forum and MFMA Circular 65. Council considers and ensures the members of the Audit Committee collectively have sufficient qualifications, skills and experience to fulfil the Audit Committee's duties.

4. ACTIVITIES

The Audit Committee met six (6) times during the financial year ended 30 June 2024:

Table: Audit Committee meeting attendance 2023/2024

Meeting date	Ordinary / Special	Attendance of members			
		ELR	GM	KO	BG
25 August 2023	Special Meeting	✓	✓	✓	Apology
29 September 2023	Strategic Session	✓	✓	✓	✓
06 October 2023	Ordinary Meeting	✓	✓	✓	✓
04 December 2023	Special Meeting	✓	✓	✓	✓
01 March 2024	Ordinary Meeting	✓	✓	✓	✓
19 April 2024	Special Meeting	✓	✓	Apology	✓
21 June 2024 continued on 26 July 2024	Ordinary Meeting	✓	✓	✓	✓

The Audit Committee carried out their statutory responsibilities in terms of Section 166(2) of the MFMA and in terms of Regulation 14(4) of the Local Government: Municipal Planning and Performance Management Regulations, 2001, as well as their responsibilities detailed in the Audit Committee Charter. They *inter alia*:

- Advised Council, political office bearers, the Accounting Officer and management staff of the municipality, on matters relating to:
  - Internal financial control and internal audits;
  - Risk management;
  - Accounting policies;
  - The adequacy, reliability and accuracy of financial reporting and information;
  - Performance management;
  - Effective governance;
  - Compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation;
  - Performance evaluation; and
  - Any other issues referred to it by the Municipality.
- Reviewed the annual financial statements and provided Council with an authoritative and credible view of the financial position of the Municipality, its efficiency and effectiveness and its overall level of compliance with the MFMA, the annual DoRA and any other applicable legislation.
- Responded to council on any issues raised by the Auditor General in the audit report.
- Carried out such investigations into the financial affairs of the municipality when requested by Council.
- Performed such other functions as prescribed.
- Reviewed, considered and responded to the Final Management Report of the Auditor General, the Report of the Auditor General on the annual financial statements; the findings of the Auditor General on predetermined objectives and compliance with certain laws and regulations, and the Auditor General's detailed management letter.
- Reviewed and considered the Annual Report and recommended that all inputs from stakeholders, including the Auditor-General, Provincial Treasury, the public and the Municipal Public Accounts Committee (MPAC) must be addressed before the final Annual Report is submitted to Council for approval.
- Reviewed the Audit Committee Charter and proposed recommended amendments.
- Reviewed and approved the three-year rolling Internal Audit and Annual Internal Audit Plans.
- Reviewed all internal audit reports issued.
- Reviewed the reporting by internal audit on performance management and performance information.
- Issued reports and recommendations to Council on performance management and performance information.

- Responded to Council on any issues raised by the Auditor General in the audit report.
- Performed assessments on the effectiveness of the committee for review and comment by the Municipal Manager and for presentation to Council.
- Held Special Audit Committee meetings with officials to address specific areas of concern.
- In addition to the above listed activities, performed its responsibilities in terms of Performance Management (as stipulated in Regulation 14(4) of the Local Government: Municipal Planning and Performance Management Regulation, 2001); Internal Audit; the Control Environment; Risk Management; External Audit; Compliance with laws, regulations and ethics; Fraud Management and Investigations, Information Technology and related Governance; and Combined Assurance.
- Considered other matters as deemed appropriate.

5. INTERNAL CONTROL SYSTEMS

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 Audit Committee considered, reviewed, and discussed various reports including inter alia, financial reports, compliance reports and Internal Audit reports. Based on these reports the Committee concluded overall that the key internal controls and key internal financial controls are in place and that there has been an improvement in the overall internal control environment.

Management committed to implement recommended controls, per agreed upon timeframes, for any areas where gaps were identified. The Audit Committee will continue to monitor the progress of implementation.

6. RISK MANAGEMENT/ COMBINED ASSURANCE

The committee was provided with an update of Risk Management Activities for the municipality, including a Progress Update on the Risk Assessment and Combined Assurance Implementation.

The Risk Register and Risk Management Policy documents was also tabled to the Audit Committee for notification purposes. The committee will continue to monitor the progress made with the implementation of risk management within the municipality.

The Committee representative attended a discussion on 20 June 2024, with the Audit Committee Chairperson and the Chief Audit Executive dealing with the revised risk approach and the impact of this on the 2024/2025 Internal Audit Plan.

7. PERFORMANCE MANAGEMENT

In terms of Section 14(4) (a) of the Regulations the Performance Audit Committee has the responsibility to –

i) review the quarterly reports produced and submitted by the internal audit process;
ii) review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and
iii) *at least twice during each financial year submit a performance audit report to the council of the municipality.*

The Committee is satisfied that the George municipality did utilize mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes, including assessments of the functionality of the performance management system whether the system complied with the requirements of the MSA, and include assessments of the extent to which the performance measurements were reliable in measuring the performance of the municipality on key as well as general performance indicators.

The Audit Committee focused significant attention on performance management. The Audit Committee reviewed the municipality's performance management system focusing on economy, efficiency,

effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned.

Improvements in performance management were noted and management are recommended to continue improving the controls over performance management systems. The Audit Committee noted management's commitment to accountability and consequence management, which should improve overall performance and the quality of performance reporting.

8. ACCOUNTING/ FINANCIAL INFORMATION

The committee believes that the Chief Financial Officer (CFO) possess the appropriate qualifications and experience to perform his responsibilities effectively. The CFO is more than capable to lead the financial department of the municipality, as required by the MFMA.

The committee evaluated the AFS of the George Municipality for the period 1 July 2023 to 30 June 2024, the committee is in a position to give an authoritative and credible view of the financial position of the municipality, its effectiveness and efficiency, and its overall level of compliance with relevant legislation.

The committee's view is that in general the financial position of the municipality is relatively positive and that the municipality has also complied with the required audit procedures and applicable legislation.

9. AUDITOR-GENERAL

The Audit Committee subsequently met on the following dates to fulfil its obligation to review the 2023/24 Draft Annual Financial Statements, Draft Annual Performance Report, Auditor General Audit Report and Auditor General Management Report:

- 23 August 2024 (Special Audit Committee meeting)
- 30 August 2024 (Special Audit Committee)
- 29 November 2024 (Special Audit Committee meeting)

George municipality has maintained its Unqualified audit opinion with no material findings on performance management or compliance (Clean Audit) for the 2023/2024 financial year. The committee wishes to congratulate the George Municipal Council and Administration on achieving a "Clean Audit" Opinion from the Office of the Auditor General for the 2023/2024 Financial Year. This is truly a remarkable achievement for the municipality, and it confirms the accuracy and transparency with which finances of the municipality have been handled and reported. This is due to effective leadership and the positive commitment of senior management and officials. The Committee is also satisfied with the independence and objectivity of the Auditor-General.

Extract from the 2023/2024 Management Report with regards to the Audit Committee:

"The audit committee is in place and has carried out their functions in accordance with their mandate. It was noted that the audit committee performed a high-level review of the financial statements and informed management of errors. The audit committee together with management should plan around timeous reviews of the financial statements to allow management appropriate time to correct errors identified before submission to the auditors. The committee did meet on a quarterly basis to evaluate internal audit's work and the risks affecting the municipality which includes the financial statements as well as supply chain management processes."

10. INTERNAL AUDIT

The George Municipality has a co-sourced internal audit function, employing a Chief Audit Executive, Manager: Internal Audit, Senior Internal Auditor and an Internal Auditor with the support of an external service provider rendering internal audit services to the municipality.

During May 2024 the Internal Audit Department also hosted a successful Internal Audit Awareness Month Campaign, strengthening the awareness of IA within all municipal departments.

A number of audits have been completed during the year under review and these reports have been presented to the committee for discussion. The committee will monitor the progress on the implementation of the deficiencies identified by Internal Audit.

Relating to and during the 2023/2024 financial year the following main Internal Audit reports were issued:

- Grants/DoRA requirements including also the BFI project
- Income: Prepaid Electricity
- Meter Readings and Billing: Credit Electricity, Bulk Electricity and Credit Water
- Governance Review: Control environment including Ethics, Independence, Code of Conduct, Declaration of interest, Fraud assessment considerations
- Performance Management (Quarter 1 of 2023/2024 Internal Audit & Quarter 4 of 2022/2023 Internal Audit)
- Contracts Management
- Supply Chain Management
- Performance Management (Quarter 2 of 2023/2024 Internal Audit)
- Verification of Small Contractors (Purchases less than R200,000)
- Building Control
- Verification of Expenditure: Proclaimed Roads
- Overtime
- Assessment of Rates and Valuation

Formal reports containing recommendations to address control weaknesses are submitted to Council, and the Audit Committee regularly follows up with Internal Audit and Management on the state of corrective action implemented. The implementation status of recommendations is considered good. Furthermore, the Audit Committee also provides comments on various internal and external reports.

Extract from the 2023/2024 Management Report with regards to the Audit Committee:

"Reliance was placed on the internal audit report, relating to the stock count, issued, in order to verify the existence and completeness of inventory.

The relevant and risk-based audits conducted by the internal audit functions, is commendable. These reports could be used by management to further strengthen the control environment and take action against officials where required, in accordance with the municipality's policies and procedures."

The committee also expresses their appreciation to the Internal Audit Office for the work done and is satisfied with the current operation of the activity. The committee believes that the Internal Audit function has been effective in carrying out its function in the municipality. The committee is also satisfied with the organizational independence of the Internal Audit Activity.

11. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

ICT is a rapidly advancing discipline within the public sector, and management should allocate sufficient resources to the effective functioning of the ICT environment.

The committee wishes to express its gratitude with regards to management addressing the findings as identified by the Auditor General in prior financial years. The committee further wants to acknowledge the progress made by management in the appointment of a service provider to address the matter.
The committee will continue to monitor the progress made by Management towards the improvement of the ICT governance and risk environment.

12. COMPLIANCE WITH KEY LEGISLATION

The Internal Audit function conducted various Compliance Reviews, on compliance with the MFMA; MSA and DORA. These reports were tabled and discussed by the committee. The committee is pleased that no material non-compliance with legislation have been found, however the committee will monitor the progress made by Management towards resolving the non-compliance issues raised by Internal Audit.

No material concerns were brought to the Committee's attention relating to non-compliance with legislation, regulations, or other governance issues.

13. QUARTERLY REPORTING TO COUNCIL

The committee submits quarterly reports to the Municipal Council on the matters referred to in Section 166 (2) of the Municipal Finance Management Act.

14. CONCLUDING STATEMENT BY THE AUDIT COMMITTEE

The committee is pleased with the continuous progress made by the George Municipality in improving the overall governance, internal control, and risk management environment.

Considering the above, the committee recommends that the Audited Financial Statements, together with the Audit Report of the Auditor General be accepted by the Council of the George Municipality.

On behalf of the Audit Committee



Mr E le Roux
Audit Committee Chairperson
11 December 2024

Report of the auditor-general to Western Cape Provincial Legislature and the council of George Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the George Municipality set out on pages 6 to 165, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the George 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 opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 49 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.

Material impairment

8. As disclosed in note 37 to the financial statements, the municipality provided for impairment of receivables from exchange transactions, amounting to R100 million (2022-23: R87 million)

9. As disclosed in note 37 to the financial statements, the municipality provided for impairment of receivables from non-exchange transactions, amounting to R35 million (2022-23: R51 million).

Underspending of capital expenditure

10. As disclosed in note 52 to the financial statements, the municipality has materially underspent the budget for capital expenditure by R780 million (2022-23: R386 million). The underspending was due to various reasons as explained in note 64 to the financial statements.

Underspending of operating expenditure

11. As disclosed in note 52 to the financial statements, the municipality has materially underspent the budget for operating expenditure by R227 million (2022-23: R347 million). The underspending was due to various reasons as explained in note 64 to the financial statements.

Material losses

12. As disclosed in note 55 to the financial statements, the municipality incurred 20.78% (2022-23: 27.22%) water loss during distribution.

Other matters

13. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

14. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on them.

Unaudited supplementary schedules

15. The supplementary information set out on pages 166 to 168 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

16. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

17. 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

18. 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.

19. 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 seven (7), forms part of our auditor's report.

Report on the audit of the annual performance report

20. 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 objective presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

21. I selected the following objective presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected an objective that measure the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Objective	Page numbers	Purpose
Strategic objective 3: Affordable quality services	14-27	To deliver affordable quality services

22. I evaluated the reported performance information for the selected objective against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

23. 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 measures taken to improve performance.

24. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

25. I did not identify any material findings on the reported performance information for the selected objective.

Other matter

26. I draw attention to the matter below.

Achievement of planned targets

27. 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.

28. 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 14 to 27.

Strategic objective 3: Affordable quality services

Targets achieved: 89% *Budget spent: 81%*

Key service delivery indicator not achieved	Planned target	Reported achievement
TL4: Number of residential electricity meters connected to the municipal electrical infrastructure network.	48 580	45 881

Report on compliance with legislation

29. 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.

30. 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.

31. 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.

32. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

33. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

34. 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.

35. 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 objectives presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

36. 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.

Internal control deficiencies

37. 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.

38. I did not identify any significant deficiencies in internal control.

Other reports

39. I draw attention to the following engagement which did not form part of my opinion on the financial statements, assessment of performance information and compliance with laws and regulations:

40. Stemming from section106 investigations, into allegations and other misconduct of municipal officials, further investigations are being conducted by the Directorate for Priority Crime Investigation. At the date of the auditor's report the investigation is still in progress.

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act No. 56 of 2003 (MFMA)	Section 1 Section 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b) Section 32(2), 32(2)(a), 32(2)(b)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), 32(7), Section 53(1)(c)(ii), 54(1)(c) Section 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii), 62(1)(f)(iii), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g) Section 65(2)(a), 65(2)(b), 65(2)(e), 66(1)(b) Section 72(1)(a)(ii) Section 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117 Section 122(1), 126(1)(a), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3) Section 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii) Section 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
Division of Revenue Act 5 of 2023	Section 12(5), 16(1)
MFMA: Municipal Budget & Reporting Regulations, 2009	Regulations 71(1)(a), 71(1)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
Prevention and Combatting of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)
Municipal Systems Act 32 of 2000 (MSA)	Section 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 43(2) Section 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulation 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulation on Appointment and Conditions of Employment of Senior Managers, 2014	Regulation 17(2), 36(1)(a)
MSA: Municipal Staff Regulations, 2021	Regulation 7(1), 31

Legislation	Sections or regulations
Municipal Property Rates Act 6 of 2004	Section 3(1)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulation 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), 15(1)(a)(ii)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulation 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 19(b) Regulation 21(b), 22(1)(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 29(5)(b)(ii) Regulation 32, 36, 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) Regulation 43, 44, 46(2)(e), 46(2)(f)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Section 1(i), 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulation 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) Regulation 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulation 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)