

Oudtshoorn Municipality



Annual Report

2023/24

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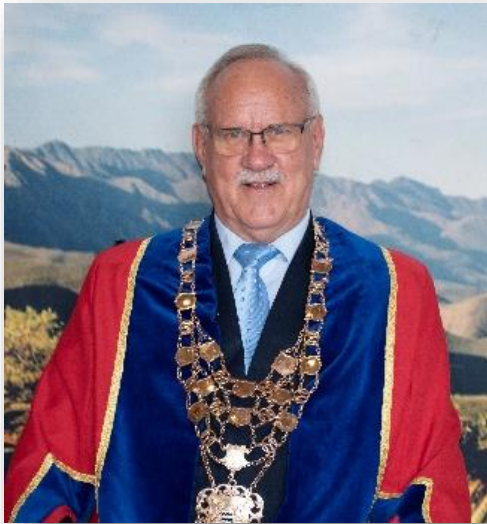
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CHAPTER 1

MAYOR'S FOREWORD



It is my honour as Executive Mayor of the Greater Oudtshoorn to present the Annual Report of the Greater Oudtshoorn municipality, reflecting on our journey over the 2023/24 financial year. This report is a testament to our commitment to transparency, accountability, and service delivery in line with the principles of the Municipal Finance Management Act (MFMA) and the Local Government: Municipal Systems Act (MSA). Our goal is to ensure that the needs of our residents are met while upholding the values outlined in our municipality's vision and mission.

Our vision of creating a thriving, sustainable, and inclusive community has guided our efforts throughout the year. This report highlights the progress we've made toward our strategic objectives,

as outlined in our Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP), ensuring that both our financial and non-financial performance align with our commitment to delivering quality services. From infrastructure development to promoting economic growth and reducing poverty, each project and initiative reflects our mission to enhance the quality of life for all our residents.

The year, of course, came with its challenges, particularly in terms of financial constraints and the pressing need to meet statutory commitments. We have faced these head-on, implementing corrective measures in revenue collection and expenditure management. Our ongoing work aims to secure a stable financial foundation for continued progress.

One of the objects of local government according to Section 152(1)(c) of the Constitution of the Republic of South Africa is to promote social and economic development which is in line with the strategic objective of the Oudtshoorn Municipality whereby we promote social, rural, and spatial economic development and the provincial linkage on growth and jobs which are all aligned to the seven national outcomes.

The Oudtshoorn Municipality despite its setback during the previous years which were due to mala-administration and Covid-19 pandemic, its financial recovery plan which was instituted years ago had made an enormous improvement, if you compare it to other municipalities who were unable to recover and in most cases which led them to be unable to pay the salaries of the employees and to deliver service.

We are aware of the economic struggles of the town and the communities which impact to the fiscal of the Municipality but with the minimal resources available basic services are rendered efficiently, recently the Municipality

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managed in collaboration with business to attract investments in areas of retail where job opportunities were created whereas is not much but we are hopeful and working hard to attract more business opportunities.

According to the 2022 National Census conducted by the statistical South Africa the service delivery service have improved significantly if we compare it with other years, even the population percentage jumped from 90 000 to 138 000 which means that the Municipality need to extend its resources in order to cater for further growth in future.

We are as well mindful of the demand and the long waiting list for access to formal housing which impact negatively to the fiscal of the Municipality especially to the informal structures erected which are mushrooming time and gain. The high percentage of the unemployment people in the town depends to grants and that cripples the economy and the municipal fiscal since the community members are unable to afford the services provided by the Municipality.

Our commitment to service delivery remains unwavering. This year, we have made strides in infrastructure development and the provision of essential services, though we recognize there is more to accomplish, especially in addressing service backlogs in certain areas. Our IDP reflects our approach to prioritizing projects that focus on economic activity and improve service delivery across our communities.

This Annual Report is more than a record of our activities—it is a tool for reflection, learning, and future planning. It also serves as a reminder of the importance of collaboration between the municipality, its entities, oversight institutions, and our residents. As we move forward, we will continue to prioritize the needs of our communities, ensuring that our financial and operational performance supports our shared vision for a prosperous and equitable future.

This past year has been a significant one for us, and I am proud to announce that our municipality has achieved a clean audit in 2022/23 for the first time in 20 years. This achievement reflects the dedication and discipline of our management team, officials, and councillors, who have all worked tirelessly to maintain strong governance and sound financial management.

To improve public participation and accountability, several digital and in-person methods have been implemented. The Collaborator App provides access to services, allowing citizens to report issues, receive service delivery notifications and view and pay their municipal accounts while the Municipal Website and SMS & WhatsApp channels facilitate direct communication.

Social media enables real-time updates and interaction, promoting accountability. Regular ward meetings, including open forums and public hearings, offer face-to-face opportunities for community engagement, where complaint forms are distributed to encourage feedback. Additional outreach methods, such as load hailing services, radio slots, newspaper ads, and pamphlet distribution, further broaden public awareness and invite input, ensuring citizens are well-informed and able to participate in government processes.

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In closing, I extend my heartfelt thanks to our municipal management team, all officials, and councillors for their dedication and hard work. Your efforts are integral to building a brighter future for our community, and I look forward to achieving even greater things together in the coming year.

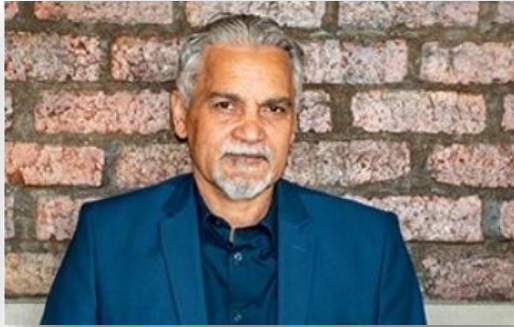
ALDM C MACPHERSON

EXECUTIVE MAYOR



EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview



It is with great responsibility and a sense of accomplishment that I present the Annual Report for the 2023/24 financial year. This annual report provides an overview of Oudtshoorn Municipality's performance, highlighting financial results and service delivery achievements for the 2023/24 financial year. Adhering to the Municipal Finance Management Act (MFMA) and Municipal Systems Act (MSA), the municipality remains committed to fiscal responsibility, transparency, and addressing the community's needs.

The annual report functions as a tool to communicate information and track the progress made in service delivery over the financial year. Throughout the year, performance was regularly evaluated and tracked against our Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in-year reports. Weekly, monthly, and quarterly meetings facilitated ongoing assessments, allowing management to address obstacles and enhance service quality. Governance structures, including the SDBIP and OPCAR, enabled effective monitoring to achieve our strategic objectives, which are:

1. Building sustainable, integrated human settlements and safe neighbourhoods.
2. Delivering essential services in an environmentally sustainable way.
3. Ensuring financial stability and advancing municipal transformation.
4. Promoting social, rural, and spatial economic development.
5. Establishing ethical, transparent governance that responds to community needs and fosters public participation.

As we reflect on our achievements, this report also acknowledges the challenges encountered and corrective actions taken to reinforce service delivery improvements. The commitment and collaboration of council members, management, municipal staff, and community stakeholders were integral to the municipality's progress this year.

The Oudtshoorn Municipality places a strong emphasis on risk management, ensuring it is a consistent topic of discussion at weekly senior management meetings. The municipality is committed to improve its risk management practices by identifying, assessing, and addressing potential risks through the implementation of mitigation plans.

Below are the ten key strategic risks that the Municipality currently faces:

Economic Development: The risk of failing to stimulate local economic growth.

Water Resources: Limited water supply threatening community and economic needs.

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Service Delivery: Challenges in maintaining effective and efficient service delivery.

Infrastructure: Insufficient infrastructure to meet service demands.

Civil Unrest: Disruptions due to protests affecting service delivery and infrastructure.

Financial Sustainability: Financial instability risks from rising expenses, reduced revenue, and aging infrastructure.

Compliance: Risks associated with not meeting legislative and regulatory requirements.

Cybersecurity: Increased threats of cyber-attacks and data breaches.

Corruption and Fraud: Incidents of fraud and corruption undermining municipal integrity.

Political Instability: Uncertainty in political leadership impacting policy consistency.

The Municipality made significant financial-related progress over the last three years in maintaining a positive cash balance, with a net cash increase in cash and cash equivalents of R14.7 million on 30 June 2024 compared to a decrease of R14.8 million in the previous financial year. The positive increase can be attributed to more cash from operations and investments to generate more surplus funds. The liquidity position remains under strain and is just within the norm with a minor movement noticed in the current year. Management and Council have reviewed and determined that the activities of the financial recovery plan will continue, integrated with a revenue enhancement strategy and the implementation of a cost-reflective tariff structure. This combined approach will support the financial sustainability of the Municipality's revenue streams over the medium and long term.

As noted above, the Municipality's capital spending performance decreased compared to the previous financial year, with year-end capital spending achieving 90% of the target. The unspent funds are solely related to the Integrated Electrification Grant from the National Government and the Bongoletu Sportsgrounds project, for which roll-over approval has been requested for 2024/25. The committed funding supports a multi-year project, and corrective measures have been implemented to ensure the successful completion of these projects.

In conclusion, the 2023/24 Annual Report reflects Oudtshoorn Municipality's commitment to responsible governance, community-oriented service delivery, and proactive risk management. Despite facing significant challenges, we have made strides toward sustainable growth and enhanced service quality for all residents. Our strategic objectives remain at the core of our efforts, guided by principles of accountability, transparency, and financial prudence. Looking ahead, we are dedicated to strengthening our foundations, addressing identified risks, and building resilience in our infrastructure and resources to ensure a stable, prosperous future for Oudtshoorn.

W HENDRICKS

MUNICIPAL MANAGER

1.2 Municipal Overview

This report addresses the performance of the Oudtshoorn Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2023/24 Annual Report reflects on the performance of the Municipality for the period 1 July 2023 to 30 June 2024. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

1.2.1 Vision and Mission

The Oudtshoorn Municipality committed itself to the following vision and mission:

The Municipality committed itself to the vision and mission of:

Vision:

"A safe town to work, learn, play and prosper"

Slogan:

A town to grow, work, play and prosper in

Mission:

"To provide, maintain equitable, sustainable municipal services, valued economic and social infrastructure which focus is to ensure an accountable government and infrastructure for local economic development and growth within all municipal wards"

1.3 Municipal Functions, Population and Environmental Overview

1.3.1 Demographic Profile

Demographics is broadly defined as the study of population dynamics which are significantly influenced by a wide array of factors such as birth and death rates, migration patterns, age, race, gender, life expectancy etc. The importance of understanding demographics as a decisive factor in shaping our current socio-economic reality is therefore critical for governments, economists and politicians alike.

The table below indicates a summary of the demographic profile within the municipal area:

Oudtshoorn Municipal Area			
Description	2011	2018	2022
Population	95 933	98 026	138 257
Households	21 910	23 362	31 795
People per Household	4.4	4.2	4.3
Sex Ratio	91.8	92.3	91.3
Gender Breakdown	Males	45 913 (47.9%)	47 720 (48.7%)
	Females	50 021 (52.1%)	50 261 (51.3%)
Age Breakdown	0 - 14	28.7%	34,780 (25.2%)
	15 - 64	64.2%	92,434 (66.9%)
	65+	7.2%	11,035 (8%)

Source: Community Survey 2016; 2023/24 IDP ; 2023 Socio-Economic Profile

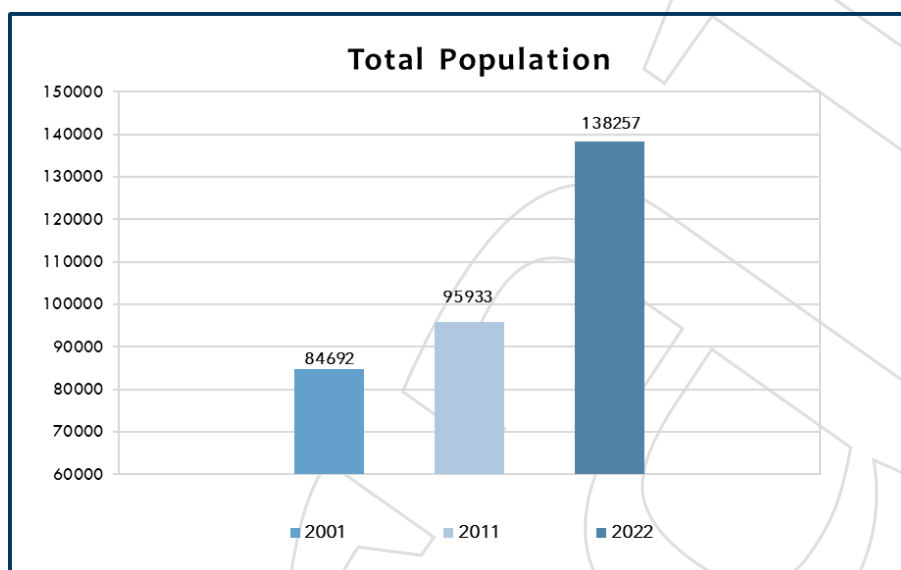
Table 1: Demographic Profile

Total Population

In 2022, the Oudtshoorn Municipality was home to 138 257 individuals, making it the third most populated municipal area within the region. The Mid-year population estimates (MYPE) released by Stats SA in February 2023 reflects that the municipal population is anticipated to decline at an annual average rate of 0.4 per cent over the 2023 to 2027 period. This demographic decline is potentially driven by semigration from this locale into more developed regions. The only areas within the municipal area that are estimated to have seen increases over the decade between 2011 and 2021 are Bongolethu and Bridgeton.

With a total of 31 795 households recorded in 2022, the Oudtshoorn municipal area exhibits an average household size of 4.3 persons. This is significantly greater than the district average of 3.3. With the high levels of poverty in the municipal area (highest in the district) the large household sizes stem mainly from the challenge faced by individuals to afford separate living arrangements. Multiple family members therefore share a single household. The average household size recorded a slight decline from

4.4 persons in 2011. This is reflective of outmigration by members of the household and declining fertility rates. Household growth is therefore forecast to stagnate over the 2023 to 2027 period, while the outmigration and declining fertility rates leads to a forecasted population decline. Furthermore, it is noteworthy that the number of households recorded during the 2022 Census exceeds the count employed in the Local Government Equitable Share calculations by 25.4 per cent, signifying a higher-than-projected rise of households over the interval from 2011 to 2022. The divergence bears implications for the provisioning of municipal services and the requisite infrastructure.



Graph 1.: Total Population

Gender Distribution

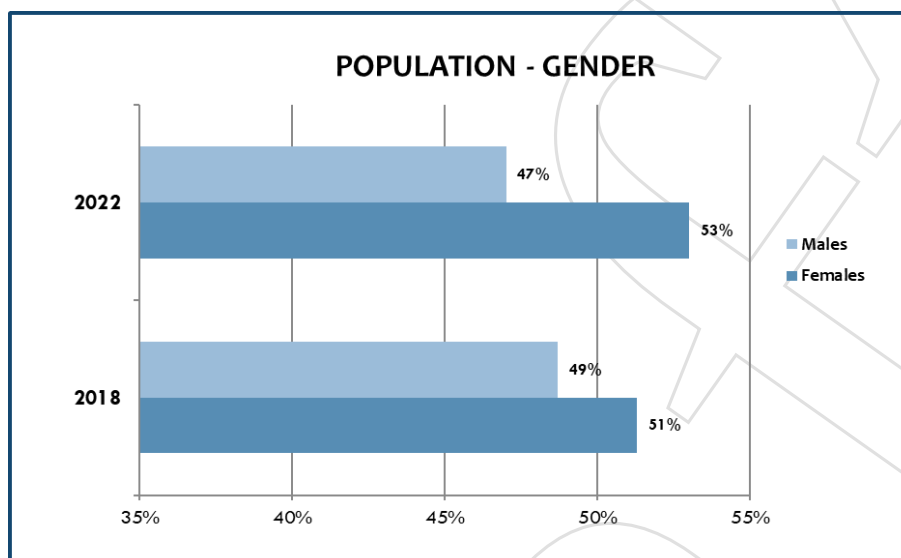
The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that as of 2022, there are more females than males in the Oudtshoorn municipal area with a ratio of 52.3 per cent (females) to 47.7 per cent (males). The sex ratio is therefore 91.3 meaning that for every 100 women there are 91.3 men. The ratio will remain stagnant towards 2026. The high percentage of females compared to the males reflects a potential outflow of working males from the municipal area or higher male mortality rates.

The table below indicates the gender distribution within the municipal area:

Gender	2018	2022
Males	48.7%	47.7%
Females	51.3%	52.3%

Source: Community Survey 2016 /2022 Socio-Economic Profile

Table 2: Demographic Information of the Municipal Area - Gender Distribution



Graph 2.: Gender Distribution

Population Groups

The table below indicates the population groups within the municipal area according to the 2011 Census:

Group	2001			2011		
	Male	Female	Total	Male	Female	Total
Coloured	30 901	33 902	64 803	35 233	38 969	74 202
Black African	3 452	3 390	6 842	4 424	4 316	8 740
White	6 232	6 733	12 965	5 620	6 363	11 983
Indian or Asian	48	34	82	189	127	316

Source: Census 2011

Table 3: Demographic Information of the Municipal Area

1.3.2 Demographic Information

Municipal Geographical Information

Oudtshoorn Local Municipality lies within the boundaries of the Eden District Municipality in the Western Cape Province. Since 5 December 2000, the Oudtshoorn municipal area has included the larger settlements of Oudtshoorn, Dysseisdorp, and De Rust as well as the smaller rural settlements of Volmoed, Schoemanshoek, Spieskamp, Vlakeplaas, Grootkraal, De Hoop and Matjiesrivier.

Oudtshoorn is situated about 60km from George, 82km from Mossel Bay, 460km from Cape Town and 384km from Port Elizabeth. High quality roads link Oudtshoorn with George in the south, Beaufort-West in the north and the rest of the Klein Karoo to the east and west.

The Greater Oudtshoorn area is nestled at the foot of the Swartberg Mountains in the heart of the Little Karoo region in the Western Cape. It is defined as a semi-desert area with a unique and sensitive natural environment. It was once the indigenous home of the Khoisan people, therefore there are many rock paintings in the area. The Municipality's development potential recognises the impact of being home to the world's largest ostrich population, which is a key component of their agricultural industry. The discovery of the Congo Caves and continual allure of unique natural heritage has drawn people to this region.

Oudtshoorn serves as a regional centre for the surrounding agricultural area. The natural environment of the area creates a natural hospitality towards the tourism industry and a related boom in accommodation. Oudtshoorn is a centre of regional cultural, sport and art activities and has since 1994, been host to the famous "Klein Karoo Nasionale Kuntefees" (KKNK), an arts festival held in March/April every year. A total of 411 temporary job opportunities were created directly by the KKNK, of which 76% were filled by black employees. The total economic impact of the KKNK is estimated at about R110 million, which makes the festival a major contributor to the economy in Oudtshoorn. A joint strategy was developed through the Greater Oudtshoorn Vision 2030 process to ensure both the broader benefaction of local communities and the sustainability of the festival.

Oudtshoorn's relatively higher 'development potential' is directly linked to its geographic location on main transport routes, natural resource base, human resources, institutional centre function, and commercial services. Recent studies of Oudtshoorn's growth potential identified it as one of 14 important 'leader towns' in the Western Cape Province.

Level of Urbanisation and Population Density

The Oudtshoorn municipal area spans 3 537.1 km² and is situated in the semi-arid Klein Karoo. In 2023, it had a relatively low population density of 25.2 persons per km² and is expected to decrease to 24.9 persons per km² by 2025. Oudtshoorn experienced the most significant decline in urbanisation of 12.6 percentage points over the 2001 to 2021 period, accompanied by an increase in the rural population during the same period as agricultural activity expanded in the municipal area.

The population is concentrated within the towns of Oudtshoorn, Bridgeton and Bongoletu, with Bridgeton and Bongoletu having the highest population densities. Bridgeton has shown a substantial increase in density over the 2001 to 2021 period, fueled by the comparatively greater affordability of housing options, drawing individuals into the town.

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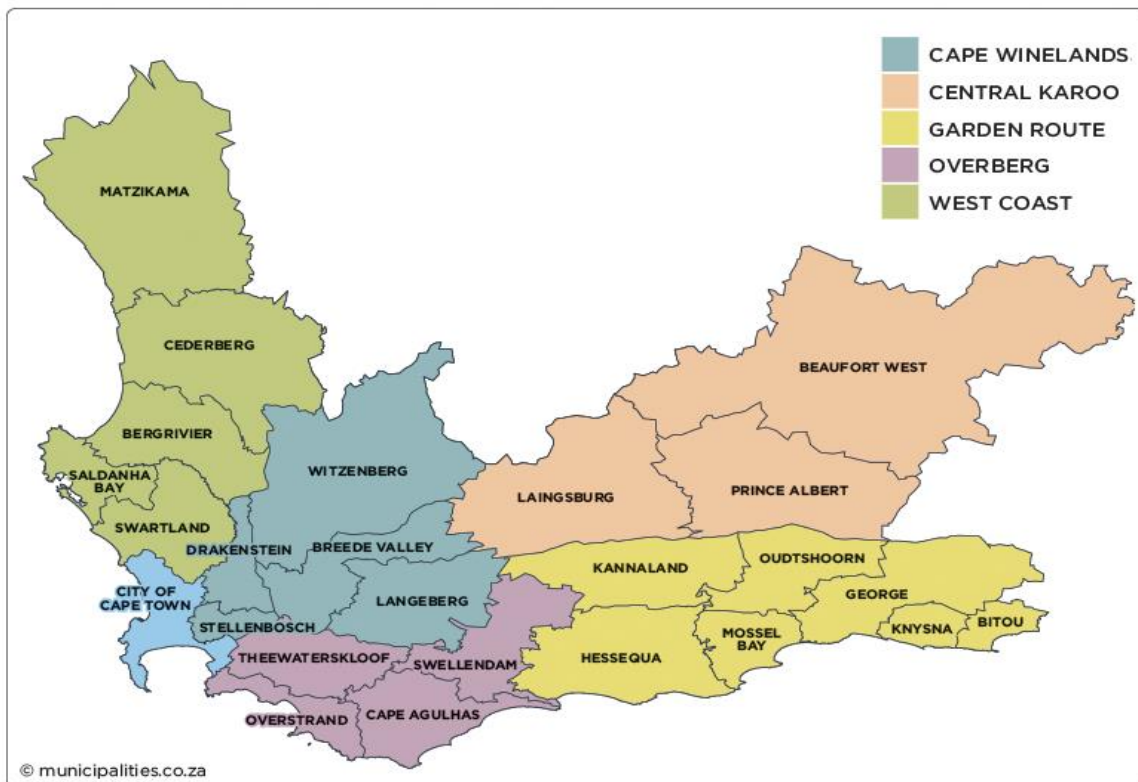
Wards

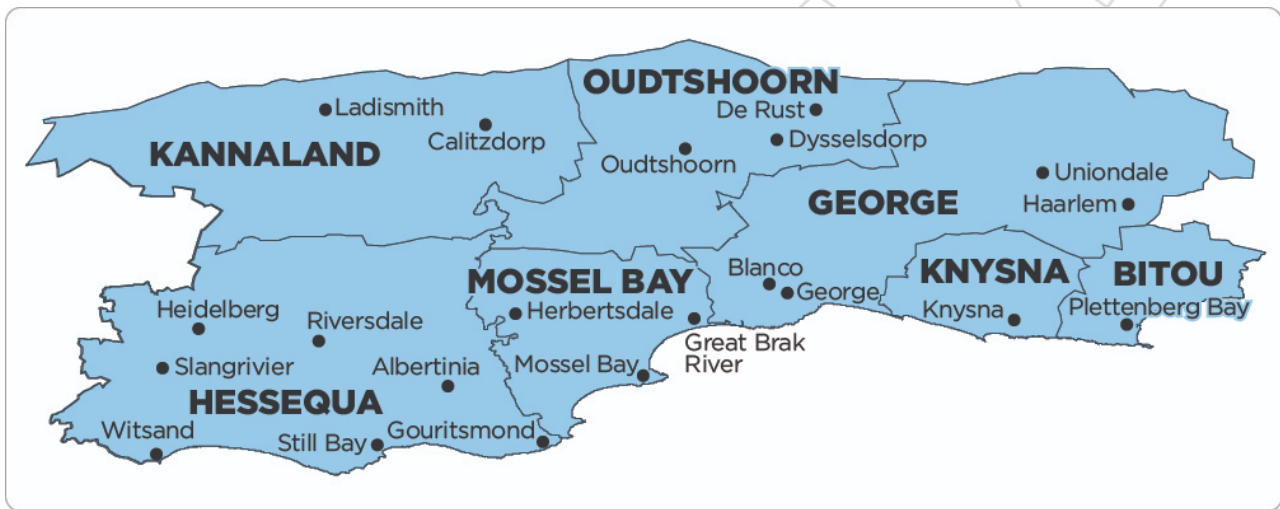
The Municipality is currently structured into the following **13** wards:

Ward	Areas
1	West side of town: SANDF, Oudtshoorn Hospital, Zeelandsnek, Palm Village
2	Part of town and rural areas: Volmoed, Kliplokasie, Eiland, De Jager Sport Complex
3	North, East and South of Town
4	Part of Bridgton, Bongoletu, Thabo Mbeki's Square, Toekomrus
5	Part of Bridgton, Smartie Town
6	Part of Bridgton, part of Toekomrus, Rosebank & Rosevalley Phase 1, 2 & 3
7	Part of town (north), Bridgton
8	Bongoletu, part of Toekomrus, Zone 14, GG Camp, Canal, Black Joint, Vaalhuise, Newlook, Beverly Hills
9	Dysselsdorp (east of Dyssels Road) and surrounding areas
10	Dysselsdorp (west of Dyssels Road) and surrounding areas
11	Vlakteplaas, De Rust, Schoemanshoek, Spieskamp & Matjiesrivier
12	Neppon, Station area, Klipdrif, Zebra, Proefplaas, Rooiheuvel
13	Protea Hotel, Alpha, Bridgton Clinic, Bridgton Library, Bridgton Police Station

Table 4: Municipal Wards

Below maps of the Municipal area:





Graph 3.: Locality Map

Towns

Oudtshoorn

Ostriches are found in great numbers and the region produces the best feathers, leather products and ostrich meat in the world. But the biggest bird is just one of the many attractions in this area of exceptional contrasts and natural beauty. It is also home to the spectacular Cango Caves, Africa's largest show cave system and is in the vicinity of an ecological hotspot where three distinct biomes (succulent Karoo, cape thicket and fynbos) converge.

Dysselsdorp

About 30 km from Oudtshoorn, at the foot of the Kamanassie Mountains, lays Dysselsdorp, a hamlet predominantly owned and inhabited by descendants of erstwhile slaves and people of mixed heritage. Founded in 1838 as a mission station by the London Missionary Society, and in 1877 its approximately one and a half thousand hectares were granted in freehold to the 148 resident families by the then Commissioner of Crown Land, John X Merriman. Residential as well as garden plots were allotted and the town was practically self-sufficient in those days. By and by, however as in most contained small agricultural communities, poverty became a factor and today most of the young people hold jobs in Oudtshoorn or work as seasonal labour on neighbouring farms. Dysselsdorp also boasts a Kolping House, one of a worldwide chain of guest houses where men are taught a trade.

De Rust

De Rust is a small village at the gateway to the Little Karoo and is located at the foot of the Swartberg Mountain range between Oudtshoorn and Beaufort West. De Rust is also known for the meandering Meiringspoort Pass. Meiringspoort is a gateway that connects the Little Karoo and the Great Karoo through a gorge with a 25km road

crossing the same river 25 times in the span of the 25km. This area is also well-known for ostrich farming and most of the farmers in the area either farm exclusively with ostriches or as a side-line to their existing farming.

Key Economic Activities

The following key economic activities were identified in the LED strategy:

Key Economic Activities	Description
Community, social and personal services	The Oudtshoorn municipal area is in the heart of the Little Karoo and internationally renowned for its ostrich industry. Most of the population in this municipal area reside in the town of Oudtshoorn, making it the main service centre. The main sources of GDP in the Oudtshoorn municipal area are finance, insurance, real estate and business services, which was valued at R1.1 billion in 2017, and manufacturing, which was valued at R1.0 billion. Another important contributor to the municipal area's economy is the wholesale and retail trade, catering and accommodation sector, which contributed R931.3 million to the economy in 2017. The two main sources of employment in the region are the wholesale and retail trade, catering and accommodation, and community, social and personal services sectors, which contributed 22.2 per cent and 15.8 per cent to total employment in the region in 2017. Oudtshoorn is the centre of regional culture, sports and art cultures (including the famous KKNK festival, which has been hosted since 1994). Within municipal boundaries is the world famous Cango Caves which attracts tourists from all over the world. It also benefits from the proximity to the George coastal area which is one of the main economic and tourism hubs in the district.
Tertiary Sector	The tertiary sector accounts for approximately 64.9 per cent of GDP in the region. The secondary sector valued at R1.6 billion in 2017, is also a significant contributor to the municipal area's economy. The smallest contributor to the region's economy is the primary sector, which contributes only 6.3 per cent to total GDP.
Manufacturing	This sector is key to addressing unemployment in the Oudtshoorn area. The manufacturing sector in the Municipality has expanded strongly and created jobs on a net basis.
Agriculture	The agriculture of the district is based mainly around the ostrich farming. As an alternative to the ostrich farming, the seed and goat farming has recently expanded substantially in the area.

Table 5: Key Economic Activities

Natural Resources	
Major natural resource	Relevance to community
The Cango Caves	Major tourist attraction. Can add value through job creation initiatives
The succulent Karoo	Area unique with natural vegetation. Marketing of area can create job opportunities
Our water resources	Can create job opportunities in the agriculture sector
Our environment	Renewable energy can be created through sun energy project creating job opportunities

Table 6: Natural Resources

1.4 Service Delivery Overview

1.4.1 Basic Service Delivery Performance Highlights

The table below indicates the basic service delivery performance highlights for the year:

Highlights	Description
Blossoms Emergency Water Supply	Water supply from the Blossoms Wellfield began in the early 2000s. In response to the drought, an emergency project was initiated in 2018 to utilize existing exploration boreholes to provide additional water during this critical period. The total cost of the drought project was R100 million. The civil works were completed in June 2023, followed by the mechanical installation in August 2023. After successful commissioning, a project handover ceremony was held in October 2023
Network upgrading	The ongoing program to replace old asbestos cement (AC) pipes included the replacement of sections of a 315 mm diameter bulk main from the Wesbank reservoirs to the town, specifically along Pauline Smit and Church Street
Installation of Telemetry	The installation of bulk water meters and a telemetry system continued as part of ongoing efforts to monitor water supply and reduce losses
Emergency Power for the boreholes on the KKRWSS	The installation of a 300 kVA diesel generator at the Dysselsdorp WTW and standby power systems, including 50 kW inverters with lithium-ion battery banks at boreholes VR7 and DP18, was completed. Commissioning occurred in October 2023
Upgrading of the KKRWSS	Upgrades and refurbishment were carried out at the Dysselsdorp WTW, including the installation of security fencing, refurbishment of the building and laboratory, and upgrades to valves and pipelines
Installation of Water Reticulation in rural areas	The objective is to establish a water reticulation system to improve water supply in rural areas not covered by the KKRWSS. Currently, households in these areas rely on water tanks filled by a tanker service provided by the Municipality, which is not a sustainable long-term solution. To address this, certain areas have been identified where a reticulation network can be implemented. The first phase focused on the Buffelsdrift area, where 2 kilometers of the network were installed, aiming to reduce the number of water delivery points currently serviced by water tankers and provide a more reliable water distribution network
Refurbishment of the screw pumps	The screw pumps at the Oudtshoorn WWTW was refurbished in the 2023/24 financial year
Dysselsdorp Electrification Project (Phase 4 of 4)	A total of 167 electrical connections were completed to provide electricity to the community of Dysselsdorp
Upgrading of traffic lights to LED lights with UPS	To enhance traffic safety during load shedding, the following intersections were upgraded with LED lights and uninterruptible power supplies (UPS): Voortrekker/High Street, Voortrekker/Adderley Street, and Voortrekker/Jan Van Riebeeck Street
High mast light installation - Spieskamp	High mast lights were installed in Spieskamp to provide safety lighting for the community

Highlights	Description
Network efficiency and safety improvement in Schoemanshoek area	New auto reclosers were installed in the Schoemanshoek area to minimize downtime on the network, along with improvements to the substation
Successful project with the Department of Forestry, Fisheries and the Environment	The Municipality temporarily employed approximately 126 EPWP workers for Greater Oudtshoorn. For the first time, workers were assigned to clean the open spaces in the Volmoed area. This project concluded on 30 June 2024
Services Sites	Completed 128 Serviced Sites Rosevalley Project
Subsidies	Approval for 62 Individual Subsidies and 6 FLISP Subsidies
Nominated for the Govern Mbeki Awards	The Municipality was nominated for the Govern Mbeki Awards
Handover of Dysselsdorp Project Title Deeds	Dysselsdorp title deeds were handed over

Table 7: Basic Service Delivery Highlights

1.4.2 Basic Service Delivery Challenges

The table below indicates the basic service delivery challenges for the year:

Description	Actions to address
Ageing infrastructure leading to constant pipe breakages	The aging water reticulation network prompted the launch of a program to systematically replace old infrastructure. Now in its fourth year, this program continues to update and improve the network's reliability and efficiency
Supply of Potable water	The total available water for the entire Greater Oudtshoorn area exceeds the volume that can be assured with 98% reliability. Consequently, the future and ongoing water supply to the Oudtshoorn area is consistently under pressure and remains a significant concern
Water supply interruptions due to load shedding	While the town of Oudtshoorn is supplied via gravity mains, Dysselsdorp and portions of the KKRWSS rely on water from boreholes. During higher stages of load shedding, the demand cannot be met, necessitating the use of emergency power sources to maintain water supply. When these are insufficient, water must be delivered by trucks, a solution that is neither viable nor sustainable
Water Delivery to rural areas	Many inhabitants on farms in rural areas are beyond the reach of the water supply system, necessitating the use of tankers to supply water to nearly 100 delivery points. This approach is not sustainable, and alternative solutions need to be explored
Ageing infrastructure and sewer blockages	The aging sewer network requires replacement in many areas. Issues such as root intrusions and vandalism—specifically the dumping of objects into the sewer system—result in frequent blockages in certain regions
Vandalism of infrastructure	Constant vandalism and theft of infrastructure are costing the Municipality millions and negatively impacting service delivery
Customer Complaints Centre	Customer Care Centre not operational

Description	Actions to address
Budget constrains	The budget provision is not aligned with minimum requirement standards, which could result in an unsafe and unreliable network
Illegal dumping	The Municipality is launching a pilot project for recycling to address waste management issues, supported by ongoing awareness campaigns in affected areas. In Ward 7, the Ward Councillor and community have proactively transformed an illegal dumping site into a cricket pitch for the youth, demonstrating a commitment to improving local environments and providing positive recreational spaces
Land Invasion	A Land Invasion Unit needs to be established, as there are currently no dedicated officials to handle the issue. The Municipality must strengthen its efforts to combat land invasion to protect and support future housing projects
Demand of basic services	Chemical toilets, including facilities for paraplegics, should be provided at informal settlements to improve sanitation and accessibility

Table 8: Basic Service Delivery Challenges

1.4.3 Number of Households with Access to Basic Services

The table below indicates the number of households with access to basic services:

Description	2022/23	2023/24
Electricity service connections	16 907	17 286
Water - Piped water inside dwelling	18 002	16 425
Sanitation - Households with at least VIP service	17 532	16 412
Waste collection - kerbside collection once a week	15 116	15 208

Table 9: Households with Access to Basic Services

1.5 Financial Health Overview

1.5.1 Financial Challenges

Cash flow remains a challenge for the Municipality. A Long-Term Financial Plan that will decrease outstanding creditors and improve the cash flow, has been compiled.

1.5.2 National Key Performance Indicators - Municipal Financial Viability and Management (Ratios)

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

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2001 and Section 43 of the Municipal Systems Act (MSA). These key performance indicators are linked to the National Key Performance Area (KPA) namely Municipal Financial Viability and Management.

Description	KPA & Indicator	2022/23	2023/24
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June ((Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant))	% of debt coverage	14.74%	12%
Financial viability measured in terms of the outstanding service debtors as at 30 June ((Total outstanding service debtors/ revenue received for services) x 100)	% of outstanding service debtors (total outstanding debtors refers to total net debtors)	23%	22%
Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June ((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	1.95	2.32

Table 10: National KPI's for Financial Viability and Management

1.5.3 Financial Overview

Details	2022/23	2023/24		
		Original budget	Adjustment Budget	Actual
	R'000			
Income				
Grants	183 845	148 239	178 784	174 528
Taxes, Levies and Tariffs	525 369	610 863	601 397	595 881
Other	70 919	120 454	136 783	79 975
Sub Total	780 133	879 556	916 964	850 384
Less Expenditure	719 007	876 498	908 744	814 052
Reversal of impairment loss/(Impairment Loss) on Receivables	- 6 589			(8 062 683)
Reversal of Impairment loss/(Impairment Loss) on Fixed Assets	20 980			4 662
Gains/(loss) on Sale of Fixed Assets	-1 371			(6 994 498)
Net surplus/(deficit)	74 146	3 058	5 497	36 332 026

Table 11: Financial Overview

1.5.5 Total Capital Expenditure

Detail	2022/23	2023/24
	R'000	
Original Budget	92 047	59 490
Adjustment Budget	116 615	68 367
Actual	111 123	61 233

Table 12: Total Capital Expenditure

1.6 Organisational Development Overview

1.6.1 Municipal Transformation and Organisational Development Highlights

The table below indicates the municipal transformation and organisational development highlights for the year:

Highlights	Description
Approval of Budget 2024/25	Council approved the Medium Term Revenue and Expenditure 2024/25, Special Council Meeting, 29 May 2023
Approval of IDP 2024/25	Council approved the IDP, Special Council meeting, 29 May 2023
Filling of Municipal Managers post	Council approved the filling of the MM post, Special Council meeting, 3 May 2023
Implementation of Municipal Staff Regulation (Regulation 890)	Implementation of Performance Management and Development System to the lowest level of the workforce

Table 13: Municipal Transformation and Organisational Development Highlights

1.6.2 Municipal Transformation and Organisational Development Challenges

The table below indicates the municipal transformation and organisational development challenges for the year:

Challenge	Actions to address
Lack of cooperation with implementation of municipal staff regulations	To provide more communication and awareness on the municipal staff regulation

Table 14: Municipal Transformation and Organisational Development Challenges

1.7 Auditor-General Report

1.7.1 Audited Outcomes

Year	2020/21	2022/23	2023/24
Opinion received	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

Table 15: Audit Outcomes

CHAPTER 2
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the Municipality’s performance in terms of the National Key Performance Indicator 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.

Indicator	Municipal Achievement	Municipal Achievement
	2022/23	2023/24
The percentage of the municipal capital budget spent on capital projects as at 30 June 2024 {(Actual amount spent on capital projects /Total amount budgeted for capital projects)X100}	96%	90%

Table 16: National KPIs – Good Governance and Public Participation Performance

2.2 Governance Structure

2.2.1 Political Governance Structure

The Council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles and have delegated their executive function to the Executive Mayor and the Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, Councillors are also actively involved in community work and the various social programmes in the municipal area.

Council

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

Council Members	Capacity	Political Party	Ward representing or proportional
JJ Allers	Speaker	VFP	Proportional
CD MacPherson	Executive Mayor	Democratic Alliance	Proportional
VM Donson	Executive Deputy Mayor	ICOSA	Proportional
V Michaels	Chairperson: Community Services	SAAMSTAAN	Proportional
RR Wildschut	Chairperson: Corporate Services	Democratic Alliance	Ward 12

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Council Members	Capacity	Political Party	Ward representing or proportional
JI du Preez	Chairperson: Finance Portfolio	Democratic Alliance	Ward 3
BV Owen	Chairperson: Planning & Development	ICOSA	Proportional
DJ Fourie	Chairperson: Infrastructure Services	Democratic Alliance	Ward 1
JN Duvenage	Councillor	VFP	Ward 2
NM Jaxa	Councillor	African National Congress	Ward 4
A Tiemie	Councillor	African National Congress	Ward 5
DV Moos	Councillor	African National Congress	Ward 6
A Berry	Councillor	Democratic Alliance	Ward 7
MZ Tyatya	Councillor	African National Congress	Ward 8
C Louw	Councillor	African National Congress	Ward 9
LSS van Rooyen	Councillor	African National Congress	Ward 10
J van der Ross	Councillor	African National Congress	Ward 11
JR Canary	Councillor	African National Congress	Ward 13
SA Jansen	Councillor	Patriotic Alliance	Proportional
L Campher	Councillor	ADVIES	Proportional
CF Sylvester	Councillor	OGI	Proportional
C Muller	Councillor	VFP	Proportional
RJ April	Councillor	Democratic Alliance	Proportional
JC Lambaatjeen	Councillor	Democratic Alliance	Proportional
SN Bentley	Councillor	GOOD	Proportional

Table 17: Council

Below is a table which indicates the Council meeting attendance for the 2023/24 financial year:

Meeting dates	Meeting	Council Meetings Attendance	Apologies for non-attendance
31 July 2023	Special Council	23	2
24 August 2023	Special Council	21	4
06 September 2023	Special Council	23	2
22 September 2023	Ordinary Council	23	3
30 November 2023	Ordinary Council	22	3
07 December 2023	Special Council	21	4
31 January 2024	Special Council	24	1
05 February 2024	Special Council	24	1
26 February 2024	Special Council	20	4

Meeting dates	Meeting	Council Meetings Attendance	Apologies for non-attendance
28 February 2024	Special Council	20	4
20 March 2024	Ordinary Council	24	1
26 April 2024	Special Council	21	4
03 June 2024	Special Council	25	0
07 June 2024	Special Council	25	0
28 June 2024	Ordinary Council	25	0

Table 18: Council Meetings

Executive Mayoral Committee

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

The name and portfolio of each Member of the Executive Committee is listed in the table below:

Name of member	Capacity
CD MacPherson	Executive Mayor
Jl du Preez	Chairperson: Financial Services
BV Owen	Chairperson: Planning & Development
RR Wildschut	Chairperson: Corporate Services
DJ Fourie	Chairperson: Infrastructure Services
V Michaels	Chairperson: Community Services
C Muller	Chairperson: Human Settlements

Table 19: Mayoral Committee Members

2.2.2 Administrative Governance Structure

The table below indicates the administrative governance structure for the period under review:

Name of Official	Position
WF Hendricks	Municipal Manager
GP De Jager	Director: Financial Services
RK Smit	Director: Corporate Services
N van Stade	Director: Community Services
L Lesch	Director: Infrastructure Services
LA Coetzee	Senior Manager: Planning and Development

Table 20: Administrative Governance Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 Intergovernmental Relations

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

2.3.1 Intergovernmental Structures

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

Name of Structure	Members	Outcomes of Engagements/Topics Discussed
National Structures		
Municipal Managers Forum	SALGA, Municipal Managers	Management and best practice on municipal structures & systems
SALGA Working Groups	SALGA, Mayors, Councillors, Directors, Officials	Working groups on economic, community services, financial services, basic infrastructure
Provincial Structures		
MINMAY	Ministers, Mayors, Premier, MM's	Best practice, strategic focus areas
MINMAY-TECH	MM's, Head of Departments, Officials	Discuss technical aspects on service delivery
PCF	MM's, Head of Departments, Officials	Discuss technical aspects on service delivery
Provincial CFO Forum	CFOs of all municipalities, Provincial Treasury	Financial aspects & budget coordination

Name of Structure	Members	Outcomes of Engagements/Topics Discussed
Provincial MM Forum	SALGA, Municipal Managers	Management and best practice on municipal structures & systems
Provincial Communication Forum	Municipal communication officials, provincial officials and public participation officials	Discuss communication, ward committee and public participation
District Structures		
Garden Route District IDP Forum	IDP Managers of municipalities, District Officials and Provincial Departments	• Support to IDP alignment processes. • Best Practice for public engagement. • Support to sector departments engagements • Support to IDP representative forum meetings • Support for legal compliance • Hands on support on Section 26 of MSA. • Support for IDP planning processes
LED District Forum	LED Managers, Provincial Dept. Economic Development, WESGRO	Economic development and investment opportunities
District Infrastructure Forum	Managers Infrastructure, Technical Officials	Roads, water, electricity, basic infrastructure, sanitation etc.
District Disaster Management Forum	Managers responsible for disaster management, fire services	Disaster Management, Fire Services
Provincial IDP Managers Forum	Managers responsible for IDP in local municipalities and District	• To prepare Municipalities for the next five-year term of office • To serve as a platform for sharing good planning practices • To provide support to municipalities in ensuring legally compliant IDP's • To provide relevant information in terms of planning and drafting of IDP's

Table 21: Intergovernmental Structures

2.3.2 Joint Projects and Functions with Sector Departments

All the functions of government are divided between the different spheres namely national, provincial and local. The Municipality therefore share their area and community with other spheres of government and their various sector departments and should work closely with national and provincial departments to ensure the effective implementation of various projects and functions. The table below provides detail of such projects and functions:

Name of Project/ Function	Expected Outcome/s of the Project	Sector Department/s involved	Contribution of Sector Department
CRDP – Comprehensive Rural Development Programme	Reduce poverty and grow rural areas into vibrant economic areas	National Department Rural Development, Provincial Department Agriculture, All Provincial Sector Departments, Eden District, ODN Municipality	Established steering committee with municipality and other provincial sector departments Development of strategy and implementation programme Implement programmes related to each department
Financial Recovery Programme	Following the municipality's administration process financial recovery programme developed	National Treasury, Provincial Treasury, Municipality	Development of strategy and implementation programme Implement the financial recovery initiatives
District Joint Planning Initiative	Possible interventions to address early school dropouts	Education, Social Development, Cultural Affairs and Sport and Local Municipalities	Guiding Framework that will include interventions from all stakeholders

Table 22: Joint Projects and Functions with Sector Departments

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

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

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

2.4 Public Meetings

The table below indicates the public meetings that were conducted during the year:

Ward	Ward	Number of Community members attending
1	Public Participation IDP Meeting	Ward 1,2,3 & part of 7 was combined 43
2	Public Participation IDP Meeting	
3	Public Participation IDP Meeting	
4	Public Participation IDP Meeting	38
5	Public Participation IDP Meeting	47
6	Public Participation IDP Meeting	86
7	Public Participation IDP Meeting	25
8	Public Participation IDP Meeting	50
9	Public Participation IDP Meeting	28
10	Public Participation IDP Meeting	27
11	Public Participation IDP Meeting	57
12	Public Participation IDP Meeting	Meeting did not place
13	Public Participation IDP Meeting	25
2	Public Participation IDP Meeting (Lategansvlei)	20
9	Public Participation IDP Meeting (Roodewal)	21
11	Public Participation IDP Meeting (Vlakteplaas)	39
12	Public Participation IDP Meeting (Welbedacht	26
2	Public Participation IDP Meeting (Volmoed)	55
11	Public Participation IDP Meeting (Grootkraal)	Meeting cancelled
12	Public Participation IDP Meeting (Klipdrift)	Meeting cancelled

Table 23: Public Meetings

2.4.1 Representative Forums

Labour Forum

The table below specifies the members of the Labour Forum for the 2023/24 financial year:

Name of representative	Capacity
VM Donson	Deputy Executive Mayor
JI Du Preez	Chairperson: Financial Services
RR Wildschut	Chairperson: Corporate Services
LSS Van Rooyen	Employer Representative
DJ Fourie	Chairperson: Infrastructure Services
WF Hendricks	Municipal Manager
GP de Jager	Chief Financial Officer
N van Stade	Director: Community Services
J Lesch	Director: Infrastructure Services
RK Smit	Director: Corporate Services
SAMWU Representatives	5 Representatives
IMATU Representatives	5 Representatives

Table 24: Labour Forum

2.4.2 Ward Committees

Ward Committee meetings are held in all 13 wards of the Municipality with the specific intention to capture sectoral and geographical area-based needs and opinions. These meetings inform and report on public needs, planning and budgeting as well as strategic objectives.

Ward councillors with their ward committees conduct public meetings twice a year to discuss ward plans and service delivery shortcomings and report on the success /failure of intended projects. Attendance of such meetings by the public are determined by their personal needs at the time of the meeting.

Municipal officials from all departments are allocated to attend public meetings to ensure attention to matters arising.

Transport is provided, where necessary, to ward committee members to attend ward committee meetings and functions where public participation through the ward committee system is required. The venues have been established for the meetings and support personnel; have been put at their disposal.

A stipend of R500 per meeting has been approved for all ward committee members, provided that they attend at least one ward committee meeting per month as part of their participatory functions as ward committee members.

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Ward 1: West side of town: SANDF, Oudtshoorn Hospital, Zeelandsnek, Palm Village

Name of representative	Dates of meetings held during the year
F Labuschagne	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
N Smith	
N Sili	
L Lotter	

Table 25: Ward 1 Committee Meetings

Ward 2: Part of town and rural areas: Volmoed, Kliplokasie, Eiland, De Jager Sport Complex

Name of representative	Dates of meetings held during the year
H Lamprecht	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
B Human	
C Horn	
J Swart	
J Vorster	
E Claassen	
A Kuhn	
J Terblanche	
I Oktober	

Table 26: Ward 2 Committee Meetings

Ward 3: North, East and South of Town

Name of representative	Dates of meetings held during the year
J Gerber	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
J Davel	
W Fouche	
J Cloete	
G Snyman	
G Deelman	
P Mc Duling	
M Roos	
J Meyer	

Table 27: Ward 3 Committee Meetings

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Ward 4: Part of Bridgton, Bongolethu, Thabo Mbeki's Square, Toekomrus

Name of representative	Dates of meetings held during the year
H Baatjies	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
I Fielies	
L Tenge	
S Lucas	
S Marthinus	
Z Dangazele	
P Sambo	
B Nakasayi	
H Kumutu	
S Williams	

Table 28: Ward 4 Committee Meetings

Ward 5: Part of Bridgton, Smartie Town

Name of representative	Dates of meetings held during the year
H Barends	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
B Prins	
M Baartman	
J Kamfer	
P Saterdag	
M Minnies	
A Britz	
A Moses	
J Martins	
M Kiewiets	

Table 29: Ward 5 Committee Meetings

Ward 6: Part of Bridgton, part of Toekomrus, Rosebank & Rosevalley Phase 1, 2 & 3

Name of representative	Dates of meetings held during the year
E Murphy	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
S Visagie	
F Thomas	
V Campher	
L Eksteen	
P Koopman	

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Name of representative	Dates of meetings held during the year
R Le Roux	
E Stevens	

Table 30: Ward 6 Committee Meetings

Ward 7: Part of town (north), Bridgton

Name of representative	Dates of meetings held during the year
D Ruiters	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
R Titus	
J Pietersen	
S Williams	
C Zeeman	
D Everts	
J Serfontein	
N Lewis	
B Knight	

Table 31: Ward 7 Committee Meetings

Ward 8: Bongolethu, part of Toekomsrus, Zone 14, GG Camp, Canal, Black Joint, Vaalhuise, Newlook, Beverly Hills

Name of representative	Dates of meetings held during the year
F Bergh	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
K Lewendal	
A Damans	
G Van Wyk	
K Le Roux	
J Figeland	
P Olyn	
F Kleynhans	
R Witbooi	
X Ngalo	

Table 32: Ward 8 Committee Meetings

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Ward 9: Dysselsdorp (east of Dyssels Road) and surrounding areas

Name of representative	Dates of meetings held during the year
A Solomons	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
A Maart	
S Plaatjies	
P Van Rooyen	
S Damons	
S Lewis	
J Olivier	
K Du Plessis	

Table 33: Ward 9 Committee Meetings

Ward 10: Dysselsdorp (west of Dyssels Road) and surrounding areas

Name of representative	Dates of meetings held during the year
M Antony	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
S Buys	
C Makier	
T Rala	
F Prins	
L Afrika	
E Arends	
J Marnewick	
D Herman	
G Oktober	

Table 34: Ward 10 Committee Meetings

Ward 11: Vlakteplaas, De Rust, Schoemanshoek, Spieskamp & Matjiesrivier

Name of representative	Dates of meetings held during the year
S Bakkies	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
B Le Roux	
C Smit	
D Boesak	
J Wolwerans	
L Januarie	
K Owen	
A Pietersen	
A Schoeman	

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Name of representative	Dates of meetings held during the year
I Plaatjies	

Table 35: Ward 11 Committee Meetings

Ward 12: Neppon, Station area, Klipdrif, Zebra, Proefplaas, Rooiheuvel

Name of representative	Dates of meetings held during the year
L Bonani	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
D Meyer	
S Meiring	
J Koegelenberg	
N Hufke	
E Stuurman	
L Booysen	
S Delport	
D Maart	
E Stuurman	

Table 36: Ward 12 Committee Meetings

Ward 13: Protea Hotel, Alpha, Bridgton Clinic, Bridgton Library, Bridgton Police Station

Name of representative	Dates of meetings held during the year
J Arends	January 2023 March 2023 May 2023 August 2023 October 2023 February 2024 April 2024
I Escourt	
C Ceaser	
D Linden	
C Jansen	
M Marnewil	
J Plaatjies	
C Jacobs	
F Stoffels	

Table 37: Ward 13 Committee Meetings

COMPONENT D: CORPORATE GOVERNANCE

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

2.5 Audit Committee

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

- internal financial control and internal audit
- risk management
- accounting policies
- the adequacy, reliability and accuracy of financial reporting information
- performance management
- effective governance
- compliance with this Act
- the annual Division of Revenue Act and any other applicable legislation
- performance evaluation
- any other issues referred to it by the municipality

2.5.1 Functions of the Audit Committee

The main functions of the Audit Committee are prescribed in Section 166 (2)(a-e) of the MFMA, which is further supplemented by the Local Government Municipal and Performance Management Regulation, as well as the approved Audit Committee Charter.

2.5.2 Members of the Audit Committee

Name of representative	Capacity	Meeting dates
L Fourie	Chairperson	24 August 2023 27 September 2023 5 December 2023 26 March 2024 26 June 2024
D Block	Member	
P Hayward	Member	
P Barnard	Member	
R Ewerts	Member	

Table 38: Audit Committee

2.6 Internal Auditing

Section 165 (2)(a), (b)(iv) of the MFMA requires that:

The internal audit unit of a municipality must –

- (a) prepare a risk-based audit plan and an internal audit program for each financial year
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
 - (i) Internal audit
 - (ii) internal controls
 - (iii) accounting procedures and practices
 - (iv) risk and risk management
 - (v) performance management
 - (vi) loss control
 - (vii) compliance with this Act, the annual Division of Revenue Act and any other applicable legislation
- (c) perform such other duties as may be assigned to it by the accounting officer

The Internal Audit is an independent section in the Office of the Municipal Manager at Oudtshoorn Municipality and forms a significant part of governance within the Municipality, contributing to good governance and regulatory reform. Internal Audit is mandated to provide independent, objective assurance and consulting service, towards adding value and improve the Municipality's operations. During the 2023/24 financial year the following Internal Audit reports were issued:

No.	Internal Audit Reports issued
1	Quarterly reports on performance management results
2	Risk management
3	Division of Revenue Act (DoRA)
4	Routine follow-up of internal audit recommendations
5	Governance
6	IDP compliance
7	Annual review of annual financial statements
8	SCM delays in procurement process
9	Municipal stores (stock)
10	Leave administration (opening and closing balances)
11	IT Systems administration
12	LED investment
13	Social development

No.	Internal Audit Reports issued
14	Cash inspections
15	Ad-hoc requests

Table 39: Internal Audit Reports Issued

2.7 Supply Chain Management

2.7.1 Competitive Bids in Excess of R200 000

Bid Committee Meetings

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

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
30	35	23

Table 40: Bid Committee Meetings

The attendance of members of the bid specification committee are as follows:

Member (Capacity)	Percentage attendance
Manager: Fire and Disaster Management	100
Manager: Fleet	100
Senior Manager: Electrical Services	100
Senior Manager: Street and Stormwater	100
SCM Manager	100
Manager Security and Law Enforcement Services	100
Acting Director: Community Services	100
Acting Manager: Traffic	100
Senior Accountant: Accounting	100
Senior Clerk: Asset	100
Acting Manager: Housing	100
Manager: Job Creation	100
Snr SCM Practitioner: Tenders	100
Snr SCM Practitioner: Logistics	100
Manager: Revenue	100
Manager ICT	100
Acting Operational Manager: Congo Cave	100
Logistics Coordinator	100
Superintendent KKLWS	100
Logistics Operator Congo Caves	100

Member (Capacity)	Percentage attendance
Senior Manager Electro Technical Services	100
Manager Parks	100
Chief Internal Audit	100
Technical Services: Snr Engineering Tech	100
Distribution: Engineering Technician	100
Electricity: Snr Engineering Technician	100
Manager Legal Services	100
SCM Practitioner: Contract Admin	100
Snr Manager Water	100
Fleet Superintendent	100
Acting Fleet Manager	100
Manager Solid Waste	100
Snr Manager Accounting Services	100
SCM Practitioner: Tenders	100
LED Manager	100
Snr Manager Strategic Services	100
Manager Town Planning	100
OHS Officer	100
Snr Communications Officer	100

Table 41: Attendance of Members of Bid Specification Committee

All role players attend meetings to ensure complete specifications. The attendance of members of the bid evaluation committee is as follows:

Member	Percentage attendance
Senior Engineer: Civil Engineering Services	100
Manager: Job Creation	100
Acting Manager: Housing	100
SCM: Buyer	100
SCM Practitioner (1): tenders	100
Manager: Fire and Disaster Management	100
Traffic Officer	100
Acting Manager: Parks	100
Chief: Fire	100
Manager: Technical Services	100
Manager: Fleet	100
Manager: ICT	100

Member	Percentage attendance
Senior Accountant: Accounting	100
Manager: Street and Storm Water	100
Senior Manager: Electrical Services	100
Senior Engineering Technician	100
Senior Manager Electro Technical Services	100
Manager: Expenditure	100
SCM Practitioner (2) Senior Accountant: Tenders	100
Snr Logistics	100
SCM Practitioner (3)	100
Acting Operational Manager: Congo Cave	100
Senior Head Guide (Congo Caves)	100
Manager: Revenue	100
Manager Parks	100
Chief IA	100
Technical Services: Snr Engineering Technician	100
Distribution: Engineering Technician	100
Electricity: Snr Engineering Technician	100
Manager Legal Services	100
SCM Practitioner: Contract Admin	100
Snr Manager Water	100
Fleet Superintendent	100
Acting Fleet Manager	100
Manager Solid Waste	100
Snr Manager Accounting Services	100
LED Manager	100
Snr Manager Strategic Services	100
Manager Town Planning	100
OHS Officer	100
Snr Communications Officer	100
Acting Sup Bergoord	100
Network Administrator	100
Communication Officer 1 + 2 + 3	100
Manager Security & Law Enforcement Services	100
Manager Budget	100
Town Planner	100

Table 42: Attendance of Members of Bid Evaluation Committee

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Legal Services provides input if requested.

The attendance of members of the bid adjudication committee is as follows:

Member	Percentage attendance
Chief Financial Officer	100
Director Corporate Services	100
Director Technical Services	100
Director Community Services	100
Senior Manager Strategic Services	100
SCM Manager	100
*The percentages as indicated above include the attendance of those officials acting in the position of a bid committee member	

Table 43: Attendance of Members of Bid Adjudication Committee

Awards Made by the Bid Adjudication Committee

The bid adjudication committee awarded 41 bids with an estimated value of 24 472 042.26 million. The highest bids awarded by the bid adjudication committee are as follows:

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded (inclusive of all costs)
TD 02/08/2023	Readvertisement: Upgrading of Bongoletu Sport Field	Community	Rudcor Engineering	R10 998 719.95
TD 05/01/2024	Re-Advertisement: Upgrading of Traffic Building	Community	Thekwane Holdings CC	R2 069 939.91
TD 05/11/2022	Compilation of the general valuation roll, supplementary valuation rolls and maintenance thereof for a period 1 April-30 June 2029	Finance: Income	CDV Waardeersers PTY LTD	R4 897 805.00

Table 44: Highest Bids Awarded by Bid Adjudication Committee

Awards Made by the Accounting Officer

In terms of paragraph 5(2)(a) of Council's Supply Chain Management (SCM) Policy, only the Accounting Officer may award a bid which is in excess of R10 000 000. The power to make such an award may not be sub-delegated by the Accounting Officer. The bids awarded by the Accounting Officer were as follows:

Bid number	Title of bid	Directorate and section	Value of bid awarded (inclusive of all costs)
TD 02/08/2023	Readvertisement: Upgrading of Bongoletu Sports Field	Community	R10 998 719.95

Table 45: Awards Made by Accounting Officer

Appeals Lodged by Aggrieved Bidders

1 Objection was received for the period under review and was not successful.

Awards Made in terms of Preferential Procurement Regulations, 2011

All awards above R200 000 were made in terms of the above-mentioned amended Regulation including the phase of Interim Arrangements. Further all deviations were approved by the Municipal Manager or delegated authority.

2.7.2 Deviation from Normal Procurement Processes

Paragraph 36 of Council's SCM Policy allows the Accounting Officer to dispense with the official procurement process. Deviations amounting to R80 428.99 were approved by the Accounting Officer. The following table provides a summary of deviations approved for 2023/24:

Type of deviation	Number of deviations	Value of deviations	Percentage of total deviations value
Sole Provider	1	R6 574.32	8.17
Impractical / Exceptional	1	R73 854.67	91.83
Emergency	0	0	0

Table 46: Summary of Deviations

Deviations from the normal procurement processes have been monitored closely and reported on a monthly basis. Thus, the significant reduction in total number of deviations in 2023/24.

2.7.3 Logistics Management

The system of logistics management must ensure the following:

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

Each stock item at the municipal stores, 26 Church Street, Oudtshoorn is coded and is listed on the financial system. Monthly monitoring of patterns of issues and receipts are 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 being launched by departments, such information is not communicated timely to the Stores Section in order for them to gear them to order stock in excess of the normal levels.

Internal controls are in place to ensure that goods and service that are received are certified by the responsible person which is in line with the general conditions of contract.

Regular checking of the condition of stock is performed. Quarterly stock counts are performed at which surpluses, deficits, damaged and redundant stock items are identified and reported to Council.

2.7.4 Disposal Management

The system of disposal management must ensure the following:

- immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise
- movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous
- firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee

- immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise
- all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed
- where assets are traded in for other assets, the highest possible trade-in price is negotiated;
- in the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment

The Municipality complies with Section 14 of the MFMA which deals with the disposal of capital assets. The disposal process plan was finalised in August 2010 and aims to provide the guidelines for the disposal of all obsolete and damaged assets.

2.7.5 SCM Performance Indicators

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

Monitoring of internal processes is an on-going process. Standard operating procedures are being prepared. Templates of required documents were distributed to all SCM role players to ensure compliance in terms of processes. All complaints are captured in a register and control measures are implemented to address the latter. Irregular, fruitless and wasteful expenditure were identified and reports are regularly submitted to the Section 32 Committee for recommendations to Council (Section 32 of the MFMA refers). The following table details the performance for each of those key performance indicators:

Key performance indicator	2022/23	2023/24
Ensure that tenders are successfully finalised and awarded within the validity period of the tender to enhance effective delivery of services	95%	98%
Provide administrative support to the bid and adjudication committees to ensure fast and effective SCM processes	100%	100%
Compliance with the SCM Act measured by the limitation of successful appeals against the Municipality	95%	100%

Table 47: SCM Performance Indicators

2.7.6 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) that all spheres of government, public entities and organs of state must report on their compliance with broad-based black

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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 with regard to broad-based black economic empowerment:

Management Control

Category	Number	Race Classification	Gender	Disability
Senior Management	5	1 African 1 Coloured 3 White	4 Male 1 Female	0

Table 48: Management Control

Enterprise and Supplier Development

Total Procurement Spend			
Total Number of Suppliers	76	Total Value Spend	n/a
Total number of Exempt Micro Enterprises (EME's) suppliers	Total value spent	% Black Ownership	%Black women ownership
38	15 668 500.32	94.88	78.75
Total number of Qualifying Small Enterprises (QSE's) suppliers	Total value spent	% Black Ownership	%Black women ownership
19	17 894 048.36	83.51	51.79
Total number of large suppliers	Total value spent	% Black Ownership	%Black women ownership
19	28 333 726.23	56.09	22.72
Total value of 2% NPAT or 0.2% of allocated budget			

Table 49: Enterprise and Supplier Development

2.8 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 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Good customer care is clearly of fundamental importance to any organisation. A successful communication strategy therefore links the people to the Municipality's programme for the year. Below is a communication checklist of the compliance to the communication requirements:

2.8.1 Communication Activities

Communication activities	Description
Media relations	- Issuing of media release - Responding to media enquiries - Convening of press/media conferences and media tours
External communication	- Issuing of external newsletters - Attend public imbizo for communication purposes - Manage municipal website - Manage social media platforms - Issuing weekly advertisements
Internal communication	Issue internal messages through internal memorandums, circulars
Social media	Manager social media platforms such as Facebook, Twitter, Instagram, Collaborator App, YouTube and WhatsApp
Language services	- Management of translation services - Management of interpreting services - Editing of documents
Corporate identity and image	- Management of corporate identity and branding - Development of corporate marketing material - Development of promotional material - Ensure development of brand strategy of the Oudtshoorn Municipality
Policy and strategies	- Development of Communication Strategy - Development of Crisis Communication Policy - Development of Social Media Policy - Development of Language Policy - Development of Communication Policy
Marketing and advertising	Manage advertising process of the municipal print media, electronic media and social media
Communication research	- Writing speeches for Executive Mayor, Deputy Mayor, Speaker and members of Council on request. - Community Satisfaction Survey and media monitoring

Table 50: Communication Activities

2.8.2 Newsletters

Type of Newsletter	Issues distributed	Circulation number	Frequency
External newsletter	12	Distribute through local newspapers, with monthly municipal accounts, on social media, on the municipal website and on the Collaborator App	Monthly

Table 51: Newsletters

2.8.3 Additional Communication Channels Utilised

Channel	Yes/No
Call system and WhatsApp	Yes
Social media: Facebook	Yes
Social media: Twitter	Yes
Website	Yes
Media (local, regional & national)	Yes
Public meetings	Yes

Table 52: Communication Activities

2.9 Website

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

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

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

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

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

Description of information and/or document	Yes/No
SDBIP 2023/24	Yes
IDP and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2023/24	Yes
IDP Process Plan for 2024/25	No
Supply Chain Management (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)	
Long term borrowing contracts	Yes
Section 37 of the MFMA; No 56 of 2003 (Unsolicited Bids/Contracts)	No
Public invitations for formal price quotations	Yes
Reports (Sections 52(d), 71, 72 & 75(1)(c) and 129(3) of the Municipal Finance Management Act)	
Annual Report of 2022/23	Yes
Mid-year budget and performance assessment	Yes
Quarterly reports	Yes
Monthly Budget Statement	Yes
Local Economic Development (Section 26(c) of the Municipal Systems Act)	
Local Economic Development Strategy	Yes
Economic Profile	Yes
Performance Management (Section 75(1)(d) of the Municipal Finance Management Act)	
Performance agreements for employees appointed as per S57 of Municipal Systems Act	Yes

Table 53: Website Checklist

CHAPTER 3

This chapter provides an overview of the key service achievements of the Municipality that came to fruition during 2023/24 in terms of the deliverables achieved compared to the key performance objectives and indicators in the Integrated Development Plan (IDP).

3.1 Overview of Performance within the Organisation

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the Municipality.

At local government level performance management is institutionalised through the legislative requirements on the performance management process for local government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

3.1.1 Legislative Requirements

The Constitution of the RSA, Section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of Section 195(1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources
- accountable public administration
- to be transparent by providing information
- to be responsive to the needs of the community
- to facilitate a culture of public service and accountability amongst staff

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the IDP to align to the municipal budget and monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In terms of Section 46(1)(a) of the MSA a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with the performance of the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

3.1.2 Performance Management

Performance management is prescribed by Chapter 6 of the MSA and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned regulation states that “A municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players.” This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

3.1.3 Organisational Performance

Strategic performance indicates how well the Municipality is meeting its objectives and which policies and processing are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going 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 SDBIP, high level performance in terms of the National Key Performance Areas, performance on the National Key Performance Indicators (KPIs) prescribed in terms of Section 43 of the MSA and an overall summary of performance on municipal services.

The organisational performance is monitored and evaluated via the Top Layer SDBIP. The Top Layer SDBIP for 2023/24 was approved by the Mayor on 23 June 2023.

3.1.4 Individual Performance:

Municipal Manager and Managers Directly Accountable to the Municipal Manager

The MSA prescribes that the Municipality must enter into performance-based agreements with the all Section 57-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the applicable directors for the 2023/24 financial year was signed by 31 July 2023.

The formal appraisal of the actual performance takes place twice per annum as regulated. The final evaluation of the 2022/23 financial year and the mid-year performance of 2023/24 (1 July 2023 to 31 December 2023) took place on 27 March 2024.

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All Staff

The Municipal Staff Regulations 890 and Guidelines 891 promulgated on 20 September 2021 Chapter 4, Performance Management and Development System Section 32 (1) states that the performance management and development system applies to all staff members of a municipality with the exclusion of certain staff members as stated by the subsections (a) - (d). However due to various issues raised by Municipalities across the country COGTA on 17 June 2022 provided Municipalities with Circular 12 which provided Municipalities with an extension for implementation on 1 July 2023 in terms of Chapter 2 and 4 of these Regulations.

In terms of this extension provided to the Municipality, the Municipality has therefore developed/started the following process in order to ensure implementation:

Process of cascading Performance Management Development System	Dates
The Senior HR Officer post were added to the organogram and filled	3 October 2022
Council approved the Performance Management Development System/ Policy	31 October 2022
Council approved the amendment on TD 01/06/2020 contract to add the individual performance modules to the system	31 January 2023
A Councillors Policy Workshop was held, and the Rewards and Recognition Policy were on the agenda. The Policy was not workshopped	24 -25 January 2023
Procurement of an Automated Performance Management System for a period of 3 years up to 30 June 2026 was advertised	16 March 2023
Performance Agreement training was provided by Ignite. Ignite also had one-on-one sessions with Senior staff to draft their performance agreements	12 -14 April 2023
Service provider appointed for Performance Management Development System	6 June 2023
Submission of all Performance Agreement. Snr HR Officer assist the departments with amendment and writing of performance agreements	8 June 2023
A Councillors Policy Workshop was held, and the Rewards and Recognition Policy were workshop	13 June 2023
The Departmental Performance Moderation Committee has been approved by the Municipal Manager	20 June 2023
The Municipal Performance Moderation Committee has been approved by Council	21 June 2023
Training provided on how to create a scorecard/performance agreement on the system	10 July 2023 - 14 July 2023
Individual Performance Module have been loaded on the system	17 July 2023
Deadline for the creation of signed performance agreements	30 July 2023

Table 54: Process of cascading Performance Management Development System

Training sessions (Group Sessions)

Development of KPI's and targets linked to job KPA's, performance standards and identification of potential portfolio of evidence training was conducted from Wednesday, 12 April to Friday 14 April 2023 as part of the preparation for the for the development of agreements for 2023/24.

In the training, key elements pertaining to Regulations were discussed relevant to the development of performance agreements and the steps to take to draft a KPI. The aim was specifically for staff to obtain the necessary skills to draft their own agreements and to assist staff in the development of KPI's and agreements.

Drafting of KPI's for specific users (One-on-One Sessions)

Development of KPI's and targets linked to job KPA's, performance standards and identification of potential portfolio of evidence. The Municipality selected 63 staff members to attend one on one session scheduled from Wednesday, 12 April to Friday 14 April 2023.

One hour was allocated for each session during which the staff members were informed of the purpose of the session and all the fields required in terms of the Regulation for the performance agreement. The facilitator utilised the relevant job description (JD) of the staff member to extract the KPA's ranging between 5-7 KPA's. The staff member in collaboration with the facilitator identified the relevant KPI's, targets, performance standard and source of evidence in order to measure the performance of the KPA.

Users also received system training in order to draft their Performance Agreements as part of the implementation process for the 2023/24 financial year.

3.1.5 The IDP and the Budget

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

The Top Layer SDBIP was revised with the Adjustments Budget in terms of Section 26(2) of the Municipal Budget and Reporting Regulations and Section 54(1) of the MFMA and an amended Top Layer SDBIP was approved by Council on 20 March 2024.

3.1.6 Actual Performance

The Municipality utilise an electronic web-based system on which KPI owners update actual performance on a monthly basis. 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
- Actions to improve the performance against the target set, if the target was not achieved

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

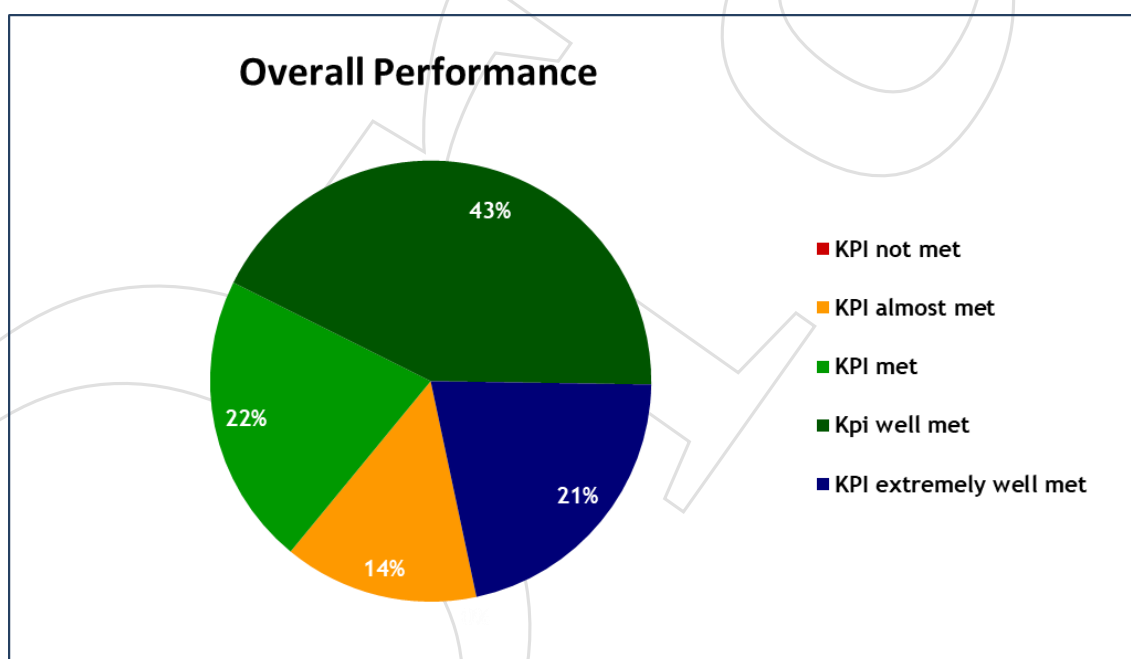
3.2 Strategic Service Delivery Budget Implementation Plan

This section provides an overview on the achievement of the Municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer SDBIP assists with documenting and monitoring of the municipality's strategic plan and shows the strategic alignment between the IDP, Budget and Performance plans.

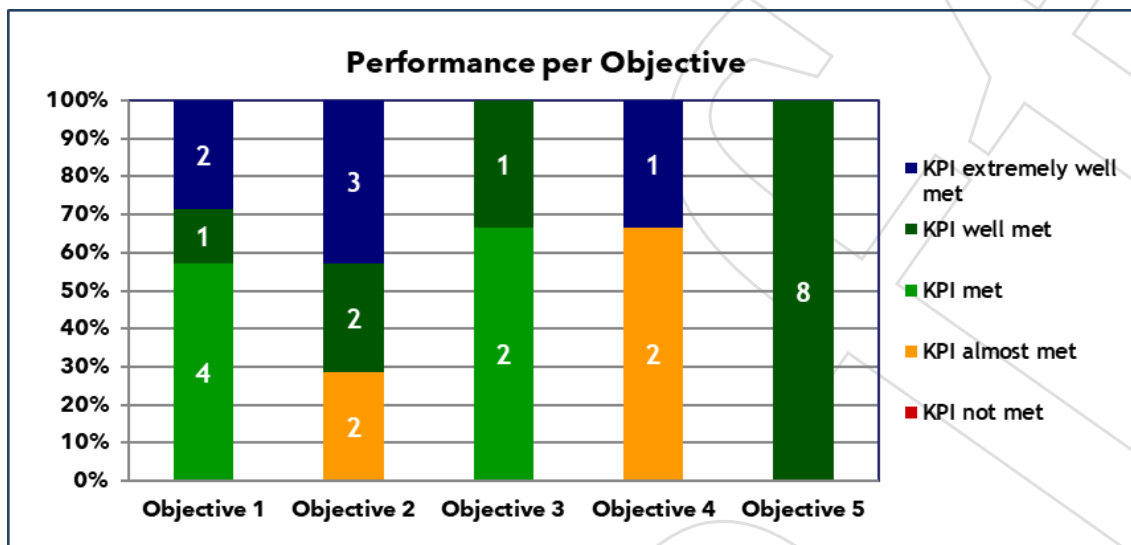
In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP KPI's applicable to 2023/24 in terms of the IDP strategic objectives. The following table explains the method by which the overall assessment of the actual performance against the targets set for the key performance indicators (KPI's) of the SDBIP, are measured:

Category	Colour	Explanation
KPI Not Yet Measured		KPI's with no targets or actuals in the selected period
KPI Not Met		$0\% \geq \text{Actual/Target} < 75\%$
KPI Almost Met		$75\% \geq \text{Actual/Target} < 100\%$
KPI Met		$\text{Actual/Target} = 100\%$
KPI Well Met		$100\% > \text{Actual/Target} < 150\%$
KPI Extremely Well Met		$\text{Actual/Target} \geq 150\%$

Table 55: SDBIP Measurement Criteria



Graph 4.: Overall Performance



Graph 5.: Performance per Strategic Objective

Measurement Category	Objective 1 An ethical and transparent local government that is responsive to the needs of the community and encourage public participation	Objective 2 To achieve financial sustainability and strengthen municipal transformation and development	Objective 3 To create sustainable integrated human settlements and safe neighbourhoods where communities can prosper	Objective 4 To promote social, rural and spatial economic development	Objective 5 To provide basic services to all residents in an environmentally sustainable manner	Total
KPI Not Met	0	0	0	0	0	0
KPI Almost Met	0	2	0	2	0	4
KPI Met	4	0	2	0	0	6
KPI Well Met	1	2	1	0	8	12
KPI Extremely Well Met	2	3	0	1	0	6
Total	7	7	3	3	8	28

Table 56: Top Layer SDBIP per Strategic Objective

The tables listed below indicates the actual strategic performance and corrective measures, which will be implemented, set in the approved SDBIP per Strategic Objective:

3.2.1 An ethical and transparent local government that is responsive to the needs of the community and encourage public participation

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2023/24						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL10	Submit the draft IDP to Council by 31 March 2024 to ensure compliance with legislation	IDP submitted to Council	All	1	0	0	1	0	1	1	G
TL12	Limit unaccounted electricity to less than 13% by 30 June 2024 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} X 100}	% unaccounted electricity by 30 June 2024	All	5.5%	0%	0%	0%	13%	13%	6.37%	B
TL20	Limit vacancy rate to less than 20% of budgeted post by 30 June 2024 [(Number of funded posts vacant / number of funded posts) x100]	% Vacancy rate	All	10.44%	20%	20%	20%	20%	20%	11.45%	B
TL22	Submit the EE plan to Department of Labour by 15 January	EE plan submitted	All	1	0	0	1	0	1	1	G
TL23	Annually submit Workplace Skills Plan by 30 April to LGSETA	Workplace Skills Plan submitted	All	1	0	0	0	1	1	1	G
TL24	Submit a request for amendments of records to Provincial Archives by 30 November	Number of requests submitted	All	1	0	1	0	0	1	1	G
TL25	Implement 80% of the Audit findings issued.	% Audit findings addressed	All	100%	0%	0%	40%	80%	80%	88%	G2

Table 57: An ethical and transparent local government that is responsive to the needs of the community and encourage public participation

Summary of Results: An ethical and transparent local government that is responsive to the needs of the community and encourage public participation		
R	KPI Not Met	0
O	KPI Almost Met	0
G	KPI Met	4
G2	KPI Well Met	1
B	KPI Extremely Well Met	2
Total KPIs		7

Table 58: Summary of Results: An ethical and transparent local government that is responsive to the needs of the community and encourage public participation

3.2.2 To achieve financial sustainability and strengthen municipal transformation and development

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2023/24						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL5	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))	% of debt coverage	All	12.62%	0%	0%	0%	20%	20%	14.50%	B
TL6	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 ((Total outstanding service debtors/ revenue received for services)X100)	% of outstanding service debtors (total outstanding debtors refers to total net debtors)	All	23%	0%	0%	0%	25%	25%	18%	B
TL7	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	All	2	0	0	0	1.6	1.6	2.3	G 2
TL8	Achieve a debtor payment percentage of 93% as at 30 June 2024 ((Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100)	% debtor payment achieved	All	93.7%	93%	93%	93%	93%	93%	93.70%	G 2
TL9	The percentage of the municipal capital budget spent on capital projects as at 30 June 2024 ((Actual amount spent on capital projects /Total amount budgeted for capital projects)X100)	% the capital budget spent on capital projects as at 30 June 2024	All	96%	10%	35%	60%	95%	95%	90%	O
Corrective Measure		Due to project-related challenges, the Municipality was not able to achieve its target of 95%. Moving forward, targets will be monitored closely throughout the financial year to ensure that all capital funding be spent.									
TL18	Number of people from employment equity target groups employed in the three	Number of people employed in the	All	6	0	0	0	1	1	2	B

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2023/24						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
	highest levels of management in compliance with the municipality's approved employment equity plan during the 2023/24 financial year	three highest levels of management									
TL19	The percentage (%) of the municipality's training budget spent, measured as Total Actual Training Expenditure/ Approved Training Budget x 100	Percentage (%) of budget spent on scheduled training within the financial year	All	73.23%	0%	0%	0%	80%	80%	60%	O
Corrective Measure		The municipality could not effectively spend the training budget due to delays in the SCM process. Going forward, a procurement plan will be developed to ensure that tenders are timely awarded and funds are spent effectively on training.									

Table 59: To achieve financial sustainability and strengthen municipal transformation and development

Summary of Results: To achieve financial sustainability and strengthen municipal transformation and development		
R	KPI Not Met	0
O	KPI Almost Met	2
G	KPI Met	0
G2	KPI Well Met	2
B	KPI Extremely Well Met	3
Total KPIs		7

Table 60: Summary of Results: To achieve financial sustainability and strengthen municipal transformation and development

3.2.3 To create sustainable integrated human settlements and safe neighbourhoods where communities can prosper

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2023/24						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL26	Submit the Human Settlements Allocation Policy: Housing Opportunities to Council for approval by 30 June 2024	Policy submitted to Council	All	New KPI for 2023/24	0	0	0	1	1	1	G
TL27	Upgrade 100 service sites in Oudtshoorn informal settlements (Rosevalley Phase 4) by 30 June	Number of sites upgraded	All	New KPI for 2023/24	0	20	60	100	100	128	G2
TL28	Review the Emergency Housing Assistance Policy by 31 December 2023	Policy Reviewed by Council	All	New KPI for 2023/24	0	1	0	0	1	1	G

Table 61: To create sustainable integrated human settlements and safe neighbourhoods where communities can prosper

Summary of Results: To create sustainable integrated human settlements and safe neighbourhoods where communities can prosper		
R	KPI Not Met	0
O	KPI Almost Met	0
G	KPI Met	2
G2	KPI Well Met	1
B	KPI Extremely Well Met	0
Total KPIs		3

Table 62: Summary of Results: To create sustainable integrated human settlements and safe neighbourhoods where communities can prosper

3.2.4 To promote social, rural and spatial economic development

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2023/24						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL13	Limit unaccounted water to less than 25% by 30 June 2024 {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold (incl free basic water) / Number of Kiloliters Water Purchased or Purified} x 100}	% unaccounted water by 30 June 2024	All	13.88%	0%	0%	0%	25%	25%	23.50%	B
TL14	Create temporary jobs - FTE's in terms of EPWP by 30 June 2024 (Person days / FTE (230 days))	Number of FTE's created by 30 June 2024	All	194	30	60	90	150	150	125	O
Corrective Measure		For the Municipality to achieve the target we need to utilize more of our own funding to supplement the grant allocation in appointing more EPWP temporary workers.									
TL21	The percentage of budget allocation actually spent on implementing social development programs, youth & social	% budget spent	All	75%	20%	30%	60%	90%	90%	80%	O
Corrective Measure		Limited spend on youth programs due to delay in the procurement process to appoint service provider to do driver's license project. Process concluded and will be implemented new financial year. Speed up procurement process and better planning to be done.									

Table 63: To promote social, rural and spatial economic development

Summary of Results: To promote social, rural and spatial economic development		
R	KPI Not Met	0
O	KPI Almost Met	2
G	KPI Met	0
G2	KPI Well Met	0
B	KPI Extremely Well Met	1
Total KPIs		3

Table 64: Summary of Results: To promote social, rural and spatial economic development

3.2.5 To provide basic services to all residents in an environmentally sustainable manner

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2023/24						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL1	Provide subsidies for free basic water to indigent households as at 30 June 2024	Number of indigent households receiving subsidies for free basic water as per PROMUN financial system. The Ontec management report is also used as unit of measurement	All	7 040	6 900	6 900	7 100	7 200	7 200	7 841	G2
TL2	Provide subsidies for free basic electricity to indigent households(excluding ESKOM supply area) as at 30 June 2024	Number of indigent households receiving subsidies for free basic electricity as per PROMUN financial system. The Ontec management report is also used as unit of measurement	All	7 193	6 900	6 900	6 950	7 000	7 000	7 800	G2
TL3	Provide subsidies for free basic sanitation to indigent households as at 30 June 2024	Number of indigent households receiving subsidies for free basic sanitation as per PROMUN financial system	All	6 819	6 800	6 850	6 900	6 900	6 900	7 598	G2
TL4	Provide subsidies for free basic refuse removal to indigent households as at 30 June 2024	Number of indigent households receiving subsidies for free basic refuse removal as per PROMUN financial system	All	6 819	6 800	6 850	6 900	6 900	6 900	7 601	G2
TL11	Provide refuse services to residential properties for which refuse is removed and billed for the service as at 30 June 2024	Number of residential properties which are billed for refuse removal as per the PROMUN financial system	All	15 116	14 600	14 600	14 600	14 600	14 600	15 208	G2
TL15	Provide piped water to residential properties which are connected to the municipal water infrastructure network and billed for the service as at 30 June 2024	Number of residential properties that receive piped water as per the Promun Financial System as at 30 June 2024	All	15 842	15 200	15 200	15 200	15 200	15 200	16 155	G2
TL16	Provide electricity to residential properties connected to the municipal electrical infrastructure network and billed for the service as well as prepaid electrical metering as at 30 June 2024	Number of residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) as per the Promun Financial System as at 30 June 2024. The Ontec	All	16 907	17 150	17 150	16 500	16 500	16 500	17 286	G2

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Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2023/24						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
		management report is also used as unit of measurement									
TL17	Provide sanitation services to residential properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2024	Number of residential properties which are billed for sewerage in accordance with the Promun Financial System as at 30 June 2024	All	15 337	15 200	15 200	15 200	15 200	15 200	15 427	G2

Table 65: To provide basic services to all residents in an environmentally sustainable manner

Summary of Results: To provide basic services to all residents in an environmentally sustainable manner		
R	KPI Not Met	0
O	KPI Almost Met	0
G	KPI Met	0
G2	KPI Well Met	8
B	KPI Extremely Well Met	0
Total KPIs		8

Table 66: Summary of Results: To provide basic services to all residents in an environmentally sustainable manner

3.2.6 Service Provider Performance

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

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

During the year under review the Municipality did not appoint any service providers who provided a municipal service to or for the benefit of the local community on behalf of the Municipality and therefore this report contains no such details. All other contract appointments are regularly monitored and ensured, that the requirements of the contract are complied with.

3.2.7 Municipal Functions

a) Analysis of Functions

The table below indicates the functional areas that the Municipality are responsible for in terms of the Constitution:

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Yes
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 this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes

Municipal Function	Municipal Function Yes / No
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste water and sewerage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 67: Functional Areas

3.3 Component A: Basic Services

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

3.3.1 Water Services

a) Introduction to Water Services

The Klein Karoo Region, the valley between the Swartberg and Langeberg Mountains, is a water scarce area with an average precipitation ranging between 280 mm and 360 mm per annum.

Currently water for Oudtshoorn is sourced from:

- The Rust & Vrede Stream (Oudtshoorn's original water supply scheme)
- The Melville Dam
- The Koos Raubenheimer Dam
- The Blossoms Wellfield

Dysselsdorp and the KKRWSS rely entirely on groundwater sources, with eight production boreholes supplying water to the Dysselsdorp Water Treatment Works (WTW). Additionally, the KKRWSS receives supplementary water from the Blossoms Wellfield. The raw water is extracted directly from the KKRWSS boreholes and sent to the treatment works. The Dysselsdorp WTW (East) has a design capacity of 3.5 million cubic meters per annum (m³/a) but currently operates at 1.1 million m³/a.

Water for De Rust and Blomnek is abstracted at a weir in the Huis River. Under normal conditions this is the only source of water for both settlements. During emergencies (floods & droughts) Blomnek and De Rust can also be supplied via the Klein Karoo Regional Bulk Water Supply Scheme (KKRWSS). De Rust/Blomnek can extract 143 000 m³/a from a weir at the Huis River, which is diverted into the De Rust Reservoir. Whilst the source is generally able to provide sufficient water, the river flow during the dry season is lower than the town's allocation.

The total available water for the entire Greater Oudtshoorn exceeds the volume that can be assured with 98% reliability. As a result, the future and ongoing water supply to the Oudtshoorn area is consistently under pressure and remains a significant concern.

Potential augmentation schemes to address this issue include:

- Further development of Blossoms Wellfield.
- Construction of a pipeline from the Rust and Vrede Waterfall to boost supply to Dysselsdorp and De Rust.
- Construction of a storage dam in the CC River tributary in the Kombuis area of Schoemanshoek.

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b) Highlights: Water Services

The table below specifies the highlights for the year:

Highlights	Description
Blossoms Emergency Water Supply	Water supply from the Blossoms Wellfield began in the early 2000s. In response to the drought, an emergency project was initiated in 2018 to utilize existing exploration boreholes to provide additional water during this critical period. The total cost of the drought project was R100 million. The civil works were completed in June 2023, followed by the mechanical installation in August 2023. After successful commissioning, a project handover ceremony was held in October 2023
Network upgrading	The ongoing program to replace old asbestos cement (AC) pipes included the replacement of sections of a 315 mm diameter bulk main from the Wesbank reservoirs to the town, specifically along Pauline Smit and Church Street
Installation of Telemetry	The installation of bulk water meters and a telemetry system continued as part of ongoing efforts to monitor water supply and reduce losses
Emergency Power for the boreholes on the KKRWSS	The installation of a 300 kVA diesel generator at the Dysselsdorp WTW and standby power systems, including 50 kW inverters with lithium iron battery banks at boreholes VR7 and DP18, was completed. Commissioning occurred in October 2023
Upgrading of the KKRWSS	Upgrades and refurbishment were carried out at the Dysselsdorp WTW, including the installation of security fencing, refurbishment of the building and laboratory, and upgrades to valves and pipelines
Installation of Water Reticulation in rural areas	The objective is to establish a water reticulation system to improve water supply in rural areas not covered by the KKRWSS. Currently, households in these areas rely on water tanks filled by a tanker service provided by the Municipality, which is not a sustainable long-term solution. To address this, certain areas have been identified where a reticulation network can be implemented. The first phase focused on the Buffelsdrift area, where 2 kilometers of the network were installed, aiming to reduce the number of water delivery points currently serviced by water tankers and provide a more reliable water distribution network

Table 68: Water Services Highlights

c) Challenges: Water Services

The table below specifies the challenges for the year:

Description	Actions to address
Ageing infrastructure leading to constant pipe breakages	The aging water reticulation network prompted the launch of a program to systematically replace old infrastructure. Now in its fourth year, this program continues to update and improve the network's reliability and efficiency
Supply of Potable water	The total available water for the entire Greater Oudtshoorn area exceeds the volume that can be assured with 98%

Description	Actions to address
	reliability. Consequently, the future and ongoing water supply to the Oudtshoorn area is consistently under pressure and remains a significant concern
Water supply interruptions due to load shedding	While the town of Oudtshoorn is supplied via gravity mains, Dysseisdorp and portions of the KKRWSS rely on water from boreholes. During higher stages of load shedding, the demand cannot be met, necessitating the use of emergency power sources to maintain water supply. When these are insufficient, water must be delivered by trucks, a solution that is neither viable nor sustainable
Water Delivery to rural areas	Many inhabitants on farms in rural areas are beyond the reach of the water supply system, necessitating the use of tankers to supply water to nearly 100 delivery points. This approach is not sustainable, and alternative solutions need to be explored

Table 69: Water Services Challenges

d) Service Delivery Levels

The table below specifies the service delivery levels for the year:

Households		
Description	2022/23	2023/24
	Actual	Actual
	No.	No.
Water: (above min level)		
Piped water inside dwelling	15 842	16 155
Piped water inside yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling)	2 160	270
Other water supply (within 200m)	0	0
Minimum Service Level and Above sub-total	18 002	16 425
Minimum Service Level and Above Percentage	100%	100%
Water: (below min level)		
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0%	0%
Total number of households	18 002	16 425
Include informal settlements		

Table 70: Water Service Delivery Levels: Households

Access to Water			
Financial year	Number/Proportion of households with access to water points*	Proportion of households with access to piped water	Number /Proportion of households receiving free basic water
2022/23	2 160	100%	7 040
2023/24	270	100%	7 840
6,000 litres of potable water supplied per formal connection per month			

Table 71: Access to Water

e) Employees: Infrastructure Services

The following tables indicates the staff composition for this division:

Employees: Directorate Infrastructure Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%
7 - 9	1	1	0	0%
10 - 12	0	0	0	0%
13 - 15	0	0	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
NS	1	0	1	100%
Total	2	1	1	50%
Employees and post numbers are as at 30 June				

Table 72: Employees: Directorate Infrastructure Services

Employees: Infrastructure Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	158	103	55	34%
4 - 6	103	66	37	35%
7 - 9	19	13	6	31%
10 - 12	39	25	14	35%
13 - 15	7	6	1	14%
16 - 18	4	2	2	50%

Employees: Infrastructure Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
19 - 20	0	0	0	0%
S57	1	0	1	100%
Total	331	215	116	35%
Employees and post numbers are as at 30 June				

Table 73: Employees: Infrastructure Services

Employees: PMU and Capital Projects				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	2	1	1	50%
7 - 9	1	1	0	0%
10 - 12	3	2	1	33%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	7	5	2	28%
Employees and post numbers are as at 30 June				

Table 74: Employees: PMU and Capital Projects

f) Capital: Water Services

The following table indicates the capital expenditure for this division:

Capital Expenditure 2023/24: Water Services				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Pipe Replacement	3 000 000	5 695 700	5 439 934	255 766
Rehabilitate Asbestos/Cement Water Pipes	2 310 700	2 310 300	2 310 251	49
Refurbishment and Replacement of Control Valves	0	181 900	170 097	11 803

Capital Expenditure 2023/24: Water Services				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
KKRWSS: Refurbishments of Network, Reservoirs and Pumpstations	8 695 700	7 008 700	7 020 819	-12 119
KKRWSS: Meter Replacement	1 500 000	1 500 000	1 499 930	70
KKRWSS: Supply of Water to Remote Areas	2 500 000	4 593 200	4 597 834	-4 634
Blossoms Pipeline	0	2 417 700	2 417 694	6
Replacement of Asbestos Pipes	0	869 600	869 600	0
Total	18 006 400	24 577 100	24 326 159	250 941

Table 75: Capital Expenditure: Water Services

3.3.2 Waste Water (Sanitation) Provision

a) Introduction to Waste Water (Sanitation) Provision

The Municipality owns, operates, and maintains a sewer network which consists of an extensive network of gravity sewers, twelve (12) sewer pump stations, and three (3) Waste Water Treatment Works (WWTWs).

Oudtshoorn is served by a waterborne sewerage system. The network and main sewers from the three main drainage areas (West Bank, East Bank, Bridgton/Bongulethu/Rosevalley). The Oudtshoorn WWTW comprises of two separate treatment facilities. The original works, which is of the trickling filter type, was constructed in the 1950s and extended in 1974. It was upgraded in 1987 with the addition of an activated sludge plant. Further modifications between 1995 and 2000 brought the capacity up from 7.5 Mℓ/day to 9 Mℓ/day of average dry weather flow (ADWF). The WWTW is classified as a Class B plant and is required to meet the General Standards of the National Water Act - Act no. 36 of 1998, Section 19(1) & (2).

Dysselsdorp is served by a conventional waterborne sewerage system, with the town's network sewers draining to a single collector sewer (ø375 mm) which conveys sewage under gravity to the Dysselsdorp WWTW. The WWTW in its current state is a hybrid type plant with ponds integrated with an activated sludge system. This process is known as the Pond Enhancement Treatment and Operation (PETRO) process.

Properties in the town of De Rust drain to conservancy tanks which are emptied by a municipal vacuum tanker when required. The settlement of Blomnek is served by a conventional sewerage system which consists of ø150 mm network sewers (older parts) and ø160 mm network sewers (newer extensions) which gravitate to a ø150 mm collector sewer. The De Rust WWTW comprises of a pond system with five (5) ponds connected in series. It does not have an overflow into a watercourse and relies on evaporation to reduce the volume of water stored in the ponds.

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b) Highlights: Waste Water (Sanitation) Provision

The table below specify the highlight for the year:

Highlight	Description
Refurbishment of the screw pumps	The screw pumps at the Oudtshoorn WWTW was refurbished in the 2023/24 financial year

Table 76: Waste Water (Sanitation) Provision Highlights

c) Challenges: Waste Water (Sanitation) Provision

The table below specifies the challenges for the year:

Description	Actions to address
Ageing infrastructure and sewer blockages	The aging sewer network requires replacement in many areas. Issues such as root intrusions and vandalism—specifically the dumping of objects into the sewer system—result in frequent blockages in certain regions
Vandalism of infrastructure	Constant vandalism and theft of infrastructure are costing the Municipality millions and negatively impacting service delivery

Table 77: Waste Water (Sanitation) Provision Challenge

d) Service Delivery Levels

The table below specifies the service delivery levels for the year:

Households		
Description	2022/23	2023/24
	Outcome	Actual
	No.	No.
Sanitation/sewerage: (above minimum level)		
Flush toilet (connected to sewerage)	15 337	15 427
Flush toilet (with septic tank)	0	0
Chemical toilet	2 160	950
Pit toilet (ventilated)	35	35
Other toilet provisions (above minimum service level)	0	0
Minimum Service Level and Above sub-total	17 532	16 412
Minimum Service Level and Above Percentage	100%	100%
Sanitation/sewerage: (below minimum level)		
Bucket toilet	0	0
Other toilet provisions (below minimum service level)	0	0
No toilet provisions	0	0
Below Minimum Service Level sub-total	0	0

Households		
Description	2022/23	2023/24
	Outcome	Actual
	No.	No.
Below Minimum Service Level Percentage	0%	0%
Total households	17 532	16 412
Including informal settlements		

Table 78: Waste Water (Sanitation) Provision Service Delivery Levels

e) Employees: Water and Sanitation Services

The following table indicates the staff composition for this division:

Water And Sanitation Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	83	62	21	25%
4 - 6	49	36	13	26%
7 - 9	6	4	2	33%
10 - 12	14	13	1	7%
13 - 15	2	2	0	0%
16 - 18	1	1	0	0%
19 - 20	0	0	0	0%
Total	155	118	37	23%
Employees and post numbers are as at 30 June				

Table 79: Employees Water And Sanitation Services

f) Capital: Waste Water (Sanitation) Provision

The following table indicates the capital expenditure for this division:

Capital Expenditure 2023/24: Waste Water (Sanitation)				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Refurbishment of plant equipment	350 000	514 400	512 370	2 030
Refurbishment of sewage pump stations	0	64 500	60 111	4 389
Total	350 000	578 900	572 481	6 419

Table 80: Capital Expenditure: Waste Water (Sanitation) Provision

3.3.3 Electro Technical Services

a) Introduction to Electro Technical Services

The local government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support.

Oudtshoorn Municipality sources electricity in bulk from Eskom and is responsible for the distribution thereof within its approved area of supply, under license of the National Energy Regulator of South Africa. Electricity is supplied by Eskom at four intake substations at 11 000 volts and 22 000 volts respectively and redistributed to the resultant consumer via a series of cables, lines and substations in the traditional Oudtshoorn, Dysseisdorp and De Rust areas. With the exception of the scenic Congo Valleys and Matjiesrivier, Eskom supplies electricity to the extensive Oudtshoorn rural areas and remote settlements.

Electricity provision at a household level requires at least the minimum levels of service in order to function effectively. All households connected to the Greater Oudtshoorn electricity networks benefit from at least a service level five connection, i.e. a medium to high wattage supply to the premises with appropriate street lighting.

Such a service level is built upon firm thrust, as well as suitably maintained and technically rated infrastructure components supported by educated and skilled human resources. To this effect the electricity department at present embarks on the filling of sixty percent of all vacant posts, as well as expanding its asset management capacity. It is envisaged that the said strategy will have a damping effect on escalating operational expenditure thus enhancing economic efficiency.

The asset management capacity was increased by having the asset register linked to Geographic Information System (GIS) and verified by the Department as well as an asset management consulting company. Whereas the department is responsible for all technical data and the consulting company the non-technical data.

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Furthermore, the objective is to expand electrical services to all households in the Greater Oudtshoorn area.

The energy losses for the 2022/23 financial year were 5.50%, compared to 6.37%, in 2023/24.

The Electro-Technical Services Department is responsible for:

- The construction and maintenance of the distribution network, as well as providing new infrastructure to ensure a reliable and affordable supply of electricity to all
- The effective management of revenue by ensuring that all supplied electricity is billed and by reducing losses in order to cover operating and capital expenses
- The provision of a reliable and acceptable level of public lighting to improve the safety and living standard of residents
- Ensure the effective utilisation of the municipal vehicle and plant fleet

b) Highlights: Electro Technical Services

The table below specifies the highlights for the year:

Highlights	Description
Dysselsdorp Electrification Project (Phase 4 of 4)	A total of 167 electrical connections were completed to provide electricity to the community of Dysselsdorp
Upgrading of traffic lights to LED lights with UPS	To enhance traffic safety during load shedding, the following intersections were upgraded with LED lights and uninterruptible power supplies (UPS): Voortrekker/High Street, Voortrekker/Addereley Street, and Voortrekker/Jan Van Riebeeck Street
High mast light installation - Spieskamp	High mast lights were installed in Spieskamp to provide safety lighting for the community
Network efficiency and safety improvement in Schoemanshoek area	New auto reclosers were installed in the Schoemanshoek area to minimize downtime on the network, along with improvements to the substation

Table 81: Electro Technical Services Highlights

c) Challenges: Electro Technical Services

The table below specifies the challenges for the year:

Description	Actions to address
Staff recruitment	To address the skills gaps in various areas of supply, more competent staff need to be employed, as current in-house capabilities are insufficient. The cumbersome and tedious new staff regulations further prolong service delivery challenges. Restructuring within the Electrical Services Department is planned to improve service delivery. Succession planning is essential to build in-house capacity effectively
Vacant positions	More than 40% of positions in department are vacant and unfunded

Description	Actions to address
Budget constrains	The budget provision is not aligned with minimum requirement standards, which could result in an unsafe and unreliable network
Vandalism and theft	Vandalism and cable theft lead to increased overtime work due to the continuous occurrence of unplanned events
Customer Complaints Centre	Customer Care Centre not operational

Table 82: Electro Technical Services Challenges

d) Service Delivery Levels

The table below specifies the service delivery levels for the year:

Households		
Description	2022/23	2023/24
	Actual	Actual
	No.	No.
Energy: (above minimum level)		
Electricity (at least minimum service level)	1 847	1 719
Electricity - prepaid (minimum service level)	15 060	15 567
Minimum Service Level and Above sub-total	16 907	17 286
Minimum Service Level and Above Percentage	86.6%	86.9%
Energy: (below minimum level)		
Electricity (< minimum service level)	1 610	1 610
Electricity - prepaid (< min. service level)	0	0
Other energy sources	1 000	1 000
Below Minimum Service Level sub-total	2 610	2 610
Below Minimum Service Level Percentage	13.4%	13.1%
Total number of households	19 517	19 896

Table 83: Electro Technical Service Delivery Levels

e) Employees: Electro & Mechanical Services

The following table indicates the staff composition for this division:

Employees: Electro & Mechanical Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	20	3	17	85%
4 - 6	31	15	16	51%

Employees: Electro & Mechanical Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
7 - 9	1	1	0	0%
10 - 12	18	8	10	55%
13 - 15	3	3	0	0%
16 - 18	2	1	1	50%
19 - 20	0	0	0	0%
Total	75	31	44	58%
Employees and post numbers are as at 30 June				

Table 84: Employees: Electro & Mechanical Services

f) Capital: Electro Technical Services

The following table indicates the capital expenditure for this division:

Capital Expenditure 2023/24: Electricity				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Equipment	1 000 000	1 000 000	955 353	44 647
Dysselsdorp Bulk Infrastructure	0	1 072 900	0	1 072 900
Upgrading 11 KV	2 000 000	2 202 900	2 134 098	68 802
Total	3 000 000	4 275 800	3 089 451	1 186 349

Table 85: Capital Expenditure: Electro Technical Services

3.3.4 Waste Management (Refuse collections, waste disposal, street cleaning and recycling)

a) Introduction to Waste Management

Successful waste management is complimented by a workforce that efficiently deals with the following tasks:

- Street cleansing including the sweeping of streets
- Cleaning of open spaces, dumping areas and communal skip operations
- Refuse removal in households once a week, using black plastic bags
- Kerbside cleansing that occurs once a week outside the households

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b) Highlights: Waste Management

The table below specify the highlight for the year:

Highlight	Description
Successful project with the Department of Forestry, Fisheries and the Environment	The Municipality temporarily employed approximately 126 EPWP workers for Greater Oudtshoorn. For the first time, workers were assigned to clean the open spaces in the Volmoed area. This project concluded on 30 June 2024

Table 86: Waste Management Highlights

c) Challenges: Waste Management

The table below specify the challenge for the year:

Description	Actions to address
Illegal dumping	The Municipality is launching a pilot project for recycling to address waste management issues, supported by ongoing awareness campaigns in affected areas. In Ward 7, the Ward Councillor and community have proactively transformed an illegal dumping site into a cricket pitch for the youth, demonstrating a commitment to improving local environments and providing positive recreational spaces

Table 87: Waste Management Challenges

d) Service Delivery Levels

The table below specifies the service delivery levels for the year:

Description	2022/23	2023/24
	Actual	Actual
Household		
Refuse Removal: (Minimum level)		
Removed at least once a week	15 116	15 208
Minimum Service Level and Above Percentage	87.24%	100%
Refuse Removal: (Below minimum level)		
Removed less frequently than once a week	0	0
Using communal refuse dump	2 160	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
Below Minimum Service Level Sub-total	2 160	0
Below Minimum Service Level percentage	12.46%	0%
Total number of households	17 326	15 208

Table 88: Waste Management Service Delivery Levels

e) Employees: Waste Management and Pollution Control

The following table indicates the staff composition for this division:

Employees: Waste Management and Pollution Control				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	4	0	4	100%
4 - 6	0	0	0	0%
7 - 9	0	0	0	0%
10 - 12	2	0	2	100%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	7	1	6	85%
Employees and post numbers are as at 30 June				

Table 89: Employees: Waste Management and Pollution Control

Employees: Cleansing Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	80	62	18	23%
4 - 6	17	11	6	35%
7 - 9	3	3	0	0%
10 - 12	1	1	0	0%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	102	78	24	23%
Employees and post numbers are as at 30 June				

Table 90: Employees: Cleansing Services

3.3.5 Human Settlements

a) Introduction to Human Settlements

The Human Settlements Department's core function is to provide housing opportunities to deserving beneficiaries largely through two main programs. The programmes being Upgrading of Informal Settlements Program (UISP) and Integrated Residential Development (IRDP). IRDP includes residential serviced sites, Breaking New Ground (BNG), GAP Housing and the environment for private housing, as well as social economic sites.

Efforts were focussed on project readiness, thus, with respect to land and forward planning. 5 Areas received attention:

- Oudtshoorn Central Informal Settlements UISP (GG Kamp; Kanaal and Black Joint Tavern) (600). The planning processes stalled due to COVID-19 and funding limitations.
- Applications were submitted for super blocking in the GG Kamp, Kanaal and Black Joint
- Spekkop IRDP (880-5000). Reached final phase of planning with Environmental Impact Assessment (EIA) decision by June 2021. Although this project was in the planning stage, it has been placed on hold by the Oudtshoorn Municipal Council. The Council decided to engage in a public participation process. Public Participation took place on 13 June 2022. Thereafter the item was submitted to Council and approval was obtained to proceed with project. For both GG Kamp and Grootkop, the adverts and site notices were already placed requesting registration of Interested and Affected Parties. No request received to date. I still need to send neighbours notices. Busy identifying the neighbour's details to be send to the Municipality for postal or preferably email addresses of the neighbouring properties. Next step is to compile the Notice of Intent to develop for both projects. Site development plans (please send the updated once) as well as services and storm water management plans are still needed. Plans were received from Zutari aswell all this information will be used to apply for all listed activities. This will include for stormwater structures, services and road crossings over water courses and developments inside 32m from any water courses as may be required to service and develop the area.
- Dysselsdorp UISP (534) - Sites were serviced and 459 houses have been handed over to beneficiaries with title deeds.
- Additional funding was applied for 25 top structures as well.
- Rosevalley Phase (IV) UISP (132) - Funding was secured for the servicing of 128 sites and the possibility of few top structures.
- 128 flush toilettes with hand basin was erected, but approximately +- 30 were vandalised before the formal handover could take place.

New qualifying criteria regarding the issuing of houses has been introduced by the Provincial Department, namely;

- Only old age people (60 and above)
- Military veterans

- Longest on the waiting list (that includes backyarders)
- Child-headed households
- Disabled person (applicant or dependent)

This criteria is only related to new housing projects from 1 April 2021.

There are 29 informal settlement areas (both legal and illegal) with a total of 2 140 structures. The temporary toilet services currently provided by this department, which will transition to the Technical Services Department, primarily involve the provision and maintenance of chemical toilets. There are 950 chemical toilets available, resulting in a ratio of 2:3 between structures and toilets. This is below the National Government guideline of a 5:1 ratio.

Despite this, there are instances where families share a single toilet per structure. Efforts are underway to address these disparities within budget constraints, including providing toilets for paraplegics in some areas. A new tender has been awarded, with a service provider appointed for a three-year term ending in June 2027.

The unit has also supported the new housing project in Dysselsdorp, managing the relocation of structures, including dismantling, rebuilding, and transporting materials and furniture, while ensuring the availability of toilets and other services.

However, the unit has struggled with land invasions and the resulting increased demand for services. The impact of illegal invasions has strained the budget, as more services are required to address overcrowded conditions and unplanned settlements.

A UISP Committee was established to ensure maximum participation.

With respect to new housing, the Dysselsdorp project of 534 opportunities kicked off with underground works, spade into the ground, in September 2019. All sites have been serviced (534) by the end of the 2020/21 financial year.

Bulk services to the value of R5 million (R9 million allocated) has been placed and 70% of the internal services to value of R38 million were completed by 29 October 2020 i.e. ±370 of 534 sites. In all cases where payment should be made, Province paid the service provider (ASLA) directly, which means that no funding from Province is in the coffers of the Oudtshoorn Municipality.

This project is firstly a UISP of ±300 opportunities and remainder for people longest on the waiting list (aged, disabled and military veterans) in Dysselsdorp from 1994 to 1997. On 17 and 18 March 2020 completion of subsidies kicked off. On 5 and 6 August 2020, 82 subsidies were completed. Another 78 subsidies were completed on 17 September 2020. 324 Invites were sent to Dysselsdorp informal settlement beneficiaries for completion of subsidies. 232 Subsidies were completed and 172 were approved, while the other were declined for various reasons. 150 Invites were sent to Dysselsdorp waiting list beneficiaries. On 8 and 9 December 2020, 35 Subsidy applications were completed for Dysselsdorp waiting list and disabled beneficiaries and are currently being considered by the department. Currently, 425 subsidies have been approved for the Dysselsdorp Housing Project (522).

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There are 459 houses built and 459 approved building plans must be given to beneficiaries as promised. Planning and Development provided the approved building plans as well as an occupation certificate that states when the beneficiary moved in.

The Municipality received 424 Title Deeds from the service provider ASLA - Devco, Verdoes and Associates. On 28 November 2023, Raymond Saayman, an official from Province came to offer HCE for the Title Deed Beneficiary, to inform them in relation to: how to keep your title deed in safe custody: what the period is before you can sell your house as well as having wills drafted before you die.

On 29 November 2023 the MEC of Cape Town and Councillors handed over 153 Title Deeds to elderly people of the Dysselsdorp Housing Project. The title deeds of 18 disabled beneficiaries in Dysselsdorp Housing project was handed over on 11 April 2024 at the Dysselsdorp Community Hall, by the MEC of Human Settlements of Cape town.

ASLA aims to start construction of the last 63 sites on the Dysselsdorp site in July 2024.

For the financial year 2021/22, 82 houses have been handover to the rightful beneficiaries who had approved subsidies. Although the target was 150 houses for that financial year, the target could not be reach due to sub-contractors who put construction on hold due to salary conflict beneficiaries and in January 2022 there were national protest at the steel and metal industry. However, measures have been put in place to ensure that the outstanding total be achieved within the next financial year. Dysselsdorp UISP (534) -Sites were serviced and 459 houses have been handed over to beneficiaries with title deeds.

Currently, there are no other new sites under construction. Preparation done for beneficiaries of Phase IV took place "non-qualifiers" and remainder approved subsidies. The only downtime time was the COVID 19 Lockdown period.

The Social Housing arena was dismal. Human Settlements have had 3 start stop situations with filling the post. A policy was agreed to in November 2018. The Organogram approved in December 2018, but the department was not allowed by Council, to fill the post. The province had 2 social housing rental projects set aside for Oudtshoorn (ie Morester and Auriel College).

The department have been compliant with respect to reporting grant funding having sent in monthly reports on all capital projects i.e. bulk and internal services infrastructure and houses projects and planning funding. An item was submitted to Council for support from the GRDM Human Settlements department that was newly established. This will allow us to fast-track social housing projects in Oudtshoorn. Presentation was done and the GRDM will then assist our municipality with fast tracking the social housing projects.

Transfers registered: Await original title deed: 23

Transfers registered: Titles Deeds submitted to Oudtshoorn Municipality Housing Department: 51

Transfers outstanding: Await identity documents: 6

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Eight (8) Finance Linked Individual Subsidies (FLISP) were received, Six (6) are approved and Two (2) Declined (for people whose household income is between R3 501 and R22 000 p.m. One Hundred and seven (107) Individual Subsidies (for people's household income of less than R3 500 p.m.) were received; 62 are approved; 26 declined and 18 in progress. The operating budget was spent, well with the small overtime budget controlled well.

Mudhouses/ Bongholethu Consolidation

After resubmitting the application approval was granted for this project.

A challenge was the beneficiaries that refused to sign the forms for the demolition of their houses but in the end ceded and signed. Project will commence in September 2024.

b) Highlights: Human Settlements

The table below specifies the highlights for the year:

Highlights	Description
Services Sites	Completed 128 Serviced Sites Rosevalley Project
Subsidies	Approval for 62 Individual Subsidies and 6 FLISP Subsidies
Nominated for the Govern Mbeki Awards	The Municipality was nominated for the Govern Mbeki Awards
Handover of Dysselsdorp Project Title Deeds	Dysselsdorp title deeds were handed over
Approval for Bongoletu Consolidation Project will commence before end of 2024	Approval was granted for the Bongoletu Consolidation Project The project will commence before end of 2024

Table 91: Human Settlements Highlights

c) Challenges: Human Settlements

The table below specifies the challenges for the year:

Description	Actions to address
Land Invasion	A Land Invasion Unit needs to be established, as there are currently no dedicated officials to handle the issue. The Municipality must strengthen its efforts to combat land invasion to protect and support future housing projects
Response to emergencies in the event of fires, flooding, and storms	Due to unpredictable weather patterns caused by climate change and limited funding, the Municipality can assist only a few areas. Applications for grant funding to procure emergency kits were submitted to the provincial department and approved
Demand of basic services	Chemical toilets, including facilities for paraplegics, should be provided at informal settlements to improve sanitation and accessibility
Unrest due to demand of houses, especially in the informal settlements	An application will be submitted to the provincial department for the approval of project-ready housing projects, including Oudtshoorn Central 600 (GG Kamp, Kannal, and Black Joint) and the Bongoletu Consolidation Project

Table 92: Human Settlements Challenges

d) Employees: Human Settlements

The following table indicates the staff composition for this division:

Employees: Integrated Human Settlement				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	2	2	0	0%
4 - 6	10	7	3	30%
7 - 9	0	0	0	0%
10 - 12	0	0	0	0%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	13	10	3	23%
Employees and post numbers are as at 30 June				

Table 93: Employees: Employees: Integrated Human Settlement

3.3.6 Free Basic Services and Indigent Support

a) Introduction

Basic municipal services are provided to all urban areas and select rural areas within the municipal boundaries. However, progress in extending these services to areas still in need or improving existing services is severely restricted by funding limitations. The table below shows the percentage of indigent households with access to free basic municipal services. In line with the Municipality's approved Indigent Policy, all households with a monthly income of less than R4 200 receive the free basic services as stipulated by national policy.

Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2022/23	15 692	7 193	45.86	7 040	44.86	6 819	43.46	6 819	43.46
2023/24	15 827	7 800	49.28	7 841	49.54	7 598	48.01	7 601	48.03

Table 94: Free Basic Services to Households

Electricity									
Financial year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value
			R'000			R'000			R'000
2022/23	7 193	50	9 217	9 714	0	0	254	50	275
2023/24	7 800	50	12 252	9 485	0	0	241	50	267

Table 95: Free Basic Electricity Services to Indigent Households

Water						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kl)	Value	No. of HH	Unit per HH (kl)	Value
			R'000			R'000
2022/23	7 040	6kl	15 095	8 802	0	0
2023/24	7 841	6kl	18 513	8 315	0	0

Table 96: Free Basic Water Services to Indigent Households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No of HH	R value per HH	Value	No of HH	Unit per HH per month	Value
			(R'000)			(R'000)
2022/23	6 819	2 587	16 757	8 518	0	0
2023/24	7 598	3 408	24 990	7 829	0	0

Table 97: Free Basic Sanitation Services to Indigent Households

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Service per HH per week	Value	No of HH	Unit per HH per month	Value
			(R'000)			(R'000)
2022/23	6 819	1 972	12 906	8 297	0	0
2023/24	7 601	3 287	24 365	7 607	0	0

Table 98: Free Basic Refuse Removal Services to Indigent Households

3.4 Component B: Road Transport

This component includes: roads; transport; and waste water (stormwater drainage).

3.4.1 Roads and Stormwater

a) Introduction to Roads and Stormwater

Roads and Streets

According to the network definition and visual condition assessments from the Rural Roads Asset Management System (RRAMS) 2021, the Oudtshoorn Municipal Area comprises approximately 200.3 km of paved roads (asphalt/seal) and approximately 21.4 km of block-paved roads. The total replacement value of the road network is estimated at approximately R1 332 766 408.

It can be appreciated that even with the funding scenario set at 2.5% (as per the World Banks yearly maintenance threshold) of the network replacement value, the backlog will still not be completely eradicated in ten (10) years' time, but however will have been reduced by more than 50%. The rehabilitation and maintenance needs are more than R190 Million Rands and that means the Municipality needs to invest R19 million per year.

The present overall condition of the road network is good with a Visual Condition Index of 73.022, take note the condition and index is based on assessments done in 2022. There is an urgent need that the Road Management Assessment is Budgeted for the whole of Oudtshoorn to have the actual current condition, the system must then be updated yearly. If nothing is done with regards to maintaining the network, in the next six (6) years, the network will reach a poor state. If the "do nothing" practice continues to be adopted the network will reach a state of collapse in over thirteen and a half (13.5) years. Take note current budgets will not assist in ensuring total state of collapse, the current budgets would have to at least be tripled.

Public Transport

The National Land Transport Transition Act (NLTTA), Act 22 of 2000, as amended by the National Land Transport Amendment Act, Act 26 of 2006, requires that district and local authorities compile a package of plans to give effect the requirements of these acts. As a further requirement three kinds of transport plans must be prepared by the different levels of government, i.e.:

- A National Land Transport Strategic Framework (NLTSF), to be prepared by the National Department of Transport
- A provincial Land Transport Framework (PLTF), to be prepared by provinces
- Integrated Transport Plans (ITP's), to be prepared by municipalities

The ITP's are further categorised for three different types of planning authorities:

- Type 1 Planning Authorities to prepare comprehensive Integrated Transport Plans
- Type 2 Planning Authorities to prepare District Integrated Transport Plans
- Type 3 Planning Authorities to prepare Local Integrated Transport Plans

Oudtshoorn Municipality is a Type 3 Planning Authority and therefore must prepare a Local Integrated Transport Plan (LITP).

The minimum content of a LITP is as follows:

1) Introduction

- Responsibility
- Status of plan

2) Transport status quo

- Summarised assessment of status quo in terms of problems and causes of problems

3) Transport needs assessment

- Problem areas
- Objectives
- Strategies
- Comprehensive list of projects

4) Transport improvements proposals

- Prioritisation of projects
- Budget constraints

5) Implementation budget and programme

- Sources of funding
- Cost estimates
- Programme and budgets
- Project plans

An Integrated Development Plan (IDP) is a requirement of the Local Government: Municipal Systems Act (MSA). It states that various integrated plans, of which the Integrated Transport Planning (ITP) is one, be taken up in the IDP. The Municipal Financial Management Act (MFMA) determines that projects identified in the IDP must be taken up in the municipal budget.

The existing transport system, in terms of the road system, traffic volumes, public transport services and facilities (minibus taxis, minibus taxi facilities, buses, rail services, non - motorised transport, parking areas, special needs passengers, freight) is then assessed and given an overview on.

The Municipality is still developing the new ITP and will refer to the old ITP as the new one is still on survey and consultation stage. It is of utmost importance that an ITP is Budgeted for and completed for the whole of Oudtshoorn, the system must then be updated every 5 years.

As per the ITP of 2015, the following came out of the transport needs assessment from public meetings:

- Oudtshoorn taxi rank is overcrowded and needs to be surveyed to identify reasons causing the overcrowding
- A bus facility pick-up point is needed to prevent the long-distance buses from using the Pick 'n Pay parking lot as a pick-up point
- A truck stop facility is needed. Previously, small islands were built in parking areas to prevent trucks from stopping in the parking areas. These trucks cause damage to roads, kerbs and parking. The trucks stop opposite the Ford garage on the way to Dysselsdorp and opposite the KFC.

Stormwater

In 2012, Council adopted and approved a Stormwater Master Plan (SMP) for the Oudtshoorn Municipal area. It is of utmost importance that the update of SMP is Budgeted for the whole of Oudtshoorn, the system must then be updated every 5 years. The master plan study area entails the towns of Oudtshoorn, Dysselsdorp and De Rust. The Municipality is going to do a review of the Stormwater Master Plan.

The master plan is furthermore made up of three (3) volumes:

- Volume 1: Oudtshoorn Municipality - Oudtshoorn Stormwater Master Plan
- Volume 2: Oudtshoorn Municipality - Dysselsdorp and De Rust Stormwater Master Plan
- Volume 3: Oudtshoorn Municipality - Grobbelaars River Floodline Investigation

The holistic scope of the master plan, the compilation and the eventual execution of the master plan investigation included the following:

- Continuous liaison with relevant officials from the Oudtshoorn Municipality inclusive of preliminary site visits
- Continuous liaison with the other interested and affected parties, inclusive of amongst other residents, retired municipal officials, other consultants working for the Municipality and other consultants working for private developers
- Visual investigations of the complete current stormwater infrastructure within the study area
- Compilation of draft layout plans of all infrastructure within the study area
- Surveying of all infrastructure on the draft layout plans within the study area

- Capturing all surveyed data of all infrastructure within the study area in appropriate computer programs
- Capturing all surveyed data of all infrastructure within the study area in analysis software
- Compilation of a stormwater sub catchment model of the study area
- Compilation of a stormwater drainage model of all infrastructure within the study area
- Compilation of relevant hydrographs for the respective flood events (i.e. 1: 5 years, 1: 10 years floods, etc.)
- Analysis and modelling of respective flood events
- Report on the results of the stormwater model, flagging the deficiencies and shortcomings of the existing system
- Recommendations on the rehabilitation of the deficiencies in the existing system
- Hydrological and hydraulic study of the Grobbelaars River through Oudtshoorn to determine the flood lines of the river

The 1 in 5-year recurrence interval is normally seen as the minor flood event where the system is intended to function up to and including this event, i.e. all normal rain events up to and including a 1 in 5-year event. Since the 1 in 5-year minor flood event is critical for the analysis of the normal functioning of the minor stormwater system, insufficient capacities in drainage lines in this analysis need to be addressed.

The 1 in 50-year flood event is seen as a major flood event, where the major system (overflow system) is intended to handle up to and including this 1 in 50-year event. Upgrades to cater for these events will however be costly.

The table below consists of recommended upgrades to capacity constraints as well proposed general upgrades to the system for the study area.

Recommended upgrades to capacity constraints normally entail one or more of the following:

- Increase stormwater pipe diameter size
- Additional stormwater pipes
- Inlet and outlet control
- Erosion protection
- Kerbing
- Maintenance to existing stormwater infrastructure

General upgrades to the system, on the other hand, entail constructing new stormwater infrastructure where such infrastructure is practically non-existent.

The study of the flood lines of the Grobbelaars River will assist the Municipality in issues related to town planning, i.e. how far from the riverbanks future development must take place, etc.

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The following table illustrates recommended upgrades to the existing system.

Town	Recommended upgrades - Cost inclusive VAT	Proposed general upgrades - Cost inclusive of VAT
Oudtshoorn	R127 745 250	R62 879 550
Dysselsdorp and De Rust	R58 834 215	R23 267 450

Over and above the cost illustrated, the establishment of new stormwater infrastructure in areas where systems are non-existent, is immense and must be appropriated for in future.

There are upgrades that will be done under the Disaster Grant but there are going to be Capital Grant applications from MIG and other Government institutions for the upgrade and Rehabilitation.

b) Highlights: Roads and Stormwater

The table below specifies the highlights for the year:

Highlights	Description
Road Pothole Repair Programme	The program to address the backlog of road defects from the past year and the impacts of the heavy rain season has been underway. Major storm activity with flooding occurred in September 2023, April 2024, and June 2024. An application for disaster relief was submitted to the National Government through the District Municipality
TLB Procurement for Roads and Stormwater	TLB where procured for Roads and Stormwater to enhance service delivery
November 2021 disaster repairs	Remedial work funded by the National Government for the November 2021 disaster event has been completed through various registered projects. These projects aimed to address and repair damage caused by the disaster, utilizing the allocated disaster funding effectively

Table 99: Roads and Stormwater Highlights

c) Challenges: Roads and Stormwater

The table below specify the challenge for the year:

Description	Action to address
Road repairs in wards 2,3 and 7	The Road Repair Programme commenced with repairing of roads in severely affected wards
Re-gravelling of gravel roads in wards 4,5, 6, 8 to 13	Gravel roads severely affected by heavy rains must be re-gravelled with the municipal grader
Cleaning of stormwater pipes in all wards	The cleaning of the stormwater systems with the municipal hydro blast in order to reduce the effects of floods
Cleaning of stormwater channels	The cleaning of channels to reduce erosion and to ensure stormwater is channelled to outfalls and reduce flood damage
Major storms activity with flooding occurred in September 2023, April 2024 and June 2024	An application for disaster relief was submitted to Nasional Government though the District Municipality

Table 100: Road and Stormwater Challenges

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d) Services Delivery Levels

The tables below specify the service delivery levels for the year:

Tarred (Asphalted) Roads

Financial year	Total km tarred roads	Km of new tar & paved roads	Km existing tar roads re-tarred	Km of existing tar roads re-sheeted	Km tar roads maintained
2022/23	192	0	8	0	17
2023/24	200.3	0.1	0.2	1.4	18.4

Table 101: Tarred (Asphalted) Roads

Gravel Roads

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar / block paving	Km gravel roads graded/maintained
2022/23	11.8	0	0.8	11.8
2023/24	23.3	0	0.8	7.4

Table 102: Gravel Roads

Tar roads are maintained in line with the reports of problems received or as maintenance is required. The table below shows the desired costs involved for the maintenance and construction of roads within the municipal area:

Financial year	New and Replacements	Resealed	Maintained
	R'000		
2022/23	60 000	9 000	6 000
2023/24	19 000	11 000	8 000

Table 103: Cost of Construction/Maintenance of Roads

e) Employees: Roads, Transport and Storm Water (RTS)

The following table indicates the staff composition for this division:

Employees: Roads, Transport & Storm Water (RTS)				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	55	38	17	30%
4 - 6	21	14	7	33%
7 - 9	10	6	4	40%
10 - 12	4	2	2	50%
13 - 15	1	0	1	100%
16 - 18	1	0	1	100%

Employees: Roads, Transport & Storm Water (RTS)				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
19 - 20	0	0	0	0%
Total	92	60	32	35%
Employees and post numbers are as at 30 June				

Table 104: Employees: Roads, Transport & Storm Water (RTS)

f) Capital: Roads and Stormwater

The following table indicates the capital expenditure for this division:

Capital Expenditure 2023/24: Roads and Stormwater				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Laptop/computer and software	0	26 100	18 200	7 900
Paving of streets	9 850 700	9 851 100	9 851 140	-140
Rehab streets stormwater -Oudtshoorn	4 000 000	7 700 000	7 700 000	0
Equipment	300 000	300 000	294 690	5 310
Suction Truck	3 700 000	0	0	0
Total	17 850 700	17 877 200	17 864 030	13 070

Table 105: Capital Expenditure: Roads and Stormwater

3.5 Component C: Planning and Local Economic Development

3.5.1 Planning and Development

a) Introduction to Planning and Development

Planning and Development comprise of:

- Spatial planning
- Land use management
- Building control
- Environmental health management and heritage matters

The Oudtshoorn Municipality has a credible Spatial Development Framework, known as the Oudtshoorn Spatial Development Framework, 2020 (OSDF), which has been adopted in May 2020, as a core component of the Oudtshoorn IDP.

The OSDF is a framework that seeks to guide overall spatial distribution of current and desirable land uses, within the municipality in order to give effect to the vision, goals and objectives of the municipal IDP. The aims of the OSDF are to promote sustainable functional and integrated human settlements, maximise resource efficiency, and enhance regional identity and unique character of a place. The OSDF:

- addresses the impact of the economic downturn, custodianship over biodiversity areas, development of infrastructure and rural development; and
- facilitates decision making on land development applications.

Planning and Development is committed to deliver planning outcomes that addresses the plight of the poor and broaden development objectives. Planning and Development is, furthermore, in respect of building control, committed to providing an innovative and progressive service in order to achieve quality buildings that fully comply with the complex Building Regulations. A comprehensive plan checking process and regular, reliable site inspections by qualified Building Control Officials, help to ensure that the Building Regulation requirements are incorporated into each building project.

With respect to the Environmental, Health and Heritage component, the Planning and Development section is committed to address and / or respond to all heritage and environmental related matters within the Greater Municipal Area. Compliance to and enforcement of applicable legislation, is one of the major responsibilities in this regard, hence site and follow-up inspections and the attendance of environmental forum meetings and regular heritage meetings, to ensure compliance and efficient and effective service delivery. In terms of Heritage the Municipality also attends Heritage Permit meetings on a 2 weekly basis to assist in considering applications in respect of building older than 60years and to make recommendations to Western Cape Heritage.

The mission of Planning and Development is to:

- Strive toward administrative excellence, by reviewing and developing operating procedures on a continuous basis, with the aim of delivering a service that is effective, fair, transparent and compliant
- Recognize the key role it plays in ensuring an enabling environment for economic development as a means to sustainable livelihoods for its residents. Building a sustainable economic position that capitalizes on the natural endowment of Oudtshoorn and its broader locality and creates opportunities for collaboration and economic opportunities
- Continuously aim to deliver a service that is effective, fair, transparent and compliant

3.5.2 Land Use Management and Spatial Planning

a) *Introduction to Land Use Management and Spatial Planning*

Division Land Use Management and Spatial Planning comprises of three sections:

- Town Planning
- Environmental Management
- Admin Support

Purpose of Division Land Use Management and Spatial Planning:

- To manage the process of change in the living and natural environment by guiding and directing the orderly, functional, integrated, and sustainable development of the built environment
- To deliver outcomes that address the plight of the poor and broaden development objectives

Functions of Division Land Use Management and Spatial Planning:

- Render land use management and spatial services (policies, spatial development framework including urban and rural development planning)
- Perform environmental management through related plans and strategies that will ensure the integrity and preservation of the natural and cultural environment
- Provide administrative support regarding land use administration and spatial planning
- Administer just processing of all planning applications and related processes in terms of statutory requirements and standard operating procedures
- Coordinate the utilisation of municipal properties and assets for the economic and social benefit of the community

The mission of Division Land Use Management and Spatial Planning:

- Strive toward administrative excellence, by reviewing and developing operating procedures on a continuous basis, with the aim of delivering a service that is effective, fair, transparent and compliant
- Recognize the key role it plays in ensuring an enabling environment for economic development as a means to sustainable livelihoods for its residents. Building a sustainable economic position that capitalizes on the natural endowment of Oudtshoorn and its broader locality and creates opportunities for collaboration and economic opportunities
- Continuously aim to deliver a service that is effective, fair, transparent and compliant

Section Town Planning:

The primary purpose of the Town Planning Section is to provide land use management and spatial planning services, which include the development of policies, the creation and implementation of spatial development frameworks, and the planning of both urban and rural areas. This is achieved by performing the following functions:

- Develop and implement the Spatial Development Framework and ensure compliance with town planning scheme and land use legislation / by-laws
- Develop and implement land use management system to regulate the use and development of land
- Formulation of spatial strategies, policies and plans
- Provide information and advice to decision makers on strategic spatial planning issues
- Provide land use legislation advisory service and ensure compliance and consistency of land use application processes with national and provincial legislation
- Comment on applications for development of council land/ properties and tender process
- Maintain zoning scheme, map and register
- Manage land use rights, development outcomes and the provisioning of effective land use management services
- Develop, implement and maintain integrated transport plan and related policies
- Obtain, process, research and manage development information in support of development planning and management

Town Planning consist of two academic disciplines, namely:

- Land Use Management
- Spatial Planning

Land Use Management:

Land Use Management is a system of legal requirements and regulations designed to guide the development of land in a way that ensures a desirable and harmonious built environment. In the Greater Oudtshoorn Municipal Area, each property is subject to specific regulations that control development, which are determined by the property's zoning. According to Section 24(1) of the Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act No. 16 of 2013), municipalities are required to adopt and approve a comprehensive land use scheme for their entire jurisdiction within five years of SPLUMA's commencement.

The Oudtshoorn Integrated Zoning Scheme By-Law was adopted by the Council and promulgated on 16 February 2021. Now, three years later, research is being conducted to identify and address any shortcomings in the adopted zoning scheme to ensure its ongoing effectiveness.

Spatial Planning:

Spatial planning is largely a public sector function to influence the future spatial distribution of activities. It aims to create a more rational territorial organization of land uses and the linkages between them, to balance demands for development with the need to protect the environment, and to achieve social and economic objectives. Spatial planning comprises measures to coordinate and improve the spatial impacts of other sectoral policies, to achieve a more even distribution of economic development within a given territory than would otherwise be created by market forces.

Spatial planning is therefore an important lever for promoting sustainable development and improving the quality of life. Municipal Spatial Development Frameworks (MSDF's) are crucial in managing Municipality's growth in a sustainable and organised manner. A MSDF sets the vision for land uses in an area, determines what a Municipal Area could look like in future, what activities could happen on land parcels or erven, though as such to promote sustainable functional and integrated human settlements, maximise resource efficiency, and enhance regional identity and unique character of a place.

The Oudtshoorn Municipality has established a credible Spatial Development Framework, known as the Oudtshoorn Spatial Development Framework, 2020 (OSDF 2020). This framework is supported by a Capital Expenditure Framework (CEF) Technical Report as an addendum, which further guides the municipality's sustainable development and growth.

The OSDF 2020:

- addresses the impact of the economic downturn, custodianship over biodiversity areas, development of infrastructure and rural development; and
- facilitates decision making on land development applications.

Although the Oudtshoorn Spatial Development Framework 2020 (OSDF 2020) did not require immediate review or amendment due to changing circumstances within the municipal area, a review and amendment process is scheduled for the 2024/25 financial year, which is expected to be finalized in due course. In the meantime, a Capital Expenditure Framework (CEF) Technical Report was completed in 2022 and subsequently adopted by the Council as an amendment to the OSDF 2020. This report has also been integrated as a core component of the Integrated Development Plan (IDP).

The CEF Technical Report (2022) includes a baselined and prioritized portfolio of capital investments for the Municipality over a ten-year period. This report plays a crucial role in informing the capital budget of the Municipality and guiding the implementation of the OSDF 2020. The review process should assess progress against these capital investments.

To ensure that the municipal budget is aligned with strategic planning, the Budget Steering Committee is requested to use the CEF Technical Report (2022) and the prioritized portfolio of capital investments as key informants when

allocating the budget each financial year. The tabled budget should explicitly reference and be guided by the CEF Technical Report (2022) to ensure a plan-led approach to municipal budgeting.

Interest from developers has been expressed in establishing a development near the Swartberg mountain range. When the intent to develop materializes, the Spatial Development Framework (SDF) will undergo a review process, which will be conducted at the developer's expense.

This department has also supported the Local Economic Development department in preparing a tender and specifications for calls for development on various parcels of land totaling 58 hectares. This proposal aligns with the objectives outlined in the Spatial Development Framework and aims to boost the town's economy, address housing shortages, and stimulate the development and housing market in Oudtshoorn.

Section Environmental Management:

The Environmental Management section is dedicated to preserving the integrity of both the natural and cultural environment through the implementation of related plans and strategies. This commitment is carried out by performing the following functions:

- Promote public evaluate environmental impact assessments, development proposals, municipal capital projects and rezoning applications which are submitted to the municipality in terms of the relevant legislation i.e. National Environmental Management Act (NEMA), Land Use Planning Ordinance.
- Attend to and investigate environment heritage related complaints which emanates from council, management and the general public.
- Facilitate the development of Integrated Environmental Management Systems Framework for the municipality.
- Establish environmental policies i.e. bio-diversity policy and programs and manage environmental awareness of environmental issues and form networking relationships with relevant government departments, community organizations, schools and conservancies
- Ensure the preservation, promotion of awareness and management of the heritage resources in terms of statutory requirements and related by-laws, policies and guidelines

Compliance with and enforcement of applicable legislation is a major responsibility of the Environmental Management section. This includes conducting site and follow-up inspections, as well as attending environmental forums and regular heritage meetings to ensure compliance and deliver efficient and effective services.

Regarding heritage preservation, the Municipality actively participates in Heritage Permit meetings every two weeks to assist in reviewing applications for buildings older than 60 years. The Municipality provides recommendations to the Western Cape Heritage authorities to ensure that heritage sites are preserved in accordance with relevant legislation and standards.

b) Highlights: Land Use Management and Spatial Planning

The table below specifies the highlights for the year:

Highlights	Description
Town Planning Applications	Final decisions on all Town Planning Applications were made within the timeframe prescribed by legislation. According to Section 54(1)(b) of the Land Use Planning Act, 2014 (Act 3 of 2014), the Head of Department is required to decide on a land development application within seven months of its receipt. Pepperwood Estate: The densification of development aims to accommodate more erven and optimize the use of existing services. This development is being carried out in phases. - Approval of Erf 502: The subdivision of Erf 502 was approved to facilitate a townhouse development, aligning with the densification goals outlined in the Spatial Development Framework (SDF). This subdivision created 11 additional erven - Approval of Erf 6099: The subdivision of Erf 6099 was approved to promote densification in accordance with the SDF, resulting in the creation of 9 additional erven - Extension of Validity Period for Klein Karoo Corp: The validity period for Klein Karoo Corp was extended, allowing for the submission of building plans. These plans have been submitted, and the development is now in the completion phase
Oudtshoorn Spatial Development Framework (2020)	The Municipality has developed a CEF as part of the OSDF 2020. While the OSDF 2020 itself did not require immediate review or amendment due to changes within the municipal space, a review and amendment process is planned for the 2024/25 financial year and is expected to be finalized in due course. In the interim, a CEF Technical Report was completed in 2022, which has been adopted by the Council as an amendment to the OSDF 2020 and incorporated as a core component of the IDP
Environmental Health and Heritage	
Building good intergovernmental relations with SALGA on environmental related matters.	SALGA is assisting the Municipality with various environmental matters and approvals, particularly in navigating regulatory challenges
Actively consulting with the Department of Environmental Affairs and Development Planning (DEADP)(Green Scorpions)	Several joint site inspections have been conducted between the Municipality and the relevant department to assess whether any listed activities have been triggered. Additionally, the Green Scorpions have provided the Municipality with guidance on addressing potential illegal environmental activities
Air Quality Management Plan (Review) 2024/25	The Municipality, in collaboration with the District Municipality, is currently in the process of reviewing the Oudtshoorn Municipality's Air Quality Management Plan, which is updated every five years
Air Quality Monitoring Equipment Software Update	The Municipality has also successfully procured new software for the Air Quality Monitoring Station for the next two years. This software enables real-time monitoring, allowing access to up-to-date air quality data for addressing complaints and continuously assessing the air quality

Highlights	Description
Tree planting Initiatives with schools	Several schools have participated in the Municipality's greening project, which has involved close collaboration with the Department of Forestry, Fisheries and the Environment (DFFE) to provide trees for planting
Municipality working with Cape Nature	As part of this initiative mentioned above, learners, in conjunction with Cape Nature, have been taken on environmental excursions to the Swartberg Nature Reserve, where they receive information on nature conservation and other relevant environmental topics
Tree planting initiatives at the Oudtshoorn Cemetery	In response to the theft of fencing at the cemetery, the Municipality, in partnership with the DFFE, has also initiated a "green fence" approach as a sustainable solution
S24G Approval for the expansion of the Oudtshoorn Cemetery	The Municipality has received approval for the Section 24G application related to the unauthorized expansion of the cemetery. Parks and Recreation can now proceed with clearing areas within the established boundaries, as outlined in the Section 24G approval
Draft River Maintenance Management Plan was drawn up (currently awaiting approval with assistance from SALGA and other relevant departments)	The draft is comprehensive; however, Cape Nature has indicated that additional specialist studies are required before the plan can be approved. SALGA is currently leading the process of assisting the Municipality in securing approval for the plan through the provincial department
Approval for emergency clearing and cleaning of the Grobbelaars River System	Following the heavy rains in the Oudtshoorn area during the winter season, flooding caused significant damage to our low water bridges, necessitating extensive clearing and cleaning activities. The Municipality applied for a Section 30 emergency response, receiving verbal approval promptly, which was subsequently followed by written approval
River clean-ups with schools and other institutions	Several river clean-up activities have been conducted by the Municipality in collaboration with schools and other stakeholders in the Grobbelaars river system, primarily focused on the removal of litter and waste materials

Table 106: Land Use Management and Spatial Planning Highlights

c) Challenges: Land Use Management and Spatial Planning

The table below specifies the challenges for the year:

Description	Actions to address
Noise Meter required to address noise complaints	The Municipality must investigate the procurement of a noise metering device
Capacity need (Town Planning Section)	With the newly approved organogram, the proposal will be to appoint a Senior Planner and an additional town planner to ensure achievement of key performance targets and broader Town Planning objectives
Capacity Need (Environmental Section)	With the newly approved organogram, the Environmental Health and Heritage Officer reports directly to the Manager: Land Use Management and Spatial Planning and not the Town and Regional Planner. Additional qualified staff members are required to establish an environmental unit, which will cover all aspect related to the environmental sector (Specific Environmental Acts) for the

Description	Actions to address
	Municipality in general. Funding is required for awareness and education
Capacity in terms of By-law enforcement	To effectively address ongoing contraventions of the Zoning Scheme By-law, it is necessary to designate 2 Law Enforcement Officers on a permanent basis. In-house training can be provided to these officers. They will be responsible for issuing fines for illegal building works, as well as illegal water and sewer connections, thereby ensuring compliance with zoning regulations
Revision of the Oudtshoorn Integrated Zoning Scheme By-Law, 2021	Section 24(1) of the Spatial Planning Land Use Management Act (SPLUMA), 2013, (Act. 16 of 2013) determines that a municipality must adopt and approve a single land use scheme for its entire area within five years from the commencement of SPLUMA. The Oudtshoorn Integrated Zoning Scheme By-Law was adopted by Council In and promulgated on 16 February 2021. Upon the adoption of the final Oudtshoorn Integrated Zoning Scheme Bylaw (2020), it replaced all existing and outdated zoning scheme regulations currently in operation in the Oudtshoorn area. It is intended to review the By-law, not only to address gaps that have been experienced/identified, but also to make amendments, which address the unique circumstances of the Greater Oudtshoorn. With the modification process, Overlay Zones will also be developed (compare the following topic below) Provision has been made in the 2024/25 budget for this process
Development of a Mixed-Use Overlay Zone	An "overlay" district is a zoning district that is superimposed over one or more existing districts in order to impose additional restrictions, permit additional uses, or implement density bonuses or incentive zoning to achieve community goals. In the case of mixed use zoning, it is used to allow added uses and to provide incentives to achieve local goals. Thus developers can develop either according to the underlying zoning or according to more flexible mixed use provisions. In developing a Mixed Use Overlay Zone, communities should select the advantages that best apply and structure the provisions to accomplish these goals

Table 107: Land Use Management and Spatial Planning Challenges

d) Service Delivery Levels

The table below specifies the service delivery levels for the year:

Type of service	2022/23	2023/24
Building plan applications processed	443	406
Total surface (m ²)(Value)	80 194	194 372
Approximate value of building work in (Rand)	641 552 000	146 597 915
Land use applications processed	164	120
Approximate value (Rand)	429 889	488 891
Complaint handling and responses to directives (Building Control)	55	97

Table 108: Additional Performance Land Use Management and Spatial Planning

e) Employees: Planning and Development

The following table indicates the staff composition for this division:

The following tables indicates the staff composition for this division:

Employees: Planning & Development				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	3	2	1	33%
7 - 9	1	0	1	100%
10 - 12	8	5	3	38%
13 - 15	5	3	2	40%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
S57	1	0	1	100%
Total	18	10	8	44%
Employees and post numbers are as at 30 June				

Table 109: Employees: Planning & Development

Employees: Directorate Planning and Development				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%
7 - 9	1	0	1	100%
10 - 12	0	0	0	0%
13 - 15	0	0	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
S57	1	0	1	100%
Total	2	0	2	100%
Employees and post numbers are as at 30 June				

Table 110: Employees: Directorate Planning and Development

Employees: Land Use Management and Spatial Planning				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	1	1	0	0%
7 - 9	0	0	0	0%
10 - 12	4	2	2	50%
13 - 15	4	2	2	50%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	9	5	4	44%
Employees and post numbers are as at 30 June				

Table 111: Employees: Land Use Management and Spatial Planning

Employees: Building Control				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	2	1	1	50%
7 - 9	0	0	0	0%
10 - 12	4	3	1	25%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	7	5	2	28%
Employees and post numbers are as at 30 June				

Table 112: Employees: Building Control

f) Capital: Land Use Management and Spatial Planning

The following table indicates the capital expenditure for this division:

Capital Expenditure 2023/24: Planning and Development				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Office furniture equipment	250 000	100 000	99 703	297
Air conditioners	60 000	60 000	52 174	7 826
Generator	90 000	0	0	0
Total	400 000	160 000	151 877	8 123

Table 113: Capital Expenditure: Land Use Management and Spatial Planning

3.5.3 Local Economic Development (LED)

The town's economic future lies in improving and expanding on current initiatives in learning and teaching, agriculture, tourism and industrial development. With firms already concentrating on the above key economic sectors, our longer-term Vision 2030 strategy must be adjusted to build on the foundation provided by the town's current strengths. In the process of expanding the economy, we need to ensure that all projects and programmes focus on the following development objectives:

- Create business opportunities: Create and maximize opportunities to produce and sell products or provide services for existing and new businesses
- Become a leader: Maintain and increase leadership positions in training, agriculture and tourism
- Regeneration of disadvantaged areas: Achieve economic prosperity in all wards and specifically the previously disadvantaged areas by implementing a regeneration strategy per ward
- Promote Black Economic Empowerment (BEE) and Small, Medium and Micro-sized Enterprise (SMME) development: Enhance SMME development and BEE by utilising various new initiatives and strategies

What has been identified as vital to the LED program, is strategically located pockets of land that can be targeted for integrated mixed-use development to benefit all sectors of society, including land owned by the Municipality, public agencies and the private sector.

Oudtshoorn has a robust local economy that is rapidly diversifying. The economy has the ability to attract larger investments (i.e. in ecotourism, potential manufacturing activity or a regional airport hub). The Oudtshoorn Municipality understands that they should 'get the basics right' by delivering basic services (such as water, sanitation, electricity, roads and street lighting), supporting the creation of adequate settlements and housing opportunities, contributing to a robust local economy that creates and sustains job opportunities.

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The Oudtshoorn Municipality therefore aims to initiate an ambitious, sustainable infrastructure and integrated human settlement system that can create new opportunities for the following:

- Increasing population density through socially diverse residential developments
- Transforming the townships into attractive, safe and vibrant neighbourhoods
- Local economic development including commercial, industrial, tourism, arts and crafts
- Educational and training facilities and opportunities
- Environmental rehabilitation of open spaces and the beautification of public and natural areas
- Transportation, with special reference to the reinforcement of public transport, through infrastructure projects
- Use of strategic pockets of land for commercial and residential development to increase the tax base of the town
- Use the current aerodrome as a catalyst for economic growth

a) **Highlights: LED**

The following performance highlights with regard to the implementation of the LED Strategy are:

Highlights	Description
Airport	The Council has entered into a long-term lease agreement with a service provider to manage and develop the airport on its behalf. The service provider will oversee various developments at the airport, which are expected to bring both direct and indirect benefits to the town until 2033
Construction of McDonald's	As part of our Business Incentives Scheme for new developments, the Council has approved assistance for the McDonald's franchise to open in 2024. This new establishment is expected to create various part-time and full-time job opportunities
Agri Klein Karoo	Agri Klein Karoo is set to open a new lifestyle shop in Oudtshoorn, which will significantly contribute to the creation of full-time job opportunities and aid in poverty alleviation. The Council has also provided essential Business Incentives to support this initiative
Logistics and storage	The Council played a crucial role in providing Business Incentives for this logistics and storage investment
Pepperwood Development	The middle- and high-income housing project is set to enhance the Council's tax base while also addressing the demand for affordable housing opportunities. Additionally, the Council has provided crucial business incentives to support this initiative
Randemeyer Mall	This development, set to be completed in 2025, will stand as further testimony to Oudtshoorn's attractiveness as an investment location. The Council has also provided essential Business Incentives to support this project
Informal Traders	All informal traders received contracts and trading spaces were allocated in 2023

Highlights	Description
Partnership with the Provincial Department of Public Works and Transport on old hostel facilities and adjacent vacant land.	The building, formerly a teacher's hostel, has suffered significant vandalism over time. It previously housed the Southern Youth Film Festival (SUFF) Youth Academy and Access Learning Computer Centre. Currently, the only tenants are the Community Learning Centre and the Community Works Program (CWP). New fences were installed in 2018 to prevent further vandalism. The building is now earmarked for transformation into a Government Precinct Centre in partnership with National Public Works
Bridgton Business Centre	The R44 million project, which began its construction phase in October 2022, will feature a mini market centre including tenants such as Steers, a furniture shop, Shoprite, and more. The project is expected to be completed around July 2023, with an official opening planned for September / October 2023
Thusong Business Hub	The Council applied for R2 million from the Booster Fund, in partnership with the Department of Economic Development and Seda, for the erection of a container hub. The installation and erection of the containers were completed in June 2023, with subsequent services provided by the Oudtshoorn Municipality. This project aims to establish a business HIVE with trading spaces for informal traders. The facility will offer trading space to SMMEs and entrepreneurs from the area, addressing the urgent need for affordable trading space. Fourteen small businesses have been identified to participate in this project, which was projected to commence in September 2023
Filming	Various film company visited the area for scouting and film that was shot on municipal areas
Events	Support for various events (art and culture and sport events) that took place in the Greater Oudtshoorn area

Table 114: LED Highlights

b) Challenges: LED

The table below specifies the challenges for the year:

Description	Actions to address
Available land for Agricultural use specifically in the Dyselsdorp Area as part of the Agri- Park initiatives	Compilation of IDP as integrative tool including all municipal departments and functions within the context of the SDF and LED Strategy. Discussions with the various government departments on dormant land suitable for Agricultural use
Lack of funding as seed capital to assist upcoming entrepreneurs to start their business	Support and develop entrepreneurship and small business development
Lack of trading space for informal traders and funding needed for the upgrade of the central business District Renewable Program, especially hawkers trading stalls	Partner with the Local Business Chamber for the upgrade/ beautification of the CBD
Lack of funding to renew the LED Strategy with the town as "Tourism and Sport Hub"	Establishment of a project management unit to ensure implementation of all projects in Greater Oudtshoorn
Creation of an informal market whereby entrepreneurs could showcase their products on regular basis	Approval of Council Informal Trading Policy would guide the creation of more open spaces for trading

Description	Actions to address
Lack of space	Lack of space for manufacturing purposes especially light industry warehouses

Table 115: Challenges LED

c) LED Strategy

Strategic Areas	Description
Agriculture	Diversify agriculture and add value through the implementation of processing systems
Industrial development	Promote and create incentives for new and modern industrial development in the community
Infrastructure economy	Upgrade and expand basic infrastructure such as water, electricity and roads to foster economic development
Tourism	Transform and expand the tourism sector through new initiatives and vigorous marketing

Table 116: LED Strategic Areas

d) Tourism and Marketing

Oudtshoorn Municipality is embarking on a process of establishing a long-term strategic vision to guide both municipal and community decisions concerning achieved economic growth, as well as the regeneration of previously disadvantaged areas in all wards. The town stands on a threshold of economic growth and faces multiple challenges. To deal with current and future challenges, a far-sighted investment plan needs to be developed as part of a visionary statement for 2030.

The following challenges were experienced in relation to tourism and marketing:

- Lack of funding
- Lack cohesion in marketing efforts
- Lack of resources that can be allocated to the development of tourism initiatives
- Limited capacity available to coordinate tourism development and mobilise funding efforts
- Ineffective economic empowerment and economic inclusion strategies
- Limited involvement of previously disadvantaged communities
- Inconsistent profiling of offered rural products

e) Capital: LED

Capital Expenditure 2023/24: LED				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Upgrade of SMME Infrastructure	0	619 200	497 369	121 831
Upgrading of Airport	100 000	0	0	0
Total	100 000	619 200	497 369	121 831

Table 117: Capital Expenditure: LED

3.6 Component D: Community and Social Services

3.6.1 Libraries

a) Introduction to Libraries

Libraries play a crucial role in promoting literacy and fostering a love of reading. Today, they have evolved into vibrant community hubs where individuals can access information, enjoy free internet, and engage in leisure, study, or work activities. Strategically located at the heart of our communities, our libraries help create a sense of belonging and address the diverse needs of residents. In the Greater Oudtshoorn Municipality, there are six libraries and one mini library dedicated to serving the community.

- CJ Langenhoven Library
- Bongoletu Library
- Bridgton Library
- De Rust Library
- Dysselsdorp Library
- Rosevalley Library
- Volmoed Mini Library

Our Goal:

We aim to provide opportunities for lifelong learning and to assist children and young people to develop imagination and creativity. We also aim to give adults adequate opportunities to learn about their cultural heritage.

Our Purpose:

We strive to be a dynamic, vital force in the development of our community, by extending our services to users and non-users of the libraries through both traditional and progressive methods and to maintain a warm, friendly and people-orientated atmosphere.

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We also aim to provide resources and services in various forms of media, to meet the needs of individuals and groups concerning education, information and personal development.

b) Highlights: Libraries

The table below specify the highlight for the year:

Highlight	Description
Waterproofing CJ Langenhoven Memorial Library roof	The staff experienced water leakage for years which led to the lost of some equipment. Provincial Library Services funded the project to fix the roof in June 2024
Fencing around CJ Langenhoven Memorial Library	The Library was used as a place to sleep for the homeless and ablution facility for many. A fence with lockable gates were erected to address the issue
Donation of sports equipment	SAPS donated sports equipment to Rosevalley Public Library as part of their outreach program to the community
MEC Ricardo Mackenzie visits Rosevalley Public Library	MEC Ricardo Mackenzie visited Rosevalley Public Library and read a story to the children

Table 118: Libraries Highlights

c) Challenges: Libraries

The table below specifies the challenges for the year:

Description	Actions to address
Gate counters for in-house use in libraries	Due to a lack of funding the library gate counters cannot be serviced which can lead to library material being stolen Budgetary provision must be made for the servicing of equipment
Maintenance and renovating of existing library buildings	Due to insufficient funding, the maintenance of library buildings has been compromised. It is essential to allocate budgetary resources for the proper servicing and upkeep of library equipment to ensure continued functionality and service quality
Filling of vacant posts and expanding of Mini libraries to communities that do not have access to free services of the libraries.	Due to a lack of funding, crucial vacancies cannot be filled, which has led residents of the Greater Oudtshoorn communities to travel to the nearest libraries for access to information. Addressing this funding gap is essential to improve local library services and accessibility

Table 119: Libraries Challenges

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d) Service Delivery Levels

The table below specifies the service delivery levels for the year:

Type of service	2022/23	2023/24
Library members	159 832	205 460
Books circulated	103 938	134 785
Exhibitions held	120	122
Internet users	15 694	17 074
Children programmes	86	93
Visits by school groups	29	22

Table 120: Service Delivery Levels for Libraries

e) Employees: Libraries

The following table indicates the staff composition for this division:

Employees: Libraries				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	6	5	1	16%
4 - 6	20	14	6	30%
7 - 9	4	1	3	75%
10 - 12	4	2	2	50%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	35	23	12	34%
Employees and post numbers are as at 30 June				

Table 121: Employees: Libraries

f) Employees: Community Services

The following table indicates the staff composition for this division:

Employees: Community Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	169	132	37	21%

Employees: Community Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
4 - 6	129	96	33	25%
7 - 9	35	19	16	45%
10 - 12	38	25	13	34%
13 - 15	7	5	2	28%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
S57	1	1	0	0%
Total	379	278	101	26%
Employees and post numbers are as at 30 June				

Table 122: Employees: Community Services

Employees: Office of the Director Community Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	1	0	0%
4 - 6	0	0	0	0%
7 - 9	1	1	0	0%
10 - 12	0	0	0	0%
13 - 15	0	0	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
S57	1	1	0	0%
Total	3	3	0	0%
Employees and post numbers are as at 30 June				

Table 123: Employees: Office of the Director Community Services

g) Capital: Libraries

The following table indicate the capital expenditure for this division:

Capital Expenditure 2023/24: Libraries				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Office furniture equipment	0	12 200	0	12 200
New library (Rosevalley)	0	200 000	0	200 000
Total	0	212 200	0	212 200

Table 124: Capital Expenditure: Libraries

3.6.2 Cemeteries

a) Introduction to Cemeteries

The Greater Oudtshoorn has 5 cemeteries in Oudtshoorn, Dysselsdorp and De Rust that are managed by a supervisor.

b) Highlights: Cemeteries

The table below specify the highlight for the year:

Highlight	Description
Appointment of EPWP workers who assisted in cleaning of our cemeteries	The primary function of the cemetery staff is to provide graves, but with the limited staff available and the expanding cemetery spaces, there is insufficient capacity to maintain regular cleaning of the cemeteries

Table 125: Cemeteries Highlights

c) Challenges: Cemeteries

The table below specifies the challenges for the year:

Description	Actions to address
Limited burial space	The Planning and Development Department was in the process of investigating the extension of existing cemeteries
Limited staff	Budgetary provision must be made to address the filling of vacant posts
Theft of boundary fencing and vandalism	Incidents are reported to the South African Police Services (SAPS) Alternative security fencing needs to be budgeted for
Budget constraints	No funding allocated for fencing of cemeteries and toilet facilities. Budgetary provision must be considered

Table 126: Cemeteries Challenges

d) Services Delivery Levels

The table below specifies the service delivery level for the year:

Type of service	2022/23	2023/24
Burials	733	770

Table 127: Services Delivery Level for Cemeteries

3.6.3 Social Development

a) Introduction to Social Development

The Manager: Special Programmes reports to the Executive Manager: Strategic Services on an administrative level and to the Chairperson of the Strategic Services Portfolio Committee on a political level. The objective of this section is to address social shortcoming in the community.

Sports development

- Development of sports codes and support to clubs
- Sourcing of big sports events
- Complete funding applications for sporting activities and infrastructure

Youth development and vulnerable groups

- Develop an integrated youth development plan and monitoring implementation
- Develop and implement plan to focus on vulnerable groups
- Promote youth and vulnerable group initiatives and projects
- Ensure Council address youth and vulnerable group initiatives in all activities

Social development

- HIV/Aids and health issues
- Developing an integrated HIV/Aids Plan for the Municipality
- Develop and implement plan to address major health related issues
- Monitoring implementation of donor funding to support groups
- Sourcing of donor funding to support HIV/Aids and health issues

Transversal issues

- Develop and implement poverty alleviation strategy
- Implementation of soup kitchens across the municipal area
- Develop and source funding ECD and transversal issues

Event management

- Development of an Events Calendar
- Develop and implement strategies in terms of the Events Calendar, to strengthen the economy of the town

Arts and Culture

- Develop an Integrated Arts and Culture Strategy
- Support local Arts & Culture Initiatives in the community

b) Highlights: Social Development

The table below specifies the highlights for the year:

Highlights	Description
Nutritional Programme: Organic Food Garden Project	The programme is aimed at sustainable food with an economic spin-off in all wards
Youth Month Activities	Wards 6, 8, and 11 were targeted for community initiatives, with young people, the Oudtshoorn Youth Council, and other stakeholders playing key roles as the driving forces behind these efforts
Men for Change Programme	The program, developed in collaboration with various stakeholders, focused on young men and boys to promote a change in their attitudes toward women and the broader community. It addressed social issues such as substance abuse, gender-based violence, bullying behavior, and other unacceptable actions that threaten the moral fabric of our communities
Oudtshoorn Got Talent Competition	A talent identification competition was launched in all wards to create a platform for emerging artists. This initiative provides an opportunity for them to showcase their talent, with the broader goal of introducing them to national and potentially international platforms

Table 128: Social Development Highlights

c) Challenges: Social Development

The table below specifies the challenges for the year:

Description	Actions to address
Shortages of personnel	The issue was addressed by employing young people through EPWP
Lack of sufficient budget	Partnering with various stakeholders which include government departments and NGO's

Table 129: Social Development Challenges

3.7 Component E: Security and Safety

3.7.1 Traffic Services

A turn-around strategy for the Traffic Department was implemented in the year under review. Improved command and control, as well as discipline have largely contributed towards a more effective, efficient and cost-effective traffic department.

a) Highlights: Traffic Services

The table below specify the highlight for the year:

Highlight	Description
Traffic Department Building being renovated to accommodate better service delivery	The building at the traffic department is currently under renovation as part of a program to enhance service delivery

Table 130: Traffic Services Highlights

b) Challenges: Traffic Services

The table below specifies the challenges for the year:

Challenges	Actions to overcome
Shortage of personnel	The filling of vacancies and appointment of additional personnel should be investigated
Inadequate office space	To address the issue of inadequate office space, it is essential to extend the current infrastructure. This expansion will create a more conducive workplace for employees and enhance overall service delivery

Table 131: Traffic Services Challenges

c) Services Delivery Levels

The table below specifies the service delivery levels for the year:

Details	2022/23	2023/24
Motor vehicle licenses processed	27 143	23 692
Learner driver licenses processed	4 677	2 386
Driver licenses processed	1 867	2 984
Driver licenses issued	937	1 064
Fines issued for traffic offenses	11 874 (including camera fines)	2 177 (excluding camera fines)
R-value of fines collected	R5 418 150	R966 660
Roadblocks held	200	240
Complaints attended to by Traffic Officers	70	120
Number of officers in the field on an average day	5	6

Details	2022/23	2023/24
Number of officers on duty on an average day	5	6

Table 132: Services Delivery Levels for Traffic Services

d) Employees: Traffic Services

The following table indicates the staff composition for this division:

Employees: Traffic Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	1	0	0%
4 - 6	14	10	4	28%
7 - 9	9	2	7	77%
10 - 12	23	18	5	21%
13 - 15	1	0	1	100%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	48	31	17	35%
Employees and post numbers are as at 30 June				

Table 133: Employees: Traffic Services

Employees: Law Enforcement				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	0	1	100%
4 - 6	17	16	1	5%
7 - 9	3	3	0	0%
10 - 12	0	0	0	0%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	22	20	2	9%
Employees and post numbers are as at 30 June				

Table 134: Employees: Law Enforcement

e) Capital: Traffic Services

The following table indicate the capital expenditure for this division:

Capital Expenditure 2023/24: Traffic Services				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Upgrade Testing Centre	2 000 000	2 800 000	194 064	2 605 936
Bakkies	800 000	0	0	0
Total	2 800 000	2 800 000	194 064	2 605 936

Table 135: Capital Expenditure: Traffic Services

3.7.2 Fire Services and Disaster Management

a) Introduction to Fire Services and Disaster Management

Fire and Disaster Management Services operates 24/7, committed to serving the people of Oudtshoorn effectively every day. Our response time adheres to the guidelines set by the Fire Act and SANS Regulation, aiming to deliver the fastest service possible. The Fire Department currently employs 19 permanent firefighters, while the Disaster Management Control Room is staffed by 8 permanent employees. The control room manages all municipal services around the clock, handling an average of 600 calls per month efficiently.

b) Highlights: Fire Services and Disaster Management

The table below specify the highlight for the year:

Highlight	Description
New Fire Station	A new container building is being established to serve as a new fire station. This facility will enhance the capabilities of the Fire Department and support efficient fire and disaster management services

Table 136: Fire Services and Disaster Management Highlights

c) Challenges: Fire Services and Disaster Management

The table below specifies the challenges for the year:

Challenges	Actions to overcome
Limited vehicles and non-compliance with regulations	Budgetary provision must be made to procure more vehicles and to refurbish the old vehicles to ensure compliance with regulations
Lack of permanent firefighters and no growth within the department	Budgetary provision must be made to fill all critical vacancies

Table 137: Fire Services and Disaster Management Challenges

d) Services Delivery Levels

The table below specifies the service delivery levels for the year:

Details	2022/23	2023/24
Total fires handled in the year	679	745
Total Rescue incidents in the year	9	51
Total Animal Rescues in the year	161	211
Total Fire Prevention Inspections	96	125
Reservists and volunteers trained	0	0
Awareness Initiatives on Fire Safety	8	21

Table 138: Services Delivery Levels for Fire Services and Disaster Management

e) Employees: Fire, Rescue and Disaster Management

The following table indicates the staff composition for this division:

Employees: Fire, Rescue and Disaster Management				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	1	0	0%
4 - 6	17	16	1	5%
7 - 9	4	1	3	75%
10 - 12	4	1	3	75%
13 - 15	1	0	1	100%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	27	19	8	29%
Employees and Posts numbers are as at 30 June				

Table 139: Employees: Fire, Rescue and Disaster Management

f) Capital: Fire Services and Disaster Management

The following table indicate the capital expenditure for this division:

Capital Expenditure 2023/24: Fire Services and Disaster Management				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Building alternations - Fire Brigade	2 561 700	3 186 900	3 080 497	106 403
Total	2 561 700	3 186 900	3 080 497	106 403

Table 140: Capital Expenditure: Fire Services and Disaster Management

3.8 Component F: Sport and Recreation

3.8.1 Parks and Recreation

The Parks and Recreation section is part of the Department of Community Services and is divided into four sub-sections: Sport, Cemeteries, Environmental Maintenance, and Resorts. Currently, the section is overseen by an Acting Manager, along with a Superintendent of Sport and Recreation, a Superintendent of Environmental Management, a Supervisor of Cemeteries, a Supervisor of Environmental Management, and a Supervisor of Sport and Recreation. Sport and recreation play a vital role in the community of Greater Oudtshoorn.

a) Highlights Parks and Recreation

The table below specify the highlight for the year:

Highlight	Description
Acquisition of swimming pool equipment	The acquisition of swimming pool equipment includes the replacement of touch pads and lane markers. This upgrade will ensure the functionality and accuracy of swimming pool facilities

Table 141: Parks and Recreation Highlights

b) Challenges: Parks and Recreation

The table below specifies the challenges for the year:

Description	Actions to address
Vandalism of facilities	Vandalism of facilities leads to unnecessary expenditure. To mitigate this, communities near these facilities are encouraged to monitor them. Additionally, installing vandal-proof security fencing and employing security guards are recommended to enhance protection and reduce damage
Aging Infrastructure	Swimming pools, sport fields as well as resorts need to be considered for major upgrades as the repairs no longer

Description	Actions to address
	contribute to the value. Budgetary provision to be made to address the issue
Limited staff and vacant positions	Budgetary provision must be made to fill vacant positions on the organogram

Table 142: Parks and Recreation Challenges

b) Parks and Recreation Service Statistics

Type of service	2022/23	2023/24
Community parks		
Number of parks with play park equipment	11	12
Number of wards with community parks	7	5
Swimming pools		
Number of swimming pools	5	5
Number of visitors at swimming pools	80 636	26 051
R-value collected from entrance fees	228 594	353 105
Sport fields		
Number of wards with sport fields	7	5
Number of sport grounds or fields	12	6
Number of events hosted	380	462
R-value collected from utilisation of sport fields	167 024	17 143
Sport halls		
Number of wards with sport halls	1	1
Number of sport associations utilising sport halls	7	36
R-value collected from rental of sport halls	41 987	27 488
Stadiums		
Number of stadiums	4	1
Number of events hosted in stadiums	277	36

Table 143: Service Statistics Parks and Recreation

c) Employees: Parks, Sport, Recreation and Amenities

The following table indicates the staff composition for this division:

Employees: Parks, Sport, Recreation and Amenities				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	75	62	13	17%
4 - 6	44	29	15	34%
7 - 9	11	8	3	27%
10 - 12	4	3	1	25%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	135	103	32	23%
Employees and post numbers are as at 30 June				

Table 144: Employees: Parks, Sport, Recreation and Amenities

d) Capital: Sport and Recreation

The following table indicates the capital expenditure for this division:

Capital Expenditure 2023/24: Sport and Recreation				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Furniture and small equipment	0	100 000	94 916	5 084
Upgrade sport facility- Bongoletu Sportsgrounds	10 890 700	9 495 500	7 842 210	1 653 290
De Jager Sport Stadium equipment	500 000	500 000	1 174 833	-674 833
Upgrade sport facility - De Rust	800 000	800 000	0	800 000
Upgrade Dysselsdorp Sportsfield	0	300 000	201 190	98 810
Total	12 190 700	11 195 500	9 313 149	1 882 351

Table 145: Capital Expenditure: Sport and Recreation

3.8.2 Community Halls and Buildings

This specific unit includes all the municipal buildings and facilities including community halls. There are 6 community halls that are rented out to the community of Oudtshoorn on a regular basis. This section is responsible for the cleansing and maintenance of municipal facilities, creating a friendly environment for the community members who rent our community halls and ensuring that our employees work in a clean, hygienic environment.

b) Challenges: Community Halls and Buildings

The table below specifies the challenges for the year:

Description	Actions to address
Vandalism of facilities	Vandalism of facilities leads to unnecessary expenditure. To mitigate this, communities near these facilities are encouraged to monitor them. Additionally, installing vandal-proof security fencing and employing security guards are recommended to enhance protection and reduce damage
Aging Infrastructure and equipment	Budgetary provision must be made for the required upgrades, maintenance and procurement of equipment

Table 146: Community Halls and Buildings Challenges

c) Community Halls and Buildings Service Statistics

Type of service	2022/23	2023/24
Number of community halls	6	7
Number events hosted	360	590

Table 147: Service Statistics Community Halls and Buildings

3.8.3 Cango Caves

a) Introduction to Cango Caves

Ecologically significant and impressively beautiful, the Cango Caves serve as an archaeological and historical highlight of the Klein Karoo and Garden Route.

It is a tourist attraction of many firsts and unique properties:

- It is the first to be protected by environmental legislation
- It is the first to employ a full-time tourist guide
- It is South Africa's first and oldest tourist attraction
- It is the biggest show cave system in Africa
- It offers multi-lingual guided tours

The Cango Caves are open 364 days per year, every day except for 25 December.

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b) Highlights: Congo Caves

The table below specifies the highlights for the year:

Highlights	Description
Operations: Procurement	<u>Transport of Congo Cave Staff</u> A tender was advertised for to transport Congo Caves staff on a daily basis. <u>Upgrading of ticketing system</u> A tender was advertised for a user-friendly, efficient and cost-effective ticketing system. <u>Radon Protection Specialist (RPS)</u> All staff working inside the cave are classified as radon workers by the National Nuclear Regulator (NNR). A tender process has begun to appoint a service provider to measure radon levels inside the cave and prepare annual reports for the NNR. Medical assessments for staff, including guides and maintenance personnel, have been completed as required by the Radon Monitoring Programme. Staff are now wearing Radon Gas Monitors (RGM) as mandated by the NNR to monitor and measure their exposure to radon gas. Inspectors from the NNR conducted the annual site inspection to verify compliance with the directives and were satisfied with the progress made
Lottoland - Help 'n Dorp	The Oudtshoorn Business Chamber and Oudtshoorn Tourism identified the Congo Caves as a project for participation in a TV program. The Business Chamber was awarded R200,000 to overhaul the entrance of the Cave Complex. The program was broadcast in October 2023 on KykNet
Emergency Exercise - Cave Rescue	Disaster Management, in collaboration with various role players, initiated an exercise to evaluate response capabilities and resources needed for potential incidents inside the Congo Caves. This exercise aims to help response units effectively report to provincial and national departments for additional resources and to enhance the services for future incidents
Evacuation Training	Staff participated in evacuation training as organised by the Human Resources Section
VIP Visits	The City of Tacoma (USA) visited the Garden Route and Klein Karoo as part of their Twin City agreement with George Municipality. The visit focused on community engagement, youth projects, niche businesses, and tourism collaboration
Assessment of state-owned tourist attractions	The National Department of Tourism assessed the condition of state-owned tourist attractions across the country, including the Congo Caves, which participated in the evaluation.
Events	<u>Dryland Traverse</u> The traverse commences with a prologue race at Congo Caves to set off the 300+ athletes participating in this annual event. <u>Congo Marathon</u> The start of the race commenced at Congo Caves after an absence of 3 years
Marketing: Site Inspections / Educational / Familiarisation Excursion	- Africa Incoming - India - Hotspot 2 C - South Africa

Highlights	Description
	• Satguru Travel - United Arab Emirates • Tsitsikamma Tourism - South Africa • West Coast Tourism - South Africa • Travel Bug Rose - South Africa • Thompsons Africa - India • Thompsons Africa - South Africa • Royal Africa Discoveries - Singapore • Silver Star Travel -Russia • Nelson Mandel Bay Tourism - South Africa • National Dept of Tourism - South Africa • Hotspots 2 C -Brazil • Springbok Atlas - India • Thompsons Africa - South Africa • Window Tours - India • Tour d'Afrique - South Africa • Africentric - South Africa • Amazing Africa - South Africa • AiAfrica Travel- South Africa • Ascot Tours - South Africa • African Ample Assistance - South Africa • Africa & Beyond - United Kingdom • Go Vacations - South Africa • Highline Tours - South Africa • Maverick Holidays - Dubai • Private Safaris - South Africa • SA Travel Inbound - South Africa • Window Tours - South Africa
Tourism Exhibitions	Utrecht Vakantiebeurs and Swiss Road Show Vakantiebeurs is one of the biggest consumers shows on the global tourism calendar and creates the platform to communicate directly to the exhibitors. The exhibition is held annually in The Netherlands and showcases international destinations to the Dutch traveller, i.e. international tourism boards, tour operators, travel agents and consumables. Caravan and Camp Show The exhibition is held annually in Johannesburg and has become one of the most popular exhibitions in South Africa. It attracts over 22,000 visitors who come to seek inspiration for their next holiday, take advantage of the great show specials on offer and make purchases from the over 200 travel, outdoor and adventure brands the show has to offer. WTM Africa WTM Africa is the leading travel and tourism event in the region and has become a true global marketplace for companies across the industry
Film Crews	World Voyage The Russian TV crew visited various attractions in and around Oudtshoorn.

Highlights	Description
	International Film Scouts The Municipality in conjunction with Oudtshoorn Tourism, organised a familiarization excursion of the region visiting various - Cango Caves hosted the group.
Advertisements	Oudtshoorn Tourism Activity Booklet Oudtshoorn Tourism Official Tourist Brochure Dirty Boots KKNK Festival Guide Route 62 Map
MARKETING: Social Media	<u>Influencers</u> <i>Streamline Tourism</i>, in conjunction with Oudtshoorn Tourism, initiated a Destination Activation Campaign. Cango Caves hosted a group of social media influencers. <i>Sandra Klomp (Holland)</i> "Awaywego is a rapidly growing adventure travel blog, focused on providing useful travel tips, inspiration and advice to travellers who like to arrange their holiday themselves. It mainly gets readers from the Netherlands and Belgium who love traveling South Africa and normally rent a car to do so. They are looking for the most unique experiences and accommodations to make their holiday special." <i>Cape Country Routes</i> Theresa Gibbon (Tourism PR Consultant) hosted a media trip on behalf of Cape Country Routes to Oudtshoorn. The group included journalists and social media influencers. https://www.facebook.com/RoamingGiraffe5/ <i>Social Media Influencers</i> https://www.instagram.com/keenan_and_toufiq/ https://www.instagram.com/lekker_in_george/ <i>Cango Caves Social Media Handles</i> https://www.instagram.com/cango_caves/ https://www.facebook.com/cangocaves https://twitter.com/Cango_Caves https://www.cango-caves.co.za/
Sponsorships / Community Outreach	• Dassie Voorskoolse Sentrum • Klein Karoo Vaardigheidskool • S.A. Kickboxing Champions • The Living Cornerstone • Eden & Timber City Cycling Event • MCC Drop-Out Fundraiser • The Cat Hotel Oudtshoorn Fundraiser • National Institute for the Deaf Fundraiser • SATSA 101 Adventure Campaign • Bridgton Football Rugby Club • C.J. Langenhoven Library • Gill Primary Golf Day • Highgate Biathlon

Highlights	Description
	• Cango Marathon • Oudtshoorn Bowling Club • Klein Karoo Sake-Aflos • NG Kerk Grootbrak-rivier • Oudtshoorn Tourism Fundraiser • Medical Staff - SANDF • Oudtshoorn KUSA Champs Dog Show • Fezekile High School

Table 148: Cango Caves Highlights

c) Challenges: Cango Caves

Cango Caves primarily generates its income through entrance fees and rental space secondarily. These income streams fund the operational budget and capital program. The bulk of the entrance fees are resultant from tour companies/operators.

It is evident, no more than ever, that prospective visitors are making shrewd decisions and building their travel aspirations on what is most affordable and value for money. A struggling South African economy and other external factors that has had a negative impact on our domestic visitation for the last 6 years and will continue to do so.

A very limited marketing budget is hampering Cango Caves' efforts to keep our brand top of mind. Tour operators are keen to trim or exclude to the Garden Route and Klein Karoo as it's more cost effective to keep groups in Cape Town and surrounding areas.

The table below specifies the challenges for the year:

Description	Actions to address
Structural maintenance of Caves Building	The Infrastructure Department assisted the Cango Caves with this project. A structural consulting engineer compiled a report detailing how to address the structural challenges. The estimated cost for the project is R3.4 million
Staff / Organogram / Vacant Positions • Our staff consists of 34 permanent employees that comprises of guides, cashiers, maintenance and managerial staff. • The current organogram does not speak to the needs of a major tourist attraction such as Cango Caves. • The vacant positions of Conservation Officer and Coordinator Interpretive Centre speak to the gap of the scientific and educational aspects not being addressed at Cango. Our core function is to preserve the cave and we can only do so by educating our youth in this regard	• Vacant and budgeted positions are in process of being filled. • The critical positions of Conservation Officer and Interpretive Centre might be filled during year 2025/26

Table 149: Challenges: Cango Caves

3.9 Component G: Corporate Policy Offices and Other Services

3.9.1 Executive and Council

a) Highlights: Executive and Council

The table below specifies the highlights for the year:

Highlights	Description
Approval of Budget 2024/25	Council approved the Medium Term Revenue and Expenditure 2024/25, Special Council Meeting, 29 May 2023
Approval of IDP 2024/25	Council approved the IDP, Special Council meeting, 29 May 2023
Filling of Municipal Managers post	Council approved the filling of the MM post, Special Council meeting, 3 May 2023

Table 150: Executive and Council Highlights

b) Employees: Office of the MM

The following table indicates the staff composition for this division:

Employees: Office of the MM				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	25	22	3	12%
4 - 6	29	22	7	24%
7 - 9	12	9	3	25%
10 - 12	36	25	11	30%
13 - 15	10	10	0	0%
16 - 18	7	6	1	14%
19 - 20	0	0	0	0%
S57	1	1	0	0%
Total	120	95	25	20%
Employees and post numbers are as at 30 June				

Table 151: Employees: Office of the MM

Employees: Directorate Office of the Municipal Manager				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%
7 - 9	0	0	0	0%
10 - 12	2	1	1	50%
13 - 15	0	0	0	0%
16 - 18	4	3	1	25%
19 - 20	0	0	0	0%
S57	1	1	0	0%
Total	7	5	2	28%

Table 152: Employees: Directorate Office of the Municipal Manager

Employees: Internal Audit				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%
7 - 9	2	0	2	100%
10 - 12	1	0	1	100%
13 - 15	1	1	0	0%
16 - 18	1	1	0	0%
19 - 20	0	0	0	0%
Total	5	2	3	60%
Employees and post numbers are as at 30 June				

Table 153: Employees: Internal Audit

Employees: Risk and Compliance Management				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%

Employees: Risk and Compliance Management				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
7 - 9	0	0	0	0%
10 - 12	1	0	1	100%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	2	1	1	50%
Employees and post numbers are as at 30 June				

Table 154: Employees: Risk and Compliance Management

c) Capital: Executive and Council

The following table indicate the capital expenditure for this division:

Capital Expenditure 2023/24: Executive and Council				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Office furniture equipment	30 000	30 000	28 852	1 148
Upgrade of caves building	200 000	523 500	39 892	483 608
Computer and software	100 000	16 500	14 348	2 152
Total	330 000	570 000	83 092	486 908

Table 155: Capital Expenditure :Executive and Council

3.9.2 Strategic Services

a) Introduction to Strategic Services

The Department Strategic Services focus on alignment of municipal programmes and projects in the different departments in line with national and provincial key priorities. In addition, the department takes overall responsibility for management and implementation of LED, IDP, public participation, international relations, communications and town and regional planning, as well as social programs. The coordination of these functions must be developed through a long-term strategy which this department is also responsible for.

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b) Highlights: Strategic Services

The table below specifies the highlights for the year:

Highlights	Description
Construction of Business HIVE	The department secured funding from the Department of Economic Development to construct container HIVE to provide trading spaces for SMME's. During the period in review the department finalized the construction of the facility
Municipal Newsletters	The department developed 12 monthly newsletters issued to all residents as means to improve communication
Integrated Development Plan	Review and approval of the Integrated Development Plan in compliance with legislation
Promote retail and business development	The department successfully facilitate the development and start of the construction phase of the Bridgton Mall
Environmental support	The department successfully procured air quality measurement equipment to ensure effective monitoring of air quality concerns
Town Planning and Building Control	Finalizing evaluation of building plans and town planning applications within the time as per legislative framework
National Arts Festival and hosting of events	The department contributed and supported the hosting of local, and national events in the municipal area contributing significantly towards the tourism sector

Table 156: Highlights: Strategic Services

c) Challenges: Strategic Services

The table below specifies the challenges for the year:

Description	Actions to address
The department still experience challenges with shortage of staff specifically in the Economic and Planning Development Unit	Review and budget to fill vacancies and amended organogram
Lack of funding to implement projects and programs	Budget submissions to be provided and support required from Council to budget and provide necessary funding

Table 157: Challenges: Strategic Services

d) Employees: Strategic Services

The following table indicates the staff composition for this division:

Employees: Strategic Services and Tourism (LED, Social Development and Sport, Cango Caves)				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	23	20	3	13%
4 - 6	17	14	3	17%
7 - 9	8	7	1	12.5%
10 - 12	24	20	4	16%
13 - 15	4	4	0	0%
16 - 18	1	1	0	0%
19 - 20	0	0	0	0%
Total	77	66	11	14%
Employees and post numbers are as at 30 June				

Table 158: Employees: Strategic Services and Tourism (LED, Social Development and Sport, Cango Caves)

Employees: Communication, IGR & Public Participation				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	1	1	0	0%
7 - 9	2	2	0	0%
10 - 12	4	3	1	25%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	8	7	1	13%
Employees and post numbers are as at 30 June				

Table 159: Employees: Communication, IGR & Public Participation

Employees: Integrated Development Planning				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	1	0	1	100%
7 - 9	0	0	0	0%
10 - 12	1	1	0	0%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	3	2	1	33%
Employees and post numbers are as at 30 June				

Table 160: Employees: Integrated Development Planning

Employees: Institutional Performance Management (PM) & SDBIP				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%
7 - 9	0	0	0	0%
10 - 12	1	0	1	100%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	2	1	1	50%
Employees and post numbers are as at 30 June				

Table 161: Employees: Institutional Performance Management (PM) & SDBIP

3.9.3 Financial Services

a) Introduction to Financial Services

The Financial Department is responsible for management of financial affairs of the Municipality, which includes revenue, expenditure, assets and liability management, budgeting, financial reporting and Supply Chain Management (SCM), as well as Information and Communication Technology (ICT) management of the Municipality.

Key Performance Areas of this section include:

- Annual budgeting
- Annual financial statements and reporting
- Credit control and debt collection
- Indigent management
- SCM
- Ensure compliance to MFMA
- Develop and implement sound financial policies and procedures
- Provide ICT support
- Insurance management
- Investment management
- Expenditure management
- Maintain a GRAP compliant asset register

The Financial Services Directorate is split into five sections:

- Revenue
- Expenditure
- Budget and Treasury Office
- ICT
- SCM

b) Highlights: Financial Services

- The table below specifies the highlights for the year:

Highlights	Description
93.7% Payment rate achieved	Within the difficult economic conditions the Municipality was still able to get 93.7% payment rate
Number of months it takes to cover fix operating expenditure with available cash	The Municipality have improved the number of months to 2 months and strives to achieve the acceptable norm of around 3 months
Operating surplus	Despite the economic challenges, through efficient and good budget control the Municipality manage obtain an operating surplus

Table 162:

Financial Services Highlights

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c) Challenges: Financial Services

- The table below specifies the challenges for the year:

Description	Actions to address
Movement of assets	Municipal staff and councillors should adhere to Asset Management Policy and complete asset movement for all assets to minimise the risk of assets misplacement of not to be found
Employees are over indebted	Accounting Officer to issue a directive/memo to stop direct payroll deductions from new service providers
Increase number of indigent consumers	Municipality to develop means and strategies to stimulate the local economy so that the latter can employ more people

Table 163: Financial Services Challenges

d) Employees: Financial Services

The following table indicates the staff composition for this division:

Employees: Financial Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	34	32	2	5%
7 - 9	17	17	0	0%
10 - 12	19	15	4	21%
13 - 15	8	5	3	38%
16 - 18	3	3	0	0%
19 - 20	0	0	0	0%
S57	1	1	0	0%
Total	82	73	9	10%
Employees and post numbers are as at 30 June				

Table 164: Employees Financial Services

Employees: Directorate Financial Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%
7 - 9	1	1	0	0%

Employees: Directorate Financial Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
10 - 12	0	0	0	0%
13 - 15	0	0	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
S57	1	1	0	0%
Total	2	2	0	0%
Employees and post numbers are as at 30 June				

Table 165: Employees: Directorate Financial Services

Employees: Revenue				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	25	24	1	4%
7 - 9	6	6	0	0%
10 - 12	5	5	0	0%
13 - 15	3	1	2	66%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	39	36	3	7%
Employees and post numbers are as at 30 June				

Table 166: Employees: Revenue

Employees: Expenditure				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	2	2	0	0%
7 - 9	6	6	0	0%
10 - 12	1	1	0	0%
13 - 15	2	2	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	11	11	0	0%
Employees and post numbers are as at 30 June				

Table 167: Employees: Expenditure

Employees: Financial and Accounting Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	1	1	0	0%
7 - 9	1	1	0	0%
10 - 12	3	1	2	66%
13 - 15	2	2	0	0%
16 - 18	1	1	0	0%
19 - 20	0	0	0	0%
Total	8	6	2	25%
Employees and post numbers are as at 30 June				

Table 168: Employees: Financial and Accounting Services

Employees: Supply Chain Management				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	5	4	1	20%
7 - 9	3	3	3	0%

Employees: Supply Chain Management				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
10 - 12	6	4	2	33%
13 - 15	0	0	0	0%
16 - 18	1	1	0	0%
19 - 20	0	0	0	0%
Total	15	12	6	40%
Employees and post numbers are as at 30 June				

Table 169: Employees: Supply Chain Management

e) Capital: Financial Services

The following table indicate the capital expenditure for this division:

Capital Expenditure 2023/24: Financial Services				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Office furniture equipment	50 000	210 000	51 738	158 262
Computer and software	400 000	702 000	686 543	15 457
Upgrading of building - Church Street stores	300 000	300 000	294 662	5 338
100 Kva 3 phase generator	350 000	301 900	263 619	38 281
Total	1 100 000	1 513 900	1 296 562	217 338

Table 170: Capital Expenditure: Financial Services

3.9.4 Human Resource Services

a) Introduction to Human Resource Services

The primary objective of Human Resource Services is to render an innovative service that adheres to all legislative and related policies in order to addresses both skills development and all other related administrative functions.

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b) Highlights: Human Resource Services

The table below specify the highlight for the year:

Highlight	Description
Implementation of Municipal Staff Regulation (Regulation 890)	Implementation of Performance Management and Development System to the lowest level of the workforce

Table 171: Human Resource Services Highlights

c) Challenges: Human Resource Services

The table below specify the challenge for the year:

Description	Actions to address
Lack of cooperation with implementation of municipal staff regulations	To provide more communication and awareness on the municipal staff regulation

Table 172: Human Resource Services Challenges

d) Employees: Corporate Services

The following table indicates the staff composition for this division:

Employees: Office of the Director Corporate Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	21	14	7	35%
7 - 9	9	6	3	33%
10 - 12	8	7	1	13%
13 - 15	4	3	1	25%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
S57	1	1	0	0%
Total	43	31	12	27%
Employees and post numbers are as at 30 June				

Table 173: Employees: Office of the Director Corporate Services

Employees: Administration				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	18	12	6	35%
7 - 9	4	2	2	50%
10 - 12	2	1	1	50%
13 - 15	1	1	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	25	16	9	36%
Employees and post numbers are as at 30 June				

Table 174: Employees: Administration

Employees: Human Resources Management				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	3	2	1	33%
7 - 9	4	3	1	25%
10 - 12	7	7	0	0%
13 - 15	2	1	1	50%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	16	13	3	18%
Employees and post numbers are as at 30 June				

Table 175: Employees: Human Resources Management

e) Capital: Human Resource Services

The following table indicate the capital expenditure for this division:

Capital Expenditure 2023/24: Human Resource Services				
Capital Projects	2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Office Furniture Equipment	250 000	250 000	249 718	282
Upgrading Of Municipal Offices Main Building	250 000	250 000	228 715	21 285
Time And Attendance	300 000	300 000	285 125	14 875
Total	800 000	800 000	763 558	36 442

Table 176: Capital Expenditure: Human Resource Services

3.9.5 Information and Communication Technology (ICT) Services

a) Introduction to ICT Services

This section forms part of the Finance Directorate and manage, install, repair and support all aspects of information and communication technology in the Municipality. This includes computer hardware and software, network infrastructure and wireless communication. Currently the section has 5 staff members to deliver the services. We manage high sites, wireless clients (remote offices), desktops, laptops, printers and Voice Over Internet Protocol (VOIP) communications. There are 370 active network users. Software systems in use are the financial system, correspondence and customer care, email and internet access, pre-paid vending, library functions, payroll, human resources, building control, cemetery management, geographical information system and hosting of the Municipality's website and the Cango Caves.

b) Challenges: ICT Services

The challenge that was experienced is as follow:

Description	Actions to address
Load shedding	Purchase and install new generator for the main building, specifically for the server room maintenance
Time and attendance	Procurement of fingerprint access points to be done in 2023/24 and budgeting of this as multi-year project to address the need by Council

Table 177: Challenges: ICT Services

c) Service Delivery Levels

Details	2022/23	2023/24
Provide ICT support to all municipal departments by attending to requests within 4 working days	100%	100%
Total number of support requests and enquiries	1 344	1 183
Total number of support requests and enquiries solved within 4 days	1 344	1 183

Table 178: Service Data for ICT Services

d) Employees: ICT Services

The following table indicates the staff composition for this division:

Employees: ICT Services				
Job Level	2023/24			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	1	1	0	0%
7 - 9	0	0	0	0%
10 - 12	4	4	0	0%
13 - 15	1	0	1	100%
16 - 18	1	1	0	0%
19 - 20	0	0	0	0%
Total	7	6	1	14%
Employees and post numbers are as at 30 June				

Table 179: Employees: ICT Services

3.9.6 Legal Services

a) Introduction to Legal Services

The Department Contracts and Legal Services currently comprises of the Senior Legal Manager and a newly appointed Senior Legal Advisor. The position of Legal Advisor was upgraded to senior Legal Advisor on the new organogram.

The department was hampered by the fact that the position of Administrative Officer cannot be filled due to historic reasons, which presents administrative and logistical challenges and may compromise service delivery. The position of Legal Advisor has been filled and the new incumbent commenced on 01 July 2024.

The department offers *inter alia* the following legal services:

- Provides effective legal support to various departments, Council and Committees
- Responsible for consulting and briefing outside attorneys and advocates
- Prosecution of traffic offences and transgressions of Municipal By - Laws
- Disciplinary hearings, labour court procedure and arbitrations
- The office also liaises with Council's insurers in respect of insurance related claims
- Conducts research and provides *ad hoc* legal advice and render legal opinion
- Responsible for all civil litigation against the Council
- Deals and handles policies and by-laws
- Responds to all applications made by members of the public in terms of Promotion of Access to Information Act (PAIA)
- Draft and vetting of contracts
- Administration of contracts
- Draft and prepare reports on tender appeals in terms of Section 62 (Systems Act) for consideration of the appropriate appeals authority

b) Highlights: Legal Services

The highlights for the year under review were as follows:

Highlights	Description
Senior Manager Legal Services	Appointment of Senior Legal Manager after more than a year.
Migration of Legal Services	Legal Services has been moved to the Office of the Municipal Manager

Table 180: Highlights: Legal Services

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c) Challenges: Legal Services

Challenges that are experienced includes the following:

Description	Actions to address
Lack of administrative support	Request MM to urgently address the lack of administrative support
Claims for damages are paid from the Legal Vote, as departments often do not take responsibility for negligence or damages caused by their officials	The matter must be appropriately addressed at senior management level
Legal Services is not involved in the insipient stages of contracts, eg at BSC level	Draft new SOP to address this challenge

Table 181: Challenges: Legal Services

d) Service Delivery Levels

Details	2022/23	2023/24
Attending to requests for information applications made by members of the public is a form of service delivery	Yes	Yes

Table 182: Service Delivery Levels

f) Employees: Contracts & Legal Services

The following table indicates the staff composition for this division:

Employees: Council Support				
Job Level	2022/23			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0%
4 - 6	0	0	0	0%
7 - 9	0	0	0	0%
10 - 12	2	0	2	100%
13 - 15	0	0	0	0%
16 - 18	1	1	0	0%
19 - 20	0	0	0	0%
Total	3	1	2	66%
Employees and post numbers are as at 30 June				

Table 183: Employees: Contracts and Legal Services

3.9.7 Procurement Services

a) Introduction to Procurement Services

In this 2023/24 financial summary overview the following will be highlighted:

- Actions considered as important highlights and positive contributions to SCM Unit and the service delivery initiatives amongst others for the year ended
- Areas considered still posing a challenge in executing the SCM duties efficiently
- Provision of statical information regarding procurement processes and deviations for the 2023/24 financial year end

b) Highlights: Procurement Services

The table below specifies the highlights for the year:

Highlights	Description
90% of tenders were awarded before expiry	Better progress in terms of prior financial year
Better planning in terms of deviating from SCM process	2021/22 total deviations were 26 2022/23 total deviations were only 8 2023/24 total deviations were only 2

Table 184: Procurement Services Highlights

c) Challenges: Procurement Services

The table below specifies the challenges for the year:

Description	Actions to address
Lack of training for SCM officials	Apply for skills/training courses
Continuous change in regulations/legislation	Implement new legislation
Incompetent BEC members	Appoint competent and adequate BEC members. Also, send members for committee training

Table 185: Procurement Services Challenges

d) Service Statistics for Procurement Services

The table below specifies the service statistics for the year:

Description	Total	Monthly Average	Daily Average
Requests processed	6 218	518	17
Orders processed	5 760	480	16
Requests cancelled or referred back	458	38	1
Extensions	0	0	0

Description	Total	Monthly Average	Daily Average
Bids received (number of documents)	464	39	1.3
Bids awarded	41	3.4	0.1
Bids awarded ≤ R200 000	41	3.4	0.1
Appeals registered	2	0.2	0.01
Successful appeals	0	0	0

Table 186: Service Statistics for Procurement Division

e) Details of Deviations for Procurement Services

Type of deviation	Value of deviations (R)	Percentage of total deviations value (%)	Value of deviations (R)	Percentage of total deviations value (%)
	2022/23		2023/24	
Clause 36(1)(a)(i)- Emergency	717 679.80	30	0	0
Clause 36(1)(a)(ii)- Sole Supplier	1 520 513.60	62	6 574.32	8.17
Clause 36(1)(a)(v)- Impractical /impossible	194 375.50	8	73 854.67	91.83

Table 187: Statistics of Deviations from the SCM Policy

3.10 Component H: Service Delivery Priorities for 2024/25

The main development and service delivery priorities for 2024/25 forms part of the Municipality's Top Layer SDBIP for 2024/25 and are indicated in the table below as per strategic objective:

3.10.1 An ethical and transparent local government that is responsive to the needs of the community and encourage public participation

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL11	Limit unaccounted electricity to less than 13% by 30 June 2025 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} X 100}	% unaccounted electricity by 30 June 2024	All	13%
TL19	Limit vacancy rate to less than 20% of budgeted post by 30 June 2025 [(Number of funded posts vacant / number of funded posts) x100]	% Vacancy rate	All	20%
TL21	Submit the EE plan to Department of Labour by 15 January 2025	EE plan submitted	All	1
TL22	Annually submit Workplace Skills Plan by 30 April 2025 to LGSETA	Workplace Skills Plan submitted	All	1
TL23	Submit a request for amendments of records to Provincial Archives by 30 November	Number of requests submitted	All	1
TL24	Conduct the performance evaluations of the Section 57 managers bi-annually	Number of evaluations conducted	All	2
TL25	Oversee the compilation and submission of the Oversight Report to Council by 31 March 2025	Report submitted to Council Support Services to be tabled in Council by 31 March	All	1
TL26	Review the annual risk register by 30 April 2025	Reviewed risk register	All	1

Table 188: An ethical and transparent local government that is responsive to the needs of the community and encourage public participation

3.10.2 To achieve financial sustainability and strengthen municipal transformation and development

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL5	Financial viability measured in terms of the municipality's ability to meet it's 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))	% of debt coverage	All	20%

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL6	Financial viability measured in terms of the outstanding service debtors as at 30 June 2025 ((Total outstanding service debtors/ revenue received for services)X100)	% of outstanding service debtors (total outstanding debtors refers to total net debtors)	All	25%
TL7	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	All	1.6
TL8	Achieve a debtor payment percentage of 93% as at 30 June 2025 {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100}	% debtor payment achieved	All	93%
TL9	The percentage of the municipal capital budget spent on capital projects as at 30 June 2025 {(Actual amount spent on capital projects /Total amount budgeted for capital projects)X100}	% the capital budget spent on capital projects as at 30 June 2024	All	95%
TL17	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan during the 2024/25 financial year	Number of people employed in the three highest levels of management	All	1
TL18	The percentage (%) of the municipality's training budget spent, measured as Total Actual Training Expenditure/Approved Training Budget x 100	Percentage (%) of budget spent on scheduled training within the financial year	All	80%

Table 189: To achieve financial sustainability and strengthen municipal transformation and development

3.10.3 To promote social, rural and spatial economic development

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL12	Limit unaccounted water to less than 25% by 30 June 2025 {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold (incl free basic water) / Number of Kiloliters Water Purchased or Purified x100}	% unaccounted water by 30 June 2024	All	25%
TL13	Create temporary jobs - FTE's in terms of EPWP by 30 June 2025 (Person days / FTE (230 days))	Number of FTE's created by 30 June 2024	All	150
TL28	The effective management of Thusong Centre measured by percentage of capital budget spent	Percentage (%) of capital budget spent.	All	90%

Table 190: To promote social, rural and spatial economic development

3.10.4 To provide basic services to all residents in an environmentally sustainable manner

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL1	Provide subsidies for free basic water to indigent households as at 30 June 2025	Number of indigent households receiving subsidies for free basic water as per PROMUN financial system. The Ontec management report is also used as unit of measurement	All	7 500
TL2	Provide subsidies for free basic electricity to indigent households(excluding ESKOM supply area) as at 30 June 2025	Number of indigent households receiving subsidies for free basic electricity as per PROMUN financial system. The Ontec management report is also used as unit of measurement	All	7 500
TL3	Provide subsidies for free basic sanitation to indigent households as at 30 June 2025	Number of indigent households receiving subsidies for free basic sanitation as per PROMUN financial system	All	7 500
TL4	Provide subsidies for free basic refuse removal to indigent households as at 30 June 2025	Number of indigent households receiving subsidies for free basic refuse removal as per PROMUN financial system	All	7 500
TL10	Provide refuse services to residential properties for which refuse is removed and billed for the service as at 30 June 2025	Number of residential properties which are billed for refuse removal as per the PROMUN financial system	All	14 600
TL14	Provide piped water to residential properties which are connected to the municipal water infrastructure network and billed for the service as at 30 June 2025	Number of residential properties that receive piped water as per the Promun Financial System as at 30 June 2024	All	15 200
TL15	Provide electricity to residential properties connected to the municipal electrical infrastructure network and billed for the service as well as prepaid electrical metering as at 30 June 2025	Number of residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) as per the Promun Financial System as at 30 June 2024. The Ontec management report is also used as unit of measurement	All	16 400
TL16	Provide sanitation services to residential properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2025	Number of residential properties which are billed for sewerage in accordance with the Promun Financial System as at 30 June 2024	All	15 000

Table 191: To provide basic services to all residents in an environmentally sustainable manner

3.10.5 To create sustainable integrated human settlements and safe neighbourhoods where communities can prosper

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL20	Review the Emergency Housing Assistance Policy by 31 December 2024	Policy reviewed and submitted to Council	All	1
TL30	Review the Disaster Management Plan by 31 January 2025	Plan completed and submitted to Council	All	1
TL31	Submit quarterly reports on the allocations of emergency structures, prevention of illegal evictions and submit to Council for by 30 June 2025	Number of reports submitted to Council	All	1

Table 192: To create sustainable integrated human settlements and safe neighbourhoods where communities can prosper

CHAPTER 4

4.1 National Key Performance Indicators - Municipal Transformation and Organisational Development

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area - Municipal Transformation and Organisational Development.

KPA and Indicators	2022/23	2023/24
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	6	2
The percentage (%) of the municipality's training budget spent, measured as Total Actual Training Expenditure/ Approved Training Budget x 100	73.23%	60%

Table 193: National KPIs- Municipal Transformation and Organisational Development

4.2 Component A: Introduction to the Municipal Workforce

The Municipality currently employs 699 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.2.1 Employment Equity

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

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a) Employment Equity vs. Population

The table below indicates the employment equity vs. population:

African			Coloured			Indian			White		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
288.78	154	No	346.09	475	Yes	5.28	0	No	114.61	70	No

Table 194: 2023/24 EE Targets/Actual by Racial Classification

Male			Female			Disability		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
407.16	436	Yes	347.59	263	No	2.26	4	Yes

Table 195: 2023/24 EE Targets/Actual by Gender Classification

Description	African	Coloured	Indian	White	Total
Number for positions filled for the 2023/24 financial year	11	56	0	9	76
% for Positions filled	16.94%	26.6%	0%	6.3%	49.84%

Table 196: EE Population 2023/24

b) Specific Occupational Levels - Race

The table below categorise the number of employees by race within the occupational levels:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	3	0	0	0	0	0	0	3
Senior management	0	2	0	1	0	0	0	1	4
Professionally qualified and experienced specialists and mid- management	2	11	0	5	1	5	0	2	26
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	9	43	0	11	12	39	0	5	119
Semi-skilled and discretionary decision making	39	128	0	18	22	74	0	10	291
Unskilled and defined decision making	46	104	0	13	23	66	0	4	256
Total permanent	96	291	0	48	58	184	0	22	699

Table 197: Occupational Levels

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c) Departments - Race

The following table categorise the number of employees by race within the different departments:

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	11	30	0	2	12	33	0	4	92
Corporate Services	2	10	0	0	4	14	0	0	30
Financial Services	5	14	0	10	5	31	0	8	73
Strategic & Social Development	1	3	0	1	3	2	0	2	12
Engineering Services	42	108	0	26	13	23	0	2	214
Community Services	35	126	0	9	24	78	0	6	278
Total permanent	96	291	0	48	61	181	0	22	699

Table 198: Department - Race

d) Trade Union Membership

The following table provides information on the trade union membership of the employees of the Municipality:

Union	Number of members	% of Total Compliment	Number of members	% of Total Compliment
	2022/23		2023/24	
SAMWU	256	36	208	25
IMATU	415	59	435	53
MATUSA	5	1	4	0.5
Non-members	28	4	181	22
Double membership	0	0	0	0
Total	704	100	828	100

Table 199: Trade Union Membership

4.2.2 Vacancy Rate

The approved organogram for the Municipality had 1 096 posts for the 2023/24 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 300 (Including temps) posts were vacant at the end of 2023/24, resulting in a vacancy rate of 27.37%.

However, the number of funded vacant posts were 91 as at 30 June 2024. Resulting in a total funded vacancy rate of 11.45% for the 2023/24 financial year.

Total number of funded posts vacant: 91

Total number of funded posts: 795

Percentage of funded post vacant $(91/795) \times 100 = 11.45\%$

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Below is a table that indicates the vacancies (as per organogram) within the Municipality:

Per Post Level		
Level	Filled	Vacant
MM & MSA Section 57 & 56	6	2
Middle management	32	11
Professionals	60	38
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	272	93
Unskilled and defined decision making	75	46
Semi-skilled and defined decision making	257	95
Non- permanent employees	18	91
Total	720	376

Table 200: Vacancy Rate per Post and Functional Level

4.2.3 Staff Turnover Rate

A high staff turnover may be costly to a Municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the staff turnover rate within the Municipality. The staff turnover rate shows an increase from 68.85% in 2022/23 to 74.69% in 2023/24.

The table below indicates the staff turnover rate over the last two years:

Financial year	Total no appointments at the end of each Financial Year	New appointments	Promotion	No Terminations during the year	Staff Turnover Rate
2022/23	61	45	16	42	68.85%
2023/24	83	56	27	62	74.69%

Table 201: Turnover Rate

4.3 Component B: Managing the Municipal Workforce

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

4.3.1 Injuries

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

The injury rate shows an increase from 69 employees injured in the 2022/23 financial year against 102 employees in the 2023/24 financial year.

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

Directorates	2022/23	2023/24
Office of the Municipal Manager	0	1
Corporate Services	01	2
Financial Services	01	6
Strategic & Social Development	01	3
Community Services	47	54
Technical Services	19	36
Total	69	102

Table 202: Injuries

The table below indicates the incidence frequency rate for 2023/24:

Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Accumulative injury rate	1	3	5	14	12	5	7	3	12	7	8	5
Vehicle related incidents	0	4	3	3	4	0	1	2	1	1	1	0

Table 203: Incidence Frequency Rate

4.3.2 Sick Leave

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

The total number of employees that have taken sick leave during the 2022/23 financial year shows a decrease when compared with the 2023/24 financial year. The new 3-year sick leave cycle started on 1 May 2022.

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

Department	2022/23	2023/24		
		Sick Leave	Unpaid Leave	Total
Office of the Municipal Manager	465.37	280.75	12	292.75
Corporate Services	242	310.25	0	310.25
Financial Services	615.31	581.67	3	584.67
Community Services	2 548.31	1671.4	91.24	1 762.64
Technical Services	2 123.75	1 238.43	105.37	1 343.80
Strategic & Social Development	311	168	21	189
Total	6 305.74	4 250.6	232.61	4 483.21

Table 204: Sick Leave

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4.3.3 Disciplinary Measures

a) Disciplinary Cases per Directorate

Directorate	Number of cases	
	2022/23	2023/24
Office of the Municipal Manager	0	3
Corporate Services	1	1
Financial Services	1	1
Community Services	8	8
Technical Services	11	4
Strategic & Social Development	8	5
Total	29	22

Table 205: Disciplinary Cases Per Directorate

b) Outcome of Disciplinary Steps

Type of outcome	Number	
	2022/23	2023/24
Counselling	0	1
Final warning	5	3
Written warning	7	3
Not guilty	0	1
Dismissal	14	13
Withdrawn (During hearing)	0	0
10 Days with suspension	0	2
5 Days with suspension	1	0
Pending	0	1
Suspensions	13	16

Table 206: Outcome of Disciplinary Steps

c) Category of Disciplinary Offences per Charge

Category	Number	
	2022/23	2023/24
Absenteeism	8	7
Alcohol/drugs	1	3
Intimidation	1	7
Poor work performance	0	0
Dishonesty	9	3
Negligence	7	1

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Category	Number	
	2022/23	2023/24
Poor conduct	1	0
Insubordination	2	2
Total	28	23
Number of category of offences vary from number of disciplinary cases as in some instances some individuals received more than one charge		

Table 207: Category of Disciplinary Offences per Charge

4.4 Component C: Capacitating the Municipal Workforce

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

4.4.1 Skills Matrix

The table below indicates the number of employees that received training (skills programs, short courses, etc.) in the year under review:

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
MM and S57	Female	0	0
	Male	0	0
Legislators, senior officials and managers	Female	5	5
	Male	2	2
Associate professionals and technicians	Female	1	1
	Male	5	5
Professionals	Female	3	3
	Male	10	10
Clerks	Female	27	27
	Male	24	24
Service and sales workers	Female	16	16
	Male	11	11
Craft and related trade workers	Female	0	0
	Male	2	2
Plant and machine operators and assemblers	Female	13	13
	Male	25	25
Elementary occupations	Female	44	44

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Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
	Male	55	55
Sub total	Female	109	109
	Male	134	134
Total		243	243

Table 208: Skills Matrix

4.4.2 Training Interventions

The table below indicates the type of training interventions that was provided for employees trained:

Training intervention	Female				Male				Total
	A	C	I	W	A	C	I	W	
Water & Wastewater Treatment Process Operations NQF 2	0	2	0	0	0	0	0	0	2
Water & Wastewater Process Control NQF 3	0	3	0	0	0	4	0	0	7
Water & Wastewater Treatment Process Control Supervision NQF 4	0	0	0	0	2	2	0	0	4
Municipal Competency Level Training	2	4	0	2	2	2	0	1	13
Public Procurement: The Fundamentals	0	1	0	0	0	2	0	0	3
POPIA Act Training	0	1	0	0	0	1	0	0	2
Disciplinary Hearing Presiding Officer and Initiator Training	0	2	0	0	0	2	0	0	4
Grade C: Examiner of Driver License	0	0	0	0	1	0	0	0	1
Grade F-C: Examiner of Driver Licence	0	2	0	0	0	0	0	0	2
Evacuation & Fire Marshall Training	18	16	0	7	16	21	0	10	88
Grade F& L: Examiner of Driver License	0	1	0	0	0	0	0	0	1
Lifeguard Refresher- Retest	0	0	0	0	20	15	0	0	35
First Aid Training Levels 1-3	7	18	0	2	8	16	0	4	55
LLF Training	0	0	0	0	0	3	0	0	3
Mentoring for Public Service Managers	0	1	0	0	1	1	0	0	3
Municipal Leaders Media & Stakeholder Engagement	0	2	0	1	0	1	0	1	5
Plumbing Assessment to Trade Test (ongoing)	0	0	0	0	5	8	0	2	15
Bricklaying Assessment to Trade Test (ongoing)	0	0	0	0	1	1	0	0	2
Total	27	51	0	12	56	79	0	18	243

Table 209: Training Interventions

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4.4.3 Skills Development - Training Provided

The Skills Development Act (1998) and the MSA, require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff. Furthermore, after the promulgation of the Staff Regulations, Reg. 890 ad Guidelines 890, Chapter 4 has placed emphasis on the development of skills, as performance and skills development now goes hand-in-hand.

Occupational categories	Gender	Training provided within the reporting period					
		Learnerships		Skills programmes & other short courses		Total	
		Actual	Target	Actual	Target	Actual	Target
MM and S57	Female	0	0	0	0	0	0
	Male	0	0	0	0	0	0
Legislators, senior officials and managers	Female	0	0	5	5	5	5
	Male	0	0	2	2	2	2
Professionals	Female	0	0	3	3	3	3
	Male	0	0	10	10	10	10
Technicians and associate professionals	Female	0	0	1	1	1	1
	Male	0	0	5	5	5	5
Clerks	Female	0	0	27	27	27	27
	Male	0	0	24	24	24	24
Service and sales workers	Female	0	0	16	16	16	16
	Male	0	0	21	21	21	21
Craft and related trade workers	Female	0	0	0	0	0	0
	Male	0	0	2	2	2	2
Plant and machine operators and assemblers	Female	0	0	13	13	13	13
	Male	0	0	25	25	25	25
Elementary occupations	Female	5	5	39	39	44	44
	Male	7	7	48	48	55	55
Sub total	Female	5	5	104	104	109	109
	Male	7	7	137	137	144	144
Total		12	12	241	241	253	253

Table 210: Skills Development

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4.4.4 Skills Development - Budget Allocation

The table below indicates that a total amount of R 642 100 were allocated to the workplace skills plan and that 63.65% of the total allocated amount was spent in the 2023/24 financial year:

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
2022/23	292 117	611 300	447 680.50	73.23%
2023/24	220 400	642 100	549 021.97	63.65%

Table 211: Budget Allocated and Spent for Skills Development

4.4.5 Municipal Minimum Competency Course Status

In terms of Section 83(1) of the MFMA, the accounting officer, senior managers, the 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 Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No Municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice No. 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 MMC -training course consists of 15 modules for most candidates and the status of the progress a is as follows:

Description	Total number of officials employed by Municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials				
Accounting officer	1	1	1	1
Chief financial officer	1	1	1	1
Senior managers	4	4	4	2
Any other financial officials	75	13	0	13
Supply Chain Management Officials				
Heads of supply chain management units	1	1	0	1

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Description	Total number of officials employed by Municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Supply chain management senior managers	0	0	0	0
Total	82	20	6	18

Table 212: MMC Course Status

4.5 Component D: Managing the Municipal Workforce Expenditure

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

4.5.1 Personnel Expenditure

The percentage personnel expenditure is essential in 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 allowance for the past two financial years and that the Municipality is within the National Treasury norm of 25% -40%:

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	
2022/23	282 248	718 516	39.28 %
2023/24	293 238	747 240	39.24 %

Table 213: Personnel Expenditure

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

Financial year	2022/23	2023/24		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Councillors (Political Office Bearers plus Other)				
Salary	8 851	9 336	9 336	9 785
Pension Contributions	592	297	297	646
Medical Aid Contributions	129	471	471	139
Motor vehicle allowance	982	1 195	1 195	1 060
Cell phone allowance	822	1 186	1 186	945
Sub Total	11 376	12 485	12 485	12 575
Senior Managers of the Municipality				
Basic Salaries and Wages	3 890	3 873	4 334	4 746
Acting allowance	98	1 096	1 116	15
Pension and UIF Contributions	614	744	753	776
Medical Aid Contributions	43	124	185	46
Overtime	0	58	58	0
Motor vehicle allowance	279	264	264	224
Cell phone allowance	299	323	246	361
Housing allowance	118	0	0	118
Performance Bonus	356	1 038	1 064	245
Other benefits or allowances	558	40	41	622
Leave Payments	44	0	0	170
Sub Total	6 299	7 559	8 061	7 323
Other Municipal Staff				
Basic Salaries and Wages	162 836	193 480	194 801	169 719
Acting allowance	719	1 156	1 206	954
Pension Contributions	29 184	34 361	34 230	30 393
Medical Aid Contributions	12 818	17 532	16 633	13 220
Motor vehicle allowance	4 267	4 864	5 368	4 717
Cell phone allowance	972	1 561	1 751	1 101
Housing allowance	1 241	1 473	1 692	1 264
Overtime	18 060	14 041	14 318	17 568
Leave Payments	(83)	0	0	3 708
Annual bonuses	14 194	15 070	15 073	13 235
Other benefits or allowances	6 059	10 064	9 976	6 767

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Financial year	2022/23	2023/24		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Long service awards	2 444	2 615	2 293	2 293
Post-retirement benefit obligations	16 578	17 737	15 986	15 986
Sub Total	269 289	313 955	313 355	280 925
Total Municipality	275 588	333 998	333 901	288 248
Total Managers And Staff	286 964	321 446	321 416	300 823

Table 214: Personnel Expenditure

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CHAPTER 5

This chapter provides details regarding the financial performance of the municipality for the 2023/24 financial year.

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:

Financial Summary						
R'000						
Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Financial Performance						
Property rates	116 473	127 770	128 172	128 895	0.87	0.56
Service charges	408 896	483 092	473 224	460 208	-4.97	-2.83
Investment revenue	11 878	6 407	11 157	14 999	57.28	25.62
Transfers recognised - operational	102 862	112 342	141 042	137 929	18.55	-2.26
Other own revenue	80 302	114 048	125 626	68 816	-65.73	-82.55
Total Revenue (excluding capital transfers and contributions)	720 411	843 659	879 222	810 847	-4.05	-8.43
Employee costs	282 248	321 513	321 446	295 730	-8.72	-8.70
Remuneration of councillors	11 375	12 485	12 485	12 576	0.72	0.72
Depreciation & asset impairment	53 248	50 262	54 514	50 916	1.29	-7.07
Finance charges	10 726	6 956	8 525	11 380	38.88	25.09
Materials and bulk purchases	229 275	328 090	340 447	303 473	-8.11	-12.18
Transfers & grants	3 003	2 909	5 289	3 303	11.92	-60.12
Other expenditure	137 091	154 283	166 038	133 980	-15.15	-23.93
Total Expenditure	726 967	876 497	908 744	811 357	-8.03	-12.00
Surplus/(Deficit)	(6 556)	(32 838)	(29 523)	(510)	-6333.52	-5683.91
Transfers recognised - capital	79 980	35 897	37 742	36 094	0.55	-4.57
Contributed/Donated PPE	722	0	0	0	0	0
Surplus/(Deficit) after capital transfers & contributions	74 147	3 058	8 220	35 583	91.41	76.90
Capital expenditure & funds sources						

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Financial Summary						
R'000						
Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Capital expenditure						
Transfers recognised - capital	69 471	31 214	32 787	31 384	0.54	-4.47
Public contributions and donations	107	0	0	0	0	0
Borrowing	26 236	17 200	17 757	15 887	-8.27	-11.77
Internally generated funds	15 309	11 075	17 823	13 961	20.67	-27.66
Total sources of capital funds	111 123	59 490	68 367	61 233	2.85	-11.65
Financial position						
Total current assets	229 003	141 133	201 821	261 897	46.11	22.94
Total non(current assets	1 153 810	1 163 735	1 181 523	1 146 916	-1.47	-3.02
Total current liabilities	145 649	116 131	112 792	125 252	7.28	9.95
Total non(current liabilities	212 610	229 646	218 437	222 676	-3.13	1.90
Community wealth/equity	1 024 553	959 091	1 052 115	1 060 885	9.60	0.83
Cash flows						
Net cash from (used) operating	87 223	47 470	34 021	67 325	29.49	49.47
Net cash from (used) investing	(104 411)	(59 127)	(67 776)	(54 150)	-9.19	-25.16
Net cash from (used) financing	2 386	(1 300)	(1 300)	1 584	182.09	182.09
Cash/cash equivalents at the year end	129 131	41 349	94 077	143 889	71.26	34.62
Cash backing/surplus reconciliation						
Cash and investments available	129 131	41 349	94 528	143 889	71.26	34.30
Application of cash & investments	(31 763)	(5 084)	(12 569)	(13 541)	62.45	7.18
Balance (surplus (shortfall))	97 368	46 433	107 097	130 348	64.38	17.84
Asset management						
Asset register summary (WDV)	1 123 140	1 163 735	1 181 523	1 114 997	-4.37	-5.97
Depreciation and asset impairment	53 248	50 262	54 514	53 695	6.39	-1.53
Renewal of existing assets	2 063	46 448	55 078	8 556	-442.88	-543.75
Repairs and maintenance	22 964	23 946	50 060	50 142	52.24	0.16
Free services						
Cost of free basic services provided	58 820	67 859	79 519	87 439	22.39	9.06
Revenue cost of free services provided	9 389	10 192	10 192	10 192	0.00	0.00
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR Table A1						

Table 215: Financial Performance 2023/24

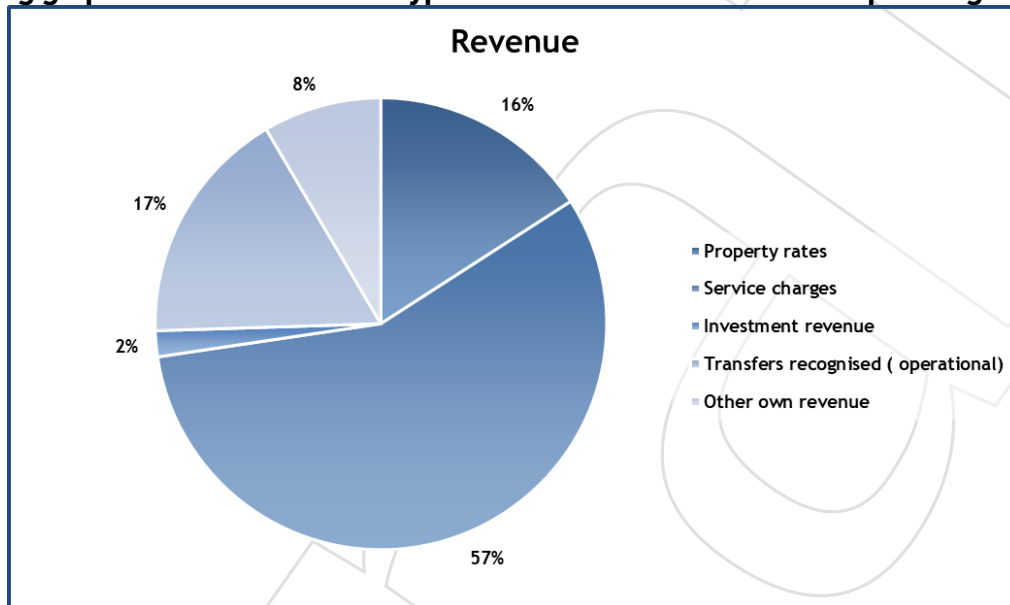
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The table below shows a summary of performance against budgets:

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Difference	%	Budget	Actual	Difference	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2022/23	879 555	801 114	(78 442)	-9	876 497	726 967	149 530	17
2023/24	916 964	846 941	(70 024)	-8	908 744	811 357	97 387	11

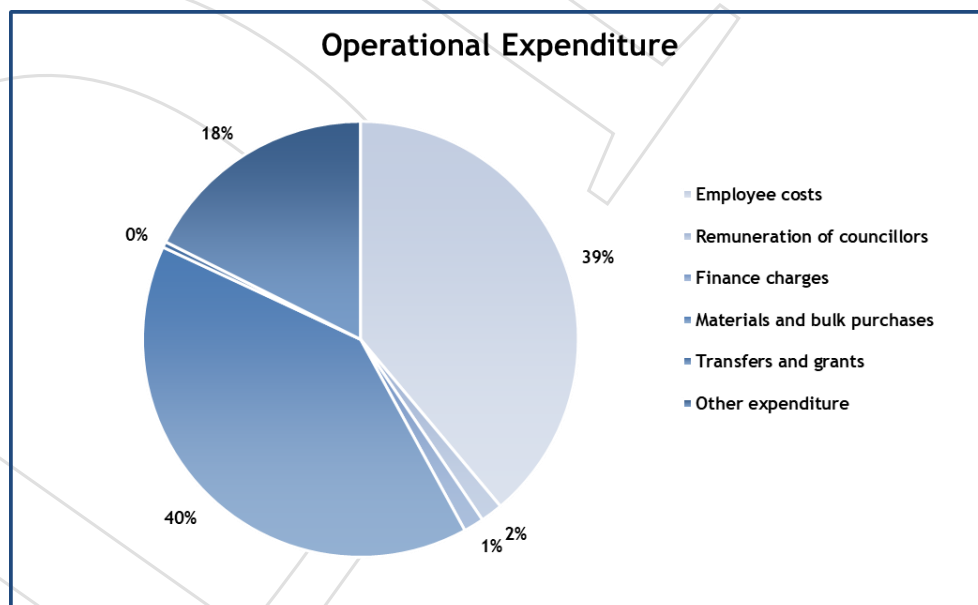
Table 216: Performance Against Budgets

The following graph indicates the various types of revenue items in the municipal budget for 2023/24



Graph 6.: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2023/24



Graph 7.: Operating Expenditure

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5.1.1 Revenue Collection by Vote

The table below indicates the Revenue collection performance by Vote:

Vote Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Executive & Council	96 583	0	0	0	0	0
Municipal Manager	16 012	82 901	88 609	86 572	4.24	-2.35
Corporate Services	832	699	899	563	-24.20	-59.73
Financial Services	119 673	132 572	132 974	133 697	0.84	0.54
Community and Public Safety	66 253	66 722	78 225	87 548	23.79	10.65
Infrastructure Services	0	577 022	590 973	516 321	-11.76	-14.46
Technical Services	499 891	0	0	0	0	0
Human Settlement	0	0	0	0	0	0
Planning & Development	0	19 639	25 285	22 241	11.70	-13.69
Strategic Services	1 870	0	0	0	0	0
Total Revenue by Vote	801 114	879 555	916 964	846 941	-3.85	-8.27
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR Table A3						

Table 217: Revenue Collection by Vote

5.1.2 Revenue Collection by Source

The table below indicates the revenue collection performance by source for the 2023/24 financial year:

Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Property rates	119 168	127 770	128 172	128 895	0.87	0.56
Property rates - penalties & collection charges	0	0	0	0	0	0
Service Charges - electricity revenue	280 089	318 619	309 360	301 649	-5.63	-2.56
Service Charges - water revenue	70 499	81 214	79 655	72 691	-11.73	-9.58
Service Charges - sanitation revenue	35 771	48 857	48 857	44 159	-10.64	-10.64
Service Charges - refuse revenue	25 733	34 403	35 353	41 708	17.52	15.24
Service Charges - other	0	0	0	0	0	0
Rentals of facilities and equipment	3 541	2 534	2 697	3 672	31.00	26.55
Interest earned - external investments	11 878	6 407	11 157	14 999	57.28	25.62

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Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Interest earned - outstanding debtors	6 153	9 246	9 246	6 771	-36.55	-36.55
Dividends received	0	0	0	0	0	0
Fines	15 318	4 700	14 109	16 228	71.04	13.06
Licenses and permits	381	445	445	454	2.07	2.07
Agency services	5 647	7 454	7 454	5 622	-32.59	-32.59
Transfers recognised - operational	103 338	112 342	141 042	137 929	18.55	-2.26
Other revenue	21 914	25 798	29 223	34 197	24.56	14.55
Gains on disposal of PPE	20 980	63 870	62 452	2 198	-2805.81	-2741.32
Total Revenue (excluding capital transfers and contributions)	720 411	843 659	879 222	811 174	-4.00	-8.39
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR Table A4.						

Table 218: Revenue by Source

5.1.3 Operational Services Performance

Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Operating Cost						
Water	72 066	45 520	66 339	64 196	29.09	-3.34
Waste Water (Sanitation)	15 279	29 217	30 885	26 764	-9.16	-15.40
Electricity	42 701	29 216	31 983	29 714	1.68	-7.64
Waste Management	(348)	8 023	7 328	20 506	60.88	64.27
Housing	(14 660)	(15 091)	(14 796)	0	0	0
Component A: sub-total	115 037	96 884	121 739	141 180	31.38	13.77
Roads and Stormwater	(6 556)	(17 386)	(46 978)	(40 055)	56.59	-17.28
Component B: sub-total	(6 556)	(17 386)	(46 978)	(40 055)	56.59	-17.28
Planning and Development	(20 814)	(19 610)	(20 246)	(17 756)	-10.44	-14.02
Component C: sub-total	(20 814)	(19 610)	(20 246)	(17 756)	-10.44	-14.02
Community and Social Services	(17 619)	(16 184)	(16 816)	(45 987)	64.81	63.43
Public Safety	(28 610)	(23 364)	(26 608)	(26 123)	10.56	-1.86
Component D: sub-total	(46 228)	(39 547)	(43 424)	(72 110)	45.16	39.78

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Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Operating Cost						
Sport and Recreation	(36 807)	(47 488)	(48 524)	(26 920)	-76.41	-80.26
Component E: sub-total	(36 807)	(47 488)	(48 524)	(26 920)	-76.41	-80.26
Financial & Admin	38 328	35 028	37 518	42 569	17.71	11.86
Executive and Council	33 937	(1 993)	10 978	11 502	117.32	4.55
Other	(2 750)	(2 830)	(2 844)	(2 827)	-0.10	-0.58
Component F: sub-total	69 514	30 205	45 653	51 244	41.06	10.91
Nett Surplus / (Deficit)	74 147	3 058	8 220	35 583	91.41	76.90
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 219: Operational Services Performance

5.2 Financial Performance per Municipal Function

5.2.1 Water Services

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	128 645	161 180	184 865	124 500	-29.46
Expenditure:					
Employees	20 800	26 941	28 763	28 336	4.92
Repairs & Maintenance	3 416	3 998	3 998	4 605	13.17
Other	32 364	84 721	85 765	27 363	-209.61
Total Operational Expenditure	56 580	115 660	118 526	60 304	-91.80
Net Operational (Service) Expenditure	72 066	45 520	66 339	64 196	29.09
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 220: Financial Performance: Water Services

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5.2.2 Waste Water (Sanitation)

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	46 297	59 350	59 350	56 026	-5.93
Expenditure:					
Employees	17 840	19 794	17 457	17 561	-12.72
Repairs & Maintenance	1 908	1 716	1 716	1 791	4.21
Other	11 270	8 624	9 292	9 910	12.98
Total Operational Expenditure	31 018	30 133	28 465	29 262	-2.98
Net Operational (Service) Expenditure	15 279	29 217	30 885	26 764	-9.16
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 221: Financial Performance: Waste Water (Sanitation) Services

5.2.3 Electricity

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	17 840	19 794	17 457	17 561	-12.72
Expenditure:					
Employees	15 788	21 252	20 513	14 411	-47.47
Repairs & Maintenance	5 634	6 509	6 009	5 144	-26.53
Other	226 257	272 425	262 853	264 230	-3.10
Total Operational Expenditure	247 679	300 186	289 374	283 786	-5.78
Net Operational (Service) Expenditure	42 701	29 216	31 983	29 714	1.68
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 222: Financial Performance: Electricity

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5.2.4 Waste Management

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	35 393	44 845	45 795	55 127	18.65
Expenditure:					
Employees	17 469	21 143	21 101	18 768	-12.65
Repairs & Maintenance	921	324	324	276	-17.42
Other	17 351	15 355	17 043	15 577	1.42
Total Operational Expenditure	35 741	36 823	38 468	34 621	-6.36
Net Operational (Service) Expenditure	(348)	8 023	7 328	20 506	60.88
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 223: Financial Performance: Waste Management

5.2.5 Housing

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	2 329	0	0
Expenditure:					
Employees	5 357	5 064	4 814	0	0
Repairs & Maintenance	127	300	300	0	0
Other	9 176	9 726	12 011	0	0
Total Operational Expenditure	14 660	15 091	17 125	0	0
Net Operational (Service) Expenditure	(14 660)	(15 091)	(14 796)	0	0
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 224: Financial Performance: Housing

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5.2.6 Roads and Stormwater

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	34 568	27 090	25 401	25 401	-6.65
Expenditure:					
Employees	20 341	25 999	24 800	18 761	-38.58
Repairs & Maintenance	4 759	5 292	31 104	30 760	82.80
Other	16 024	13 186	16 475	15 936	17.26
Total Operational Expenditure	41 124	44 476	72 379	65 456	32.05
Net Operational (Service) Expenditure	(6 556)	(17 386)	(46 978)	(40 055)	56.59
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 225: Financial Performance: Roads and Stormwater

5.2.7 Planning

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	1 870	120	770	640	81.25
Expenditure:					
Employees	17 681	14 397	15 922	15 209	5.34
Repairs & Maintenance	568	535	535	306	-74.69
Other	4 435	4 798	4 558	2 881	-66.57
Total Operational Expenditure	22 684	19 730	21 016	18 396	-7.25
Net Operational (Service) Expenditure	(20 814)	(19 610)	(20 246)	(17 756)	-10.44
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 226: Financial Performance: Planning

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5.2.8 Community and Social Services

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	6 847	7 861	8 677	7 914	0.67
Expenditure:					
Employees	18 661	18 222	19 142	24 928	26.90
Repairs & Maintenance	2 639	2 605	3 122	3 193	18.42
Other	3 166	3 217	3 228	25 779	87.52
Total Operational Expenditure	24 465	24 045	25 492	53 900	55.39
Net Operational (Service) Expenditure	(17 619)	(16 184)	(16 816)	(45 987)	64.81
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 227: Financial Performance: Community and Social Services

5.2.9 Sport and Recreation

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	1 124	1 253	1 634	1 366	8.31
Expenditure:					
Employees	23 188	32 659	33 695	22 969	-42.19
Repairs & Maintenance	1 008	1 201	1 288	1 655	27.40
Other	13 735	14 881	15 176	3 662	-306.30
Total Operational Expenditure	37 931	48 741	50 158	28 286	-72.31
Net Operational (Service) Expenditure	(36 807)	(47 488)	(48 524)	(26 920)	-76.41
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 228: Financial Performance: Sport and Recreation

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5.2.10 Financial and Administrative Services

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	120 505	134 267	135 069	134 260	0.00
Expenditure:					
Employees	53 999	54 551	54 562	59 750	8.70
Repairs & Maintenance	1 372	248	296	1 612	84.63
Other	26 806	44 440	42 692	30 329	-46.53
Total Operational Expenditure	82 177	99 238	97 550	91 691	-8.23
Net Operational (Service) Expenditure	38 328	35 028	37 518	42 569	17.71
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 229: Financial Performance: Financial Services

5.2.11 Executive and Council

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	112 595	100 172	108 309	106 362	5.82
Expenditure:					
Employees	38 287	46 705	44 807	40 020	-16.70
Repairs & Maintenance	8	212	362	345	38.52
Other	40 364	55 248	52 162	54 495	-1.38
Total Operational Expenditure	78 658	102 165	97 331	94 860	-7.70
Net Operational (Service) Expenditure	33 937	(1 993)	10 978	11 502	117.32
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 230: Financial Performance: Executive and Council

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5.2.12 Public Safety

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	22 889	14 015	23 409	24 866	43.64
Expenditure:					
Employees	30 888	32 764	33 373	32 913	0.45
Repairs & Maintenance	602	1 006	1 006	455	-121.29
Other	20 009	3 609	15 638	17 622	79.52
Total Operational Expenditure	51 499	37 379	50 017	50 989	26.69
Net Operational (Service) Expenditure	(28 610)	(23 364)	(26 608)	(26 123)	10.56
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 231: Financial Performance : Public Safety

5.2.13 Other

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees	1 950	2 010	2 023	2 019	0.49
Repairs & Maintenance	0	0	0	0	0
Other	800	821	821	808	-1.57
Total Operational Expenditure	2 750	2 830	2 844	2 827	-0.10
Net Operational (Service) Expenditure	(2 750)	(2 830)	(2 844)	(2 827)	-0.10
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 232: Financial Performance: Other

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5.3 Grants

5.3.1 Grant Performance

The performance in the spending of these grants is as follows:

Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Operating Transfers and Grants						
National Government:	168 371	136 157	159 363	158 129	13.90	-0.78
Local Government Equitable Share	89 431	96 434	96 434	96 434	0	0
Finance Management	2 800	2 802	2 802	2 802	0	0
EPWP Incentive	1 310	1 672	1 672	1 672	0	0
Municipal Infrastructure Grant	33 258	25 249	23 559	23 559	-7.17	0
Integrated National Electrification Program	1 866	0	1 234	0	0	0
Water Services Infrastructure Grant	0	10 000	8 060	8 060	-24.07	0
Municipal Drought Relief Grant	0	0	0	0	0	0
Municipal Disaster Relief Grant	38 092	0	25 602	25 602	100.00	0
Water Macro Planning Grant	0	0	0	0	0	0
Regional Bulk Infrastructure Grant - Department of Water Affairs and Forestry	1 614	0	0	0	0	0
Provincial Government:	15 231	12 082	19 154	15 893	23.98	-20.52
Integrated Human Settlement Grant	0	0	0	0	0	0
Emergency Housing Programme	0	0	2 329	634	100.00	-267.55
Library Services Conditional Grant	7 690	7 824	7 824	6 732	-16.22	-16.22
Library Service: Replacement Funding for Most Vulnerable B3 Municipalities	0	0	548	548	100.00	0
Maintenance & Construction of Road Infrastructure	0	170	170	170	0	0
Thusong Support Grant	0	120	270	140	14.29	-92.86
Community Development Workers	0	0	0	0	0	0
Local Government Public Employment Grant	0	0	0	0	0	0
Western Cape Financial Management Capacity Building Grant	700	0	0	2 000	100.00	100.00
Local Government Internship Grant	0	0	0	0	0	0

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Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Municipal Drought Relief Grant	0	0	0	0	0	0
Fire Services Capacity Building Grant	0	1 911	1 911	1 911	0	0
Western Cape Financial Management Capability Grant	0	2 000	2 200	0	0	0
Upgrading of SMME Infrastructure	1 870	0	0	0	0	0
CDW Operational Support Grant	56	57	57	57	0	0
Emergency Municipal Load Shedding Relief Grant	4 665	0	0	0	0	0
Western Cape Municipal Interventions Grant	250	0	0	0	0	0
Other grant providers:	243	0	267	0	0	0
Garden Rout District Municipality	120	0	0	0	0	0
Asla Rosevalley Library Grant	123	0	267	0	0	0
Total Operating Transfers and Grants	183 846	148 239	178 785	174 022	14.82	-2.74
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual						

Table 233: Grant Performance for 2023/24

5.3.2 Conditional Grants

Details	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Budget	Adjustments Budget	Actual	Budget	Adjustment Budget
	R'000				%	
Local Government Equitable Share	89 431	96 434	96 434	96 434	0	0
Finance Management	2 800	2 802	2 802	2 802	0	0
EPWP Incentive	1 310	1 672	1 672	1 672	0	0
Municipal Infrastructure Grant	33 258	25 249	23 559	23 559	-7.17	0
Integrated National Electrification Program	1 866	0	1 234	0	0	0
Water Services Infrastructure Grant	0	10 000	8 060	8 060	-24.07	0
Municipal Drought Relief Grant	0	0	0	0	0	0
Municipal Disaster Relief Grant	38 092	0	25 602	25 602	0	0
Water Macro Planning Grant	0	0	0	0	0	0
Regional Bulk Infrastructure Grant - Department of Water Affairs and Forestry	1 614	0	0	0	0	0

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Details	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Budget	Adjustments Budget	Actual	Budget	Adjustment Budget
	R'000				%	
Integrated Human Settlement Grant	0	0	0	0	0	0
Emergency Housing Programme	0	0	2 329	634	100.00	-267.55
Library Services Conditional Grant	7 690	7 824	7 824	6 732	-16.22	-16.22
Library Service: Replacement Funding for Most Vulnerable B3 Municipalities	0	0	548	548	100.00	0
Maintenance & Construction of Road Infrastructure	0	170	170	170	0	0
Thusong Support Grant	0	120	270	140	14.29	-92.86
Community Development Workers	0	0	0	0	0	0
Local Government Public Employment Grant	0	0	0	0	0	0
Western Cape Financial management capacity building grant	700	0	0	2 000	100.00	100.00
Local Government Internship Grant	0	0	0	0	0	0
Municipal Drought Relief Grant	0	0	0	0	0	0
Fire Services Capacity Building Grant	0	1 911	1 911	1 911	0	0
Western Cape Financial Management Capability Grant	0	2 000	2 200	0	0	0
CDW Operational Support Grant	56	57	57	57	0	0
Garen Rout District Municipality	120	0	0	0	0	0
Asla Rosevalley Library Grant	123	0	267	0	0	0
Upgrading of SMME Infrastructure	1 870	0	0	0	0	0
Emergency Municipal Load Shedding Relief Grant	4 665	0	0	0	0	0
Western Cape Municipal Interventions Grant	250	0	0	0	0	0
Municipal Service Delivery and Capacity Building grant	0	0	500	500	100.00	0
Municipal Water Resilience Grant	0	0	3 000	3 000	100.00	0
Development of Sport & Recreational Facilities	0	0	345	201	100.00	-71.48
Total	183 846	148 239	178 785	174 022	14.82	-2.74
* This includes Neighbourhood Development Partnership Grant Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in par 5.9.2. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 234: Conditional Grants

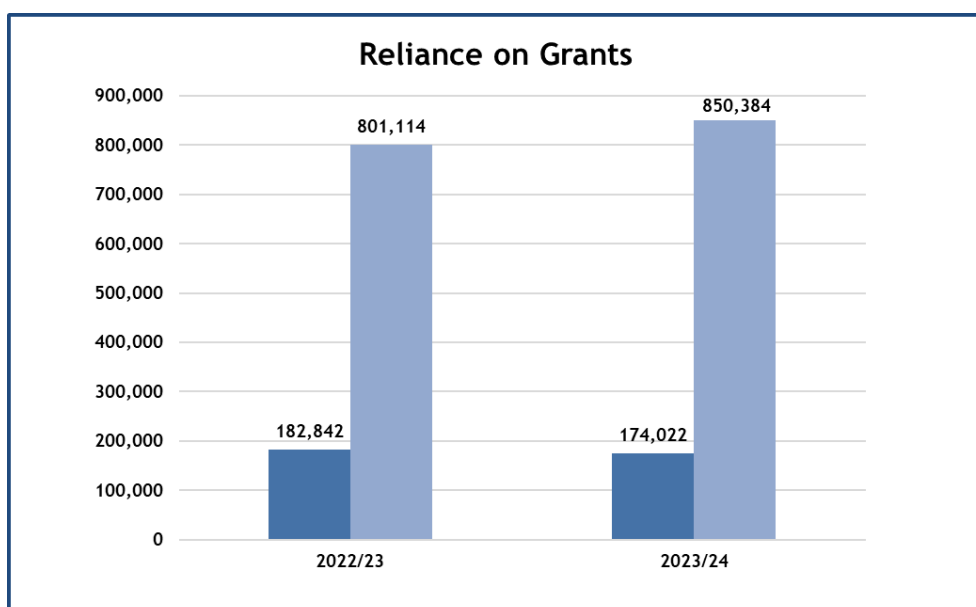
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5.3.3 Level of Reliance on Grants and Subsidies

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'000		%
2022/23	182 842	801 114	22.82
2023/24	174 022	850 384	20.46

Table 235: Reliance on Grants and Subsidies

The following graph indicates the municipality's reliance on grants as percentage for the last two financial years



Graph 8.: Reliance on Grants

5.4 Asset Management

5.4.1 Treatment of the Three Largest Assets

Asset 1		
Name	Raubenheimer Dam	
Description	Main water source for the Greater Oudtshoorn	
Asset Type	Water Infrastructure	
Key Staff Involved	Director Technical Services	
Staff Responsibilities	Management of a water resource for Greater Oudtshoorn	
Asset Value as at 30 June 2024	2022/23 R million	2023/24 R million
	22 775	19 565
Capital Implications	Refurbishment and upgrading of existing dam infrastructure	

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Future Purpose of Asset	Main water resource of Greater Oudtshoorn	
Describe Key Issues	Availability of funding to do the proper maintenance that is required	
Policies in Place to Manage Asset	Asset Management Policy and Masterplans	
Asset 2		
Name	Oudtshoorn Waste Water Treatment Works	
Description	Oudtshoorn Waste Water Treatment Works	
Asset Type	Sanitation Infrastructure	
Key Staff Involved	Director Technical Services	
Staff Responsibilities	Management and maintenance of the sewerage purification works of the Greater Oudtshoorn	
Asset Value as at 30 June 2024	2022/23 R million	2023/24 R million
	20 498	19 565
Capital Implications	Waste water purification of the Greater Oudtshoorn	
Future Purpose of Asset	Availability of funding to do the proper maintenance that is required	
Describe Key Issues	Maintenance plans and future capital projects in planning phase	
Policies in Place to Manage Asset	Asset Management Policy and Masterplans	
Asset 3		
Name	Blossoms Pipeline	
Description	Blossoms emergency water supply	
Asset Type	Water Reticulation Infrastructure	
Key Staff Involved	Director Technical Services	
Staff Responsibilities	Management and maintenance of the Blossoms pipeline and relating infrastructure	
Asset Value as at 30 June 2024	2022/23 R million	2023/24 R million
	N/A	9 616
Capital Implications	Maintenance of Blossoms pipeline and relating infrastructure	
Future Purpose of Asset	Additional Water supply to Oudtshoorn and rural areas.	
Describe Key Issues	Availability of funding to do the proper maintenance that is required	
Policies in Place to Manage Asset	Asset Management Policy and Masterplans	

Table 236: Treatment of the Three Largest Assets

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5.4.2 Repairs and Maintenance

Description	2022/23	2023/24			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Budget variance
		R' 000			%
Repairs and Maintenance Expenditure	22 964	23 946	50 060	50 142	16
Variances are calculated by dividing the difference between actual and adjustments budget by the actual.					

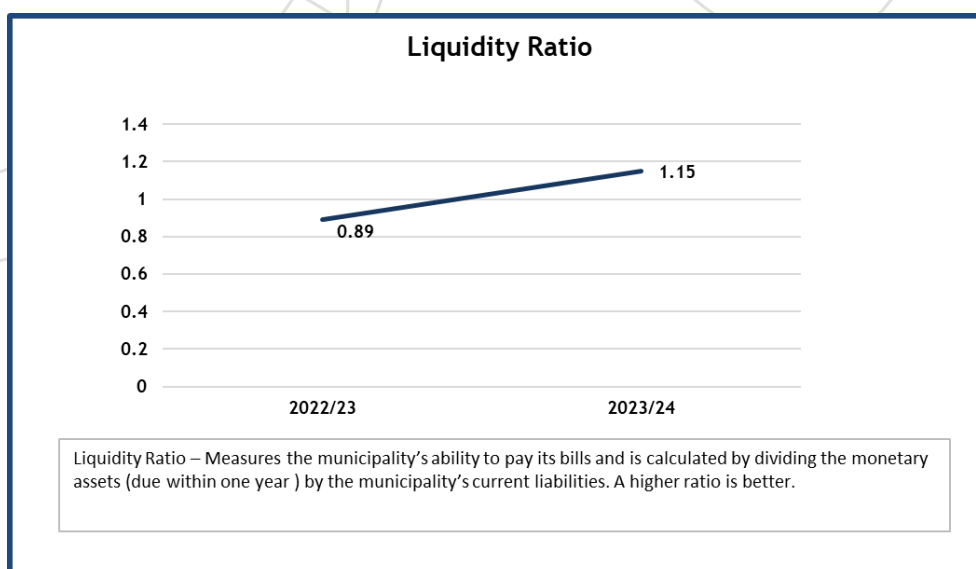
Table 237: Repairs & Maintenance

5.5 Financial Ratios Based on Key Performance Indicators

5.5.1 Liquidity Ratio

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Audited outcome
Current Ratio	Current assets/current liabilities	1.57	2.09
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.35	1.69
Liquidity Ratio	Monetary Assets/Current Liabilities	0.89	1.15

Table 238: Liquidity Financial Ratio



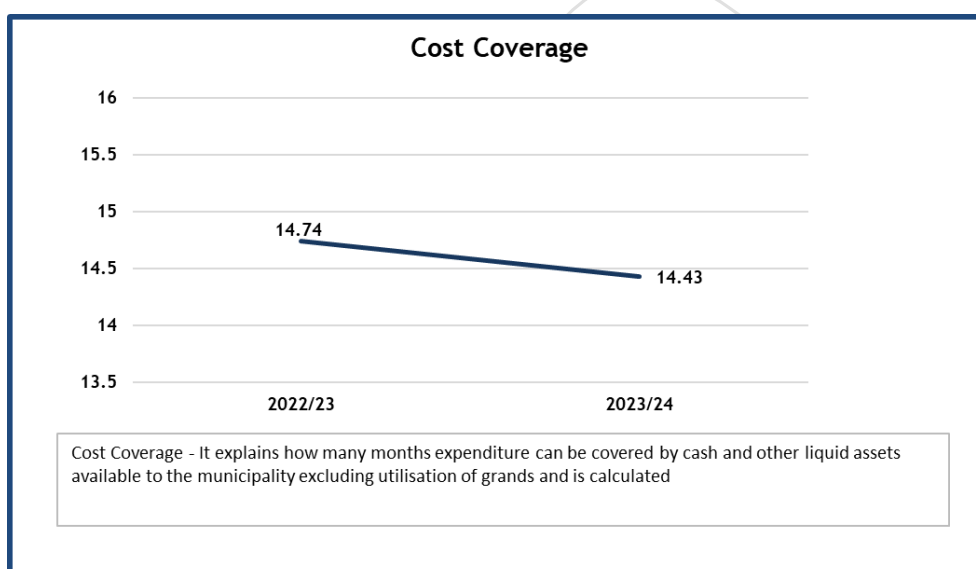
Graph 9.: Liquidity Ratio

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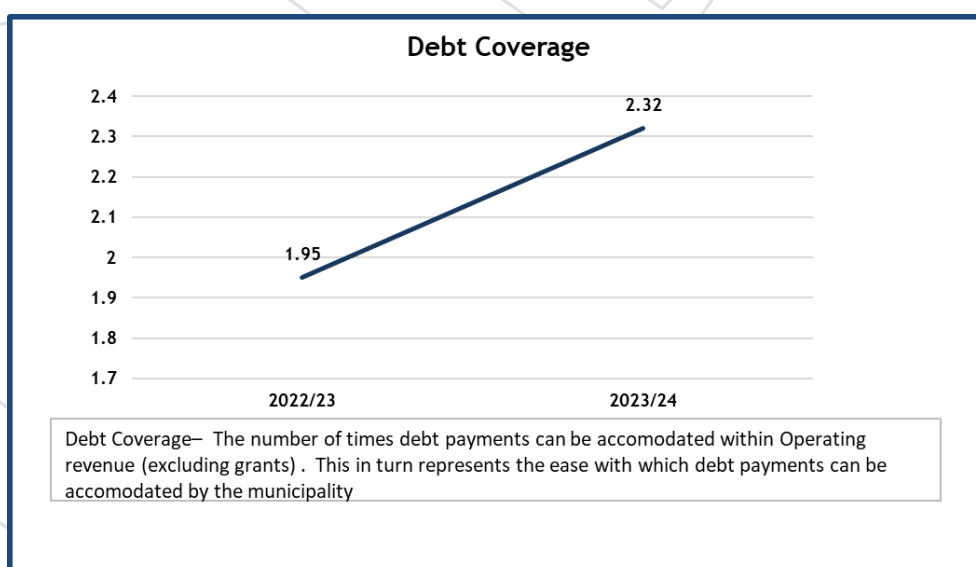
5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.95	2.32
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	23%	18%
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	14.74	14.43

Table 239: Financial Viability National KPAs

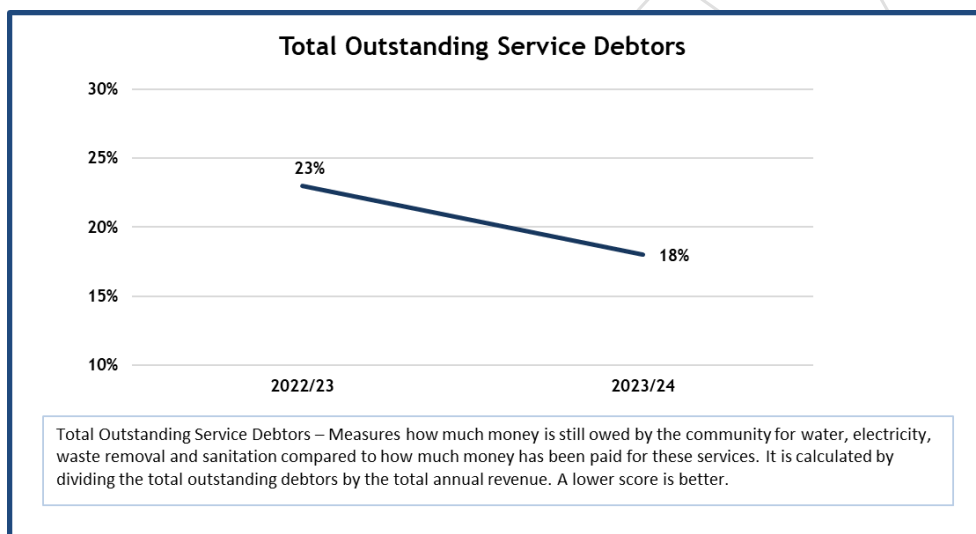


Graph 10.: Cost Coverage



Graph 11.: Debt Coverage

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Graph 12.: Total Outstanding Service Debtors to Revenue

5.5.3 Borrowing Management

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Audited outcome
Capital charges to operating expenditure	Interest & Principal Paid /Operating Expenditure	2%	2%

Table 240: Borrowing Management

5.5.4 Employee Costs

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Audited outcome
Employee costs	Employee costs/(Total Revenue - Capital Revenue)	39%	36%

Table 241: Employee Costs

5.5.5 Repairs and Maintenance

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Audited outcome
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3%	6%

Variances are calculated by dividing the difference between actual and adjustments budget by the actual.

Table 242: Repairs & Maintenance as % of Total Operational Revenue

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 Sources of Finance

The table below indicates the capital expenditure by funding source for the 2023/24 financial year:

Details	2022/23	2023/24				
	Audited outcome	Original Budget	Adjustment Budget	Actual	Variance to Original Budget	Variance to Adjustment Budget
Source of finance						
Description	R'000				%	
External loans	26 236	17 200	17 757	15 887	-7.63	-10.53
Public contributions and donations	107	0	0	0	0	0
Grants and subsidies	69 471	31 214	32 787	31 384	0.54	-4.28
Own funding	15 309	11 075	17 823	13 961	26.06	-21.67
Total	111 123	59 490	68 367	61 233	2.93	-10.44
Percentage of finance						
%						
External loans	24	29	26	26	-10.26	-0.11
Public contributions and donations	0	0	0	0	0	0
Grants and subsidies	63	52	48	51	-2.32	6.87
Own funding	14	19	26	23	22.47	-12.54
Capital expenditure						
Description	R'000				%	
Water and sanitation	67 934	22 056	25 156	24 899	12.89	-1.02
Electricity	9 718	3 000	4 276	3 089	2.98	-27.75
Housing	0	0	0	0	0	0
Roads and storm water	12 624	14 151	17 877	17 864	26.24	-0.07
Other	20 848	20 282	21 058	15 380	-24.17	-26.96
Total	111 123	59 490	68 367	61 233	2.93	-10.44
Percentage of expenditure						
%						
Water and sanitation	61	37	37	41	9.67	10.51
Electricity	9	5	6	5	0.05	-19.33
Housing	0	0	0	0	0	0
Roads and storm water	11	24	26	29	22.65	11.57
Other	19	34	31	25	-26.33	-18.45
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

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Table 243: Capital Expenditure by Funding Source

5.7 Capital Spending on 5 Largest Projects

Name of Project	2023/24				
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment variance
	R'000			%	
Upgrading of Bongolethu Sport Facility	7 300	7 300	7 296	-5%	-5%
Paving of Streets	9 851	9 851	9 851	0%	0%
Pipe Replacement	3 000	3 000	3 000	0%	0%
Upgrading Stormwater Systems - Oudtshoorn	7 700	7 700	7 700	0%	0%
KKRWVS Refurbishment of Network Equipment	7 009	7 009	7 021	17%	17%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.					
Name of Project - A	Upgrading of Bongolethu Sport Facility				
Objective of Project	Upgrading of existing sport facility in Bongolethu				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Sporting facility within the rural area for the citizens to utilise				
Name of Project - B	Paving of Streets				
Objective of Project	Paving of streets Greater Oudtshoorn				
Delays	None				
Future Challenges	Availability of funding				
Anticipated citizen benefits	Well maintained streets in the Greater Oudtshoorn				
Name of Project - C	Pipe Replacement				
Objective of Project	To replace old asbestos pipes and to repair ageing infrastructure				
Delays	None				
Future Challenges	Availability of funding				
Anticipated citizen benefits	Delivery of uninterrupted water supply to all				
Name of Project - D	Upgrading Stormwater Systems - Oudtshoorn				
Objective of Project	Upgrading of ageing infrastructure				
Delays	None				
Future Challenges	Availability of funding				
Anticipated citizen benefits	To ensure that all stormwater systems in Greater Oudtshoorn is functional				
Name of Project - E	KKRWVS Refurbishment of Network Equipment				
Objective of Project	Refurbishment of water infrastructure equipment in the rural areas				
Delays	None				
Future Challenges	Availability of funding				
Anticipated citizen benefits	To have a sustainable water network in the rural areas.				

Table 244: Capital Spending on 5 Largest Projects

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5.8 Capital Spending per Asset Class

Description	2022/23	2023/24			Planned Capital expenditure		
	Audited outcome	Original Budget	Adjustment Budget	Actual Expenditure	2025/26	2025/26	2025/26
R'000							
Capital expenditure by Asset Class							
Infrastructure - Total	52 011	3 000	6 694	5 820	14 672	8 744	8 126
Infrastructure: Road transport - Total	362	0	0	313	350	0	0
Roads Pavements & Bridges	362	0	0	313	350	0	0
Storm water	0	0	50	0	0	0	0
Infrastructure: Electricity - Total	9 807	5 450	10 756	9 210	3 000	7 348	8 217
Transmission & Reticulation	9 807	5 450	10 756	9 210	3 000	7 348	8 217
Infrastructure: Water - Total	9 412	31 870	36 701	34 283	0	0	0
Dams & Reservoirs	0	0	0	0	0	0	0
Reticulation	9 412	31 870	36 701	34 283	0	0	0
Infrastructure: Sanitation - Total	0	0	0	0	0	0	0
Reticulation	0	0	0	0	0	0	0
Community - Total	6 826	2 766	5 167	3 923	2 862	800	0
Sports fields and stadia	6 826	2 766	5 167	3 923	2 862	800	0
Capital expenditure by Asset Class	9 222	5 041	11 481	10 749	7 180	3 750	3 500
Investment properties - Total	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Other assets	9 222	4 941	11 281	10 661	7 180	3 750	3 500
General vehicles	6 582	2 300	3 851	3 719	4 500	1 500	2 000
Specialised vehicles	0	0	0	0	0	0	0
Plant & equipment	528	1 308	5 619	5 403	1 290	500	300
Computers - hardware/ equipment	1 563	450	778	829	500	1 300	800
Furniture and other office equipment	549	883	1 033	710	890	450	400
Civic Land and Buildings	0	0	0	0	0	0	0
Other Buildings	0	0	0	0	0	0	0
Intangibles	0	100	200	88	0	0	0
Computers - software & programming	0	100	200	88	0	0	0
Total Capital Expenditure on new assets	35 267	45 127	64 154	58 165	13 042	11 898	11 717

Table 245: Capital Spending per Asset Class

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5.9 Municipal Infrastructure Grant (MIG)

Details	2023/24				
	Original Budget	Adjustments Budget	Actual	Variance	
				Original Budget	Adjustments Budget
Infrastructure - Water	2 656 845	2 656 845	2 656 845	100	100
Reticulation	2 656 845	2 656 845	2 656 845	100	100
Other Specify: Recreational facilities & Roads	8 395 460	8 395 460	8 395 460	100	100
Outdoor Sport facilities	8 395 460	8 395 460	8 395 460	100	100
Infrastructure Roads	11 328 765	11 328 765	11 328 765	100	100
PMU	1 177 930	1 177 930	1 177 930	100	100
Total	23 559 000	23 559 000	23 559 000	100	100
* MIG is a government grant program designed to fund a reduction in service backlogs mainly: Water; Sanitation; Roads; Electricity. Expenditure on new upgraded and renewed infrastructure. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.					

Table 246: Municipal Infrastructure Grant (MIG)

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is critical to the municipality as it enables the organization to assess whether enough cash is available at any point in time to cover the council's commitments. Cash flow is rigorously managed and monitored on a regular basis.

5.10 Cash Flow

Description	2022/23	2023/24		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Cash flow from operating activities				
Receipts				
Ratepayers and other	517 675	631 961	627 827	603 078
Government - operating	128 967	112 342	115 290	114 344
Government - capital	41 340	35 897	36 241	36 095
Interest	19 739	6 407	11 157	23 597
Dividends	0	0	0	0
Payments				
Suppliers and employees	(609 561)	(729 271)	(742 751)	(698 018)
Finance charges	(7 935)	(6 956)	(8 455)	(8 468)
Transfers and Grants	(3 003)	(2 909)	(5 289)	(3 303)

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Description	2022/23	2023/24		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Net cash from/(used) operating activities	87 223	47 470	34 021	67 325
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	0	0	0	13
Payments				
Capital assets	(104 411)	(59 127)	(67 776)	(54 163)
Net cash from/(used) investing activities	(104 411)	(59 127)	(67 776)	(54 150)
Cash flows from financing activities				
Receipts				
Borrowing long term/refinancing	20 700	17 200	17 200	17 200
Payments				
Repayment of borrowing	(18 314)	(18 500)	(18 500)	(15 616)
Net cash from/(used) financing activities	2 386	(1 300)	(1 300)	1 584
Net increase/ (decrease) in cash held	(14 802)	(12 956)	(35 054)	14 758
Cash/cash equivalents at the year begin:	143 933	54 305	129 131	129 131
Cash/cash equivalents at the year-end:	129 131	41 349	94 077	143 889

Table 247: Cash Flow

5.11 Gross Outstanding Debtors per Service

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000	R'000	R'000	R'000	R'000	R'000
2022/23	35 983	57 279	26 993	1	5 198	125 453
2023/24	41 459	67 980	36 561	1	4 973	150 973
Difference	5 476	10 700	9 567	0	(224)	25 520
% growth year on year	15	19	35	0	-4	20

Table 248: Gross Outstanding Debtors per Service

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5.12 Total Debtors Age Analysis

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000				
2022/23	29 171	7 626	5 385	83 271	125 453
2023/24	35 717	9 716	6 788	98 752	150 973
Difference	6 546	2 090	1 403	15 481	25 520
% growth year on year	22	27	26	19	20

Table 249: Service Debtor Age Analysis

5.13 Borrowing and Investments

Infrastructure needs to be replaced and therefore borrowings for periods of 15 years are taken up to lessen the impact on consumers.

5.13.1 Actual Borrowings

Actual Borrowings		
R'000		
Instrument	2022/23	2023/24
Long-Term Loans (annuity/reducing balance)	72 837	82 249
Financial Lease	11 421	0
Total	84 258	82 249

Table 250: Actual Borrowings

5.13.2 Investments

Investment type	2022/23	2023/24
	Actual	Actual
	R'000	
Deposits – Bank	111 741	112 615
Total	111 741	112 615

Table 251: Investments

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5.13.3 Grants Made by the Municipality: 2023/24

All organisation or person in receipt of grants provided by the Municipality	Nature of project	Conditions attached to funding	Value 2023/24	Total amount committed over previous and future years
			R'000	
Study Assistance	Bursaries Non-Employee	Yes	439	2 167
Local Tourism Bureau	Non-profit Institutions	Yes	597	1 892
Marketing - KKNK	Non-profit Institutions	Yes	400	1 261
Special Programs	Non-profit Institutions	Yes	32	0
Events Management Support	Households	Yes	490	315
Early Childhood Development	Households	Yes	50	158
Nutritional Centre	Non-profit Institutions	Yes	145	473
Transversal Matters-old Age-women	Households	Yes	18	0
Outreach Programme	Non-profit Institutions	Yes	3	0
Sports Development	Non-profit Institutions	Yes	577	1 261
Emergency Housing Programme	Provincial Government	Yes	551	2 329

Table 252: Grants Made by the Municipality: 2023/24

CHAPTER 6

COMPONENT A: AUDITOR-GENERAL OPINION

6.1 Auditor-General Report 2022/23

2022/23
Unqualified audit Opinion was received, with matters identified that was subsequently corrected
In my opinion, the financial statements present fairly, in all material respects, the financial position of the Oudtshoorn 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 5 of 2022 (Dora).

Table 253: AG Report 2022/23

6.2 Auditor-General Report 2023/24

2023/24
Unqualified audit Opinion was received
In my opinion, the financial statements present fairly, in all material respects, the financial position of the Oudtshoorn Municipality as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Table 254: AG Report 2023/24

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LIST OF ABBREVIATIONS

AG	Auditor-General
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
DCF	District Coordinating Forum
DEDAT	Department of Economic Development and Tourism
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal Finance Officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LLF	Local Labour Forum
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MGRO	Municipal Governance Review & Outlook
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000

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MTECH	Medium Term Expenditure Committee
NGO	Non-governmental organisation
NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PCF	Premiers Coordinating Forum
PSG	Provincial Strategic Goal
PT	Provincial Treasury
SALGA	South African Local Government Association
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

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Annexure A

Financial Statements

OUTDSHOORN

MUNICIPALITY



ANNUAL FINANCIAL STATEMENTS

30 JUNE 2024

OUDTSHOORN LOCAL MUNICIPALITY

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OUTDSHOORN LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

GENERAL INFORMATION

NATURE OF BUSINESS

Oudtshoorn Municipality is a local municipality performing the functions as set out in the Constitution. (Act no 105 of 1996)

COUNTRY OF ORIGIN AND LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)

JURISDICTION

The Oudtshoorn Municipality includes the following areas:

Oudtshoorn, Dysseisdorp, De Rust, Volmoed, De Hoop

Demarcation code : WC045

EXECUTIVE MAYOR

CD MacPherson

DEPUTY EXECUTIVE MAYOR

VM Donson

SPEAKER

JJ Allers

MEMBERS OF THE EXECUTIVE COMMITTEE

Executive Mayor	CD Macpherson
Deputy Executive Mayor	VM Donson
Speaker	JJ Allers
Executive Mayoral Committee	J Du Preez
Executive Mayoral Committee	RR Wildschut
Executive Mayoral Committee	DJ Fourie
Executive Mayoral Committee	BV Owen
Executive Mayoral Committee	C Muller
Executive Mayoral Committee	V Michaels

ACTING ACCOUNTING OFFICER

M Yekani

CHIEF FINANCIAL OFFICER

GP De Jager

REGISTERED OFFICE

69 Voortrekker Road
OUTDSHOORN
6625

AUDITORS

Office of the Auditor-General (Western Cape)
Private Bag X1
CHEMPET
7442

OUDTSHOORN LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

GENERAL INFORMATION

PRINCIPLE BANKERS

First National Bank

ATTORNEYS

Coetzee and v/d Bergh Attorneys - 41 Baron van Rheede Street, Oudtshoorn.

Harker Attorneys, 14 Van der Merwe Street, Oudtshoorn.

Oosthuizen Marais Pretorius Inc. - 16 Sioux Street. Mossel Bay.

Titus & Associates , 1st Floor Hycastle House, 58 Loop Street, Cape Town.

James King and Badenhorst - 144 St John Street, Oudtshoorn.

Van Rooyen Prokureurs Inc - No 83 Loerie Park, George,

RELEVANT LEGISLATION

Basic Conditions of Employment Act (Act no 75 of 1997)

Collective Agreements

Division of Revenue Act

Electricity Act (Act no 41 of 1987)

Employment Equity Act (Act no 55 of 1998)

Housing Act (Act no 107 of 1997)

Infrastructure Grants

Municipal Budget and Reporting Regulations

Municipal Finance Management Act (Act no 56 of 2003)

Municipal Planning and Performance Management Regulations

Municipal Property Rates Act (Act no 6 of 2004)

Municipal Regulations on Standard Chart of Accounts

Municipal Structures Act (Act no 117 of 1998)

Municipal Systems Act (Act no 32 of 2000)

Municipal Systems Amendment Act (Act no 7 of 2011)

SALBC Leave Regulations

Skills Development Levies Act (Act no 9 of 1999)

Supply Chain Management Regulations, 2005

The Income Tax Act

Unemployment Insurance Act (Act no 30 of 1966)

Value Added Tax Act

Water Services Act (Act no 108 of 1997)

Occupational Health and Safety Act(Act 85 of 1993)

OUDTSHOORN LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

GENERAL INFORMATION

MEMBERS OF THE OUDTSHOORN LOCAL MUNICIPALITY

WARD

Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor

COUNCILLORS

DJ Fourie
J Duvenage
J Du Preez
N Jaxa
A Tiemie
D Moos
A Berry
M Tyatya
B Jantjies (03 June 2024)
L Van Rooyen
J Van der Ross
RR Wildschut
J Canary

PROPORTIONAL

Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor

COUNCILLORS

JJ Allers
CD Macpherson
RJ April
SN Bentley
L Campher(Resigned Feb 2024)
DC Booysen (Started March 2024)
VM Donson
JC Lambaatjeen
C Muller
BV Owen
SA Jansen
CF Sylvester
V Michaels

OUDTSHOORN LOCAL MUNICIPALITY

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements year ended 30 June 2024, which are set out on pages 5 to 119 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

I acknowledge that I am ultimately responsible for the system of internal financial control and that the system of internal control provides reasonable assurance that the financial records can be relied on.

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2025 and I am satisfied that the Municipality can continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Municipality's financial statements.

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

The annual financial statements were prepared on the going concern basis and the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

M Yekani
Acting Municipal Manager

Date

ODUTSHOORN LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

	Notes	2024 Actual R	2023 Restated R
ASSETS			
Non-Current Assets		1 146 915 923	1 153 809 562
Property, Plant and Equipment	2	1 114 997 207	1 123 140 041
Investment Property	3	18 056 897	16 610 077
Intangible Assets	4	87 474	285 099
Heritage Assets	5	13 774 345	13 774 345
Current Assets		261 897 274	229 003 193
Inventory	7	7 216 471	5 006 165
Receivables from Exchange Transactions	8	91 560 857	79 012 186
Receivables from Non-exchange Transactions	9	19 165 985	15 827 772
Operating Lease Asset	6	64 906	26 109
Cash and Cash Equivalents	10	143 889 055	129 130 961
Total Assets		1 408 813 197	1 382 812 755
NET ASSETS AND LIABILITIES			
Non-Current Liabilities		222 676 298	212 610 383
Long-term Borrowings	11	74 589 922	68 694 118
Non-current Provisions	12	31 859 295	35 555 265
Non-current Employee Benefits	13	116 227 081	108 361 001
Current Liabilities		126 001 208	145 649 450
Consumer Deposits	14	12 172 315	11 781 937
Current Employee Benefits	15	34 344 052	32 475 243
Trade and Other Payables from Exchange Transactions	16	53 471 763	48 876 984
Current Provisions	16.1	6 683 348	5 591 348
Unspent Transfers and Subsidies	17	3 670 445	27 320 829
Taxes	18.3	8 000 113	4 039 476
Current Portion of Long-term Borrowings	11	7 659 173	15 563 632
Total Liabilities		348 677 506	358 259 833
Net Assets		1 060 135 690	1 024 552 923
Accumulated Surplus/(deficit)		1 060 135 690	1 024 552 923
Total Net Assets and Liabilities		1 408 813 197	1 382 812 755

OUDTSHOORN LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNI

	Notes	2024 Actual R	2023 Restated R
REVENUE			
Non-exchange Revenue		326 429 470	321 722 869
Taxation Revenue		128 895 090	116 472 948
Property Rates	19	128 895 090	116 472 948
Transfer Revenue		174 022 474	183 564 452
Government Grants and Subsidies - Capital	20	36 093 755	79 980 319
Government Grants and Subsidies - Operating	20	137 928 719	102 862 134
Contributed Property, Plant and Equipment	21	-	722 000
Other Revenue		23 511 906	21 685 468
Availability Charges	22	3 791 822	3 195 813
Fines, Penalties and Forfeits		16 227 904	15 318 342
Interest Earned - Non-exchange Transactions		2 986 282	2 695 278
Government Incentives Received		505 897	476 035
Exchange Revenue		518 627 488	458 410 742
Service Charges	24	460 207 757	408 896 457
Entrance fees		19 008 912	15 988 922
Sales of Goods and Rendering of Services	25	4 837 976	4 023 703
Rental from Fixed Assets	26	3 672 491	3 540 708
Interest Earned - External Investments	27	14 999 460	11 877 851
Interest Earned - Exchange Transactions	28	6 771 203	6 152 549
Licences and Permits	23	454 113	381 242
Agency Services	53	5 622 069	5 647 468
Operational Revenue	29	3 053 507	1 901 842
Total Revenue		845 056 958	780 133 611
EXPENDITURE			
Employee related cost	30	(295 730 370)	(282 247 965)
Remuneration of Councillors	31	(12 575 623)	(11 375 315)
Bad Debts Written Off	8,9	(21 398 066)	(37 992 647)
Contracted Services	32	(30 830 037)	(28 439 122)
Depreciation and Amortisation	33	(53 695 307)	(53 248 461)
Finance Charges	34	(11 380 189)	(10 726 429)
Bulk Purchases	35	(245 605 593)	(201 997 373)
Inventory Consumed	7	(57 866 988)	(27 277 190)
Operating Leases		(5 069 535)	(4 794 491)
Transfers and Subsidies	36	(3 303 057)	(3 003 347)
Operational Cost	37	(61 624 701)	(57 904 755)
Total Expenditure		(799 079 468)	(719 007 096)
Operating Surplus/(Deficit) for the Year		45 977 491	61 126 515
Reversal of Impairment Loss/(Impairment Loss) on Receivables	38	(8 062 683)	(6 589 259)
Gains/(Loss) on Sale of Fixed Assets	39	(6 994 498)	(1 370 713)
Reversal of Impairment Loss/(Impairment Loss) on Fixed Assets	40	2 778 823	-
Gains/(Loss) on Fair Value Adjustments		1 883 635	20 980 026
NET SURPLUS/(DEFICIT) FOR THE YEAR		35 582 768	74 146 569

OUDTSHOORN LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

	Accumulated Surplus/ (Deficit) R	Total R
Balance at 1 July 2022	971 144 371	971 144 371
Correction of Error 41.1	(20 738 017)	(20 738 017)
Restated balance	950 406 354	950 406 354
Net Surplus/(Deficit) for the year	72 289 030	72 289 030
Balance at 30 June 2023	1 022 695 384	1 022 695 384
Correction of Error 41.1	1 857 539	1 857 539
Restated balance	1 024 552 923	1 024 552 923
Net Surplus/(Deficit) for the year	35 582 768	35 582 768
Balance at 30 June 2024	1 060 135 690	1 060 135 690

OUDTSHOORN LOCAL MUNICIPALITY

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 Actual R	2023 Restated R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts			
Ratepayers and other		602 413 117	517 675 216
Government Grants and Subsidies		150 439 086	170 307 000
Interest		23 597 117	19 739 024
Cash payments			
Suppliers and Employees		(697 352 980)	(609 560 551)
Finance Charges		(8 468 378)	(7 934 553)
Transfers and Grants		(3 303 057)	(3 003 347)
Net Cash from Operating Activities	42	67 324 905	87 222 788
CASH FLOW FOR INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(54 163 213)	(104 410 960)
Proceeds on Disposal of Fixed Assets		12 775	
Net Cash from Investing Activities		(54 150 438)	(104 410 960)
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowing - Long term/Refinancing		17 200 000	20 700 000
Repayment of Borrowing		(15 616 373)	(18 313 745)
Net Cash from Financing Activities		1 583 627	2 386 255
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		14 758 094	(14 801 916)
Cash and Cash Equivalents at the beginning of the year		129 130 961	143 932 877
Cash and Cash Equivalents at the end of the year	43	143 889 055	129 130 961
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		14 758 094	(14 801 916)

OUDTSHOORN MUNICIPALITY
SEGMENTAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

For management purposes, the municipality is organised and operates in key functional segments (or business units). To this end, management monitors the operating results of these business units for the purpose of making decisions about resource allocations and assessment of performance. Revenues and expenditures relating to these business units are allocated at a transactional level.

Management receives on a monthly basis a C Schedule that provides actual amounts at that time per both the department and function.

Management does not monitor performance geographically as it does not at present have reliable separate financial information for decision making purposes. The Cost to develop this separately would be excessive.

The key functional segments comprise of as at year-end:

PRIMARY SEGMENTS

Functional Segments	Sub vote	Aggregation	Reportable Segment
Vote 2 - Office of the Municipal Manager	Office of Political Office Bearers	Aggregated	Governance and Administration
	Council General	Aggregated	Governance and Administration
	Office - Deputy Mayor	Aggregated	Governance and Administration
	Office - Ex Mayor	Aggregated	Governance and Administration
	Office - Speaker	Aggregated	Governance and Administration
	Internal Audit	Aggregated	Governance and Administration
	Office - Municipal Manager	Aggregated	Governance and Administration
	Institutional Performance Management (PM) & SDBIP	Aggregated	Governance and Administration
	Risk & Compliance Management	Aggregated	Governance and Administration
	IDP	Aggregated	Economic and environmental services
	Communication, Intergovernmental, Relations(IGR) & Public	Aggregated	Governance and Administration
	Legal Services	Aggregated	Governance and Administration
		Aggregated	Governance and Administration
Vote 3 - Corporate Services	Administration & Archives	Aggregated	Governance and Administration
	Legal Services	Aggregated	Governance and Administration
	Human Resources	Aggregated	Governance and Administration
	Manager Corporate	Aggregated	Governance and Administration
Vote 4 - Financial Services	Directorate Financial Services	Aggregated	Governance and Administration
	Information & Communication Technology	Aggregated	Governance and Administration
	Financial & Accounting Services	Aggregated	Governance and Administration
	Expenditure	Aggregated	Governance and Administration
	Revenue	Aggregated	Governance and Administration
Vote 5 - Community Services	Supply Chain Management	Aggregated	Governance and Administration
	Director Community Services	Aggregated	Community and Public Safety
	Traffic Services	Aggregated	Community and Public Safety
	Waste Management & Pollution Control	Aggregated	Community and Public Safety
	Fire, Rescue & Disaster Management	Aggregated	Community and Public Safety
	Library Services	Aggregated	Community and Public Safety
	Director Community Services	Aggregated	Community and Public Safety
	Parks, Sport & Recreation & Amenities	Aggregated	Community and Public Safety
Vote 6 -Infrastructure Services	Cleancing Services	Aggregated	Community and Public Safety
	Electro & Mechanical Services	Aggregated	Trading services
	Administration Water & Sanitation	Aggregated	Trading services
	Water & Sanitation Networks	Aggregated	Trading services
	Directorate Infrastructure Services	Aggregated	Trading services
	Roads, Transport & Stormwater(RTS)	Aggregated	Economic and environmental services
	PMU & Capital Projects	Aggregated	Economic and environmental services
	Water & Sanitation Purification	Aggregated	Trading services
	Workshop - Fleet Manager	Aggregated	Governance and Administration
Vote 7 - Planning and Development	Building control	Aggregated	Economic and environmental services
	Integrated Human Settlement	Aggregated	Community and Public Safety
	Cango Caves & Resorts	Aggregated	Governance and Administration
	Directorate Planning & Development	Aggregated	Economic and environmental services
	Land Use Management & Spatial Planning	Aggregated	Economic and environmental services

OUTDSHOORN LOCAL MUNICIPALITY

PRIMARY REPORTABLE SEGMENTS FOR THE YEAR ENDED 30 JUNE 2024

	Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Unallocated	Total
	R	R	R	R	R	R
SEGMENT REVENUE						
External revenue from exchange transactions	44 314 409	8 120 632	-	466 192 447	-	518 627 488
Service Charges - Electricity Revenue	-	-	-	301 649 006	-	301 649 006
Service Charges - Water Revenue	-	-	-	72 691 028	-	72 691 028
Service Charges - Sanitation Revenue	-	-	-	44 159 300	-	44 159 300
Service Charges - Refuse Revenue	-	-	-	41 708 424	-	41 708 424
Sales Of Goods And Rendering Of Services	23 165 525	681 363	-	-	-	23 846 888
Rental Of Facilities And Equipment	3 082 913	589 578	-	-	-	3 672 491
Interest Earned - External Investments	14 999 460	-	-	-	-	14 999 460
Interest Earned - Outstanding Debtors	786 513	-	-	5 984 690	-	6 771 203
Licences and Permits	-	454 113	-	-	-	454 113
Agency Services	-	5 622 069	-	-	-	5 622 069
Operational Revenue	2 279 997	773 509	-	-	-	3 053 507
External revenue from non-exchange transactions	196 335 048	23 903 175	3 186 900	69 121 367	-	292 546 490
Property Rates	128 895 090	-	-	-	-	128 895 090
Fines, Penalties And Forfeits	38 585	15 999 875	-	189 445	-	16 227 904
Interest Earned - Outstanding Debtors	2 986 282	-	-	-	-	2 986 282
Availability charges	-	-	-	3 791 822	-	3 791 822
Government Incentives Received	505 897	-	-	-	-	505 897
Transfers And Subsidies - Operating	61 698 419	7 903 300	3 186 900	65 140 100	-	137 928 719
Gains on Disposal of Fixed assets	12 775	-	-	-	-	12 775
Other Gains	2 198 000	-	-	-	-	2 198 000
Total Segment Revenue (excluding capital transfers and contributions)	240 649 457	32 023 807	3 186 900	535 313 814	-	811 173 978
SEGMENT EXPENDITURE						
Employee Related Costs	101 842 600	80 820 505	33 976 224	79 091 042	-	295 730 370
Remuneration Of Councillors	12 575 623	-	-	-	-	12 575 623
Bulk Purchases	-	-	-	245 605 593	-	245 605 593
Debt Impairment	3 421 275	6 869 452	-	(2 228 044)	-	8 062 683
Depreciation & Asset Impairment	4 682 985	2 064 912	13 974 050	30 194 537	-	50 916 485
Finance Charges	7 974 993	158 244	85 247	3 161 704	-	11 380 189
Inventory consumed	3 883 391	6 816 825	31 403 541	15 763 232	-	57 866 988
Irrecoverable debts written off	2 102 223	7 149 288	-	12 146 555	-	21 398 066
Contracted Services	13 245 186	11 720 733	269 217	5 594 902	-	30 830 037
Transfers and Subsidies	438 686	1 131 379	1 732 993	-	-	3 303 057
Other Expenditure	31 943 123	16 454 960	2 417 162	15 878 991	-	66 694 236
Losses on Disposal of Fixed Assets	7 007 273	-	-	-	-	7 007 273
Other Losses	314 365	-	-	-	-	314 365
Total Segment Expenditure	189 431 722	133 186 297	83 858 435	405 208 512	-	811 684 965
Surplus/(Deficit)	51 217 735	(101 162 491)	(80 671 535)	130 105 303	-	(510 988)
Transfers and Subsidies-Capital	-	2 122 655	22 911 100	11 060 000	-	36 093 755
Surplus/(Deficit) for the year	51 217 735	(99 039 835)	(57 760 435)	141 165 303	-	35 582 768
CAPITAL EXPENDITURE FOR THE YEAR	2 143 213	12 587 931	18 513 276	27 988 092	-	61 232 512

OUTDSHOORN LOCAL MUNICIPALITY
PRIMARY REPORTABLE SEGMENTS FOR THE YEAR ENDED 30 JUNE 2023

	Governance and Administration	Community and Public Safety	Economic and Environmental Services	Trading Services	Unallocated	Total
	R	R	R	R	R	R
SEGMENT REVENUE						
External revenue from exchange transactions	36 011 472	8 055 146	-	414 344 125	-	458 410 742
Service Charges - Electricity Revenue	-	-	-	276 893 214	-	276 893 214
Service Charges - Water Revenue	-	-	-	70 498 828	-	70 498 828
Service Charges - Sanitation Revenue	-	-	-	35 771 250	-	35 771 250
Service Charges - Refuse Revenue	-	-	-	25 733 164	-	25 733 164
Rental Of Facilities And Equipment	2 921 164	619 544	-	-	-	3 540 708
Interest Earned - External Investments	11 877 851	-	-	-	-	11 877 851
Interest Earned - Outstanding Debtors	713 842	-	-	5 438 707	-	6 152 549
Licences and Permits	-	381 242	-	-	-	381 242
Agency Services	-	5 647 468	-	-	-	5 647 468
Other Revenue	20 498 614	1 406 892	-	8 961	-	21 914 467
External revenue from non-exchange transactions	197 032 526	21 439 682	2 582 300	40 946 069	-	262 000 576
Property Rates	116 472 948	-	-	-	-	116 472 948
Fines, Penalties And Forfeits	17 839	15 152 725	-	147 778	-	15 318 342
Interest Earned - Outstanding Debtors	2 695 278	-	-	-	-	2 695 278
Availability charges	-	-	-	3 195 813	-	3 195 813
Government Incentives Received	476 035	-	-	-	-	476 035
Transfers And Subsidies - Operating	56 390 400	6 286 957	2 582 300	37 602 478	-	102 862 134
Gains	20 980 026	-	-	-	-	20 980 026
Total Segment Revenue (excluding capital transfers and contributions)	233 043 998	29 494 827	2 582 300	455 290 194	-	720 411 318
SEGMENT EXPENDITURE						
Employee Related Costs	94 236 131	78 093 035	38 021 991	71 896 808	-	282 247 965
Remuneration Of Councillors	11 375 315	-	-	-	-	11 375 315
Debt Impairment	3 018 008	15 047 333	-	26 516 565	-	44 581 906
Depreciation & Asset Impairment	3 415 221	1 550 396	13 586 037	34 696 806	-	53 248 461
Finance Charges	6 895 063	225 895	185 092	3 420 379	-	10 726 429
Bulk Purchases	-	-	-	201 997 373	-	201 997 373
Inventory consumed	1 557 215	5 482 584	5 653 169	14 584 222	-	27 277 190
Contracted Services	10 878 329	11 535 720	865 808	5 159 266	-	28 439 122
Transfers and Subsidies	587 300	-	2 416 047	-	-	3 003 347
Other Expenditure	30 025 468	16 619 662	3 305 493	12 748 623	-	62 699 246
Losses	1 370 713	-	-	-	-	1 370 713
Total Segment Expenditure	163 358 764	128 554 624	64 033 637	371 020 043	-	726 967 068
Surplus/(Deficit)	69 685 234	(99 059 797)	(61 451 337)	84 270 151	-	(6 555 750)
Transfers and Subsidies-Capital	-	642 732	33 911 966	45 425 620	-	79 980 319
Contributed Assets	-	722 000	-	-	-	722 000
Surplus/(Deficit) for the year	69 685 234	(97 695 065)	(27 539 371)	129 695 771	-	74 146 569
CAPITAL EXPENDITURE FOR THE YEAR	1 446 924	17 483 130	14 541 826	77 651 237	-	111 123 117

Please note:

Total assets and total liabilities of segments have not been disclosed as the amounts are not regularly provided to management for review.

The difference between the Segmental report the Statement of Financial Performance is due to the following reasons, and is only for the non-financial items reported below the line on the Statement of Financial Performance:

- Gains/Losses on Fair Value adjustments and Fixed Asset Disposals as per NT mSCOA Formats is budgeted and reported either as part of Revenue (Gains) or Expenditure (Losses), but are disclosed below the line aggregated on the Statement of Financial Performance.

UDTSHOORN LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

	Notes	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final Adjustment Budget	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget
		R	R	R	R	R	Variance %
ASSETS							
Current Assets							
Cash and cash equivalents		41 348 700	52 728 100	94 076 800	94 076 800	143 889 055	52.95%
Trade and other receivables from exchange transactions		75 785 200	7 747 100	83 532 300	83 532 300	91 560 857	9.61%
Receivables from non-exchange transactions		18 503 200	451 200	18 954 400	18 954 400	19 165 985	1.12%
Current portion of non-current receivables		19 100	7 000	26 100	26 100	64 906	148.68%
Inventory		5 477 000	(246 000)	5 231 000	5 231 000	7 216 471	37.96%
Total Current Assets	46.1.1	141 133 200	60 687 400	201 820 600	201 820 600	261 897 274	29.77%
Non-Current Assets							
Investment Property		16 869 000	(259 000)	16 610 000	16 610 000	18 056 897	8.71%
Property, Plant and Equipment		1 132 251 000	18 603 000	1 150 854 000	1 150 854 000	1 114 997 207	-3.12%
Intangible Assets		841 000	(556 000)	285 000	285 000	87 474	-69.31%
Other Non-Current Assets		13 774 000	-	13 774 000	13 774 000	13 774 345	0.00%
Total Non-Current Assets	46.1.3	1 163 735 000	17 788 000	1 181 523 000	1 181 523 000	1 146 915 923	-2.93%
TOTAL ASSETS		1 304 868 200	78 475 400	1 383 343 600	1 383 343 600	1 408 813 197	1.84%
LIABILITIES							
Current Liabilities							
Financial liabilities		18 300 000	(2 736 000)	15 564 000	15 564 000	7 659 173	-50.79%
Consumer Deposits		11 319 500	-	11 319 500	11 319 500	12 172 315	7.53%
Trade and other payables from exchange transactions		47 209 000	777 900	47 986 900	47 986 900	53 471 763	11.43%
Trade and other payables from non- exchange transactions		152 800	(85 400)	67 400	67 400	3 670 445	5345.76%
VAT		5 073 700	(905 300)	4 168 400	4 168 400	8 000 113	91.92%
Provisions		34 076 000	(390 000)	33 686 000	33 686 000	41 027 399	21.79%
Total Current Liabilities	46.1.2	116 131 000	(3 338 800)	112 792 200	112 792 200	126 001 208	11.71%
Non-Current Liabilities							
Borrowing		64 459 700	2 934 500	67 394 200	67 394 200	74 589 922	10.68%
Provisions		165 186 400	(14 143 800)	151 042 600	151 042 600	148 086 376	-1.96%
Total Non-Current Liabilities	46.1.4	229 646 100	(11 209 300)	218 436 800	218 436 800	222 676 298	1.94%
TOTAL LIABILITIES		345 777 100	(14 548 100)	331 229 000	331 229 000	348 677 506	5.27%
NET ASSETS							
Accumulated Surplus/(Deficit)		959 091 100	93 023 500	1 052 114 600	1 052 114 600	1 060 135 690	0.76%
TOTAL NET ASSETS		959 091 100	93 023 500	1 052 114 600	1 052 114 600	1 060 135 690	0.76%

OUTDSHOORN LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Original Budget	Budget Adjustments (into. s28 and s31 of the MFMA)	Final Adjustment Budget	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget
		R	R	R	R	R	Variance %
Revenue By Source							
Exchange Revenue							
Service Charges - Electricity Revenue		318 619 000	(9 259 000)	309 360 000	309 360 000	303 269 601	-1.97%
Service Charges - Water Revenue		81 214 000	(1 559 000)	79 655 000	79 655 000	73 712 428	-7.46%
Service Charges - Sanitation Revenue		48 857 000	-	48 857 000	48 857 000	45 309 126	-7.26%
Service Charges - Refuse Revenue		34 403 000	950 000	35 353 000	35 353 000	41 708 424	17.98%
Sale of Goods and Rendering of Services		25 117 500	2 779 100	27 896 600	27 896 600	23 846 888	-14.52%
Rental from Fixed Assets		2 534 000	163 000	2 697 000	2 697 000	3 672 491	36.17%
Agency Services		7 454 000	-	7 454 000	7 454 000	5 622 069	-24.58%
Interest							
Interest Earned - External Investments		6 407 000	4 750 000	11 157 000	11 157 000	14 999 460	34.44%
Interest earned from Receivables		9 246 000	-	9 246 000	9 246 000	6 771 203	-26.77%
Dividends Received		-	-	-	-	-	0.00%
Licences and Permits		445 000	-	445 000	445 000	454 113	2.05%
Operational Revenue		680 800	645 400	1 326 200	1 326 200	3 053 507	130.24%
Non-Exchange Revenue							
Property Rates		127 770 000	402 000	128 172 000	128 172 000	131 881 372	2.89%
Fines		4 700 000	9 409 000	14 109 000	14 109 000	16 227 904	15.02%
Transfers Recognised - Operational		112 342 000	28 700 000	141 042 000	141 042 000	138 434 617	-1.85%
Other Gains		63 870 000	(1 418 000)	62 452 000	62 452 000	4 662 458	-92.53%
Total Revenue (excluding capital transfers and contributions)							
	46.2.1	843 659 300	35 562 500	879 221 800	879 221 800	813 625 661	-7.46%
Expenditure By Type							
Employee Related Costs		321 513 000	(67 000)	321 446 000	321 446 000	295 730 370	-8.00%
Remuneration of Councillors		12 485 000	-	12 485 000	12 485 000	12 575 623	0.73%
Debt Impairment		(3 573 000)	12 023 000	8 450 000	8 450 000	8 062 683	-4.58%
Depreciation and Asset Impairment		50 262 000	4 252 000	54 514 000	54 514 000	53 695 307	-1.50%
Finance Charges		6 956 000	1 569 000	8 525 000	8 525 000	11 380 189	33.49%
Bulk Purchases		249 000 000	(12 000 000)	237 000 000	237 000 000	245 605 593	3.63%
Inventory consumed		79 090 000	24 357 000	103 447 000	103 447 000	57 866 988	-44.06%
Irrecoverable debts written off		20 118 000	-	20 453 000	20 453 000	21 398 066	4.62%
Contracted Services		41 500 000	(2 189 000)	39 311 000	39 311 000	30 830 037	-21.57%
Transfers and Grants		2 909 000	2 380 000	5 289 000	5 289 000	3 303 057	-37.55%
Operational costs		81 474 000	1 758 000	83 232 000	83 232 000	66 694 236	-19.87%
Losses on disposal of Assets		-	-	-	-	6 994 498	100.00%
Other Losses		14 764 000	(172 000)	14 592 000	14 592 000	-	-100.00%
Total Expenditure							
	46.2.2	876 498 000	31 911 000	908 744 000	908 744 000	814 136 648	-10.41%
Surplus/(Deficit)							
		(32 838 700)	3 651 500	(29 522 200)	(29 522 200)	(510 988)	-98.27%
Transfers Recognised - Capital Contributed Assets	46.2.1	35 897 000	1 845 000	37 742 000	37 742 000	36 093 755	-4.37%
		-	-	-	-	-	-
Surplus/(Deficit) after Capital Transfers & Contributions							
		3 058 300	5 496 500	8 219 800	8 219 800	35 582 768	332.89%
Taxation		-	-	-	-	-	-
Surplus/(Deficit) after Taxation							
		3 058 300	5 496 500	8 219 800	8 219 800	35 582 768	332.89%
Attributable to Minorities		-	-	-	-	-	-
Surplus/(Deficit) Attributable to Municipality							
		3 058 300	5 496 500	8 219 800	8 219 800	35 582 768	332.89%
Share of Surplus/(Deficit) of Associate		-	-	-	-	-	-
Surplus/(Deficit) for the year							
		3 058 300	5 496 500	8 219 800	8 219 800	35 582 768	332.89%

OUDTSHOORN LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final Adjustment Budget	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget
		R	R	R	R	R	Variance %
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Property rates		121 381 600	381 900	121 763 500	121 763 500	116 834 621	-4.05%
Service Charges		472 618 600	(9 058 400)	463 560 200	463 560 200	444 795 692	-4.05%
Other Revenue		37 961 000	4 542 300	42 503 300	42 503 300	40 782 804	-4.05%
Government - Operating		112 341 500	2 948 800	115 290 300	115 290 300	114 343 761	-0.82%
Government - Capital		35 896 500	344 600	36 241 100	36 241 100	36 095 325	-0.40%
Interest		6 407 300	4 750 000	11 157 300	11 157 300	23 597 117	111.49%
Payments							
Suppliers and Employees		(729 270 900)	(13 479 900)	(742 750 800)	(742 750 800)	(697 352 980)	-6.11%
Finance Costs		(6 956 000)	(1 499 100)	(8 455 100)	(8 455 100)	(8 468 378)	0.16%
Transfers and Grants		(2 909 300)	(2 379 400)	(5 288 700)	(5 288 700)	(3 303 057)	-37.55%
Net Cash from/(used) Operating Activities	46.3.1	47 470 300	(13 449 200)	34 021 100	34 021 100	67 324 905	97.89%
CASH FLOW FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE		-	-	-	-	12 775	100.00%
Payments							
Capital Assets		(59 126 500)	(8 649 000)	(67 775 500)	(67 775 500)	(54 163 213)	-20.08%
Net Cash from/(used) Investing Activities	46.3.2	(59 126 500)	(8 649 000)	(67 775 500)	(67 775 500)	(54 150 438)	-20.10%
CASH FLOW FROM FINANCING ACTIVITIES							
Receipts							
Borrowing long term/refinancing		17 200 000	-	17 200 000	17 200 000	17 200 000	0.00%
Payments							
Repayment of Borrowing		(18 500 000)	-	(18 500 000)	(18 500 000)	(15 616 373)	-15.59%
Net Cash from/(used) Financing Activities	46.3.3	(1 300 000)	-	(1 300 000)	(1 300 000)	1 583 627	-221.82%
NET INCREASE/(DECREASE) IN CASH HELD							
Cash and Cash Equivalents at the year begin:		54 304 900	74 826 200	129 131 100	129 131 100	129 130 961	0.00%
Cash and Cash Equivalents at the year end:		41 348 700	52 728 000	94 076 700	94 076 700	143 889 055	52.95%

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2024

2. PROPERTY, PLANT AND EQUIPMENT

2.1 30 JUNE 2024

	Cost/Revaluation							Accumulated Depreciation and Impairment Losses						Carrying Value	
	Opening Balance	Transfers	Additions	Under Construction	Contributed Assets	Disposals	Impairment	Closing Balance	Opening Balance	Depreciation	Transfers	Disposals	Impairment		Closing Balance
Land and Buildings															
Land	95 656 328	-	0	-	-	-	-	95 656 328	18 249 750	-	-	-	-	18 249 750	77 406 578
Transfer of Land to Investment Property	(1 550 000)	-	-	-	-	-	-	(1 550 000)	-	-	-	-	-	-	(1 550 000)
Buildings	48 453 744	-	2 854 123	268 607	-	-	-	51 576 474	12 528 728	845 417	-	-	-	13 374 145	38 202 329
Transfer of Buildings to Investment Property	(60 000)	-	-	-	-	-	-	(60 000)	-	-	(3 619)	-	-	(3 619)	(56 381)
	144 110 072	(1 610 000)	2 854 123	268 607	-	-	-	145 622 802	30 778 478	845 417	(3 619)	-	-	31 620 276	114 002 527
Infrastructure															
Roads and Stormwater	335 860 866	-	17 551 140	-	-	(527 025)	-	352 884 981	115 415 425	13 974 050	-	(381 289)	-	129 008 185	223 876 796
Electricity	217 148 235	-	2 189 088	392 973	-	(899 839)	-	218 830 456	96 750 501	8 720 625	-	(795 494)	-	104 675 632	114 154 824
Water Supply	557 803 931	-	23 664 900	907 180	-	(7 550 005)	-	574 826 005	146 454 309	13 255 315	-	(1 135 734)	-	158 573 890	416 252 116
Sanitation	137 628 249	-	102 157	1 000	-	(2 816)	-	137 728 590	38 989 020	3 702 371	-	(2 004)	-	42 689 388	95 039 202
Solid Waste Infrastructure	8 510 028	-	0	-	-	-	-	8 510 028	1 166 456	233 368	-	-	-	1 399 825	7 110 203
Communication Infrastructure	1 240 096	-	143 953	-	-	-	-	1 384 049	421 442	127 732	-	-	-	549 174	834 875
	1 258 191 404	-	43 651 238	1 301 153	-	(8 979 685)	-	1 294 164 110	399 197 152	40 013 461	-	(2 314 520)	-	436 896 094	857 268 017
Capitalised Restoration Cost	19 990 098	-	126 987	-	-	-	(3 955 944)	16 161 141	15 617 200	476 474	-	-	-	16 093 673	67 468
Community Assets															
Libraries	14 870 047	-	201 190	-	-	-	-	15 071 237	1 647 781	177 549	-	-	-	1 825 331	13 245 907
Civic Buildings	26 297 808	-	497 369	-	-	-	-	26 795 177	8 383 417	369 465	-	-	-	8 752 882	18 042 295
Recreational Facilities	96 547 122	-	96 154	7 842 210	-	-	-	104 485 486	34 014 056	1 261 377	-	-	-	35 275 433	69 210 053
Cemeteries	1 730 291	-	0	-	-	-	-	1 730 291	237 180	12 644	-	-	-	249 824	1 480 467
Other	14 425 386	-	0	194 064	-	-	-	14 619 451	3 777 757	243 877	-	-	-	4 021 634	10 597 817
	153 870 654	-	794 713	8 036 275	-	-	-	162 701 642	48 060 191	2 064 912	-	-	-	50 125 103	112 576 539
Other Assets															
Furniture and Office Equipment	14 355 405	-	1 296 296	-	-	(650 555)	-	15 001 145	8 055 468	987 638	-	(499 907)	-	8 543 199	6 457 947
Motor vehicles	26 825 818	-	0	-	-	-	-	26 825 818	10 926 740	979 187	-	-	-	11 905 927	14 919 891
Computer Equipment	8 073 718	-	840 299	-	-	(318 479)	-	8 595 537	3 761 274	725 499	-	(262 834)	-	4 223 939	4 371 597
Plant and Equipment	8 752 217	-	2 189 808	-	-	(355 217)	-	10 586 809	4 737 365	739 755	-	(223 576)	-	5 253 544	5 333 264
	58 007 158	-	4 326 403	-	-	(1 324 252)	-	61 009 309	27 480 847	3 432 079	-	(986 316)	-	29 926 610	31 082 699
Leases															
Vehicles and Office Equipment	19 755 621	-	0	-	-	(19 755 621)	-	(0)	9 651 053	6 585 207	-	(16 236 260)	-	(0)	0
	19 755 621	-	0	-	-	(19 755 621)	-	(0)	9 651 053	6 585 207	-	(16 236 260)	-	(0)	0
Total	1 653 925 007	(1 610 000)	51 753 464	9 606 035	-	(30 059 558)	(3 955 944)	1 679 659 003	530 784 921	53 417 550	(3 619)	(19 537 096)	-	564 661 755	1 114 997 250

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2024

2.2 30 JUNE 2023 RESTATED

	Cost/Revaluation								Accumulated Depreciation and Impairment Losses						Carrying Value
	Opening Balance	Transfers	Additions	Under Construction	Contributed Assets	Disposals	Impairment	Closing Balance	Opening Balance	Depreciation	Transfers	Disposals	Impairment	Closing Balance	
Land and Buildings															
Land	95 717 781	-	-	-	-	(61 453)	-	95 656 328	18 249 750	-	-	-	-	18 249 750	77 406 578
Balance previously reported	96 745 781					(61 453)		96 684 328	18 249 750	-				18 249 750	78 434 578
Correction of error note 41.1(p)	322 000							322 000						-	322 000
Correction of error note 41.1(q)	(1 350 000)							(1 350 000)						-	(1 350 000)
Buildings	48 252 034	-	-	188 292	-	-	-	48 440 327	11 689 830	838 898	-	-	-	12 528 728	35 911 598
Balance previously reported	48 252 034			188 292		-		48 440 327	11 689 830	838 898				12 528 728	35 911 598
Correction of error note 41.1								-						-	-
	143 969 815	-	-	188 292	-	(61 453)	-	144 096 655	29 939 580	838 898	-	-	-	30 778 478	113 318 176
Infrastructure															
Roads and Stormwater	322 350 713		5 499 444	6 762 303	-			334 612 461	101 829 387	13 586 037				115 415 425	219 197 036
Electricity	208 172 949	-	2 473 977	7 034 416	722 000	-	-	218 403 342	88 121 358	8 629 143	-	-	-	96 750 501	121 652 841
Balance Previously Reported	208 172 949		2 473 977	7 158 040	722 000			218 526 965	88 121 358	8 529 707				96 651 065	121 875 901
Correction of error note 41.1(x)				(123 624)				(123 624)						-	(123 624)
Correction of error note 41.1(y)								-		97 450				97 450	(97 450)
Correction of error note 41.1(z)								-		1 987				1 987	(1 987)
Water Supply	496 005 504	-	1 406 043	62 909 792	-	-	-	560 321 340	134 103 937	12 350 372	-	-	-	146 454 309	413 867 031
Balance previously reported	508 178 901		1 406 043	63 131 971	-			572 716 915	134 103 937	12 185 637				146 289 574	426 427 341
Correction of error note 41.(n)				(222 178)				(222 178)						-	(222 178)
Correction of error note 41.(u)	(12 173 397)							(12 173 397)						-	(12 173 397)
Correction of error note 41.(v)								-		164 734				164 734	(164 734)
Sanitation	134 141 195	-	499 993	476 368	-	-	-	135 117 556	35 298 872	3 690 148	-	-	-	38 989 020	96 128 536
Balance previously reported	134 141 195		499 993	476 368	-			135 117 556	35 293 118	3 673 018				38 966 136	96 151 420
Correction of error note 41.(w)								-	5 754	17 130				22 884	(22 884)
Solid Waste Infrastructure	8 510 028		-	-	-			8 510 028	933 088	233 368				1 166 456	7 343 572
Communication Infrastructure	1 128 615	-	111 481	-	-	-	-	1 240 096	307 596	113 846	-	-	-	421 442	818 654
Balance previously reported	1 128 615		-	111 481	-			1 240 096	307 596	113 846				421 442	818 654
Correction of error note 41.(aa)				(111 481)				(111 481)						-	(111 481)
Correction of error note 41.(aa)			111 481					111 481						-	111 481
	1 170 309 004	-	9 990 938	77 182 880	722 000	-	-	1 258 204 822	360 594 238	38 602 914	-	-	-	399 197 152	859 007 670
Capitalised Restoration Cost	21 656 667						(1 666 569)	19 990 098	14 423 046	1 194 154				15 617 200	4 372 899
Community Assets															
Libraries	13 960 500		909 547	-				14 870 047	1 476 345	171 436				1 647 781	13 222 266
Civic Buildings	24 379 762		166 267	1 751 779				26 297 808	8 014 966	368 451				8 383 417	17 914 391
Recreational Facilities	82 027 769		1 219 804	13 299 549				96 547 122	33 277 748	736 308				34 014 056	62 533 066
Cemeteries	1 730 291		-	-				1 730 291	224 536	12 644				237 180	1 493 111
Other	14 250 591	-	174 795	-	-	-	-	14 425 386	3 601 888	175 869	-	-	-	3 777 757	10 647 629
Balance Previously reported	14 565 591		174 795	-				14 740 386	3 633 240	177 960				3 811 200	10 929 186
Correction of error note 41.1 (r)	(315 000)							(315 000)	(31 352)	(2 091)				(33 443)	(281 557)
	136 348 912	-	2 470 414	15 051 328	-	-	-	153 870 654	46 595 483	1 464 708	-	-	-	48 060 191	105 810 463

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2024

Other Assets															
Furniture and Office Equipment	14 708 286	-	1 030 709	-	-	(1 383 590)	-	14 355 405	7 866 350	1 302 345	-	(1 113 227)	-	8 055 468	6 299 937
Balance previously reported	14 585 208		1 030 709			(1 383 590)		14 232 327	7 866 350	1 283 909		(1 113 227)	-	8 037 032	6 195 294
Correction of error note 41.1(s)	123 078							123 078		18 435				18 435	104 643
Motor vehicles	24 700 783	-	3 873 875	-	-	(1 748 840)	-	26 825 818	10 754 719	1 221 932	-	(1 049 911)	-	10 926 740	15 899 078
Balance Previously reported	24 700 783		3 873 875			(1 801 167)		26 773 491	10 754 719	1 221 932		(1 083 979)	-	10 892 672	15 880 819
Correction of error note 41.1(t)						52 327		52 327				34 068		34 068	18 259
Computer Equipment	8 019 021	-	697 230	-	-	(642 533)	-	8 073 718	3 367 810	905 765	-	(512 301)	-	3 761 274	4 312 444
Balance previously reported	7 993 961		697 230			(642 533)		8 048 658	3 367 810	900 525		(512 301)	-	3 756 033	4 292 624
Correction of error note 41.1(s)	25 060							25 060		5 240				5 240	19 820
Plant and Equipment	8 567 679	-	637 451	-	-	(452 912)	-	8 752 217	4 178 374	820 427	-	(261 436)	-	4 737 365	4 014 852
Balance previously reported	8 428 099		637 451			(452 912)		8 612 638	4 178 374	792 482		(261 436)	-	4 709 421	3 903 218
Correction of error note 41.1(s)	139 579							139 579		27 945				27 945	111 635
	55 995 769	-	6 239 265	-	-	(4 227 875)	-	58 007 158	26 167 252	4 250 469	-	(2 936 875)	-	27 480 847	30 526 311
Leases															
Vehicles and Office Equipment	19 755 621	-	-	-	-	-	-	19 755 621	3 065 846	6 585 207	-	-	-	9 651 053	10 104 568
	19 755 621	-	-	-	-	-	-	19 755 621	3 065 846	6 585 207	-	-	-	9 651 053	10 104 568
Total	1 548 035 787	-	18 700 617	92 422 500	722 000	(4 289 329)	(1 666 569)	1 653 925 007	480 785 445	52 936 350	-	(2 936 875)	-	530 784 921	1 123 140 088

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

		2024 R	2023 R
2. PROPERTY, PLANT AND EQUIPMENT			
See previous sheet	page 56		
	page 57		
	page 58		
2.2 Property, Plant and Equipment which is in the process of being constructed or developed:			
Infrastructure Assets		14 700 401	180 723 845
Roads and Stormwater		6 599 716	12 677 659
Communication Infrastructure		-	-
Electricity		5 249 765	6 584 322
Water Supply		1 737 787	160 058 847
Sanitation		1 113 132	1 403 017
Community Assets		10 179 357	15 914 971
Other Assets		268 607	188 292
Total Property, Plant and Equipment under construction		25 148 365	196 827 108
2.3 Property, Plant and Equipment that is taking a significantly longer period of time to complete than expected:			
Infrastructure Assets		-	130 255 785
Water Supply		-	130 255 785
Total		-	130 255 785
Project relates to Blossoms pipeline that was delayed during prior years due to availability of funding from the National Government. Project completion was 2023/24 financial year			
2.4 Expenditure incurred to repair and maintain Property, Plant and Equipment:			
Other materials		23 786 451	20 974 898
Contracted Services		26 181 543	1 310 518
Other Expenditure		173 606	678 161
Total Repairs and Maintenance		50 141 600	22 963 577
2.5 Effect of changes in accounting estimates			
Disclose the effect of a change in accounting estimate will have on the current period and subsequent periods. If no changes in accounting estimate, clearly state the fact.			
		2024 R	2025 R
Effect on Property, plant and equipment		3 598 577	47 299
			2026 R
			22 747
2.7 Contractual commitments for acquisition of Property, Plant and Equipment:		2024 R	2023 R
Approved and contracted for:		32 209 328	26 123 591
Infrastructure		24 724 041	18 971 898
Community		4 675 530	1 501 500
Other		2 809 757	5 650 194
Total		32 209 328	26 123 591
This expenditure will be financed from:			
Government Grants		23 114 201	10 200 966
Own Resources		9 095 127	15 922 625
Total		32 209 328	26 123 591

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
2.8 Land is controlled, but Oudtshoorn Municipality is not the legal owner/custodian		
Carrying amount at year end	15 857 101	13 928 404
Total	15 857 101	13 928 404
<u>Key judgements and assumptions applied</u>		
- Right to direct access to land, and to restrict/deny the access of others. Erwe utilised for strategic purposes or service delivery needs of the municipality		
3. INVESTMENT PROPERTY		
3.1 Net Carrying amount at 1 July	16 610 077	16 769 038
Cost	21 671 913	21 671 913
Accumulated Depreciation	(1 988 756)	(1 829 795)
Accumulated Impairment Loss	(3 073 079)	(3 073 079)
Transfer from Property, Plant and Equipment - Note 2	1 606 381	-
Cost	1 610 000	-
Accumulated Depreciation	(3 619)	-
Depreciation for the year	(159 561)	(158 961)
Net Carrying amount at 30 June	18 056 897	16 610 077
Cost	23 281 913	21 671 913
Accumulated Depreciation	(2 151 937)	(1 988 756)
Accumulated Impairment Loss	(3 073 079)	(3 073 079)
3.2 Revenue from Investment Property		
Revenue derived from the rental of Investment Property	449 268	430 078
There are no restrictions on the title of Investment Property or the remittance of revenue and proceeds of disposal.		
There are no contractual obligation to purchase, construct or develop investment property or for repairs, maintenance or enhancements.		

	2024 R	2023 R
4. INTANGIBLE ASSETS		
4.1 Net Carrying amount at 1 July	285 099	404 181
Cost	1 176 921	1 176 921
Accumulated Amortisation	(891 822)	(772 740)
Accumulated Impairment Loss	-	-
Amortisation	(118 196)	(119 082)
Disposals	(592 705)	-
Amortisation written back on disposal	513 276	-
Net Carrying amount at 30 June	87 474	285 099
Cost	584 216	1 176 921
Accumulated Amortisation	(496 742)	(891 822)

4.2 Material Intangible Assets included in the carrying value:

<u>Description</u>	<u>Remaining Amortisation Period</u>		
Software	2 -4 years	87 474	285 099

No intangible assets were assessed having an indefinite useful life.

There are no internally generated intangible assets at reporting date.

There are no intangible assets whose title is restricted.

There are no intangible assets pledged as security for liabilities.

There are no contractual commitments for the acquisition of intangible assets.

5. HERITAGE ASSETS

5.1 Net Carrying amount at 1 July	13 774 345	13 774 345
Cost	13 774 345	13 774 345
Net Carrying amount at 30 June	13 774 345	13 774 345
Cost	13 774 345	13 774 345

There are no restrictions on the realizability of Heritage Assets or the remittance of revenue and proceeds of disposal.

There are no contractual obligations to purchase, construct or develop Heritage Assets or for repairs, maintenance or enhancements.

There are no Heritage Assets pledged as security for liabilities.

There are no Heritage Assets that are used by the municipality for more than one purpose.

Rust end Vrede Waterfall

The Rust & Vrede Waterfall is engraved into the heart of the Swartberg Mountain. The Waterfall is situated on a scenic detour branching off the R328, 18km from Oudtshoorn on the way to the Cango Caves on erf 25. It is classified as a heritage asset controlled and owned by the Municipality. From this waterfall, Oudtshoorn acquires its water supply which is carried by a pipeline, 35 km in length, to the town reservoir and the Raubenheimer Dam.

The Rust and Vrede Waterfall is an asset that was not purchased or contributed. It could not be reliably measured as this is not a manmade structure and no market value exists as this is a unique natural landmark. This asset lacks comparability to other assets in the municipality. The cash flow method could not be used to obtain a value, as it is impractical to place a value on a natural landmark.

OUTDSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
<u>Herrie's Stone, Meiringspoort, Oudtshoorn District</u>		
The Afrikaans writer, C J Langenhoven, chiselled the name of the well-known elephant 'Herrie', from his book 'Sonde met die Bure', on this rock in July 1929. This has been declared as a Heritage Site.		
This heritage asset's value could not be reliably measured as it was not purchased nor is there an active market for it and there is no alternative method for valuating this heritage asset.		
<u>Cango Caves</u>		
This famous attraction is situated in the Cango ward 29 km north of Oudtshoorn and situated on erf 28. It is classified as a heritage asset and controlled by the Municipality. The entrance is in the face of a hill beside the Grobbelaar's River. The maxe of caves with their beautiful stalactite formations are most impressive. It is generally accepted that the caves were discovered in 1780 by a herdsman of a farmer called Van Zyl of Doornrivier, while he was looking for lost cattle.	11 796 645	11 796 645
<u>CP Nel Museum Building</u>		
The building reflects a late Victorian Colonial style of a classical building and dates from about 1909 and for some half a century served as a boys' school. In 1980 the building complex was declared a National Monument and is owned by the Municipality.	1 940 000	1 940 000
<u>Mayoral Chains</u>		
The municipality has two mayoral chains which are kept in a safe at the main building.	37 700	37 700
6 OPERATING LEASE ARRANGEMENTS		
6.1 The Municipality as Lessor		
Operating Lease Asset	<u>64 906</u>	<u>26 109</u>
<u>Disclosed as follows:</u>		
Current Operating Lease Asset	<u>64 906</u>	<u>26 109</u>
	<u>64 906</u>	<u>26 109</u>
<u>Reconciliation</u>		
Balance at the beginning of the year	26 109	23 416
Movement during the year	<u>38 798</u>	<u>2 693</u>
Balance at the end of the year	<u>64 906</u>	<u>26 109</u>
At the Statement of Financial Position date, where the municipality acts as a lessor under operating leases, it will pay operating lease expenditure as follows:		
Up to 1 Year	529 392	161 131
1 to 5 Years	660 801	660 801
More than 5 Years	<u>169 351</u>	<u>169 351</u>
Total Operating Lease Arrangements	<u>1 359 544</u>	<u>991 283</u>
This operating lease expenditure determined from contracts that have a specific condition expenditure and does not include leases which has a undetermined conditional expenditure. Operating leases relates to buildings that are on fixed term rental agreements at Cango Caves.		

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
7. INVENTORY		
Maintenance Materials - At Cost	6 772 820	4 535 217
Water – At Cost	443 652	470 948
Total Inventory	7 216 471	5 006 165
The municipality recognised only purification costs in respect of non-purchased purified water inventory.		
7.1 Inventories recognised as an expense during the year:		
Consumables	40 148 984	13 470 318
Finished Goods	127 139	100 321
Materials and supplies	17 590 866	13 706 551
Total	57 866 988	27 277 190
8. RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Electricity	29 351 635	24 742 905
Water	28 516 488	22 902 281
Property Rentals	506	506
Waste Management	16 730 938	11 926 798
Waste Water Management	18 072 834	13 724 241
Units not billed	22 023 305	30 943 480
Legal Fees Recovery	29 216	29 216
Klein Karoo Water Scheme	5 695 483	5 705 001
Sundry municipal charges	4 954 167	5 174 791
Prepaid expenditure	(6 764)	25 334
Other	19 124	22 756
Suspense Debtors	4 046 035	3 758 743
Control, Clearing And Interface Accounts	174 214	-
Correction of Error note 41.1(l)	-	350 000
Correction of Error note 41.1(m)	-	(19 498)
Total: Receivables from exchange transactions (before provision)	129 607 181	119 286 554
Less: Provision for Debt Impairment	(38 046 324)	(40 274 368)
Total: Receivables from exchange transactions (after provision)	91 560 857	79 012 186
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 consumer debtors are not performed in terms of GRAP 104 on initial recognition.		
The fair value of receivables approximate their carrying value.		
Ageing of billed Debtors		
<u>(Electricity): Ageing</u>		
Current (0 - 30 days)	15 345 070	10 937 160
31 - 60 Days	2 348 769	1 108 755
61 - 90 Days	1 004 092	813 723
+ 90 Days	10 653 704	11 883 268
Total	29 351 635	24 742 905
<u>(Water): Ageing</u>		
Current (0 - 30 days)	4 883 764	5 126 203
31 - 60 Days	2 572 392	2 274 934
61 - 90 Days	1 607 616	1 418 558
+ 90 Days	19 452 715	14 082 587
Total	28 516 488	22 902 281
<u>(Property Rentals): Ageing</u>		
Current (0 - 30 days)	-	-
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	506	506
Total	506	506

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
<u>(Waste Management): Ageing</u>		
Current (0 - 30 days)	3 028 283	2 002 604
31 - 60 Days	1 056 275	760 788
61 - 90 Days	860 872	570 233
+ 90 Days	11 785 509	8 593 172
Total	16 730 938	11 926 798
<u>(Waste Water Management): Ageing</u>		
Current (0 - 30 days)	3 226 062	2 559 829
31 - 60 Days	1 120 705	937 468
61 - 90 Days	918 837	712 454
+ 90 Days	12 807 230	9 514 490
Total	18 072 834	13 724 241
<u>(Units not billed): Ageing</u>		
Current (0 - 30 days)	22 023 305	30 943 480
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	-	-
Total	22 023 305	30 943 480
<u>(Legal Fees Recovery): Ageing</u>		
Current (0 - 30 days)	-	-
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	29 216	29 216
Total	29 216	29 216
<u>(Klein Karoo Water Scheme): Ageing</u>		
Current (0 - 30 days)	529 514	382 979
31 - 60 Days	307 901	247 392
61 - 90 Days	282 847	233 740
+ 90 Days	4 575 221	4 840 889
Total	5 695 483	5 705 001
<u>(Sundry municipal charges): Ageing</u>		
Current (0 - 30 days)	675 603	883 159
31 - 60 Days	167 354	253 519
61 - 90 Days	324 922	190 668
+ 90 Days	7 832 323	7 606 188
Total	9 000 202	8 933 534
<u>(Prepaid expenditure): Ageing</u>		
Current (0 - 30 days)	(6 764)	25 334
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	-	-
Total	(6 764)	25 334
<u>(Other): Ageing</u>		
Current (0 - 30 days)	-	-
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	19 124	22 756
Total	19 124	22 756

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
<u>(Total): Ageing</u>		
Current (0 - 30 days)	49 704 836	52 860 749
31 - 60 Days	7 573 396	5 582 855
61 - 90 Days	4 999 186	3 939 375
+ 90 Days	67 329 763	56 903 574
Total	129 607 181	119 286 554

Summary of Service Debtors by Customer Classification

	<u>Other</u>	<u>Residential</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
30 June 2024				
Current (0 - 30 days)	846 068	13 773 291	10 229 003	2 995 023
31 - 60 Days	325 417	4 488 891	1 024 257	1 734 829
61 - 90 Days	311 953	3 626 553	751 781	308 899
+ 90 Days	5 783 878	74 776 327	8 085 627	545 381
Total debtors by customer classification	7 267 317	96 665 063	20 090 668	5 584 133

Summary of Service Debtors by Customer Classification

	<u>Other</u>	<u>Residential</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
30 June 2023				
Current (0 - 30 days)	513 791	43 240 545	8 040 566	1 040 512
31 - 60 Days	261 497	4 224 964	753 380	343 014
61 - 90 Days	217 581	3 111 801	577 414	32 580
+ 90 Days	6 045 472	41 701 106	8 677 094	505 236
Total debtors by customer classification	7 038 341	92 278 416	18 048 454	1 921 343

Reconciliation of Provision for Debt Impairment

Balance at beginning of year	40 274 368	41 509 093
Reversal of provision	(2 228 044)	(1 234 725)
Balance at end of year	38 046 324	40 274 368

The total amount of this provision is R38 046 324 and consist of:

Services	38 046 324	40 274 368
Total Provision for Debt Impairment on Receivables from exchange transactions	38 046 324	40 274 368

Classification of Bad Debts Written-off

Electricity	1 416 747	3 320 038
Refuse	2 777 927	5 007 038
Sewerage	2 856 985	5 925 897
Water	5 094 895	13 498 316
	12 146 555	27 751 290

Ageing of amounts past due but not impaired:

Services	41 856 021	26 151 437
	79 902 345	66 425 805

The provision for doubtful debts on debtors (loans and receivables) exists due to the possibility that not all 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.

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 trade receivables.

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
9. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
Taxes	41 459 103	35 982 704
Availability Charges	6 173 005	5 271 399
Fines	25 794 733	18 607 997
Correction of error note 41.1(a)	-	2 659 859
Correction of error note 41.1(c)	-	(2 935 840)
Correction of error note 41.1(b)	-	285 900
Correction of error note 41.1(d)	-	(74 116)
	<u>73 426 841</u>	<u>59 797 903</u>
Less: Provision for Debt Impairment	(54 260 857)	(43 970 130)
Total Receivables from non-exchange transactions	<u>19 165 985</u>	<u>15 827 772</u>

The fair value of other receivables approximate their carrying value.

Rates 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 rates debtors are not performed in terms of GRAP 104 on initial recognition.

(Taxes): Ageing

Current (0 - 30 days)	7 700 471	7 003 593
31 - 60 Days	1 933 273	1 846 809
61 - 90 Days	1 563 560	1 279 692
+ 90 Days	30 261 799	25 852 609
Total	<u>41 459 103</u>	<u>35 982 704</u>

(Availability Charges): Ageing

Current (0 - 30 days)	328 110	275 648
31 - 60 Days	209 014	196 221
61 - 90 Days	225 690	166 366
+ 90 Days	5 410 191	4 633 164
Total	<u>6 173 005</u>	<u>5 271 399</u>

(Fines): Ageing

Current (0 - 30 days)	1 018 650	1 626 300
31 - 60 Days	1 259 650	1 138 000
61 - 90 Days	1 217 700	1 336 000
+ 90 Days	22 298 733	14 443 500
Total	<u>25 794 733</u>	<u>18 543 800</u>

Summary of Debtors (Taxes +Availability) by Customer Classification

	<u>Other</u>	<u>Residential</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
30 June 2024				
Current (0 - 30 days)	47 509	5 882 646	1 956 028	142 398
31 - 60 Days	6 785	1 733 252	291 970	110 281
61 - 90 Days	1 738	1 431 165	241 136	115 211
+ 90 Days	258 559	30 015 453	4 436 693	961 284
Total debtors by customer classification	<u>314 591</u>	<u>39 062 516</u>	<u>6 925 827</u>	<u>1 329 174</u>

Summary of Debtors (Taxes+Availability) by Customer Classification

	<u>Other</u>	<u>Residential</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
30 June 2023				
Current (0 - 30 days)	48 266	5 234 365	1 788 302	208 309
31 - 60 Days	5 589	1 591 640	336 878	108 923
61 - 90 Days	3 062	1 176 263	248 689	18 044
+ 90 Days	364 595	25 399 234	4 237 628	484 316
Total debtors by customer classification	<u>421 513</u>	<u>33 401 502</u>	<u>6 611 497</u>	<u>819 591</u>

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
<u>Reconciliation of Provision for Debt Impairment</u>		
Balance at beginning of year	43 970 130	30 151 871
Contribution to provision	10 290 727	13 744 594
Reversal of provision	-	-
Correction of error note 41.1(e)	-	(5 920 610)
Correction of error note 41.1(a)	-	5 994 275
Balance at end of year	54 260 857	43 970 130

The total amount of this provision is R54 260 857 and consist of:

Taxes	25 835 727	22 954 223
Availability Charges	4 867 795	4 328 024
Fines	23 557 335	16 687 883
Total Provision for Debt Impairment on Trade Receivables from non-exchange transactions	54 260 857	43 970 130

Classification of Bad Debts Written-off

Rates	2 102 223	5 313 252
Fines	7 149 288	4 928 105
	9 251 511	10 241 357

Ageing of amounts past due but not impaired:

Rates	7 922 906	6 024 888
Availability charges	977 100	667 727
Fines	1 218 748	229 617
	10 118 753	6 922 231

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 trade receivables.

The outstanding fine receivable balance at year end is reduced to its recoverable amount by recognising a provision for impairment against the receivable raised. This is considered to be a subsequent event. The provision for impairment is based on current and past collection rates applicable to fines.

10. CASH AND CASH EQUIVALENTS

10.1 Cash and Cash Equivalents

Cash At Bank	31 236 856	17 352 156
Call Deposits and Investments	112 614 648	111 741 255
Cash On-hand	37 550	37 550
Total Cash and Cash Equivalents - Assets	143 889 055	129 130 961

Cash and cash equivalents comprise cash held and short term deposits. The carrying amount of these assets approximates their fair value.

Call Investments Deposits to an amount of R112 614 648 are held to fund the Unspent Conditional Grants of R3 670 445

The municipality has the following bank accounts:

The municipality changed primary banking details as from 1 July 2023 to First National Bank

Current Accounts

Standard Bank 082808678 / FNB 63047161615	1 261 332	3 543 012
Standard Bank 082808724 / FNB 63047161607	29 975 525	13 744 857
Standard Bank 08288988 / FNB 63047161623	-	33 037
Standard Bank 082809097 / FNB 63047161631	-	31 251
	31 236 856	17 352 156

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
<u>Call Deposits and Investments</u>		
ABSA Account no 20-8127-3737	27 253 486	-
ABSA Account no 20-8142-4075	20 770 792	
ABSA Account no 93-7484-2333	-	17 215 204
ABSA Account no 93-7253-4156	-	16 133 562
ABSA Account no 93-7794-9102	-	27 269 402
Nedbank Account no 03/7881019344/29	136 595	125 911
Nedbank Account no 03/7881001143/130	647 021	596 413
Nedbank Account no 03/7881001143/131	3 544 930	3 267 654
Nedbank Account no 03/7881001143/137	3 428 341	3 160 184
Nedbank Account no 03/7881001143/175	5 950 439	5 485 010
Nedbank Account no 03/7881001143/250	-	8 278 563
Nedbank Account no 03/7881001143/251	-	3 265 786
Nedbank Account no 03/7881001143/252	963 088	887 757
Nedbank Account no 03/7881001143/258	6 681 354	6 158 754
Standard Account no 288835379039	-	3 754 100
Standard Account no 288835379047	-	3 868
Standard Account no 288835379048	2 147 760	1 977 161
Standard Account no 288835379053	4 046 484	-
Standard Account no 288835379056	21 690 917	-
Investec Account no 1400-171058-500	5 681 939	5 240 990
Investec Account no 1400-171058 501	9 671 501	8 920 940
	<u>112 614 648</u>	<u>111 741 258</u>
Details of current accounts are as follow:		
<i>Standard Bank 082808678 / FNB 63047161615 (Primary bank Account)</i>		
Cash book balance at beginning of year	3 543 012	2 857 709
Cash book balance at end of year	<u>1 261 332</u>	<u>3 543 012</u>
Bank statement balance at beginning of year	3 545 369	2 857 709
Bank statement balance at end of year	<u>1 261 332</u>	<u>3 545 369</u>
<i>Standard Bank 082808724 / FNB 63047161607 (Primary bank Account)</i>		
Cash book balance at beginning of year	13 744 857	9 977 782
Cash book balance at end of year	<u>29 975 525</u>	<u>13 744 857</u>
Bank statement balance at beginning of year	12 412 276	8 923 089
Bank statement balance at end of year	<u>27 523 433</u>	<u>12 412 276</u>
<i>Standard Bank 082809097 / FNB 63047161631 (Traffic Account)</i>		
Cash book balance at beginning of year	31 251	85 320
Cash book balance at end of year	<u>31 251</u>	<u>31 251</u>
Bank statement balance at beginning of year	31 251	85 320
Bank statement balance at end of year	<u>31 251</u>	<u>31 251</u>
<i>Standard Bank 08288988 / FNB 63047161623 (Cango Caves account)</i>		
Cash book balance at beginning of year	33 037	39 780
Cash book balance at end of year	<u>-</u>	<u>33 037</u>
Bank statement balance at beginning of year	33 037	39 780
Bank statement balance at end of year	<u>-</u>	<u>33 037</u>

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

		2024 R	2023 R
11. LONG-TERM BORROWINGS			
Annuity Loans - At amortised cost		82 249 095	72 836 840
Capitalised Lease Liability - At amortised cost		-	11 420 910
		82 249 095	84 257 750
<u>Less:</u>	Current Portion transferred to Current Liabilities	(7 659 173)	(15 563 632)
	Annuity Loans - At amortised cost	(7 659 173)	(7 790 177)
	Capitalised Lease Liability - At amortised cost	-	(7 773 455)
		74 589 922	68 694 118
Total Long-term Borrowings		74 589 922	68 694 118
11.1	The obligations under annuity loans are scheduled below:		Minimum payments
	Amounts payable under annuity loans:		
	Payable within one year	14 598 823	13 491 872
	Payable within two to five years	50 845 006	44 926 601
	Payable after five years	66 746 777	53 055 566
		132 190 606	111 474 039
<u>Less:</u>	Future finance obligations	(49 941 611)	(38 637 199)
Present value of annuity loans obligations		82 248 996	72 836 840
11.2	The obligations under the capitalised lease liability are scheduled below:		Minimum payments
	Amounts payable under the capitalised lease liability:		
	Payable within one year	-	8 344 277
	Payable within two to five years	-	3 719 542
		-	12 063 819
<u>Less:</u>	Future finance obligations	-	(642 909)
Present value of finance lease obligations		-	11 420 910
	Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance.		
12. NON-CURRENT PROVISIONS			
	Provision for Rehabilitation of Landfill-sites	31 859 295	35 555 265
Total Non-current Provisions		31 859 295	35 555 265

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
12.1 Landfill Sites		
Balance 1 July	35 555 265	34 429 958
Increase/(Decrease) due to discounting	2 911 811	2 791 876
Change in Provision for Rehabilitation Cost	(6 607 780)	(1 666 569)
Total provision 30 June	31 859 295	35 555 265
Balance 30 June	31 859 295	35 555 265

The estimated rehabilitation costs for each of the existing sites are based on the current rates for construction costs. The assumptions used are as follows:

	De Rust Closed	De Rust Operational	Dysselsdorp Closed	Dysselsdorp Operational	Oudtshoorn Grootkop
Area (m²)	5 223	8 557	2 253	9 841	119 115
Cost for Rehabilitation and Closure:					
Preliminary and General	622 644	947 197	337 449	1 050 996	9 527 056
Site Clearance and Preparation	7 678	12 579	3 312	14 466	175 099
Storm water Control Measures	621 215	448 275	438 839	996 822	4 643 814
Capping	2 256 171	3 827 685	990 089	4 327 527	53 105 168
Gas Management	-	-	-	-	-
Leachate Management	264 108	480 258	180 973	332 061	2 246 069
Fencing	784 145	1 214 759	518 492	968 388	13 397
Other:					
Environmental Authorisation (Closure License)	-	460 688	-	460 688	460 688
Technical ROD	232 968	232 968	232 968	232 968	232 968
Install Groundwater Monitoring Boreholes with lockable caps(includes drilling contractor site establishment)	105 705	185 429	180 560	180 560	-
Landscape Architects	164 771	164 771	164 221	164 221	185 318
Water use license	39 000	39 000	39 000	39 000	39 000
Topographical Survey	7 950	7 950	7 950	7 950	14 939
Contingencies (10% of total construction costs)	455 596	693 075	246 915	769 026	6 971 060
Engineering (ECSA Fees scale)	610 907	924 379	335 448	1 024 634	6 173 077
Site Supervision (Engineers Representation)	215 671	281 687	193 729	276 195	1 629 200
Site Supervision (Environmental Control Officer & OHS Agent)	160 770	176 847	134 928	164 912	589 760
Total (Excl. VAT)	6 549 298	10 097 547	4 004 872	11 010 414	86 006 613
Cost per rehab(m2)	1 254	1 180	1 778	1 119	722
Estimated construction period (weeks)	10	11	9	11	40

The municipality has an obligation to rehabilitate landfill sites at the end of the expected useful life of the asset. The estimate cost and date of decommission of the sites are as follows:

	Estimated decommission date	2024 R	2023 R
Location			
De Rust (Closed)	2014	6 878 728	6 621 545
De Rust(Operational)	2039	21 082 221	16 705 722
Dysselsdorp(Closed)	2013	4 206 317	4 044 833
Dysselsdorp(Operational)	2037	20 839 025	17 656 405
Oudtshoorn	2054	374 914 994	322 608 041
		427 921 284	367 636 546

13. NON-CURRENT EMPLOYEE BENEFITS

Provision for Post Retirement Health Care Benefits	105 075 081	98 210 001
Provision for Long Service Awards	11 152 000	10 151 000
Total net defined benefit liability	116 227 081	108 361 001

Post Retirement Health Care Benefits

Balance 1 July	103 778 001	112 516 001
Contribution for the year	3 412 000	3 680 000
Interest Cost	12 574 000	12 897 000
Expenditure for the year	(5 976 920)	(5 611 375)
Actuarial Loss/(Gain)	(2 198 000)	(19 703 625)
Net defined benefit liability 30 June	111 589 081	103 778 001
Less: Transfer of Current Portion to Current Provisions - Note 15	(6 514 000)	(5 568 000)
Non-Current Portion : Net defined benefit liability	105 075 081	98 210 001

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2023 R	2022 R
<u>Long Service Awards</u>		
Balance 1 July	12 352 000	13 054 000
Contribution for the year	993 000	1 085 000
Interest Cost	1 300 000	1 359 000
Expenditure for the year	(2 239 365)	(1 884 058)
Actuarial Loss/(Gain)	314 365	(1 261 942)
Total net defined benefit liability	12 720 000	12 352 000
Less: Transfer of Current Portion to Current Provisions - Note 15	(1 568 000)	(2 201 000)
Non-Current Portion : Net defined benefit liability	11 152 000	10 151 000

13.1 Provision for Post Retirement Health Care Benefits

Nature of the plan

Eligible employees will receive a post-employment subsidy of 70% of the contributions payable should they be a member of a medical scheme at retirement.

Continuation members and their eligible dependants receive a 70% subsidy.

Upon a member's death-in-service, surviving dependants are entitled to commence receipt of the same post-employment subsidy. Upon a member's death-in-retirement, surviving dependants are entitled to continue to receive the same subsidy.

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

LA Health
SAMWU Medical Aid
Bonitas;
Key health
LA Health;
Sizwe-Hosmed

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 Municipal Finance Management Act.

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 settlement to reflect.

The Projected Unit Credit Method has been used to value the defined benefit obligation.

The Post Retirement Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	325	314
In-service (employee) non-members	371	353
Continuation members (e.g. Retirees, widows, orphans)	98	95
Total Members	794	762

The liability in respect of past service has been estimated to be as follows:

	2024 R	2023 R
In-service members	38 163 000	36 154 000
In-service non-members	6 960 000	6 113 000
Continuation members	66 466 000	61 511 000
Total Liability	111 589 000	103 778 000

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:

	2022 R	2021 R	2020 R
In-service members	41 068 000	38 200 000	31 168 000
In-service non-members	6 248 000	5 935 000	4 798 000
Continuation members	65 200 000	64 839 000	58 237 000
Total Liability	112 516 000	108 974 000	94 203 000

The Current-service Cost for the ensuing year is estimated to be R3 764 000, whereas the Interest Cost for the next year is estimated to be R13 174 000

Maturity analysis

	Future year	Expected benefits vesting (R 0)
2025	1	6 500 000
2026	2	7 200 000
2027	3	7 900 000
2028	4	8 600 000
2029	5	9 300 000
2030-2034	6-10	63 900 000
2035-2039	11-15	99 900 000
2040-2044	16-20	146 700 000
2045-2049	21-25	201 100 000
2050-2054	26-30	263 200 000
2055-2064	31-40	648 600 000
2065-2074	41-50	649 100 000
2075-2084	51-60	459 400 000
2085-2094	61-70	201 500 000
2095-2104	71-80	44 200 000

Key actuarial assumptions used:	2024	2023
	%	%

Key Financial assumptions

i) Rate of interest

Discount rate	12.15%	12.44%
CPI Inflation Rate	6.15%	6.68%
Medical aid contribution inflation rate	7.65%	8.18%
Net Effective Discount rate	4.18%	3.94%

The next contribution increases were assumed to occur at 1 January 2025

Key Demographic assumptions

ii) Mortality during employment

SA 85-90, adjusted for female

Mortality rates post employment

The PA (90) - 1 with a 1% mortality improvement p. A from 2010

iii) Normal retirement age

The normal retirement age for employees of the municipality is 65 years

Average retirement age

The average retirement age for employees of the municipality is 62 years.

iv) Proportion with a spouse dependant at retirement

It has been assumed that 60% of eligible employees on a health care arrangement at retirement will have a spouse dependant on their medical aid

v) Continuation from Membership

It has been assumed that 75% if the in-service members will continue after retirement. It has been assumed that 15% of eligible in service non-members will be on a medical scheme by retirement(should not exist before then) and continue with subsidy at retirement

vi) 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%

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NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	111 589 081	103 778 001
Fair value of plan assets	-	-
	<u>111 589 081</u>	<u>103 778 001</u>
Net defined benefit liability/(asset)	<u>111 589 081</u>	<u>103 778 001</u>
There is currently no long-term assets set aside off-balance sheet in respect of the DBO, thus plan assets is zero.		
As there is not plan asset, the net defined benefit liability is equal to the defined benefit obligation		
The total defined benefit obligation has increased by 8% (or R7.811 million) since the last valuation. The main reasons for the change in liability:		
IN-SERVICE MEMBERS		
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 net discount rate.		
CONTINUATION MEMBERS		
1. An increase in the average subsidy and age		
2. a decrease in the proportion of members with a spouse dependant.		
Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	103 778 001	112 516 001
Total expenses	10 009 080	10 965 625
Current service cost	3 412 000	3 680 000
Interest Cost	12 574 000	12 897 000
Re-measurement of the net defined liability		
Payments to the plan	(5 976 920)	(5 611 375)
Actuarial (gains)/losses	(2 198 000)	(19 703 625)
Demographic assumptions	-	-
Financial Assumptions	(3 397 000)	(11 803 000)
Experience of past adjustments	1 199 000	(7 900 625)
Present value of fund obligation at the end of the year	<u>111 589 081</u>	<u>103 778 001</u>
Less: Transfer to Current Portion	(6 514 000)	(5 568 000)
Net Defined Benefit Liability	<u>105 075 081</u>	<u>98 210 001</u>

Sensitivity Analysis on the Accrued Liability on 30 June 2024

Assumption	Eligible Employees (Rm)	Continuation members (Rm)	Total liability (Rm)
Central Assumptions	45.133	66.466	111.599

The effect of movements in the assumptions are as follows:

Assumption	Change	Eligible Employees (Rm)	Continuation members (Rm)	Total liability (Rm)	% change
Health care inflation	1%	53.726	72.41	126.134	13%
Health care inflation	-1%	38.21	61.27	99.477	-11%
Discount Rate	1%	38.51	61.51	100.019	-10%
Discount Rate	-1%	53.42	72.21	125.632	13%
Post-retirement mortality	-1 year	44.03	64.35	108.382	-3%
Post-retirement mortality	1 year	46.20	68.58	114.778	3%
Average retirement age	-1 year	49.74	66.47	116.205	4%
Membership continuation	-10%	39.72	66.47	106.186	-5%

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2024

	Current Service Cost (R)	Interest Cost (R)	Total (R)
Assumption			
Central Assumptions	3 412 000	12 574 000	15 986 000

The effect of movements in the assumptions are as follows:

	Change	Current Service Cost (R)	Interest Cost (R)	Total (R)	% change
Assumption					
Health care inflation	1%	4 150 000	14 284 000	18 434 000	15%
Health care inflation	-1%	2 828 000	11 152 000	13 980 000	-13%
Discount rate	1%	2 879 000	12 113 000	14 992 000	-6%
Discount rate	-1%	4 092 000	13 086 000	17 178 000	7%
Post-retirement mortality	1%	3 329 000	12 199 000	15 528 000	-3%
Post-retirement mortality	-1%	3 494 000	12 947 000	16 441 000	3%
Average retirement age	-1 year	3 721 000	13 102 000	16 823 000	5%
Membership continuation	-10%	2 986 000	11 910 000	14 896 000	-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.

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2025

	Current	Interest Cost (R)	Total (R)
Assumption			
Central Assumptions	3 764 000	13 174 000	16 938 000

The effect of movements in the assumptions are as follows:

	Change	Current	Interest Cost (R)	Total (R)	% change
Assumption					
Health care inflation	1%	4 558 000	14 939 000	19 497 000	15%
Health care inflation	-1%	3 130 000	11 704 000	14 834 000	-13%
Discount rate	1%	3 186 000	12 737 000	15 923 000	-6%
Discount rate	-1%	4 490 000	13 654 000	18 144 000	7%
Post-retirement mortality	1%	3 670 000	12 785 000	16 455 000	-3%
Post-retirement mortality	-1%	3 850 000	13 561 000	17 411 000	3%
Average retirement age	-1 year	4 087 000	13 728 000	17 815 000	5%
Membership continuation	-10%	3 290 000	12 483 000	15 773 000	-7%

13.2 Provision for Long Service Bonuses

Nature of the Plan

The Municipality offers employees LSA for every five years of service completed, from ten years of service to 45 years of service, inclusive. In the month that each "Completed Service" milestone is reached, the employee is granted an LSA. The long service leave must be taken within one year of receiving such leave or may be wholly or partially encashed.

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 Municipal Finance Management Act.

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.

Termination of service: The Risk that fewer eligible employees terminate their service at the Municipality i.e more long service awards vest than expected.

Volatility of open-ended, long-term 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 long service awards may increase the DBO for the Municipality

There are no curtailments or settlement to reflect.

The Projected Unit Credit Method has been used to value the defined benefit obligation.

The Long Service Bonus plans are defined benefit plans. As at year end, 696 employees were eligible for Long Service Bonuses.

The Current-service Cost for the ensuing year is estimated to be R1 053 000 whereas the Interest Cost for the next year is estimated to be R1 350 000.

Maturity analysis

	Future year	Expected benefits vesting (R)
2025	1	1 600 000
2026	2	1 300 000
2027	3	1 300 000
2028	4	3 500 000
2029	5	2 900 000
2030-2034	6-10	12 600 000
2035-2039	11-15	14 300 000
2040-2044	16-20	14 000 000

Key actuarial assumptions used:

	2024 %	2023 %
Discount rate	11.29%	11.53%
CPI Inflation Rate	5.42%	5.86%
General Earnings inflation rate	6.42%	6.86%
Net discount rate	4.58%	4.37%

Key Financial assumptions

i) Rate of interest

Discount rate
CPI Inflation Rate
General Earnings inflation rate
Net discount rate

The next general earnings increase was assumed to take place on 1 July 2025

Key Demographic assumptions

ii) Average retirement age

The average retirement age for employees of the municipality is 62 years.
Average expected remaining working-lifetime is 16.8 years.

iii) Mortality during employment

SA 85-90

iv) Termination of Service (resignation and retrenchment rates per annum)

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%

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	12 720 000	12 352 000
Fair value of plan assets	-	-
	<u>12 720 000</u>	<u>12 352 000</u>
Net defined benefit liability	<u>12 720 000</u>	<u>12 352 000</u>

There is currently no long-term assets set aside off-balance sheet in respect of the DBO, thus plan assets is zero.
As there is not plan asset, the net defined benefit liability is equal to the defined benefit obligation

Change in liability

The total DBO has increased by 3% (or R 368,000) due to the above being more than offset by the fact that there are 29 more eligible employees than at the last valuation.

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	12 352 000	13 054 000
Total expenses	53 635	559 942
Current service cost	993 000	1 085 000
Interest Cost	1 300 000	1 359 000
Remeasurement of net defined liability		
Benefits Paid	(2 239 365)	(1 884 058)
<u>Actuarial (gains)/losses</u>	314 365	(1 261 942)
Demographic assumptions	-	-
Financial assumptions	(146 000)	(605 000)
Experience adjustments	460 365	(656 942)
Present value of fund obligation at the end of the year	12 720 000	12 352 000
Less: Transfer of Current Portion	(1 568 000)	(2 201 000)
Net defined benefit liability	<u>11 152 000</u>	<u>10 151 000</u>

Sensitivity Analysis on the Accrued Liability at 30 June 2024

	Change	Liability (Rm)	% change
Assumption			
Central assumptions		12 720 000	
General salary inflation	1%	13 490 000	6%
General salary inflation	-1%	12 019 000	-6%
Discount rate	1%	12 004 000	-6%
Discount rate	-1%	13 519 000	6%
Average retirement age	-2 yrs.	14 751 000	16%
Average retirement age	2 yrs.	11 123 000	-13%
Withdrawal rates	x2	10 479 000	-18%
Withdrawal rates	x0.5	14 240 000	12%

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2024

	Current Service Cost (R)	Interest Cost (R)	Total (R)
Assumption			
Central Assumptions	993 000	1 300 000	2 293 000

The effect of movements in the assumptions are as follows:

	Change	Current Service Cost (R)	Interest Cost (R)	Total (R)	% change
Assumption					
Health care inflation	+1%	1 071 000	1 382 000	2 453 000	7%
Health care inflation	-1%	923 000	1 226 000	2 149 000	-6%
Discount rate	+1%	931 000	1 331 000	2 262 000	-1%
Discount rate	-1%	1 063 000	1 265 000	2 328 000	2%
Average retirement age	2 yrs.	1 128 000	1 524 000	2 652 000	16%
Average retirement age	-2 yrs.	882 000	1 130 000	2 012 000	-12%
Withdrawal Rate	x2	745 000	1 059 000	1 804 000	-21%
Withdrawal Rate	x0.5	1 174 000	1 465 000	2 639 000	15%

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2025

Assumption	Current Service Cost (R)	Interest Cost (R)	Total (R)
Central Assumptions	1 053 000	1 350 000	2 403 000

The effect of movements in the assumptions are as follows:

Assumption	Change	Current Service Cost (R)	Interest Cost (R)	Total (R)	% change
Health care inflation	+1%	1 137 000	1 437 000	2 574 000	7%
Health care inflation	-1%	978 000	1 271 000	2 249 000	-6%
Discount rate	+1%	987 000	1 382 000	2 369 000	-1%
Discount rate	-1%	1 128 000	1 312 000	2 440 000	2%
Average retirement age	2 yrs.	1 193 000	1 578 000	2 771 000	15%
Average retirement age	-2 yrs.	938 000	1 172 000	2 110 000	-12%
Withdrawal Rate	x2	788 000	1 098 000	1 886 000	22%
Withdrawal Rate	x0.5	1 247 000	1 521 000	2 768 000	15%

	2024 R	2023 R
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13.3 Retirement funds

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Pension and Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the Pension and Retirement Funds are not split per participating employer. Therefore, the Municipality is unable to determine the value of the plan assets as defined in GRAP 25.

As part of the Municipality's process to value the defined benefit liabilities, the Municipality requested pensioner data from the fund administrator. The fund administrator claim that the pensioner data to be confidential and were not willing to share the information with the Municipality. Without detailed pensioner data the Municipality was unable to calculate a reliable estimate of the accrued liability in respect of pensioners who qualify for a defined benefit pension.

Therefore, although the Consolidated Retirement Fund is a Multi Employer fund defined as defined benefit plan, it will be accounted for as defined contribution plan. All the required disclosure has been made as defined in GRAP 25.31.

CONSOLIDATED RETIREMENT FUND

The contribution rate paid by the members (9,0%) and Council (18,0%). The last actuarial valuation performed for the year ended 30 June 2023 revealed that the fund is in a sound financial position with a funding level of 120.1% (30 June 2022 - 131,5%).

Contributions paid recognised in the Statement of Financial Performance	30 325 487	28 901 225
Contributions paid recognised in the Statement of Financial Performance for the next financial period	35 224 300	30 325 487

DEFINED CONTRIBUTION FUNDS

Council does not contribute to Government Employees Pension Fund, Municipal Council Pension Fund, IMATU Retirement Fund and SAMWU National Provident Fund which are defined contribution funds.

14. CONSUMER DEPOSITS

Electricity	4 456 185	4 350 665
Rental Properties	87 903	152 486
Water	5 378 401	5 394 744
Building Plans	2 245 396	1 879 611
Hiring of Decorative Items	4 430	4 430
Total Consumer Deposits	12 172 315	11 781 937

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

15. CURRENT EMPLOYEE BENEFITS

Performance Bonuses	912 274	1 049 027
Staff Bonuses	7 463 201	7 726 744
Staff Leave	17 885 532	15 929 427
Compensation for Injuries On Duty	-	-
Pension	-	-
Group Insurance	-	-
Other	1 045	1 045
Shortfall in Cape Joint Pension Fund	-	-
Current Portion of Non-Current Employee Benefits	8 082 000	7 769 000
Current Portion of Post Retirement Benefits - Note 13	6 514 000	5 568 000
Current Portion of Long-Service Provisions - Note 13	1 568 000	2 201 000
Total Provisions	34 344 052	32 475 243

The movement in current provisions are reconciled as follows:

15.1 Performance Bonuses

Balance at beginning of year	1 049 027	491 923
Contribution to current portion	167 375	850 473
Expenditure incurred	(304 128)	(293 369)
Balance at end of year	912 274	1 049 027

Performance bonuses are being paid to the Municipal Manager and Directors after an evaluation of performance by the council.

15.2 Staff Bonuses

Balance at beginning of year	7 726 743	7 017 941
Contribution to current portion	13 312 509	13 648 147
Expenditure incurred	(13 576 051)	(12 939 345)
Balance at end of year	7 463 201	7 726 743

Bonuses are being paid to all municipal staff, excluding section 57 employees. The balance at year end represent the portion of the bonus that have already vested for the current salary cycle.

15.3 Staff Leave

Balance at beginning of year	15 929 427	16 935 849
Contribution to current portion	3 962 982	(39 067)
Expenditure incurred	(2 006 877)	(967 356)
Balance at end of year	17 885 531	15 929 427

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave. There is no possibility of reimbursement.

16. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Trade Payables	37 692 787	34 072 946
Pre-paid electricity	775 015	650 914
Unallocated funds debtors	182 972	64 546
Payments received in advance	5 909 854	3 910 455
Control, Clearing and Interface Accounts	731 321	772 895
Sundry Deposits	8 730	8 730
Retentions	8 171 084	9 647 257
Correction of error note 41.1(f)	-	(5 891)
Correction of error note 41.1(g)	-	111 476
Correction of error note 41.1(h)	-	633 035
Correction of error note 41.1(i)	-	17 229
Correction of error note 41.1(j)	-	2 632
Correction of error note 41.1(k)	-	1 088
Correction of error note 41.1(n)	-	(222 178)
Correction of error note 41.1(bb)	-	(788 150)
Total Trade Payables	53 471 763	48 876 984

Payables are being recognised net of any discounts.

Payables are being paid within 30 days as prescribed by the MFMA. 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 payables on initial recognition is not deemed necessary.

The carrying value of trade and other payables approximates their fair value.
All payables are unsecured.

Sundry deposits include Hall, Builders and Housing Deposits.

OUTDSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
16.1 CURRENT PROVISIONS		
<u>VAT Libraries</u>		
Balance at beginning of year	5 591 348	4 588 304
Contribution to current portion	1 092 000	1 003 043
Balance at end of year	6 683 348	5 591 348

As per Schedule 5 of the Constitution of the Republic of South Africa, the responsibility of the library services is allocated to the provincial government. Th Western Cape Provincial Department of Sport(DCAS) therefore has the responsibility to provide the library services as per its mandate.

The Library fundtion has not been assigned to George Municipality. Library services is 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) Oudtshoorn 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 Memorandum of Agreement between the Western Cape Government via its Department of Cultural Affairs and Sport and Oudtshoorn Municipality, the funding provided is a contribution towards partially adresssing the unfunded mandate, for staffing and other related project cost of the public libraries in the municipality.

Payments received from Western Cape Government of Cultural Affairs(DCAS) is not deemed a grant according to the VAT act, het there is some uncertainty relating to the treatment of the VAT relating to the funding received from DCAS. Due to uncertainties, the municipality applied for a VAT ruling from SARS. On 30 June 2024 the municipality has not yet received the outcome of the VAT ruling, therefore a provision is disclosed untill the outcome for the binding VAT ruling is received from SARS.

17. UNSPENT TRANSFERS AND SUBSIDIES

Unspent Transfers and Subsidies	3 670 445	27 320 829
National Government Grants	1 233 880	26 903 396
Provincial Government Grants	2 169 139	150 007
District Municipality	(0)	(0)
Other Sources	267 426	267 426
Total Unspent Transfers and Subsidies	3 670 445	27 320 829

See Appendix "B" for reconciliation of grants from other spheres of government.

The Unspent Grants are cash-backed by short-term deposits.

The municipality complied with the conditions attached to all grants received to the extent of revenue recognised.

No grants were withheld.

Unspent grants can mainly be attributed to projects that are work in progress on the relevant financial year-end.

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

		2024 R	2023 R
18. TAXES			
18.1	VAT Payable	661 267	2 294 655
	VAT Output in Suspense	(16 799 226)	(14 339 200)
	Total VAT Payable	(16 137 959)	(12 044 544)
18.2	VAT Receivable	-	-
	VAT Input in Suspense	8 137 846	7 876 117
	Correction of Error note 41.1(o)	-	128 952
	Total VAT Receivable	8 137 846	8 005 069
18.3	Net VAT (Payable)	(8 000 113)	(4 039 476)
	VAT is payable on the receipts basis. VAT is paid over to SARS only once payment is received from debtors.		
19. PROPERTY RATES			
	<u>Actual</u>		
	Rateable Land and Buildings	137 335 245	122 175 928
	Business and Commercial Property	28 135 187	25 362 681
	Farm Holdings	5 285 361	4 821 547
	Mining Properties	107 378	97 618
	Public Benefit Organisations	350 943	304 815
	Public Service Infrastructure Properties	23 372	21 563
	Residential Properties	88 564 773	78 048 745
	State-owned Properties	14 868 231	13 518 961
	Less: Revenue Forgone	(8 440 155)	(5 702 980)
	Total Property Rates	128 895 090	116 472 948
	<u>Valuations - 30 June 2024</u>		
	Rateable Land and Buildings	10 641 940 700	10 549 208 300
	Business and Commercial Property	1 330 136 000	1 317 978 000
	Churches	231 990 000	234 120 000
	Pensioners	245 619 000	212 758 000
	Mining Properties	5 070 000	5 070 000
	Municipal Properties	359 215 000	359 801 000
	Protected Areas	47 510 000	47 510 000
	Public Benefit Organisations	88 955 000	87 065 000
	Public Service Infrastructure Properties	9 950 500	9 950 500
	Residential Properties	5 644 258 200	5 585 918 800
	State-owned Properties	718 626 000	718 826 000
	Agricultural Property	1 960 611 000	1 970 211 000
	Less: Rebates	(236 025 000)	(233 250 000)
	Total Assessment Rates	10 405 915 700	10 315 958 300
	Basic Rate		
	Residential	1.540c/R	1.400c/R
	Government	2.069c/R	1.880c/R
	Commercial	2.118c/R	1.925c/R
	Agricultural	0.270c/R	0.245c/R

Rates are levied annually and monthly. Monthly rates are payable by the 10th of the following month and annual rates are payable before 30 September. Interest is levied at the prime rate on outstanding monthly rates.

Rebates were granted on land with buildings used solely for dwellings purposes as follows:

Residential - The first R15 000 on the valuation is exempted.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
20. GOVERNMENT GRANTS AND SUBSIDIES		
<u>Unconditional</u>	96 434 419	89 431 000
Equitable Share	96 434 419	89 431 000
<u>Conditional</u>	77 588 055	93 411 452
Local Government Financial Management Grant (FMG)	2 802 000	2 800 000
Integrated National Electrification Programm	-	1 866 120
Municipal Infrastructure Grant	23 559 000	33 257 866
Extended Public Works Program	1 672 000	1 310 000
CDW operational support grant	57 000	56 000
Library Services	6 805 187	6 686 957
Library Services Replacement Funding	474 813	-
Rosevalley Library Grant	-	-
Integrating Housing Settlement Grant	-	-
Emergency Housing Program	633 765	-
Finance Management Support Grant	-	-
Local Government Graduate Internship Grant	-	-
Development of Sport & Recreation Facilities	201 190	-
Thusong Centre Operational Grant	140 000	-
Fire Service Capacity Building Grant	1 911 000	-
Western Cape Financial Management Capability Grant	2 000 000	700 000
Water Services Infrastructure Grant	8 060 000	-
Municipal Water Resilience Grant	3 000 000	-
Western Cape Municipal Interventions Grant	-	250 000
Garden Route District Grant	-	120 000
Municipal Disaster Relief Grant	-	37 030 600
Municipal Disaster Recovery Grant	25 602 100	1 061 878
Emergency Municipal Load Shedding Grant	-	4 665 000
Fire Service Capacity Building Grant	-	-
Municipal Service Delivery and Capacity Building grant	500 000	-
Maintenance Main Road Subsidy	170 000	-
Regional Bulk Infrastructure Grant - Department of Water Affairs and Forestry	-	1 613 900
Water Macro Planning	-	-
ASLA Rosevalley Library Contribution	-	122 732
Local Government Public Employment Support Grant	-	-
Upgrading of SMME Infrastructure Booster Fund	-	1 870 400
Total Government Grants and Subsidies	174 022 474	182 842 452
Government Grants and Subsidies - Operating	137 928 719	102 862 134
Government Grants and Subsidies - Capital	36 093 755	79 980 319
Total Government Grants and Subsidies	174 022 474	182 842 452
Revenue recognised per vote as required by Section 123 (c) of the MFMA:		
Equitable share	96 434 419	89 431 000
Corporate Services	57 000	356 000
Community and Public Safety	9 392 190	7 932 732
Financial Services	4 802 000	3 200 000
Infrastructure Services	62 063 100	-
Technical Services	-	81 055 364
Planning & Development	1 273 765	-
Strategic Services	-	1 870 400
Total Government Grants and Subsidies	174 022 474	183 845 497
Based on the allocations set out in the Division of Revenue Act (DORA), no significant changes in the level of government funding are expected over the forthcoming 3 financial years.		
20.1 Equitable Share		
Grants received	96 434 000	89 431 000
Conditions met - Operating	(96 434 000)	(89 431 000)
Conditions still to be met	-	-

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.

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
20.2 <u>Local Government Financial Management Grant (FMG)</u>		
Opening balance	-	-
Grants received	2 802 000	2 800 000
Conditions met - Operating	(2 802 000)	(2 800 000)
Conditions met - Capital	-	-
Conditions still to be met	<u>-</u>	<u>-</u>
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 Programme (e.g. salary costs of the Financial Management Interns).		
20.3 <u>Emergency Municipal Load Shedding Relief Grant</u>		
Opening balance	-	-
Grants received	-	4 665 000
Conditions met - Capital	-	(4 665 000)
Conditions still to be met	<u>-</u>	<u>-</u>
Emergency grant received for the purchasing of generators at the water and sewerage plants to curb the effect of load shedding on water delivery in rural areas.		
20.4 <u>Municipal Infrastructure Grant (MIG)</u>		
Opening balance	67 393	167 270
Grants received	23 559 000	33 325 000
Repaid to National Revenue Fund	(67 393)	(167 000)
Conditions met - Operating	(1 147 900)	(1 216 300)
Conditions met - Capital	(22 411 100)	(32 041 577)
Conditions still to be met	<u>0</u>	<u>67 393</u>
The Municipal Infrastructure Grant was used to upgrade infrastructure in previously disadvantaged areas.		
20.5 <u>Integrated National Electrification Grant</u>		
Opening balance	1 233 879	-
Grants received	-	3 100 000
Conditions met - Capital	-	(1 866 120)
Conditions still to be met	<u>1 233 879</u>	<u>1 233 879</u>
The National Electrification Grant was used for electrical connections in previously disadvantaged areas.		
20.6 <u>Extended Public Works Program</u>		
Opening balance	0	-
Grants received	1 672 000	1 310 000
Conditions met - Operating	(1 672 000)	(1 310 000)
Conditions still to be met	<u>0</u>	<u>0</u>
Job creation projects in previous disadvantage areas.		
20.7 <u>Western Cape Financial Management Capability Grant</u>		
Opening balance	-	-
Grants received	2 200 000	700 000
Conditions met - Operating	(2 000 000)	(700 000)
Conditions still to be met	<u>200 000</u>	<u>-</u>
Western Cape Financial Management Capability Grant is received for the financial system development in accordance with the mSCOA regulations and then for external bursaries.		

ODUTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
20.8 <u>Library Services</u>		
Opening balance	0	-
Grants received	6 732 000	6 686 957
Conditions met - Operating	(6 732 000)	(6 286 957)
Conditions met - Capital	-	(400 000)
Conditions still to be met	<u>0</u>	<u>0</u>
Library conditional grant utilised for operating expenditure of the Library.		
20.9 <u>Municipal Water Resilience Grant</u>		
Opening balance	-	-
Grants received	3 000 000	-
Conditions met - Operating	-	-
Conditions met - Capital	(3 000 000)	-
Conditions still to be met	<u>-</u>	<u>-</u>
Municipal water Resilience Grant was provided by Provincial Government to the municipality for the replacement and refurbishment of infrastructure in the rural areas, after flood damage occurred.		
20.10 <u>Water Service Infrastructure Grant</u>		
Opening balance	-	-
Grants received	8 060 000	-
Conditions met - Capital	(8 060 000)	-
Conditions still to be met	<u>-</u>	<u>-</u>
Water Service Infrastructure Grant is received from National Government to assist the municipality in refurbishment of its water infrastructure		
20.11 <u>Regional Bulk Infrastructure Grant - Department of Water Affairs and Forestry Grant</u>		
Opening balance	-	1 613 986
Conditions met - Capital	-	(1 613 986)
Conditions still to be met	<u>-</u>	<u>-</u>
This grant was received for completion of the Blossoms pipeline, a new sustainable water resource		
20.12 <u>Municipal Disaster Relief Grant</u>		
Opening balance	-	37 030 524
Interest received	-	-
Repaid to National Revenue Fund	-	-
Conditions met - Operating	-	-
Conditions met - Capital	-	(37 030 524)
Conditions still to be met	<u>-</u>	<u>-</u>
This grant was received for completion of the Blossoms pipeline, a new sustainable water resource		
20.13 <u>Municipal Disaster Recovery Grant</u>		
Opening balance	25 602 123	-
Grants received	-	26 664 000
Conditions met - Operating	(25 602 123)	(1 061 877)
Conditions still to be met	<u>-</u>	<u>25 602 123</u>
This grant was received for repair of roads and stormwater infrastructure caused by the flooding		
20.14 <u>Other Grants</u>		
Opening balance	417 434	2 214 560
Grants received	5 980 086	622 000
Repaid to National Revenue Fund	-	-
Conditions met - Operating	(1 536 730)	(56 000)
Conditions met - Capital	(2 624 225)	(2 363 127)
Conditions still to be met	<u>2 236 566</u>	<u>417 434</u>

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

		2024 R	2023 R
20.15 Total Grants			
Opening balance		27 320 829	41 026 340
Grants received		150 439 086	169 303 957
Interest received		-	-
Repaid to National Revenue Fund		(67 393)	(167 000)
Conditions met - Operating		(137 926 753)	(102 862 133)
Conditions met - Capital		(36 095 325)	(79 980 334)
Conditions still to be met/(Grant expenditure to be recovered)		3 670 445	27 320 829
21. CONTRIBUTED PROPERTY, PLANT AND EQUIPMENT			
Donated infrastructure assets		-	722 000
Total Contributed Property, Plant and Equipment		-	722 000
22. AVAILABILITY CHARGES			
Electricity		1 620 595	1 445 931
Water		1 021 400	946 193
Waste Water Management		1 149 827	803 689
Total Availability Charges		3 791 822	3 195 813
23. LICENCES AND PERMITS			
Road and Transport		454 113	381 242
Total Licences and Permits		454 113	381 242
<u>Disclosed as follows:</u>			
Revenue from Exchange Transactions		454 113	381 242
Total Licences and Permits		454 113	381 242
24. SERVICE CHARGES			
Electricity		301 649 006	276 893 214
Service Charges		313 901 650	286 110 216
Less: Revenue Foregone		(12 252 644)	(9 217 002)
Water		66 761 987	64 818 777
Service Charges		85 274 991	79 914 132
Less: Revenue Foregone		(18 513 004)	(15 095 355)
Water Klein Karoo Rural Scheme		5 929 040	5 680 051
Service Charges		5 929 040	5 680 051
Less: Revenue Foregone		-	-
Waste Management		41 708 424	25 733 164
Service Charges		66 074 360	38 640 010
Less: Revenue Foregone		(24 365 936)	(12 906 846)
Waste Water Management		44 159 300	35 771 250
Service Charges		69 149 605	52 528 620
Less: Revenue Foregone		(24 990 305)	(16 757 369)
Total Service Charges		460 207 757	408 896 457
Revenue Foregone can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.			

OUDTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
25. SALES OF GOODS AND RENDERING OF SERVICES		
Academic Services	43	106
Advertisements	366 469	411 434
Application Fees for Land Usage	95 368	97 061
Building Plan Approval	1 342 338	846 318
Camping Fees	174 924	141 378
Cemetery and Burial	1 731 922	1 760 752
Computer Services	359 543	118 202
Encroachment Fees	205 999	169 601
Fire Services	105 740	87 807
Library Fees	1 240	351
Parking Fees	-	850
Pest Control	8 783	6 978
Photocopies and Faxes	36 338	55 302
Sale of Goods	9 139	(12 807)
Streets/Street Markets (Informal Traders)	72 370	22 975
Tender documents	22 589	23 255
Valuation Services	305 173	294 136
Total Sales of Goods and Rendering of Services	4 837 976	4 023 703
26. RENTAL FROM FIXED ASSETS		
Investment Property	190 625	564 483
Property, Plant and Equipment	3 481 866	2 976 224
Total Rental from Fixed Assets	3 672 491	3 540 708
27. INTEREST EARNED - EXTERNAL INVESTMENTS		
Bank	2 521 359	2 177 557
Investments	12 478 101	9 700 294
Total Interest Earned - External Investments	14 999 460	11 877 851
28. INTEREST EARNED - EXCHANGE TRANSACTIONS		
Trade Receivables	6 771 203	6 152 549
Total Interest Earned - Outstanding Receivables	6 771 203	6 152 549
29. OPERATIONAL REVENUE		
Bad debts Recovery	773 509	776 914
Collection Charges	-	58 243
Commission	409 073	409 548
Development Charges	1 328 485	412 379
Incidental Cash Surpluses	-	(127 277)
Insurance Refund	385 123	23 164
Merchandising, Jobbing and Contracts	106 469	80 743
Registration Fees	4 905	3 587
Request for Information	1 435	1 964
Staff Recoveries	44 507	262 577
Total Operational Revenue	3 053 507	1 901 842

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	2024 R	2023 R
30. EMPLOYEE RELATED COST		
Acting Allowance	971 001	847 499
Contributions to Group Insurance	4 989 075	4 795 998
Contributions to Workman's Compensation	-	1 752 495
Housing Benefits and Allowance	1 382 134	1 359 134
Leave payments	3 962 982	(39 067)
Standby Allowance	6 529 760	5 793 907
Shift Allowance	698 704	666 117
Basic Salaries and Wages	176 351 144	166 725 959
Pension and UIF Contributions	31 168 849	29 797 997
Medical Aid Contributions	13 265 816	12 860 693
Overtime	17 573 512	18 129 558
Bonuses	13 626 148	14 550 441
Motor Vehicle Allowance	5 272 593	4 557 153
Cellphone Allowance	1 496 888	1 271 879
Other benefits and allowances	162 764	156 558
Contribution to Long Service awards	2 293 000	2 444 000
Contribution to Post Employment Medical	15 986 000	16 577 644
Total Employee Related Costs	295 730 370	282 247 965
KEY MANAGEMENT PERSONNEL		
Key Management personnel in Corporate Services, Community Services and the Municipal manager are permanently employed, but the Chief Financial Officer and Director Technical Services were appointed on a 5 year contract.		
REMUNERATION OF KEY MANAGEMENT PERSONNEL		
<i>Remuneration of the Municipal Manager - Mr W Hendricks</i>		
Basic Salary	1 322 556	847 598
Pension and UIF Contributions	177 068	89 438
Performance Bonus	67 387	-
Cell Phone Allowance	73 004	45 254
Payments in lieu of leave	-	44 374
Other Benefits and Allowances	115 292	87 242
Total	1 755 308	1 113 907
<i>Remuneration of the Chief Financial Officer - GP De Jager</i>		
Basic Salary	781 887	767 405
Acting Allowance	-	93 900
Pension and UIF Contributions	135 971	130 783
Housing allowance	118 416	118 416
Medical Aid Contributions	45 934	42 804
Performance Bonus	110 167	103 542
Motor Vehicle Allowance	144 000	144 000
Cell Phone Allowance	80 325	76 210
Other Benefits and Allowances	102 401	92 363
Total	1 519 102	1 569 423
<i>Remuneration of Director : Corporate Services - Mr Smit</i>		
Basic Salary	1 042 826	1 026 911
Acting Allowance	-	4 113
Pension and UIF Contributions	183 382	177 194
Performance Bonus	67 325	125 616
Cell Phone Allowance	80 325	76 210
Other Benefits and Allowances	218 190	206 026
Total	1 592 049	1 616 071
<i>Remuneration of Director : Community Services - N van Stade</i>		
Basic Salary	1 042 826	83 685
Acting Allowance	14 574	-
Pension and UIF Contributions	183 382	15 240
Cell Phone Allowance	79 411	6 351
Other Benefits and Allowances	99 518	2 550
Total	1 419 711	107 826

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	2024 R	2023 R
Remuneration of Director : Technical Services - Mr JW Lesch (terminated February 2024)		
Basic Salary	556 309	925 078
Pension and UIF Contributions	96 536	158 889
Performance Bonus	59 249	126 551
Motor Vehicle Allowance	80 000	120 000
Cell Phone Allowance	48 011	75 913
Payments in lieu of leave	170 463	-
Other Benefits and Allowances	86 836	130 982
Total	1 097 404	1 537 414

Remuneration of Director Planning and Development Director: L Coetzee (terminated 30 June 2023)		
Basic Salary	-	239 220
Pension and UIF Contributions	-	42 556
Cell Phone Allowance	-	19 053
Motor Vehicle Allowance	-	15 000
Other Benefits and Allowances	-	38 602
Total	-	354 431

The remuneration of Key Management Personnel and benefits are within the upper limits of the framework envisaged in Section 71(1)(g) of the Municipal Systems Act and the Upper Limits Notice issued in Government Gazette 50737, 30 May 2024. Increase for current financial year was proclaimed by the government. All other benefits paid as disclosed in the note was in terms of their official employment contract, the Local Government Regulation on Appointments and Conditions of Employment of Senior Managers and council resolution number 63.43/05/17 and 63.10/04/17.

31. REMUNERATION OF COUNCILLORS

Basic Salaries And Wages	9 785 338	8 850 931
Pension	646 054	591 841
Travelling Allowance	1 059 804	981 967
Telephone Allowance	945 206	821 774
Medical Scheme	139 221	128 801
Total Councillors' Remuneration	12 575 623	11 375 315

Remuneration paid to Councillors can be summarised as follow:

2024 Financial year:	Salary	Travel Allowance	Telephone Allowance	Pension and Medical Contributions	Total
Executive Mayor	954 072	-	49 608	-	1 003 680
Executive Deputy-Mayor	581 879	180 707	44 460	-	807 046
Speaker	706 015	-	49 608	57 244	812 867
Executive Committee Members	2 715 379	508 238	207 611	331 951	3 763 179
Section 79 (Full-time & Part-time)	1 042 481	227 893	118 086	84 525	1 472 985
Councillors	3 785 511	142 967	475 833	311 554	4 715 865
Total Councillors' Remuneration	9 785 337	1 059 804	945 206	785 275	12 575 623

2023 Financial year:	Salary	Travel Allowance	Other Allowances	Pension and Medical Contributions	Total
Executive Mayor	886 685	-	36 200	-	922 885
Executive Deputy-Mayor	518 712	172 904	31 481	-	723 096
Speaker	656 148	-	35 091	53 201	744 440
Executive Committee Members	2 920 820	668 762	296 945	293 557	4 180 084
Councillors	3 868 567	140 302	422 057	373 884	4 804 809
Total Councillors' Remuneration	8 850 931	981 967	821 774	720 642	11 375 315

In-kind Benefits

The Executive Mayor, Executive Deputy Mayor, Speaker, Chief Whip and Executive Committee Members are full-time Councillors. Each is provided with an office and secretarial support at the cost of the Municipality.

Certification by the Municipal Manager

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

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	2024 R	2023 R
32. CONTRACTED SERVICES		
Outsourced Services		
Business and Advisory	1 855 591	2 063 502
Fire Services	-	373 277
Security Services	10 099 294	9 577 332
Catering services	143 184	444 611
Legal Cost Collection	340 092	437 797
Printing Services	1 272 221	848 607
Traffic Management	288 930	454 971
Transport Services	6 500	-
Cleaning Services	252 515	-
Refuse Removal	4 435 800	4 373 551
Consultants and Professional Services	-	-
Business and Advisory	2 645 799	2 565 851
Engineering	970 017	443 751
Valuer and Assessors	2 864 144	253 340
Communications	40 196	35 735
Legal Services	3 460 359	4 387 439
Contractors	-	-
Fire Services	665 851	968 341
Maintenance of Buildings and Facilities	226 963	685 913
Maintenance of Equipment	541 565	357 759
Stream Cleaning and Ditching	79 477	43 340
Employee Wellness	641 539	124 003
Total Contracted Services	30 830 037	28 439 122
33. DEPRECIATION AND AMORTISATION		
Property, Plant and Equipment	53 417 550	52 970 418
Intangible Assets	118 196	119 082
Investment Property	159 561	158 961
Total Depreciation and Amortisation	53 695 307	53 248 461
34. FINANCE CHARGES		
Long-term Borrowings	7 746 360	5 974 802
Non-current Provisions	2 911 811	2 791 876
Payables	202 655	755 199
Finance leases	519 362	1 204 552
Total Finance Costs	11 380 189	10 726 429
35. BULK PURCHASES		
Electricity	245 605 593	201 997 373
Total Bulk Purchases	245 605 593	201 997 373
36. TRANSFERS AND SUBSIDIES		
Operational	3 303 057	3 003 347
Monetary Allocations	3 303 057	3 003 347
Households	558 143	36 200
Non-profit Institutions	1 755 129	2 379 847
Provincial Government	551 100	-
Bursaries Non Employee	438 686	587 300
Total Transfers and Subsidies	3 303 057	3 003 347

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
37. OPERATIONAL COST		
Achievements and Awards	-	1 850
Advertising, Publicity and Marketing	1 395 850	1 606 795
Assets less than the Capitalisation Threshold	176 928	186 783
Bank Charges, Facility and Card Fees	1 613 401	1 794 758
Bursaries (Employees)	111 352	339 940
Cleaning Services	87 060	71 227
Commission	2 222 217	2 063 403
Courier and Delivery Services	15 111	45 510
Communication	3 976 213	3 142 959
Deeds	1 374 470	879 712
Entrance Fees	9 180	60 870
Entertainment	27 614	50 533
External Audit Fees	4 643 685	4 584 703
External Computer Service	7 542 941	5 361 312
Full Time Union Representative	153 389	175 120
Hire Charges	5 996 669	4 029 490
Indigent Relief	1 124 517	1 055 203
Insurance Underwriting	4 259 318	3 197 552
Land Alienation Costs	-	-
Learnerships and Internships	435 303	707 018
Levies Paid - Water Resource Management Charges	578 751	1 037 934
Licences	426 551	366 993
Membership fees SALGA	3 048 725	2 764 803
Printing, Publications and Books	806 418	1 269 735
Professional Bodies, Membership and Subscription	75 627	62 526
Registration Fees	361 738	287 914
Remuneration to Section 79 Committee Members	14 569	25 900
Remuneration to Ward Committees	-	322 357
Resettlement Cost	1 358 604	3 331 138
Samples and Specimens	127 881	138 667
Servitudes and Land Surveys	-	275
Skills Development Fund Levy	2 392 818	2 306 636
Travel agencies and visas	-	-
Travel and Subsistence	2 921 982	1 609 088
Uniform and Protective Clothing	1 366 882	1 710 962
Ward Committees	201 000	-
Wet Fuel	12 777 938	13 315 089
Total Operational Costs	61 624 701	57 904 755
38. REVERSAL OF IMPAIRMENT LOSS/ (IMPAIRMENT LOSS) ON RECEIVABLES		
Receivables from Exchange Transactions and Non-Exchange	(8 062 683)	(6 589 259)
Total Reversal of Impairment Loss/ (Impairment Loss) on Receivables	(8 062 683)	(6 589 259)
39. GAINS/ (LOSS) ON SALE OF FIXED ASSETS		
Property, Plant and Equipment	(6 994 498)	(1 370 713)
Total Gains/ (Loss) on Sale of Fixed Assets	(6 994 498)	(1 370 713)
40. REVERSAL OF IMPAIRMENT LOSS/ (IMPAIRMENT LOSS) ON FIXED ASSETS		
Investment Property	-	-
Property, Plant and Equipment	2 778 823	-
Total Reversal of Impairment Loss/ (Impairment Loss) on Fixed Assets	2 778 823	-
41. CORRECTION OF ERROR IN TERMS OF GRAP 3		
The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GRAP:		
41.1	(a)	Correction of Receivables from Non Exchange - Fines Debtor Opening balance. Provincial Traffic Fines not provided for accurately, this is now corrected with the following entries. Dt Receivables from Non-Exchange Fines Debtor R2 659 859, (Ct) Accumulated Surplus Opening balance R2 659 859. Dt Accumulated Surplus Opening balance R5 994 274 .95 and Ct Receivables from Non-Exchange Fines Accumulated Impairment R5 994 274 .95
	(b)	Correction of Receivables from Non-Exchange 2022-23 Traffic Fines Debtor. Provincial Traffic fines issued not provided for accurately, this is now corrected with the following entries. Dt Receivables from Exchange Fines Debtor R285 900, (Ct) Accumulated Surplus Current Year (Fines Issued) R285 900

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- (c)
Correction of Receivables from Non-Exchange 2022-23 Traffic Fines Debtor. Provincial Fines Debt Written-off (older than 24 months) not accurately accounted for. This is now corrected with the following entries. Dt Accumulated Surplus 2022/23 R2 935 840, (Ct) Receivables from Non Exchange Fines Debtor R2 935 840
- (d)
Correction of Receivables from Non-Exchange 2022-23, Provincial Fines Actual payments not accurately reflected. This is now corrected with the following entries. Dt Accumulated Surplus 2022-23 (Sundry Income) R74 116 , (Ct) Receivables from Non-Exchange Fines Debtor R74 116.
- (e)
Correction of Receivables from Non-Exchange- Fines Accumulated Impairment. Provincial Fines calculation for impairment not provided for accurately. This is now corrected with the following entries, Dt Receivables from Non-Exchange Fines Impairment R5 920 609.87, (Ct) Accumulated Surplus 2022-23 (Reversal Impairment of Receivables from Non-Exchange) R5 920 609.87
- (f)
Correction of Trade and Payables from Exchange Transactions Opening balance. Creditor invoices relating to 2019 for Breede Gouritz , only corrected in 2022/23. This is now corrected with the following entries Dt Trade Payables from Exchange Transactions R5980.74, 9 and (Ct) Accumulated Surplus Opening balance R5990.74
- (g)
Correction of Trade Payables from Exchange 2022-23. Employee Related expenditure relating to previous year 2022/23 was only paid current year. This is now corrected with the following entries Dt Accumulated Surplus 2022/23 R111 476.22, (Ct) Trade Payables From Exchange Transactions 2022-23 R111 476.22
- (h)
Correction of Trade Payables from Exchange 2022-23. Contracted services invoices relating to previous 2022-23 year only paid in current year. This is now corrected with the following entries Dt Accumulated Surplus 2022-23 R633 035.36, (Ct) Trade Payables from Exchange Transactions(Contracted Services) R633 035.36
- (i)
Correction of Trade Payables from Exchange 2022-23. Operational cost invoices relating to previous 2022-23 year only paid in current year. This is now corrected with the following entries Dt Accumulated Surplus 2022-23 R17 229.36, (Ct) Trade Payables from Exchange Transactions(Contracted Services) R17 229.36
- (j)
Correction of Trade Payables from Exchange 2022-23. Inventory consumed invoices relating to previous 2022-23 year only paid in current year. This is now corrected with the following entries Dt Accumulated Surplus 2022-23 R2 631.98, (Ct) Trade Payables from Exchange Transactions(Inventory consumed) R2 631.98
- (k)
Correction of Trade Payables from Exchange 2022-23. Operating Leased invoices relating to previous 2022-23 year only paid in current year. This is now corrected with the following entries Dt Accumulated Surplus 2022-23 R1087.50, (Ct) Trade Payables from Exchange Transactions(Operating Leases) R1087.50
- (l)
Correction of Receivables from Exchange Transactions 2022/23 Sundry Debtors. Rental of facility at Cango Caves relating to 2022-23 only billed in 2023-24. This is now corrected with the following entries. Dt Receivables from Exchange Transactions Sundries R350 000, (Ct) Accumulated Surplus 2022-23 R350 000
- (m)
Correction of Receivables from Exchange Transactions Opening balance Sundry Debtors. Correction on rental of facility relating to prior years only performed in 2023-24. This is now corrected with the following entries. Dt Accumulated Surplus Opening balance R19 497.94, (Ct) Receivables From Exchange Transactions Opening balance R19 497.94
- (n)
Correction of Property Plant & Equipment Water Infrastructure WIP 2022-23. Retention release for Ruwecon on Asbestos Pipe Replacement Project in error reversed in 2022-23, this is now corrected with the following entries. Dt Trade and Payables from Exchange Transactions 2022-23 R222 178.12, (Ct) Water Infrastructure WIP 2022-23
- (o)
Correction of Taxes Opening balance. Payment received from SARS, relating to 2017 only in 2023/24. This is now corrected with the following entries Dt Taxes Opening balance Control R128 952.35, (Ct) Accumulated Surplus Opening balance R128 952.35
- (p)
Correction of Property Plant and Equipment Land at Cost, erwen (road reserves) identified that is in control of the municipality that was previously not on the asset register. This is now corrected with the following entries. Dt PPE Land at Cost Opening balance R322 000, (Ct) Accumulated Surplus Opening balance R322 000
- (q)
Correction of Property Plant & Equipment Land at Cost Opening balance. Duplication of erf 7054 on the fixed asset register, this is now corrected with the following entries. Dt Accumulated Surplus Opening balance R1 350 000, (Ct) PPE Land at Cost Opening balance R1 350 000.
- (r)
Correction of Property Plant & Equipment Community Assets Opening balance. Properties erwen 5845 and 7412 not managed, controlled and maintained by the municipality. iGRAP18 testing performed. This is now corrected with the following entries Dt Accumulated Surplus Opening balance R315 000, (Ct) Community Assets at Cost Opening balance R315 000. Dt Accumulated Depreciation Community Assets Opening balance R31 352, (Ct) Accumulated Surplus Opening balance R31 352. Dt Accumulated Depreciation Community Assets 2022-23, R2 091 (Ct) Accumulated Surplus 2022-23 (Depreciation) R2 091.

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- (s) Correction of Property Plant & Equipment Movable Assets. First Time Recognition of movable assets identified now during the asset count, but relating to prior year purchases. This is now corrected with the following entries Dt Movable Assets at Cost R287 717.60, (Ct) Accumulated Surplus 2022-23 R287 717.60. Dt Accumulated Surplus 2022-23 (Depreciation) R51 620.52, (Ct) Accumulated Depreciation Movable Assets R51 620.52
- (t) Correction of Property Plant & Equipment Transport Assets. Reversal of disposal of 2 vehicles that was written-off in prior year, but repaired during the current year to working condition. This is now corrected with the following entries, Dt Property Plant Equipment Movable Assets R52 327, (Ct) Accumulated Surplus 2022-23 R52 327. (Dt) Accumulated Surplus 2022/23 (Depreciation) R34 067.98, (Ct) Accumulated Depreciation Movable Assets R34 067.98
- (u) Correction of Water Infrastructure Opening WIP. Blossoms wellfield project completed and unbundled, balances that was disclosed in error in the opening balance as capital was identified. This is now corrected with the following entries. Dt Accumulated Surplus Opening Balance R12 173 397.12 and (Ct) Property Plant and Equipment WIP Infrastructure R12 173 397.12
- (v) Correction of WIP Water Infrastructure Project already completed in 2022/23, understatement of Accumulated Depreciation. This is now corrected with the following entries, Dt Accumulated Surplus (Depreciation) 2022/23 R164 734, (Ct) Accumulated Depreciation Infrastructure R164 734
- (w) Correction of WIP Sanitation Infrastructure Project already completed in prior years, understatement of Accumulated Depreciation. This is now corrected with the following entries, Dt Accumulated Surplus Opening balance R5754, (Ct) Accumulated Infrastructure Depreciation Opening balance Infrastructure R5754. Dt Accumulated Surplus (Depreciation) 2022-23 R17 130, (Ct) Accumulated Depreciation Infrastructure R17 130.
- (x) Correction of WIP Electricity Infrastructure 2022/23. Expenditure relating to maintenance was incorrectly classified as capital and is now corrected with the following entries. Dt Accumulated Surplus 2022/23 (Contracted Services) R123 624, (Ct) Property Plant and Equipment Infrastructure WIP 2022-23 R123 624.
- (y) Correction of WIP Electricity Infrastructure 2022/23. Dysselsdorp Electrification project completed prior years, causing Accumulated Depreciation to be understated. Dt Accumulated Surplus 2022/23 (Depreciation) R97 450, (Ct) Accumulated Depreciation Infrastructure R97 450.
- (z) Correction of Electricity Infrastructure WIP, project completed in prior year which leads to understatement of Accumulated Depreciation. This is now corrected with the following entries, Dt Accumulated Surplus (Depreciation) 2022-23 R1 987, (Ct) Accumulated Depreciation Infrastructure R1 987
- (aa) Correction of WIP ICT Infrastructure. Project reflected incorrectly as WIP in 2022-23, which was completed. The project is now moved from ICT WIP Infrastructure 2022-23 to ICT Infrastructure Additions 2022-23 to value of R111 481
- (bb) Correction of Trade Payables from Exchange - Advance Receipts with regards to tour groups for Congo Caves, incorrectly classified against suspense account and revenue not recognized. This is now corrected with the following entries Dt Trade Payables from Exchange Transactions (Clearing and Suspense) R788 150, (Ct) Accumulated Surplus Opening balance R220 139.08 and (Ct) Accumulated Surplus Current Year 2022/23 R568 010. 92
- (cc) Correction of Current Liabilities Provisions. A provision is now raised for the VAT on the Library Subsidy received by the Provincial Government for performing the function on their behalf. A VAT ruling was requested from SARS to clarify if the grant should be zero rated or vatable, until such a time a provision is created in the prior years and current year. This is now done by the following entries Dt Accumulated Surplus Opening balance R4 588 304.28, (Ct) Current Provisions Opening balance R4588 304.28, Dt Accumulated Surplus (Conditional Grant Revenue) R1003 043.48, (Ct) Current Provisions (Contributions 2022-23) R1 003 043.48

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	2023 R	2022 R
41.2 Accumulated Surplus/(Deficit)		
Balance previously reported	1 043 433 401	971 144 371
Correction of Receivables from Non Exchange- Fines Debtor Opening balance as per note 41.1(a)	2 659 859	2 659 859
Correction of Receivables from Non Exchange- Fines Debtor Impairment Opening balance 41.1(a)	(5 994 275)	(5 994 275)
Correction of Receivables from Non-Exchange Fines Debtor 2022-23 as per note 41.1(b)	285 900	-
Correction of Receivables from Non-Exchange Fines Debtor 2022-23 as per note 41.1(c)	(2 935 840)	-
Correction of Receivables from Non-Exchange Fines Debtor 2022-23 as per note 41.1(d)	(74 116)	-
Correction of Receivables from Non Exchange- Fines Debtor Impairment 2022-23 as per note 41.1(e)	5 920 610	-
Correction of Trade Payables from Exchange Transactions Opening balance as per note 41.1(f)	5 891	5 891
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(g)	(111 476)	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(h)	(633 035)	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(i)	(17 229)	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(j)	(2 632)	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(k)	(1 088)	-
Correction of Receivables from Exchange Transactions 2022-23 as per note 41.1(l)	350 000	-
Correction of Receivables from Exchange Transactions Opening balance as per note 41.1(m)	(19 498)	(19 498)
Correction of Taxes Opening balance as per note 41.1(o)	128 952	128 952
Correctio of Property Plant and Equipment - Land at Cost - Opening balance (p)	322 000	322 000
Correction of Property Plant and Equipment - Land at Cost - Opening balance (q)	(1 350 000)	(1 350 000)
Correction of Community Assets At Cost Opening balance as per note 41.1 (r)	(315 000)	(315 000)
Correction of Community Assets Accumulated Depreciation opening balance as per note 41.1 (r)	31 325	31 325
Correction of Community Assets Accumulated Depreciation 2022-23 as per note 41.1 (r)	2 091	-
Correction of Property Plant and Equipment - Movable Assets at cost as per note 41.1(s)	287 718	287 718
Correction of Property Plant and Equipment - Movable Assets Accumulated Depreciation as per note 41.1(s)	(51 621)	-
Correction of Property Plant and Equipment - Movable Assets at cost as per note 41.1(t)	52 327	52 327
Correction of Property Plant and Equipment - Movable Assets Accumulated Depreciation as per note 41.1(t)	(34 068)	-
Correction of Property Plant and Equipment WIP Infrastructure Opening balance as per note 41.1(u)	(12 173 397)	(12 173 397)
Correction of Infrastructure Accumulated Depreciation as per note 41.1(v)	(164 734)	-
Correction of Infrastructure Accumulated Depreciation Opening balance as per note 41.1(w)	(5 754)	(5 754)
Correction of Infrastructure Accumulated Depreciation as per note 41.1(w)	(17 130)	-
Correction of Infrastructure Electricity WIP 2022-23 as per note 41.1(x)	(123 624)	-
Correction of Infrastructure Accumulated Depreciation 2022-23 as per note 41.1(y)	(97 450)	-
Correction of Infrastructure Accumulated Depreciation 2022-23 as per note 41.1(z)	(1 987)	-
Correction of Trade and Payables from Exchange Transactions Opening balance as per note 41.1(bb)	220 139	220 139
Correction of Trade and Payables from Exchange Transactions 2022-23 as per note 41.1(bb)	568 011	-
Correction of Current Provisions Opening balance as per note 41.1(cc)	(4 588 304)	(4 588 304)
Correction of Current Provisions as per note 41.1(cc)	(1 003 043)	-
	1 024 552 923	950 406 354
41.3 Property, Plant and Equipment		
Balance previously reported	1 137 001 524	1 080 453 422
Cost	(13 522 154)	(13 176 352)
Correction of Water Infrastructure WIP Retention 2022-23 note 41.1(o)	(222 178)	-
Correctio of Property Plant and Equipment - Land at Cost - Opening balance	322 000	322 000
Correctio of Property Plant and Equipment - Land at Cost - Opening balance	(1 350 000)	(1 350 000)
Correction of Community Assets At Cost Opening balance as per note 41.1 (r)	(315 000)	(315 000)
Correction of Property Plant and Equipment - Movable Assets at cost as per note 41.1(s)	287 718	287 718
Correction of Property Plant and Equipment - Movable Assets at cost as per note 41.1(t)	52 327	52 327
Correction of Property Plant and Equipment WIP Infrastructure Opening balance as per note 41.1(u)	(12 173 397)	(12 173 397)
Correction of Infrastructure Electricity WIP 2022-23 as per note 41.1(x)	(123 624)	-
Accumulated Depreciation	(339 327)	25 571
Correction of Community Assets Accumulated Depreciation opening balance as per note 41.1 (r)	(31 325)	(31 325)
Correction of Community Assets Accumulated Depreciation 2022-23 as per note 41.1 (r)	(2 091)	-
Correction of Property Plant and Equipment - Movable Assets Accumulated Depreciation as per note 41.1(s)	51 621	-
Correction of Property Plant and Equipment - Movable Assets Accumulated Depreciation as per note 41.1(t)	34 068	-
Correction of Infrastructure Accumulated Depreciation as per note 41.1(v)	164 734	-
Correction of Infrastructure Accumulated Depreciation Opening balance as per note 41.1(w)	5 754	5 754
Correction of Infrastructure Accumulated Depreciation as per note 41.1(w)	17 130	-
Correction of Infrastructure Accumulated Depreciation 2022-23 as per note 41.1(y)	97 450	-
Correction of Infrastructure Accumulated Depreciation 2022-23 as per note 41.1(z)	1 987	-
Restated Balance	1 123 140 042	1 067 302 640

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	2023 R	2022 R
41.4 Receivables from Non-Exchange		
Balance previously reported	15 965 634	15 254 504
Correction of Receivables from Non Exchange- Fines Debtor Opening balance as per note 41.1(a)	2 659 859	2 659 859
Correction of Receivables from Non Exchange- Fines Debtor Impairment Opening balance 41.1(a)	(5 994 275)	(5 994 275)
Correction of Receivables from Non-Exchange Fines Debtor 2022-23 as per note 41.1(b)	285 900	-
Correction of Receivables from Non-Exchange Fines Debtor 2022-23 as per note 41.1(c)	(2 935 840)	-
Correction of Receivables from Non-Exchange Fines Debtor 2022-23 as per note 41.1(d)	(74 116)	-
Correction of Receivables from Non Exchange- Fines Debtor Impairment 2022-23 as per note 41.1(e)	5 920 610	-
Restated Balance	15 827 772	11 920 088
41.5 Receivables from Exchange Transactions		
Balance previously reported	78 681 684	68 659 127
Correction of Receivables from Exchange Transactions 2022-23 as per note 41.1 (l)	350 000	-
Correction of Receivables from Exchange Transactions Opening balance as per note 41.1(m)	(19 498)	(19 498)
Restated Balance	79 012 186	68 639 629
41.6 Taxes		
Balance previously reported	4 168 428	5 092 766
Correction of Taxes Opening balance as per note 41.1(o)	(128 952)	-
	4 039 476	5 092 766
41.7 Trade and Other Payables from Exchange Transactions		
Balance previously reported	49 127 743	49 107 652
Correction of Trade Payables from Exchange Transactions Opening balance as per note 41.1(f)	(5 891)	(5 891)
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(g)	111 476	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(h)	633 035	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(i)	17 229	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1 (j)	2 632	-
Correction of Trade Payables from Exchange Transactions 2022-23 as per note 41.1(k)	1 088	-
Correction of Trade Payables from Exchange - Retention note 41.1(o)	(222 178)	-
Correction of Trade and Payables from Exchange Transactions Opening balance as per note 41.1(bb)	(220 139)	(220 139)
Correction of Trade and Payables from Exchange Transactions 2022-23 as per note 41.1(bb)	(568 011)	-
Restated Balance	48 876 984	48 881 622
41.8 Current Provisions		
Balance previously reported	-	-
Correction of Current Provisions Opening balance as per note 41.1(cc)	4 588 304	4 588 304
Correction of Current Provisions as per note 41.1(cc)	1 003 043	-
Restated Balance	5 591 348	4 588 304
42. RECONCILIATION BETWEEN NET SURPLUS/(DEFICIT) FOR THE YEAR AND CASH GENERATED/(ABSORBED) BY OPERATIONS		
Surplus/(Deficit) for the year	35 582 768	74 146 569
Adjustments for:		
Depreciation and Amortisation	53 695 307	53 248 461
Loss/(Gain) on Sale of Fixed Assets	6 994 498	1 370 713
Impairment Loss/(Reversal of Impairment Loss)	8 062 683	6 589 259
Reversal of Impairment Loss/(Impairment Loss) on Fixed Assets	(2 778 823)	-
Contributed Property, Plant and Equipment	-	(722 000)
Government Grants and Subsidies received	150 439 086	170 307 000
Government Grants and Subsidies recognised as revenue	(174 022 078)	(183 845 496)
Repaid to Revenue Fund	(67 393)	(167 000)
Change in Provision for Rehabilitation Cost	3 038 798	1 125 307
Contribution from/to provisions - Non-Current Employee Benefits	9 749 715	10 959 026
Contribution from/to - Current Employee Benefits	1 868 808	698 065
Accrued interest on borrowing	2 333	12 235
Bad Debts written off	21 398 066	37 992 647
Gains/(Loss) on Fair Value Adjustments	(1 883 635)	(20 980 026)
Operating lease expenses accrued	(38 798)	(2 693)
Operating Surplus/(Deficit) before changes in working capital	112 041 335	150 732 067
Changes in working capital	(44 716 430)	(63 509 278)
Increase/(Decrease) in Consumer Deposits	390 378	315 488
Increase/(Decrease) in Trade and Other Payables	(2 601 508)	(5 612 021)
Increase/(Decrease) in Current Provisions	1 092 000	-
Increase/(Decrease) in Taxes	3 960 638	78 705
(Increase)/Decrease in Inventory	(2 210 306)	8 912
(Increase)/Decrease in Receivables	(45 347 631)	(58 300 363)
Cash generated/(absorbed) by operations	67 324 905	87 222 788

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	2024 R	2023 R
43. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following:		
Current Accounts - Note 10	31 236 856	17 352 156
Call Deposits and Investments - Note 10	112 614 648	111 741 255
Cash Floats - Note 10	37 550	37 550
Total cash and cash equivalents	143 889 055	129 130 961
44. RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES		
Cash and Cash Equivalents - Note 43	143 889 055	129 130 961
Less:	(13 540 708)	(31 763 119)
Unspent Transfers and Subsidies - Note 17	(3 670 445)	(27 320 829)
Unspent Borrowings	(1 870 150)	(402 814)
VAT - Note 18	(8 000 113)	(4 039 476)
Net cash resources available for internal distribution	130 348 347	97 367 842
Resources available for working capital requirements	130 348 347	97 367 842
45. UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION		
Long-term Liabilities - Note 11	82 249 095	84 257 750
Used to finance property, plant and equipment - at cost	(82 249 095)	(84 257 750)
	-	-
Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act.		
46. BUDGET INFORMATION		
Explanation of variances greater than 5%: Final Budget and Actual Amounts		
46.1 Statement of Financial Position		
46.1.1 Current Assets		
Cash and cash equivalents		
Cash and cash equivalents includes call investment deposits that was R49 million more than budgeted, due to decrease in actual expenditure and strict cost containment measures that was put in place that improved the cash position.		
Trade and other receivables from exchange transactions		
Consumer debtors R8 million more than anticipated during the budget phase as it was anticipated that debtors would be less due to a increase in debt collection and revenue enhancement strategies. Concerned effort will be implemented during 2024-24 to decrease ageing debt.		
Current portion of non-current receivables		
This item constitutes operating leases, which is more than budgeted. The rental of the shop at the Congo Caves that was not budgeted for in error, and will corrected in the next budget cycle.		
Inventory		
Inventory are R1.9 million more than budgeted, more consumables on hand in the stores as at 30 June 2024 that was anticipated during budget phase. Budget was compiled based on prior year actuals.		

46.1.2 Current Liabilities

Financial liabilities

Current portion of LT liabilities were R7.9 million less than budgeted, due to the new financial leases that could not be delivered before 30 June. This was originally budgeted for. Service providers were in default and delivered late, only in 2024-25 financial year. The previous AVIS contract was as well budgeted for full term, and was cancelled 6 month prior to ending that was not taken into consideration upon budget process

Consumer Deposits

Consumer deposits were R852 815 more than budgeted, budget figure was based on prior year actual and no consumer growth was anticipated. New developments and inflow of new consumers lead to more consumer connections and deposits paid during the year.

Trade and other payables from exchange transactions

Trade and other payables from exchange transactions were R4.8 million higher than budgeted, mainly due to an unforeseen settlement agreement that was reached between the municipality and a former employee late during June 2024. payment will be made during 2024-25 for which a provision was created.

Trade and other payables from non-exchange transactions

Trade and other payables from Non-Exchange is R3.6 million more than budgeted. Unspent grants were not budgeted for, and mainly relate to the INEP grant and Emergency Housing Grant that was transferred based on expenditure incurred. A roll-over application will be sent to Provincial and National Treasury.

VAT

VAT payable was R3.8 million more than budgeted, as the budgeted figure was based on the prior year actual. This item is attributed and based on your actual Output VAT, if more revenue is generated this item will increase.

Provisions

Provisions is R7 million more than budgeted and now includes the VAT Library Provision raised that the municipality might be owing to SARS. Awaiting a binding VAT ruling to determine if the municipality will be held liable for VAT on the grant received.

46.1.3 Non-Current Assets

Investment Property

Investment Property are R1.4 million more than budgeted. During the 2023-24 financial year properties were reclassified from PPE to Investment Property, due to the intention by council that changed for the said properties. Request for proposal for development in the community will be advertised during the next financial year and properties will be sold.

Intangible Assets

Intangible Assets were R197 526 less than budgeted, as disposal for old outdated software was not budgeted for. Software is now replaced with an enterprise agreement between the municipality and Microsoft with an annual licence fee, and not a straight out purchase anymore.

46.1.4 Non-Current Liabilities

Borrowing

Borrowing were R7 million more than budgeted as the long term portion of the new Borrowing loan from Standard Bank was not accounted for during budget process correctly under non-current liabilities.

46.2 Statement of Financial Performance

46.2.1 Revenue

Service Charges - Water Revenue

Water revenue consumed and billed were R5.9 million less than budgeted. The consumers have used less water during the period, as there were very good above average rainfall during the year. Budget was based on prior year actual plus tariff increases.

Service Charges - Sanitation Revenue

Sanitation Charges billed were R3.5 million less than budgeted. This is due to a new tariff structure that was built in based on a fixed and variable charge per plot. The budget was based on estimations, which was not accurately forecasted. Prior years was based on a fixed charge per toilet that was easier to forecast for budget purposes.

Service Charges - Refuse Revenue

Refuse Removal billed were R6.3 million more than budgeted. A tariff increase of above 60% was charged to the consumer, based on a new cost reflective tariff study that was done, as required by National Treasury. The budget was not adjusted with the same percentage, and still based on prior year actuals plus a moderate increase.

Sale of Goods and Rendering of Services

Sales of Goods and rendering of services are R33.3 million below budget, included in this item is direct revenue that is received on a ad-hoc basis and mainly relates entrance fees at the Congo Caves. The budget was forecasted more than the actual, that was not achieved. The budget for this item is based on the prior year actual plus tariff increases on ad-hoc items, and can not be accurately forecasted during the budget process.

Rental from Fixed Assets

Rental income more than budgeted by R975 491 as ad-hoc rentals increased during the year, as social functions and sporting events increased after Covid restrictions have been lifted in full. Budget was based on actuals of the previous year.

Agency Services

Agency Fees are R1.8 million less than budgeted, as the estimated growth on this budgeted item was not realised. The agency fees are earned on the vehicle licencing and learners licences that are issued to residents of the town.

Interest Earned - External Investments

Interest Earned on External investments were R3.8 million more than budgeted, as it was not anticipated that investments would increase during the year due to the improved cash position of the municipality. Cost containment measures were implemented and all reserve funds were invested.

Interest earned from Receivables

Interest billed on receivables from exchange were R2.4 million less than budgeted. This budget included on estimations from interest on non-exchange debtors(property rates) as well, which was an error and should have been included in Property Rates Revenue

Operational Revenue

Operational Revenue were R1.7 more than budgeted, as the budget was based on prior year actuals and mainly represents ad-hoc direct revenues. More was collected during the current financial year, than in prior years.

Fines

Fines were R2 million more than budgeted. The budget estimation as based on the prior year actual, and it was seen that the Provincial government issued more fines during the current year than in prior years. This item can not be accurately forecasted, and is dependant on the actual amount of fines issued and stricted law enforcement practices that was implemented during the year.

Other Gains

Other gains includes a calculation for water inventory gains and losses that was required for the mSCOA template validation as prescribed during budget process by National Treasury. This amount is then accurately calculated during the year-end processes and accordingly treated in terms of GRAP only.

46.2.2 Expenditure

Employee Related Costs

Employee cost were R25.8 million less than budgeted, because of vacancies that was not filled during the financial year and budgeted. Only critical positions were filled during the year.

Finance Charges

The finance charges on external loans were R2.8 million more than budgeted. The new loans for Nedbank repayment that was taken up during 2022-23 was not accurately budgeted for, and was still based on the prior year actuals.

Inventory consumed

Inventory consumed were R45 million less than budgeted and included water inventory calculations as per mSCOA template validations prescribed during the budget process by National Treasury. The actual amount reflected in the financial statements only reflect actual expenditure on inventory related items.

Contracted Services

Contracted Services are R8.4 million less than budgeted, as cost containment measures on the use of external contractors and consultants were instituted. Also work to be performed by contractors were not completed that was budgeted for and therefore not paid within the financial year.

Transfers and Grants

Transfers and Grants are R1.9 million less than budgeted, and mainly consists of the unspent portion of the Emergency Housing grant where emergency kits are provided to poor households. Less donations was made to non profit organizations during the year, as a new Grants-In-Aid policy was approved by the council with stricter criteria to adhere to. The budget was based on prior year actuals.

Operational costs

Other Expenditure are R16.5 million less than budgeted, due to strict cost containment measures implemented to curb all non-essential expenditure. The budget was estimated on the prior year actual.

Losses on disposal of Assets

Loss on disposal of fixed assets were not budgeted during the year, as it can not be accurately forecasted what the disposal will be during the annual asset verification. The loss on disposal mainly due to the de-recognition of infrastructure assets which was replaced, because it has reached its end of useful life.

Other Losses

Losses budgeted is R14 million less than budgeted, as included in this item was provision for actuarial losses. This can not be accurately forecasted and budget is based on managements estimations during the budget process. Actuals are based on the Post Employment actuarial reports as at 30 June performed at year-end.

46.3 Cash Flow Statement

46.3.1 Net Cash from Operating Activities

Interest

Interest earned is R12 million more than budgeted. As per National Treasury validation rules on the budget schedule the interest revenue billed on services and rates are aggregated to Ratepayers and Other, whereas on the Statement of Cashflows it is disclosed as part of Interest earned. This is a mapping difference between the mSCOA schedule and GRAP accounting principles for presentation.

Suppliers and Employees

Suppliers and Employees are R44 million less than budgeted, mainly due to the actual expenditure that is lower than budgeted due to strict containment measures implemented to curb non-essential expenditure.

Transfers and Grants

Transfers and Grants are R1.9 million less than budgeted, and mainly consists of the unspent portion of the Emergency Housing grant where emergency kits are provided to poor households.

46.3.2 Net Cash from Investing Activities

Proceeds on disposal of PPE

Procees on disposal of fixed assets were R12k, which was not budgeted. It relates to an erf that was sold in prior years, for which funds was only transferred in 2023/24

Capital Assets

Capital assets were R13.6 million less than budgeted as this item includes the full cost of the project to final completion. Retention provisions are included in the budget, that needs to be excluded from the cashflow statement, but can not be accurately forecasted at the beginning of the year. Unspent capital project relating to INEP grant for Electrification to value of R1.2 million is also included here and a roll-over application will be submitted to National Treasury during 2024-25

46.3.3 Net Cash From Financing Activities

Repayment of Borrowing

Borrowing is R2.8 million less than budgeted, as the new Nedbank loan that was transferred in 2022-23 was not accurately budgeted for. This item relates to actual repayments performed on all loans for the financial year, and then the financial lease payments as per amortisation tables.

47. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

47.1 Unauthorised expenditure

Reconciliation of unauthorised expenditure:

Opening balance

Unauthorised expenditure current year - operational

Unauthorised expenditure current year - capital

Expenditure authorised i.t.o. Section 32 of MFMA

Current period

Prior Period

Unauthorised expenditure awaiting authorisation

	2024 R	2023 R
Opening balance	-	20 591 017
Unauthorised expenditure current year - operational	-	-
Unauthorised expenditure current year - capital	-	-
Expenditure authorised i.t.o. Section 32 of MFMA		(20 591 017)
Current period	-	
Prior Period	-	20 591 017
Unauthorised expenditure awaiting authorisation	-	-

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The overspending of the Budget per municipal vote can be summarised as follows:

	2024 Actual R	2024 Final Budget R	2024 Variance R	2024 Unauthorised R
Unauthorised expenditure current year - operating				
Municipal Manager	85 768 795	90 682 500	4 913 705	-
Corporate Services	26 115 964	30 437 100	4 321 136	-
Financial Services	53 214 627	57 296 100	4 081 473	-
Community And Public Safety	150 215 319	157 780 117	7 564 798	-
Infrastructure Services	445 865 551	508 904 083	63 038 532	-
Planning & Development	53 283 532	63 644 500	10 360 968	-
	814 463 788	908 744 400	94 280 612	-

	2024 Actual R	2024 Final Budget R	2024 Variance R	2024 Unauthorised R
Unauthorised expenditure current year - capital				
Municipal Manager	83 093	570 000	486 907	-
Corporate Services	763 558	800 000	36 442	-
Financial Services	1 296 562	1 513 900	217 338	-
Community And Public Safety	12 493 015	17 294 600	4 801 585	-
Infrastructure Services	45 852 122	47 309 000	1 456 878	-
Planning & Development	744 162	879 200	135 038	-
	61 232 512	68 366 700	7 134 188	-

	2024 R	2023 R
47.2 Fruitless and wasteful expenditure		
Reconciliation of fruitless and wasteful expenditure:		
Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Expenditure authorised i.t.o. Section 32 of MFMA	-	-
Current period		
Prior Period	-	-
Fruitless and wasteful expenditure awaiting further action	-	-

47.3 Irregular expenditure		
Reconciliation of irregular expenditure:		
Opening balance	2 561 171	4 356 393
Irregular expenditure current year	25 912 113	5 356 869
Expenditure authorised i.t.o. Section 32 of MFMA	(8 074 994)	(7 152 092)
Current Period (July 2023-June 2024)	(2 708 145)	(2 795 698)
Prior Period	(5 366 848)	(4 356 394)
Irregular expenditure awaiting further action	20 398 290	2 561 171

Irregular expenditure can be summarised as follow:

Incident/Cases identified written-off by council in current year	Disciplinary steps/criminal proceedings		
No procurement process followed or less than 3 quotes	Refer to narrative	-	-
Non Compliance with MSA Sec 66 - Appointments made not on organogram	Refer to narrative	-	-
Non Compliance with SCM Regulation 36 - deviations	Refer to narrative	-	-
Non Compliance with			
Local Content- MBD 6 not completed	Refer to narrative	-	-
Non compliance scm reg 19 no competitive bidding process implemented after contract	Refer to narrative	2 561 171	7 149 295
Non-compliance with PPR	Refer to narrative	-	2 797
Non Compliance with regulation 12(3)(a) - Splitting of goods and services in lesser values	Refer to narrative	52 174	-
Non-Compliance with PPR 2022-23 identified during audit	Refer to narrative	2 805 677	-
Non-Compliance with PPR 2023-24 identified	Refer to narrative	2 204 987	-
Non-Compliance with SCM Regulation 19 - competitive bidding process not followed	Refer to narrative	450 984	-
		8 074 994	7 152 092

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		2024 R	2023 R
Incident/Cases identified in the current year awaiting action	Disciplinary steps/criminal proceedings		
<i>Non compliance scm reg 19 no competitive bidding process implemented after contract expired</i>	Refer to narrative	-	528 878
<i>Non Compliance with MSA Sec 66 - Appointments made not on organogram</i>	Refer to narrative	455 326	
<i>Non-Compliance with PPR 2023-24 identified</i>	Refer to narrative	47 055	
<i>Non-compliance with PPR - incorrect calculation of preference points</i>	Refer to narrative	-	29 889
<i>Non-Compliance SCM Regulation 36- deviation not justifiable</i>	Refer to narrative	63 597	38 435
<i>Non Compliance with regulation 12(3)(a) - Splitting of goods and services in lesser values</i>	Refer to narrative	390 799	333 969
<i>Non-Compliance MFMA Sec 116(2)(a) - contract monitoring not performed monthly</i>	Refer to narrative	-	300 000
<i>Non-Compliance with MFMA Sec 112 - contract awarding process not fair</i>	Refer to narrative	12 276 651	
<i>Non Compliance with MFMA Sec 116(2) - Payments made to suppliers exceed contract price</i>	Refer to narrative	-	30 000
<i>Non-Compliance with SCM Regulation 19 - competitive bidding process not followed</i>	Refer to narrative	7 164 863	1 300 000
		20 398 291	2 561 171

Section Committee 32 investigated and as per council per resolution no: 60.24/06/24 accept and approved the recommendation from MPAC to write-off irregular expenditure for prior and current period up and until 30 June 2024. No fraud or financial loss to council. No disciplinary steps recommended to any official a no deliberate act or fraud suspected and service were rendered for all instances.

Irregular Expenditure relating to 2023-24 raised by the Auditor General during the annual audit, will be referred to Sec 32 committee for investigation and write-off by council during 2024-25

48. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

48.1 Contributions to organised local government - [MFMA 125 (1)(b)] - (SALGA CONTRIBUTIONS)

Opening balance	-	-
Council subscriptions	3 046 986	2 760 266
Amount paid - current year	(3 046 986)	(2 760 266)
Balance unpaid (included in creditors)	-	-

48.2 Audit fees - [MFMA 125 (1)(c)]

Opening balance	-	-
Current year audit fee	5 496 895	5 419 581
External Audit - Auditor-General	5 340 237	5 272 409
Audit Committee	156 657	147 173
Amount paid - current year	(5 496 895)	(5 419 581)
Balance unpaid (included in creditors)	-	-

48.3 VAT - [MFMA 125 (1)(c)]

Opening balance	(4 039 476)	(5 092 766)
Nett movements	(3 960 638)	924 338
Closing balance	(8 000 113)	(4 039 476)

VAT is payable on the receipt basis. Only once payment is received from the debtors is VAT paid over to SARS. All VAT returns have been submitted by the due date throughout the year.

48.4 PAYE, SDL and UIF - [MFMA 125 (1)(c)]

Opening balance	-	-
Current year payroll deductions	42 570 144	40 364 479
Amount paid - current year	(42 570 144)	(40 364 479)
Balance unpaid (included in creditors)	-	-

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	2024 R	2023 R
48.5 Pension and Medical Aid Deductions - [MFMA 125 (1)(c)]		
Opening balance	-	-
Current year payroll deductions and Council Contributions	77 997 022	74 477 448
Amount paid - current year	(77 997 022)	(74 477 448)
Balance unpaid (included in creditors)	-	-

48.6 Councillor's arrear consumer accounts - [MFMA 124 (1)(b)]

The following Councillors had arrear accounts for more than 90 days as at 30 June 2024:

None

Outstanding
more than 90
days

48.7 Disclosures in terms of the Municipal Supply Chain Management Regulations - Promulgated by Government Gazette 27636 dated 30 May 2005

Regulation 36(2) - Details of deviations approved by the Accounting Officer in terms of Regulation 36(1)(a) and (b):

30 June 2024

<u>30 June 2024</u>	<u>Type of Deviation</u>				
	Amount	Single Supplier	Impossible	Impractical	Emergency
July	-				
August	-	-	-	-	-
September	-	-	-		-
October	6 574	6 574	-		-
November	-	-	-		-
December	-	-	-		-
January	-	-	-		-
February	-	-	-		-
March	-	-	-		-
April	-	-	-		-
May	-	-	-		-
June	-	-	-		-
	<u>6 574</u>	<u>6 574</u>	<u>-</u>	<u>-</u>	<u>-</u>

30 June 2023

<u>30 June 2023</u>	<u>Type of Deviation</u>				
	Amount	Single Supplier	Impossible	Impractical	Emergency
July	10 721	-	-	10 721	-
August	252 789	-	-	-	252 789
September	-	-	-	-	-
October	-	-	-	-	-
November	-	-	-	-	-
December	-	-	-	-	-
January	-	-	-	-	-
February	405 941	-	-	-	405 941
March	-	-	-	-	-
April	58 949	-	-	-	58 949
May	1 522 009	1 338 354	-	183 655	-
June	182 160	182 160	-	-	-
	<u>2 432 569</u>	<u>1 520 514</u>	<u>-</u>	<u>194 376</u>	<u>717 680</u>

48.8 Additional disclosure in terms of the Broad Based Black Economic Empowerment Act

Information on compliance with the B-BBEE Act will be included in the annual report based on actual audited figures for the current and prior year.

	2024 R	2023 R
48.9 Material losses		
Electricity distribution losses		
Units purchased (Kwh)	128 619 423	120 720 064
Units lost during distribution (Kwh)	8 192 140	6 638 319
Percentage lost during distribution	6.37%	5.50%
Water distribution losses		
Units purchased (ml)	6 284 935	5 456 974
Units lost during distribution (ml)	1 341 878	757 553
Percentage lost during distribution	21.35%	13.88%

Water losses increased during the year due to ageing infrastructure where pipe bursts and field leakages were detected, coupled with illegal and unauthorised connections in informal areas

49. FINANCIAL RISK MANAGEMENT

The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

(a) Foreign Exchange Currency Risk

The municipality does not engage in foreign currency transactions.

(b) Price Risk

The municipality is not exposed to price risk.

(c) Interest Rate Risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

	2024 R	2023 R
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The potential impact on the entity's surplus/(deficit) for the year due to changes in interest rates were as follow:

1% Increase in interest rates	851 195	292 238
0.25% Decrease in interest rates	(212 799)	(73 059)

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the Municipality to incur financial loss.

Credit risk arises mainly of cash deposits, cash equivalents, trade and other receivables

Trade and other receivables are disclosed net after provisions are made for impairment and bad debts. Trade receivables comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other receivables is considered to be moderate due the diversified nature of receivables and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

All services are payable within 30 days from invoice date. Refer to note 8 and 9 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms. Also refer to note 8 and 9 for balances included in receivables that were re-negotiated for the period under review.

	2024 %	2024 R	2023 %	2023 R
<u>Non-exchange Receivables</u>				
Availability charges	100.00%	5 844 895	100.00%	4 995 751
	<u>100.00%</u>	<u>5 844 895</u>	<u>100.00%</u>	<u>4 995 751</u>
<u>Exchange Receivables</u>				
Electricity	17.57%	14 006 564	20.89%	13 805 745
Water	29.64%	23 632 724	26.89%	17 776 078
Property Rentals	0.00%	506	0.00%	506
Waste Management	17.19%	13 702 655	15.01%	9 924 193
Waste Water Management	18.62%	14 846 772	16.89%	11 164 412
Klein Karoo Water Scheme	6.48%	5 165 970	8.05%	5 322 022
Legal Fees Recovery	0.04%	29 216	0.04%	29 216
Sundry municipal charges	10.44%	8 324 599	12.18%	8 050 374
Other receivables	0.02%	19 124	0.03%	22 756
	<u>100.00%</u>	<u>79 728 131</u>	<u>100.00%</u>	<u>66 095 303</u>

No receivables are pledged as security for financial liabilities.

Due to short term nature of trade and other receivables the carrying value disclosed in note 8 and 9 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 1% where applicable.

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

The provision for bad debts could be allocated between the different classes of receivables as follow:

	2024 %	2024 R	2 023 %	2 023 R
<u>Non-exchange Receivables</u>				
Availability Charges	11.34%	4 867 795	9.70%	4 328 024
<u>Exchange Receivables</u>				
Services	88.66%	38 046 324	90.30%	40 274 368
	100.00%	42 914 119	100.00%	44 602 392

The provision for bad debts could be allocated between the different categories of receivables as follow:

	2024 %	2024 R	2023 %	2023 R
Government	1.05%	451 548	1.30%	578 186
Business	9.79%	4 201 686	13.40%	5 978 614
Residential	60.98%	26 169 551	62.43%	27 843 221
Indigents	18.75%	8 047 942	13.32%	5 942 119
Other	9.42%	4 043 393	9.55%	4 260 252
	100.00%	42 914 120	100.00%	44 602 392

Balances past due not impaired:

Non-exchange Receivables

Availability Charges	100.00%	977 100	100.00%	667 727
	100%	977 100	100.00%	667 727

Exchange Receivables

Services	100.00%	41 856 021	100.00%	26 151 437
	100.00%	41 856 021	100.00%	26 151 437

	2024 R	2023 R
Financial assets exposed to credit risk at year end are as follows:		
Receivables from exchange transactions	87 521 586	75 228 109
Receivables from non-exchange transactions	1 305 210	943 375
Cash and Cash Equivalents	143 851 505	129 093 411
	232 678 301	205 264 895

(e) Liquidity Risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	More than 10 years
2024				
Long-term Borrowings	14 598 823	50 845 006	66 746 777	-
Trade and Other Payables from Exchange Transactions	46 595 192	-	-	-
Unspent Transfers and Subsidies	3 670 445	-	-	-
	64 864 459	50 845 006	66 746 777	-
	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	More than 10 years
2023				
Long-term Borrowings	21 836 149	48 646 144	53 055 566	-
Trade and Other Payables from Exchange Transactions	45 030 490	-	-	-
Unspent Transfers and Subsidies	27 320 830	-	-	-
	94 187 469	48 646 144	53 055 566	-

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

		2024 R	2023 R
50. FINANCIAL INSTRUMENTS			
In accordance with GRAP 104.45 the financial liabilities and assets of the municipality are classified as follows:			
50.1 Financial Assets	Classification		
Receivables from Exchange Transactions			
Electricity	Financial Instruments at amortised cost	29 351 635	24 742 905
Water	Financial Instruments at amortised cost	28 516 488	22 902 281
Property Rentals	Financial Instruments at amortised cost	506	506
Waste Management	Financial Instruments at amortised cost	16 730 938	11 926 798
Waste Water Management	Financial Instruments at amortised cost	18 072 834	13 724 241
Legal Fees Recovery	Financial Instruments at amortised cost	29 216	29 216
Klein Karoo Water Scheme	Financial Instruments at amortised cost	5 695 483	5 705 001
Sundry Municipal Charges	Financial Instruments at amortised cost	4 954 167	5 174 791
Other Receivables	Financial Instruments at amortised cost	19 124	22 756
Receivables from Non- Exchange Transactions			
Availability charges		6 173 005	5 271 399
Cash and Cash Equivalents			
Primary Bank Account	Financial Instruments at amortised cost	31 236 856	17 352 156
Call Deposits	Financial Instruments at amortised cost	112 614 648	111 741 255
Total Financial Assets		253 394 901	218 593 304
Financial Instruments at amortised cost:			
Receivables from Exchange Transactions	Electricity	29 351 635	24 742 905
Receivables from Exchange Transactions	Water	28 516 488	22 902 281
Receivables from Exchange Transactions	Property Rentals	506	506
Receivables from Exchange Transactions	Waste Management	16 730 938	11 926 798
Receivables from Exchange Transactions	Waste Water Management	18 072 834	13 724 241
Receivables from Exchange Transactions	Legal Fees Recovery	29 216	29 216
Receivables from Exchange Transactions	Klein Karoo Water Scheme	5 695 483	5 705 001
Sundry Municipal Charges	Sundry	4 954 167	5 174 791
Other Receivables	Other	19 124	22 756
Receivables from Non-Exchange Transactions	Availability Charges	6 173 005	5 271 399
Cash and Cash Equivalents	Primary Bank Account	31 236 856	17 352 156
Cash and Cash Equivalents	Call Deposits	112 614 648	111 741 255
Total Financial Assets		253 394 901	218 593 304
50.2 Financial Liabilities	Classification		
Long-term Borrowings			
Annuity Loans	Financial Instruments at amortised cost	82 249 095	72 836 840
Capitalised Lease Liability	Financial Instruments at amortised cost	-	11 420 910
Trade and Other Payables from Exchange Transactions			
Trade Payables	Financial Instruments at amortised cost	37 692 787	34 832 516
Control, Clearing and Interface Accounts	Financial Instruments at amortised cost	731 321	772 895
Retentions	Financial Instruments at amortised cost	8 171 084	9 425 079
		128 844 287	129 288 240
SUMMARY OF FINANCIAL LIABILITIES			
Financial instruments at amortised cost:			
Long-term Borrowings	Annuity Loans	82 249 095	72 836 840
Long-term Borrowings	Capitalised Lease Liability	-	11 420 910
Trade and Other Payables from Exchange Transactions	Trade Payables	37 692 787	34 832 516
Trade and Other Payables from Exchange Transactions	Other Payables	731 321	772 895
Trade and Other Payables from Exchange Transactions	Retentions	8 171 084	9 425 079
		128 844 287	129 288 240

ODTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2023 R
51. STATUTORY RECEIVABLES		
In accordance with the principles of GRAP 108, Statutory Receivables of the municipality are classified as follows:		
Taxes		
VAT Receivable	-	-
Receivables from Non-Exchange Transactions	67 253 836	54 590 701
Rates	41 459 103	35 982 704
Fines	25 794 733	18 607 997
Total Statutory Receivables (before provision)	67 253 836	54 590 701
Less: Provision for Debt Impairment	(49 393 062)	(39 642 107)
Total Statutory Receivables (after provision)	17 860 775	14 948 594
Statutory Receivables arises from the following legislation:		
Taxes	- Value Added Tax Act (No 89 of 1991)	
Rates	- Municipal Properties Rates Act (No 6 of 2004)	
Fines	- Criminal Procedures Act	
The basis for impairment of statutory receivables are as per the Municipal Accounting Policy		
Property Rates & Other receivables : Mangement determines the payment rate per debtor. Therefore each individual debtor is impaired based on the collection of debt. The indication of impairment is the non-ability of the debtor to settle their account.		
Fines: Fines are impaired per debtors or similar grouping (Provincial and Municipal Fines). The collection rate per similar groupings are determined. Fines detors are impaired based on the collection rate. The indication of impairment is the non-ability of the debtor to settle their account		
No Impairment on VAT receivable, balance is seen to be fully recoverable		
<u>Reconciliation of Provision for Debt Impairment</u>		
Balance at beginning of year	39 642 107	36 146 146
Contribution to provision	9 750 955	3 495 961
Balance at end of year	49 393 062	39 642 107
<u>Ageing of amounts past due but not impaired:</u>		
Non-exchange	9 141 654	6 254 504
	9 141 654	6 254 504
Management base the consideration past due and impaired on the debtors payments. Per the debt collection policy of the municipality past due and impaired include the category residential, commercial, government and other. The above is in relation to property rates and fines.		
Interest or orther charges levied / charged		
Interest or other charges levied on Property Rates balances are in line with the Annual Tariff list of the municipality approved by council as part of the budget process in terms of the Municipal Finance management Act, 56 of 2003. Interest means a charge levied, on all arrear accounts calculated at an interest rate which is one persent higher than the prime interest rate.		
Traffic fines: Additional charges includes contempt of court fees / warrant of arrest fees as determined in terms of the Criminal Procedure Act.		
VAT interest charges are in line and determined by the Value Added Tax Act 89 of 1991.		

52. IN-KIND DONATIONS AND ASSISTANCE

No in-kind donations or assistance was provided to the municipality for the current or prior year under review

53. PRINCIPAL - AGENT ARRANGEMENTS

Principal in Principal-Agent Arrangement (Material)

Oudtshoorn Municipality's binding arrangements for services delivered on behalf of the municipality and for which commissions were paid, have been evaluated and it was found that the conditions don't meet the applicable GRAP 109 criteria to be regarded as a principal arrangements.

Agent in arrangement

Oudtshoorn Municipality is the Agent in the Principal-Agent arrangement with the Western Cape Government .

The Municipality is issuing motor vehicle licences and managing the INATIS system on behalf of the Provincial Government .Commission based on a percentage of the licences fees issued are deducted from payments due to the Provincial Government. The nett amounts are paid over on a prescribed timeframe in a dedicated bank account.

Compensation received for agency activities

Commission	5 622 069	5 647 468
Total Compensation received	5 622 069	5 647 468

Reconciliation of Agency Funds and Disbursements

Principal name	2024 R		2023 R	
	Total Agency funds received	Amount remitted to the principal	Total Agency funds received	Amount remitted to the principal
Western Cape Government- Department of Transport	5 622 069	18 861 612	5 647 468	19 045 171
	5 622 069	18 861 612	5 647 468	19 045 171

Resources under custodianship at year-end

None

OUTDSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

		2024 R	2023 R
54. CONTINGENT LIABILITY			
The municipality is currently engaged in litigation which could result in damages/costs being awarded against Council if claimants are successful in their actions. The following are the estimates:			
54.1 Golden Rewards 965 CC. vs. Oudtshoorn Municipality			
This matter involves the contract that was awarded to Golden Rewards 965 to build temporary structures for the displaced people. A settlement of amounts owed was paid out to the company in terms of the contract but this company alleges that a balance is still due, and pleadings closed in February 2020. We await the trial date to be awarded. Excellent chance of success as their case is based on a miscalculation on their part. We await the matter to be placed on the roll for trial.		155 040	155 040
54.2 Cornelius Draai vs Oudtshoorn Municipality			
This matter involves a five year old boy, Cornelius Draai that drowned on the 5th of January 2020 at the Bridgeton Municipal Swimming Pool. A public liability claim have been made against the municipality and was referred to council's insurers that declined the claim. An investigation was performed by council's attorneys and a settlement was reached and paid to the claimant during the 2023/24 financial year		-	10 239 601
54.3 APJ Marais and CM Marais vs Oudtshoorn Municipality			
Claim for damages by 3d Party for water damages due to pipe burst. Matter referred to council attorneys and is awaiting matter to be put on court roll.		177 000	177 000
54.4 Manormanie Moodley vs Oudtshoorn Municipality			
The plaintiff fell into a hole in the pavement and sustained injuries for which claims was made against the municipality. Investigations are still ongoing surrounding the circumstances of the alleged incident. Currently in the process of drafting the municipality's plea. If found guilty the municipality will be held liable for injuries incurred.		1 265 427	1 265 427
54.5 Thomas Matthee vs Oudtshoorn Municipality			
Application to set aside an arbitration ruling for reinstatement of dismissed employee. merits are in the municipality's favour and answering of affidavit filed. Awaiting applicant's supplementary affidavit to the Labour Court and possible liability remains.		1 000 000	1 000 000
54.6 E Petersen vs Oudtshoorn Municipality			
Plaintiff has applied for formal amendment of her POC. Awaiting set down of the interlocutory application. If the municipality is found guilty the municipality must pay for damages.		1 076 827	487 120
54.7 S Tarentaal vs Oudtshoorn Municipality			
In Supreme court, plaintiff attorneys issued a summons to the municipality for injuries sustained when touching the electrical box. If council is found negligent, the municipality will be held liable for the full amount		4 100 000	100 000
54.8 Reginald Smit vs Oudtshoorn Municipality			
Application for compensation by a current employee for alleged unfair suspension. Merits are in municipality's favour, because employee was suspended with full benefits. Next-day for arbitration scheduled for 19 September 2023, and matter was finalised.		-	100 000
54.9 Winston Adams ob. Juwayne Adamns vs Oudtshoorn Municipality			
Claim for damages by the parents of Winston Adams against the municipality. Currently council attorneys advised we have good prospect of success but if found to be negligent, council will be held liable for the full amount.		3 000 000	3 000 000
54.10 Oudtshoorn Municipalities/SARS			
It is unclear if the municipality will be levied any penalties and interest by SARS on the VAT treatment on library funding received from Western Cape Provincial Department of Cultural Affairs. Till such time that clarity is obtained it will be disclosed as a contingent liability. the amount is currently undeterminable as no government gazette have been issued on the VAT treatment of the allocation			

OUTDSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R	2024 R		
54.11 Oudtshoorn Municipality vs Pinkster Gemeente and Christus in Suid Afrika	825 000			
Oudtshoorn municipality have awarded the property to Pinkster gemeente for development purposes, but they have failed to do so within the 3 year prescribed period. Council have instructed our legal council to start the expropriation process of the land to prevent any further losses. If successful it might be that the municipality have to remunerate the Pinkster Gemeente for the land and therefore a possible liability.				
54.12 Joseph Man vs Oudtshoorn Municipality	820 000			
Claim for damages by 3d Party for personal injuries sustained after fell on pavement which is municipal property to maintain. Matter referred to council attorneys and is awaiting matter to be put on court roll, if successful municipality will be held liable for damages.				
54.13 G Du Plessis vs Oudtshoorn Municipality	143 000			
Mr Du Plessis was appointed as the aribtrator between the municipality and a previous service provder. The arbitrator was remunerated accordingly, but is now claiming additional fees to be paid. Matter have been referred to legal council and is awaiting a court date. If court rules in favour of Mr Du Plessis the municipality will be held liable for the costs.				
54.14 Patrick Le Roux // Oudtshoorn Municipality	40 000			
Claim for damages by 3d Party for damages to vehicle after driving through a pothole. Matter referred to council attorneys and is awaiting matter to be put on court roll.				
	12 602 294	16 524 188		
55. CONTINGENT ASSETS				
55.1 Oudtshoorn Municipality v Imvusa Trading (Pty) Ltd	9 065 244	9 065 244		
The municipality disclosed under payables from exchange transactions the amount of R 3,4 million in respect of the creditor, Imvusa Trading for services relating to road repairs allegedly rendered and invoiced, the municipality instituted a counter claim for a similar amount as the payable claimed, for undue enrichment stemming from the irregular extension of the contract to Imvusa Trading (Pty) Ltd. High court ruled n favour of municipality and claim was dismissed, and a ruling was made to collect settlement from former employees but no taxation performed as yet.				
55.3 Oudtshoorn Municipality vs D Hartzenberg	-	70 000		
Ex-employee did not honour his re-imbursement agreement with the municipality that was signed to repay his study bursary. Deb collection process was started and handed over to council panel of attorneys appointed for deb collection.				
	9 065 244	9 135 244		
56. RELATED PARTIES				
Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.				
The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.				
	2024 R Rates & Services	2024 R Outstanding Balance	2023 R Rates & Services	2023 R Outstanding Balance
56.1 Related Party Transactions				
Year ended 30 June 2024				
Councillors				
JC Lambaatjeen			124	124
DJ Fourie	5 209	5 209	4 749	4 749
J Allers	6 308	6 308	4 535	4 535
SN Bently			1 000	1 000
A Berry	3 272	3 272	2 700	2 700
L Campher			37 190	37 190
JL Du Preez	1 817	1 817	3 418	3 418
JN Duvenage			4 170	4 170
DV Moos	3 811	3 811	1 456	1 456
J van der Ross	3 054	3 054	5 648	5 648
LSS van Rooyen	1 907	1 907	341	341
	25 379	25 379	65 332	65 332

OUTSHOORN LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2024

	2024 R Services	2024 R Balance	2023 R Rates & Services	2023 R Balance
Senior Management - Directors				
Mr GP De Jager	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

56.2 Related Party Loans

Since 1 July 2004 loans to councillors and senior management employees are not permitted.

56.3 Compensation of key management personnel

The compensation of key management personnel is set out in note 30 to the Annual Financial Statements.

56.4 Current Employee Benefits

The Municipality has the following current employee benefit obligations and made other non-Employee Related Cost payments towards senior management on 30 June 2024:

Name	Position	Staff Leave Obligations	Performance Bonus
W Hendricks	Municipal Manager	-	67 387
GP De Jager	Chief Financial Officer	-	110 167
J Lesch	Director: Technical Services	170 463	59 249
R Smit	Director: Corporate Services	-	67 325
N van Stade	Director: Community Services	-	-
		<u>170 463</u>	<u>304 128</u>
		2024 R	2023 R

The Municipality has the following current employee benefit obligations and made other non-Employee Related Cost payments towards senior management on 30 June 2023:

Key Management Personnel		Staff Leave Obligations	Performance Bonus
W Hendricks	Municipal Manager	44 374	-
GP De Jager	Chief Financial Officer	-	103 542
J Lesch	Director: Technical Services	-	126 551
R Smit	Director: Corporate Services	-	63 276
		<u>44 374</u>	<u>293 369</u>

57. TRANSACTIONS WHERE COUNCILLORS AND STAFF HAVE AN INTEREST

The following purchases were made during the year where Councillors or staff have an interest:

Company Name	Related Party	Service Capacity	Relationship		
Southern Ambition 1085	D. Moos	Councillor	Spouse of the owner	146 244	145 630
Inzalo UMS (Pty) Ltd	N.T. Mazibuko	Dept: Art and Culture -KZN	A director of Inzalo, is married to NT	199 999	
Inzalo UMS (Pty) Ltd	N.T. Mazibuko	Disaster Management Officers	Disaster Management Officers Brother	-	38 934
GH Towing	G. Wolmerans	Disaster Management Officers	Disaster Management Officers Brother	-	55 544
Ian Dickie and Company	I. Dickie	Warrant Officer in the Supply Chain of SAPS	Director of Ian Dickie with a spouse as warrant officer in SAPS	244 778	
C&M Consulting Engineers (Pty) Ltd	Director	South African Weather Services.	Director of C&M Consulting Engineers (Pty) Ltd, has a husband employed at the South African Weather Services.	146 194	
Roberto Transport	R Booysen	SCM PR actioner	Grandfather of SCM PR actioner	315 850	
Wessels & Kie	D Saayman	Maintenance Manager Cango Caves	Spouse of the owner	-	-
Transform Construction	H. Malgas	Disaster Management Officers	Mother in-law of owner	-	-
				<u>1 053 064</u>	<u>240 108</u>

58. FINANCIAL SUSTAINABILITY

There has been a markable improvement in both the financial position and financial performance since the 2015/2016 financial year and through the subsequent financial years since the administration was lifted after the Local Government elections of 2016. Various cost savings initiatives, revenue enhancement, and debt collection efforts have aided in the improvement of the financial performance as well as the liquidity position of the municipality. The strengthening of financial and other internal controls have also aided in the financial recovery process of the municipality. Senior personnel are enforcing financial strategies and strict financial controls aimed at further improving accountability and reducing unnecessary expenditure also ensuring that more care is taken by the sub-ordinate managers and staff members in general, in the utilization of municipal resources. Revenue Enhancement and Protection strategies have been developed by management for implementation in the next cycle to optimize all revenue streams.

The municipality cash position improved from R129 130 961 (2023) to R143 889 055 (2024) indicating a nett cash increase R14 758 094 as at 30 June 2024, this is mainly due to the improved cash position and more investments that was made than anticipated. Less cash was utilised for payment of creditors, and unnecessary spending was stopped and cost containment measures were implemented.

Management is still of the opinion that the municipality will continue to operate as a going concern and perform its functions as set out in the Constitution.

Financial Indicators

The following challenges are an indication of the risk relating to going concern:

- The current assets to current liabilities ratio is 2.1 which is above the norm of between 1.5 to 2:1 as stated in the National Treasury MFMA circular no. 71.
- This ratio improved from where 1.57:1 was reported in the prior year, and measures have been implemented to in an effort to remain within the National Treasury norm.
- Debtors payment ratio remained stable from 93.8% in 2023 to 93.6% in 2024. The decrease is evident of the local economy that is negatively influenced by the country wide interest rate increases and rising inflation, causing the consumers to have less cash available to repay their debt.
- A consecutive operating surplus was realized from the comparative year to this year.

Other Indicators

Possible outflow of recourses due the contingent liabilities disclosed in note 54..

APPENDIX A
OUDTSHOORN LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2024

EXTERNAL LOANS	Rate	Loan Number	Redeemable	Balance at 30 June 2023	Received during the period	Accrued Interest	Redeemed written off during the period	Balance at 30 June 2024
ANNUITY LOANS								
Standard Bank	7.65%	594602	2029/12/31	13 931 144	-		(1 579 119)	12 352 026
Standard Bank	5.80%	654722	2031/12/31	13 918 856	-		(1 414 866)	12 503 990
Standard Bank	6.92%	710574	2027/06/30	3 781 342	-		(852 072)	2 929 269
Standard Bank	7.18%	710625	2037/06/30	15 649 262	-		(682 749)	14 966 513
Standard Bank	10.31%		2038/12/31	-	17 200 000	14 568		17 214 568
Development Bank of SA				-	-			-
Urban Infrastructure Project 10608/1	14.00%	10608/1'01	2017/06	1 027 472	-		(1 027 471)	0
Multiple Infrastructure 101096/2	10.16%	101096/2	2019/12	592 106	-		(236 842)	355 264
Multiple Infrastructure 101647/3	6.88%	101647/3	2015/06	1 447 369	-		(578 947)	868 422
Infrastructure 102003/1	6.56%	102003/1	2025/12	909 779	-		(303 260)	606 519
Deep Aquifer Hydrogeological 13774	15.67%	13774	2021/06	867 275	-		(216 819)	650 456
Nedbank	8.46%	110548762400001	2038/06	18 410 935	-	(10 935)	(525 828)	17 874 172
Nedbank	8.46%	110548762400002	2028/06	2 301 300	-	(1 300)	(372 204)	1 927 796
Total Annuity Loans				72 836 840	17 200 000	2 333	(7 790 177)	82 248 995
LEASE LIABILITY								
ISUZU TRUCKS N SERIES NPR 400 CREW CAB AMT	10.25%		2022/07	0	-			0
Renault Duster 1.5 DCI Techroad - CG5739	7.00%		2024/10/15	101 504	-		(101 504)	-
Isuzu D-Max 250 HO single cab - CG32190	7.00%		2024/10/26	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG34075	7.00%		2024/10/27	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG34079	7.00%		2024/10/26	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG34092	7.00%		2024/10/25	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG28235	7.00%		2024/10/25	117 172	-		(117 172)	-
Isuzu D-Max 250 HO single cab - CG34074	7.00%		2024/10/25	105 203	-		(105 203)	-
Isuzu D-Max 250 HO single cab - CG34100	7.00%		2024/10/28	109 371	-		(109 371)	-
Isuzu D-Max 250 HO single cab - CG34085	7.00%		2024/10/28	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG34098	7.00%		2024/10/27	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG34104	7.00%		2024/10/28	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG29198	7.00%		2024/11/09	105 326	-		(105 326)	-
Isuzu D-Max 250 HO single cab - CG30833	7.00%		2024/11/09	105 311	-		(105 311)	-
Isuzu D-Max 250 HO single cab - CG34106	7.00%		2024/10/28	105 311	-		(105 311)	-
VW Polo 1.4 trendline sedan - CG16139	7.50%		2025/02/14	112 371	-		(112 371)	-
VW Polo 1.4 trendline sedan - CG17052	7.50%		2025/02/13	112 371	-		(112 371)	-
Nissan NP200 1.6 - CG20667	7.25%		2024/12/01	77 093	-		(77 093)	-
VW Polo 1.4 trendline sedan - CG17259	7.50%		2025/02/14	112 371	-		(112 371)	-
VW Polo 1.4 trendline sedan - CG17958	7.50%		2025/02/14	112 371	-		(112 371)	-
VW Polo 1.4 trendline sedan - CG18397	7.50%		2025/02/13	112 371	-		(112 371)	-
VW Polo 1.4 trendline sedan - CG19389	7.50%		2025/02/13	112 371	-		(112 371)	-
Isuzu D-Max 250 HO single cab - CG17929	7.00%		2024/11/16	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG13016	7.00%		2024/11/15	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG31605	7.00%		2024/11/15	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG19513	7.00%		2024/11/16	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG32805	7.25%		2024/11/22	111 368	-		(111 368)	-
Isuzu D-Max 250 HO single cab - CG33157	7.00%		2024/11/15	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG29316	7.00%		2024/11/15	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG27781	7.00%		2024/11/15	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG25272	7.00%		2024/11/15	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG19699	7.00%		2024/11/15	111 573	-		(111 573)	-
Isuzu D-Max 250 HO single cab - CG34136	7.25%		2024/11/22	111 368	-		(111 368)	-
Isuzu D-Max 250 HO single cab - CG34124	7.25%		2024/11/30	111 368	-		(111 368)	-
Isuzu D-Max 250 HO single cab - CG34137	7.25%		2024/11/22	111 368	-		(111 368)	-
Isuzu D-Max 250 HO single cab - CG34119	7.25%		2024/11/22	111 368	-		(111 368)	-
Isuzu D-Max 250 HO single cab - CG34130	7.25%		2024/11/22	111 368	-		(111 368)	-
Isuzu D-Max 250 HO single cab - CG34129	7.25%		2024/11/22	111 368	-		(111 368)	-
Isuzu D-Max 250 HO single cab - CG34141	7.25%		2024/11/22	111 368	-		(111 368)	-
UD Trucks Croner PKE 250 (H37) - CG24967	7.25%		2025/01/03	715 622	-		(715 622)	-
UD Trucks Croner PKE 250 (H28) - CG33277	7.25%		2024/12/08	390 527	-		(390 527)	-
Isuzu truck N-series NPR 400 - CG33343	7.25%		2025/01/11	281 021	-		(281 021)	-
Isuzu truck N-series NPR 400 - CG33347	7.25%		2025/01/13	281 021	-		(281 021)	-
Nissan NP200 1.6 - CG14873	7.25%		2024/12/01	77 093	-		(77 093)	-
Isuzu trucks N Series NPR400 - CG12098	7.25%		2024/12/22	245 527	-		(245 527)	-
Isuzu trucks N Series NPR400 - CG12651	7.25%		2024/12/21	245 527	-		(245 527)	-
Nissan NP200 1.6 - CG15283	7.25%		2024/12/01	77 093	-		(77 093)	-
Nissan NP200 1.6 - CG17759	7.25%		2024/12/01	77 093	-		(77 093)	-
Nissan NP200 1.6 - CG17153	7.25%		2024/12/01	77 093	-		(77 093)	-
Nissan NP200 1.6 - CG22902	7.25%		2024/12/01	77 093	-		(77 093)	-
Nissan NP200 1.6 - CG23521	7.25%		2024/12/01	77 093	-		(77 093)	-

APPENDIX A
OUDTSHOORN LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2024

Isuzu trucks F Series FTR 850 - CAW3997P	7.25%		2024/12/01	432 679	-	(432 679)	-
Nissan NP200 1.6 - CG13939	7.25%		2024/12/01	77 093	-	(77 093)	-
Isuzu trucks N Series NPR400 - CG20124	7.50%		2025/02/16	473 553	-	(473 553)	-
Nissan NP200 1.6 - CG17852	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG23624	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG18624	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG14008	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG21254	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG17535	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG21931	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG12837	7.25%		2024/12/01	77 093	-	(77 093)	-
Nissan NP200 1.6 - CG15033	7.25%		2024/12/01	77 093	-	(77 093)	-
Isuzu D-Max 300 LX Ext Cab - CG22275	7.25%		2024/11/30	214 202	-	(214 202)	-
Isuzu D-Max 250 Hi Rider - CG25050	7.00%		2024/10/25	123 253	-	(123 253)	-
Isuzu D-Max 250 Hi Rider - CG28104	7.00%		2024/11/11	123 253	-	(123 253)	-
Isuzu D-Max 250 Hi Rider - CG8430	7.25%		2024/11/22	130 343	-	(130 343)	-
Isuzu D-Max 250 Hi Rider - CG5821	7.25%		2024/11/22	130 343	-	(130 343)	-
Toyota Hiace 2.7 16 Seat - CG33140	7.25%		2024/12/12	146 605	-	(146 605)	-
Toyota Land Cruiser Pickup 79 series - CG31184	7.25%		2024/12/08	399 662	-	(399 662)	-
Isuzu trucks N Series NPR400 - CG29555	7.25%		2025/01/11	245 527	-	(245 527)	-
Isuzu trucks N Series NPR400 - CG12161	7.25%		2024/12/22	245 527	-	(245 527)	-
Isuzu trucks N Series NPR400 - CG32595	7.25%		2025/01/13	245 527	-	(245 527)	-
Isuzu trucks N Series NPR400 - CG15043	7.25%		2024/12/21	245 527	-	(245 527)	-
Isuzu trucks N Series NPR400 - CG14040	7.25%		2024/12/21	245 527	-	(245 527)	-
Isuzu trucks N Series NPR400 - CG33342	7.25%		2025/01/13	245 527	-	(245 527)	-
Toyota Rumion 1.5 - CG33167	7.25%		2025/01/13	93 853	-	(93 853)	-
TOYOTA HIACE 2.7 16 SEAT - CG12749	7.50%		2025/03/06	154 472	-	(154 472)	-
Total Lease Liabilities				11 420 912	-	(11 420 910)	2
TOTAL EXTERNAL LOANS				84 257 752	17 200 000	(19 211 087)	82 248 998

APPENDIX B
ODUTSHOORN LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 30 June 2023	Restated Balance 30 June 2023	Contributions during the year	Repaid to National Revenue Fund	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Balance 30 June 2024	Unspent 30 June 2024 (Creditor)	Unpaid 30 June 2024 (Debtor)
<u>National Government Grants</u>									
Equitable Share	-	-	96 434 000		(96 434 000)		-	-	-
Local Government Financial Management Grant	(0)	(0)	2 802 000		(2 802 000)		(0)	-	(0)
Municipal Infrastructure Grant	67 393	67 393	23 559 000	(67 393)	(1 147 900)	(22 411 100)	(0)	-	(0)
Integrated National Electrification Grant	1 233 880	1 233 880					1 233 880	1 233 880	-
Regional Bulk Infrastructure Grant - Department of Water Affairs and F	-	-					-	-	-
Extended Public Works Program	0	0	1 672 000		(1 672 000)		0	0	-
Municipal Disaster Relief Grant	(0)	(0)					(0)	-	(0)
Municipal Disaster Recovery Grant	25 602 123	25 602 123			(25 602 123)	-	-	-	-
Water Service Infrastructure Grant		-	8 060 000			(8 060 000)	-	-	-
Municipal Water Resilience Grant	0	0					0	0	-
Total National Government Grants	26 903 396	26 903 396	132 527 000	(67 393)	(127 658 023)	(30 471 100)	1 233 880	1 233 880	(0)
<u>Provincial Government Grants</u>									
CDW operational support grant	0	0	57 000		(57 000)		0	0	-
Emergency Housing Program		-	2 329 401		(633 765)		1 695 636	1 695 636	-
Library Services	0	0	6 732 000		(6 732 000)		0	0	-
Library Services Replacement Grant	0	0	548 000		(535 965)	(12 035)	0	0	-
Rosevalley Library Grant	-	-					-	-	-
Maintenance Main Road Subsidy	6	6	170 000		(170 000)		6	6	-
WC Municipal Financial Management Capacity Building Grant	-	-					-	-	-
Municipal Service Delivery and Capacity Building grant		-	500 000			(500 000)	-	-	-
Local Government Graduate Internship Grant	0	0					0	0	-
Fire Service Capacity Building Grant	0	0	1 911 000			(1 911 000)	0	0	-
Thusong Service Centre Grant	150 000	150 000	120 000		(140 000)		130 000	130 000	-
Western Cape Financial Management Capability Grant	-	-	2 200 000		(2 000 000)		200 000	200 000	-
Fire Service Capacity Grant	-	-					-	-	-
Municipal Water Resilience Grant		-	3 000 000			(3 000 000)	-	-	-
Development of Sport & Recreational Facilities	-	-	344 685			(201 190)	143 495	143 495	-
Total Provincial Government Grants	150 007	150 007	17 912 086	-	(10 268 730)	(5 624 225)	2 169 139	2 169 139	(0)
<u>Other Grant Providers</u>									
ASLA Rosevalley Library Contribution	267 426	267 426					267 426	267 426	-
Total Other Grant Providers	267 426	267 426	-	-	-	-	267 426	267 426	-
Total Grants	27 320 829	27 320 829	150 439 086	(67 393)	(137 926 753)	(36 095 325)	3 670 445	3 670 446	(1)

The Unspent Grants are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received. No grants were withheld.

Oudtshoorn Municipality - Reconciliation of Table A1 Budget Summary

Description	2023/24							2022/23
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
	1	2	3	4	6	7	8	12
R thousands								
Financial Performance								
Property rates	127 770	402	128 172	128 895	723	100.6%	100.9%	116 473
Service charges	483 092	(9 868)	473 224	460 208	(13 016)	97.2%	95.3%	408 896
Investment revenue	6 407	4 750	11 157	14 999	3 842	134.4%	234.1%	11 878
Transfers recognised - operational	112 342	28 701	141 042	137 929	(3 114)	97.8%	122.8%	102 862
Other own revenue	114 048	11 579	125 626	68 816	(56 810)	54.8%	60.3%	52 733
Total Revenue (excluding capital transfers and contributions)	843 659	35 563	879 222	810 847	(68 375)	92.2%	96.1%	692 842
Employee costs	321 513	(67)	321 446	295 730	(25 716)	92.0%	92.0%	282 248
Remuneration of councillors	12 485	–	12 485	12 576	91	100.7%	100.7%	11 375
Depreciation & asset impairment	50 262	4 253	54 514	50 916	(3 598)	93.4%	101.3%	53 248
Finance charges	6 956	1 569	8 525	11 380	2 855	133.5%	163.6%	10 726
Materials and bulk purchases	328 090	12 358	340 447	303 473	(36 975)	89.1%	92.5%	229 275
Transfers and grants	2 909	2 379	5 289	3 303	(1 986)	62.5%	113.5%	3 003
Other expenditure	154 283	11 755	166 038	133 980	(32 058)	80.7%	86.8%	109 522
Total Expenditure	876 497	32 247	908 744	811 358	(97 387)	89.3%	92.6%	699 398
Surplus/(Deficit)	(32 838)	3 316	(29 523)	(511)	29 012	1.7%	1.6%	(6 556)
Transfers recognised - capital	35 897	1 846	37 742	36 094	(1 649)	95.6%	100.5%	79 980
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	722
Surplus/(Deficit) after capital transfers & contributions	3 058	5 162	8 220	35 583	27 363	432.9%	1163.5%	74 147
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	3 058	5 162	8 220	35 583	27 363	432.9%	1163.5%	74 147
Capital expenditure & funds sources								
Capital expenditure								
Transfers recognised - capital	31 214	1 573	32 787	31 384	(1 403)	95.7%	100.5%	69 471
Public contributions & donations	–	–	–	–	–	–	–	107
Borrowing	17 200	557	17 757	15 887	(1 870)	89.5%	92.4%	26 236
Internally generated funds	11 075	6 748	17 823	13 961	(3 861)	78.3%	126.1%	15 309
Total sources of capital funds	59 490	8 877	68 367	61 233	(7 134)	89.6%	102.9%	111 123
Cash flows								
Net cash from (used) operating	47 470	(13 449)	34 021	67 325	33 304	197.9%	141.8%	87 223
Net cash from (used) investing	(59 127)	(8 649)	(67 776)	(54 150)	13 625	79.9%	91.6%	(104 411)
Net cash from (used) financing	(1 300)	–	(1 300)	1 584	2 884	-121.8%	-121.8%	2 386
Cash/cash equivalents at the year end	41 349	52 728	94 077	143 889	49 812	152.9%	348.0%	129 131

Oudtshoorn Municipality - Reconciliation of Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Description	2023/24							2022/23
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
R thousand	1	2	3	4	6	7	8	12
Revenue - Standard								
<i>Governance and administration</i>	#####	8 939	243 378	240 706	(2 671)	98.9%	#VALUE!	233 100
Executive and council	100 172	8 137	108 309	106 446	(1 863)	98.3%	106.3%	112 595
Finance and administration	134 267	802	135 069	134 260	(809)	99.4%	100.0%	120 505
<i>Community and public safety</i>	23 129	12 919	36 048	34 146	(1 902)	94.7%	147.6%	30 860
Community and social services	7 861	815	8 677	7 914	(763)	91.2%	100.7%	6 847
Sport and recreation	1 253	381	1 634	1 366	(268)	83.6%	109.1%	1 124
Public safety	14 015	9 393	23 409	24 866	1 458	106.2%	177.4%	22 889
Housing		2 329	2 329	–	(2 329)	0.0%	0.0%	–
<i>Economic and environmental services</i>	27 210	(1 039)	26 171	26 041	(130)	99.5%	95.7%	36 438
Planning and development	120	650	770	640	(130)	83.1%	100.0%	1 870
Road transport	27 090	(1 689)	25 401	25 401	–	100.0%	93.8%	34 568
<i>Trading services</i>	594 777	16 590	611 367	549 153	(62 214)	89.8%	92.3%	500 716
Energy Sources	329 402	(8 045)	321 357	313 500	(7 857)	97.6%	95.2%	290 380
Water Management	161 180	23 685	184 865	124 500	(60 366)	67.3%	77.2%	128 645
Waste water management	59 350	–	59 350	56 026	(3 324)	94.4%	94.4%	46 297
Waste management	44 845	950	45 795	55 127	9 332	120.4%	122.9%	35 393
Total Revenue - Standard	#VALUE!	37 409	916 964	850 047	(66 918)	92.7%	#VALUE!	801 114
Expenditure - Standard								
<i>Governance and administration</i>	212 953	(6 603)	206 350	189 432	(16 918)	91.8%	89.0%	163 586
Executive and council	102 165	(4 834)	97 331	94 905	(2 426)	97.5%	92.9%	78 658
Finance and administration	107 957	(1 782)	106 175	91 699	(14 476)	86.4%	84.9%	82 177
Internal audit	2 830	14	2 844	2 827	(16)	99.4%	99.9%	2 750
<i>Community and public safety</i>	125 255	17 538	142 792	133 186	(9 606)	93.3%	106.3%	128 555
Community and social services	24 045	1 448	25 492	53 905	28 412	211.5%	224.2%	24 465
Sport and recreation	48 741	1 418	50 158	28 290	(21 868)	56.4%	58.0%	37 931
Public safety	37 379	12 638	50 017	50 991	975	101.9%	136.4%	51 499
Housing	15 091	2 034	17 125	–	(17 125)	0.0%	0.0%	14 660
<i>Economic and environmental services</i>	64 207	29 188	93 395	83 858	(9 536)	89.8%	130.6%	63 808
Planning and development	19 730	1 285	21 016	18 400	(2 615)	87.6%	93.3%	22 684
Road transport	44 476	27 903	72 379	65 458	(6 921)	90.4%	147.2%	41 124
<i>Trading services</i>	474 084	(7 875)	466 208	407 987	(58 221)	87.5%	86.1%	371 018
Energy Sources	291 467	(10 718)	280 750	283 788	3 039	101.1%	97.4%	247 679
Water Management	115 660	2 866	118 526	60 308	(58 218)	50.9%	52.1%	56 580
Waste water management	30 133	(1 668)	28 465	29 266	801	102.8%	97.1%	31 018
Waste management	36 823	1 645	38 468	34 625	(3 842)	90.0%	94.0%	35 741
<i>Other</i>		–		–	–	0.0%	0.0%	–
Total Expenditure - Standard	876 497	32 247	908 744	814 464	(94 281)	89.6%	92.9%	726 967
Surplus/(Deficit) for the year	#VALUE!	5 162	8 220	35 583	27 363	432.9%	#VALUE!	74 147

Oudtshoorn Municipality - Reconciliation of Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	2023/24								2022/23
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
	1	2	3	4	5	6	7	8	12
Revenue by Vote									
Executive & Council	–	–	–	–		–	0.0%	0.0%	96 583
Municipal Manager	82 901	5 707	88 609	87 236		(1 373)	98.5%	105.2%	16 012
Corporate Services	699	200	899	563		(336)	62.6%	80.5%	832
Financial Services	132 572	402	132 974	133 697		723	100.5%	100.8%	119 673
Community and Public Safety	66 722	11 503	78 225	87 548		9 323	111.9%	131.2%	66 253
Infrastructure Services	577 022	13 951	590 973	519 427		(71 546)	87.9%	90.0%	–
Technical Services	–	–	–	–		–	0.0%	0.0%	499 891
Human Settlement	–	–	–	–		–	0.0%	0.0%	–
Planning & Development	19 639	5 645	25 285	21 576		(3 708)	85.3%	100.0%	–
Strategic Services	–	–	–	–		–	0.0%	0.0%	1 870
Total Revenue by Vote	879 555	37 409	916 964	850 047		(66 918)	92.7%	96.6%	801 114
Expenditure by Vote									
Executive & Council	–	–	–	–	–	–	#DIV/0!	#DIV/0!	60 576
Municipal Manager	95 526	(4 844)	90 683	85 769	–	(4 914)	94.6%	89.8%	21 916
Corporate Services	29 281	1 156	30 437	26 116	–	(4 321)	85.8%	89.2%	29 260
Financial Services	60 584	(2 828)	57 756	53 215	–	(4 541)	92.1%	87.8%	45 314
Community and Public Safety	140 562	17 218	157 780	150 215	–	(7 565)	95.2%	106.9%	149 636
Technical Services	140 562	(140 562)	–	–	–	–	0.0%	0.0%	382 921
Infrastructure Services	490 156	18 288	508 444	445 866	–	(62 579)	87.7%	91.0%	–
Human Settlement	–	–	–	–	–	–	0.0%	0.0%	14 660
Planning & Development	60 388	3 256	63 645	53 284	–	(10 361)	83.7%	88.2%	–
Strategic Services	–	–	–	–	–	–	0.0%	0.0%	22 684
Total Expenditure by Vote	1 017 059	(108 315)	908 744	814 464	–	(94 281)	89.6%	80.1%	726 967
Surplus/(Deficit) for the year	(137 504)	145 724	8 220	35 583		27 363	432.9%	-25.9%	74 147

Oudtshoorn Municipality - Reconciliation of Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2023/24							2022/23
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
R thousand								
Revenue By Source								
Exchange Revenue	534 977	(1 531)	533 447	522 419	(11 027)	97.9%	97.7%	461 607
Service charges - Electricity	318 619	(9 259)	309 360	303 270	(6 090)	98.0%	95.2%	280 089
Service charges - Water	81 214	(1 559)	79 655	73 712	(5 943)	92.5%	90.8%	70 499
Service charges - Waste Water Management	48 857	–	48 857	45 309	(3 547)	92.7%	92.7%	35 771
Service charges - Waste Management	34 403	950	35 353	41 708	6 356	118.0%	121.2%	25 733
Sale of Goods and Rendering of Services	25 118	2 779	27 897	23 847	(4 050)	85.5%	94.9%	20 013
Agency services	7 454	–	7 454	5 622	(1 832)	75.4%	75.4%	5 647
Interest earned from Receivables	9 246	–	9 246	6 771	(2 475)	73.2%	73.2%	6 153
Interest earned from Current and Non Current Assets	6 407	4 750	11 157	14 999	3 842	134.4%	234.1%	11 878
Rental from Fixed Assets	2 534	163	2 697	3 672	975	136.1%	144.9%	3 541
Licence and permits	445	–	445	454	9	102.1%	102.1%	381
Operational Revenue	681	645	1 326	3 054	1 727	230.2%	448.5%	1 902
Non-Exchange Revenue	308 682	37 094	345 775	291 206	(54 569)	84.2%	94.3%	258 805
Property rates	127 770	402	128 172	131 881	3 709	102.9%	103.2%	119 168
Fines, penalties and forfeits	4 700	9 408	14 109	16 228	2 119	115.0%	345.3%	15 318
Licences or permits	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational	112 342	28 701	141 042	138 435	(2 608)	98.2%	123.2%	103 338
Other Gains	63 870	(1 418)	62 452	4 662	(57 790)	7.5%	7.3%	20 980
Total Revenue (excluding capital transfers and contributions)	843 659	35 563	879 222	813 626	(65 596)	92.5%	96.4%	720 411
Expenditure By Type								
Employee related costs	321 513	(67)	321 446	295 730	(25 716)	92.0%	92.0%	282 248
Remuneration of councillors	12 485	–	12 485	12 576	91	100.7%	100.7%	11 375
Bulk purchases - electricity	249 000	(12 000)	237 000	245 606	8 606	103.6%	98.6%	201 997
Inventory consumed	79 090	24 358	103 447	57 867	(45 580)	55.9%	73.2%	27 277
Debt impairment	(3 573)	12 023	8 450	8 063	(388)	95.4%	-225.7%	6 589
Depreciation and amortisation	50 262	4 253	54 514	53 695	(819)	98.5%	106.8%	53 248
Finance Charges	6 956	1 569	8 525	11 380	2 855	133.5%	163.6%	10 726
Contracted services	41 500	(2 189)	39 311	30 830	(8 480)	78.4%	74.3%	28 439
Transfers and subsidies	2 909	2 379	5 289	3 303	(1 986)	62.5%	113.5%	3 003
Irrecoverable debts written off	20 118	335	20 453	21 398	945	104.6%	106.4%	37 993
Operational costs	81 474	1 758	83 232	66 694	(16 537)	80.1%	81.9%	62 699
Losses on disposal of Assets	–	–	–	6 994	6 994	–	–	1 371
Other Losses	14 764	(172)	14 592	–	(14 592)	0.0%	0.0%	–
Total Expenditure	876 497	32 247	908 744	814 137	(94 608)	89.6%	92.9%	726 967
Surplus/(Deficit)	(32 838)	3 316	(29 523)	(511)	29 012	1.7%	1.6%	(6 556)
allocations)	35 897	1 846	37 742	36 094	–	95.6%	100.5%	79 980
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	722
Surplus/ (Deficit) for the year	3 058	5 162	8 220	35 583	29 012	432.9%	1163.5%	74 147

Oudtshoorn Municipality - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	2023/24							2022/23
	Original Budget	Total Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
	1	2	3	4	6	7	8	12
Capital expenditure - Vote								
Multi-year expenditure								
Community And Public Safety	11 691	–	10 596	8 043	(2 552)	76%	69%	12 872
Infrastructure Services	19 511	–	25 208	24 950	(258)	99%	128%	67 393
Planning & Development	200	–	524	–	(524)	0%	0%	–
Capital multi-year expenditure	31 402	–	36 327	33 033	–	91%	105%	–
Single-year expenditure								
Municipal Manager	30	–	30	43	13	144%	144%	–
Corporate Services	800	–	800	764	(36)	95%	95%	186
Financial Services	1 100	414	1 514	1 297	(217)	86%	118%	1 261
Community And Public Safety	5 862	837	6 699	4 450	(2 249)	66%	76%	4 611
Infrastructure Services	19 696	2 406	22 101	20 902	(1 199)	95%	106%	23 228
Planning & Development	600	–	896	744	–	83%	124%	1 918
Capital single-year expenditure	28 087	3 657	32 040	28 199	(3 689)	88%	100%	31 204
Total Capital Expenditure - Vote	59 490	3 657	68 367	61 233	(3 689)	90%	103%	31 204
Capital Expenditure - Standard								
Governance and administration	2 230	654	2 884	2 143	–	74%	96%	1 447
Executive and council	330	240	570	83	(487)	0%	25%	–
Finance and administration	1 900	414	2 314	2 060	(254)	89%	108%	1 447
Community and public safety	17 652	(258)	17 395	12 588	(4 807)	72%	71%	17 483
Community and social services	–	212	212	12	(200)	6%	100%	1 397
Sport and recreation	12 291	(1 095)	11 196	9 313	(1 882)	83%	76%	15 386
Public safety	5 362	625	5 987	3 263	(2 724)	55%	61%	700
Economic and environmental services	14 551	4 106	18 656	18 513	(143)	99%	127%	14 542
Planning and development	400	379	779	649	(130)	83%	162%	1 918
Road transport	14 151	3 727	17 877	17 864	(13)	100%	126%	12 624
Environmental protection	–	–	–	–	–	0%	0%	–
Trading services	25 056	4 375	29 432	27 988	(1 444)	95%	112%	77 651
Energy Sources	3 000	1 276	4 276	3 089	(1 186)	72%	103%	9 718
Water Management	18 006	6 571	24 577	24 326	(251)	99%	135%	66 932
Waste water management	4 050	(3 471)	579	572	(6)	99%	14%	1 002
Total Capital Expenditure - Standard	59 490	8 877	68 367	61 233	(6 394)	90%	0%	111 123
Funded by:								
National Government	29 553	(1 983)	27 570	26 497	(1 073)	96%	90%	63 089
Provincial Government	1 662	3 356	5 017	4 887	(130)	97%	294%	6 278
Other transfers and grants	–	200	200	–	(200)	0%	100%	–
Transfers recognised - capital	31 214	1 573	32 787	31 384	(1 403)	96%	101%	69 471
Public contributions & donations	–	–	–	–	–	–	–	107
Borrowing	17 200	557	17 757	15 887	(1 870)	89%	92%	26 236
Internally generated funds	11 075	6 748	17 823	13 961	(3 861)	78%	126%	15 309
Total Capital Funding	59 490	8 877	68 367	61 233	(7 134)	90%	103%	111 123

Oudtshoorn Municipality - Reconciliation of Table A7 Budgeted Cash Flows

Description R thousand	2023/24							2022/23
	Original Budget	Budget Adjustments (i.t.o. s28)	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
	1	2	3	4	5	6	7	8
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	121 382	382	121 764	116 835	(4 929)	96.0%	96.3%	104 031
Service charges	472 619	(9 058)	463 560	444 796	(18 765)	96.0%	94.1%	380 807
Other revenue	37 961	4 542	42 503	40 783	(1 720)	96.0%	107.4%	32 837
Transfers and Subsidies - Operational	112 342	2 949	115 290	114 344	(947)	99.2%	101.8%	90 327
Transfers and Subsidies - Capital	35 897	345	36 241	36 095	(146)	99.6%	100.6%	79 980
Interest	6 407	4 750	11 157	23 597	12 440	211.5%	368.3%	19 739
Payments								
Suppliers and employees	(729 271)	(13 480)	(742 751)	(697 353)	45 398	93.9%	95.6%	(609 561)
Finance charges	(6 956)	(1 499)	(8 455)	(8 468)	(13)	100.2%	121.7%	(7 935)
Transfers and Grants	(2 909)	(2 379)	(5 289)	(3 303)	1 986	62.5%	113.5%	(3 003)
NET CASH FROM/(USED) OPERATING ACTIVITIES	47 470	(13 449)	34 021	67 325	33 304	197.9%	141.8%	87 223
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	–	–	–	13	13	100.0%	100.0%	–
Payments								
Capital assets	(59 127)	(8 649)	(67 776)	(54 163)	13 612	79.9%	91.6%	(104 411)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(59 127)	(8 649)	(67 776)	(54 150)	13 625	79.9%	91.6%	(104 411)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	17 200	–	17 200	17 200	–	100.0%	100.0%	20 700
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–
Payments								
Repayment of borrowing	(18 500)	–	(18 500)	(15 616)	–	84.4%	84.4%	(18 314)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 300)	–	(1 300)	1 584	–	-121.8%	-121.8%	2 386
NET INCREASE/ (DECREASE) IN CASH HELD	(12 956)	(22 098)	(35 054)	14 758				(14 802)
Cash/cash equivalents at the year begin:	54 305	74 826	129 131	129 131				143 933
Cash/cash equivalents at the year end:	41 349	52 728	94 077	143 889	49 812	0.0%	0.0%	129 131

Annexure B

Report of the Auditor General

Report of the auditor-general to the Western Cape Provincial Parliament and council on the Oudtshoorn Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Oudtshoorn Municipality set out on pages 5 to 109, 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 Oudtshoorn Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis 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 corresponding figures

7. As disclosed in note 41 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 impairments

8. As disclosed in note 8 to the financial statements, the municipality provided for the impairment of trade and other receivables from exchange transactions of R38,0 million (2022-23: R40,3 million).
9. As disclosed in note 9 to the financial statements, the municipality provided for the impairment of trade and other receivables from non-exchange transactions of R54,3 million (2022-23: R44,0 million).

Other matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

11. The supplementary information set out on pages 110 to 118 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 6, forms part of our auditor's report.

Report on the audit of the annual performance report

17. 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.
18. 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 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 5	13 to 14	To provide basic services to all residents in an environmentally sustainable manner

19. 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.

20. 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.
21. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
22. I did not identify any material findings on the reported performance information for the selected objective.

Report on compliance with legislation
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23. 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.
24. 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.

25. 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.
26. The material findings on compliance with selected legislative requirements, presented per compliance theme, as follows:

Procurement and contract management

27. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by supply chain management (SCM) regulation 19(a).
28. Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the statements, the auditor's report and the selected objective presented in the annual performance report that have been specifically reported on in this auditor's report.
30. 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.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected objective presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report on that fact.
33. I have nothing to report in this regard.

Internal control deficiencies

34. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

35. The matter reported below is limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
36. Monitoring of compliance with key legislation was not sufficient to prevent or detect instances of non-compliance relating to Supply Chain Management. Controls were also not adequate to prevent and detect irregular expenditure.

Other reports

37. 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.
38. An investigation is currently underway regarding the alleged receipt of a fictitious invoice amounting to R4 672 762 for undelivered goods and/or services. An investigation into the matter is ongoing.

Auditor-General

Cape Town

29 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 the selected objective and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	Section 1 Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 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) Sections 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), 122(2) Sections 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii) Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170 Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1)(a), 71(1)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)

Legislation	Sections or regulations
MFMA: Municipal Supply Chain Management Regulations, 2005	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 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), 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 (MSA)	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b) Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 54A(1)(a), 56(1)(a), 57(2)(a) Sections 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), 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)
MSA: Municipal Staff Regulations, 2021	Regulations: 7(1), 31
Division of Revenue Act 5 of 2023	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8)

Legislation	Sections or regulations
	Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Annexure C

Audit and Performance Audit

Committee Report

REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE OUDTSHOORN MUNICIPALITY FOR THE YEAR ENDING 30 JUNE 2024

The Audit Committee presents its report for the financial year ending 30 June 2024 as follows:

RESPONSIBILITY

The Oudtshoorn Municipality has constituted its Audit and Performance Audit Committee ('APAC') to function in terms of the provisions of Section 166 of the Municipal Finance Management Act, 2003 ("the MFMA") and to fulfil 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.

FUNCTIONS OF THE AUDIT COMMITTEE

The functions and duties of the Audit Committee are stipulated in the Audit Committee Charter. The Charter was approved by Council and is reviewed annually.

The APAC is an independent advisory body to the Council, 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 issue.

The APAC 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.

TERMS OF REFERENCE

The committee is constituted in terms of the requirements of sound corporate governance practices and operates in accordance with an approved APAC Charter that incorporates the specific requirements of section 166 of the MFMA. During April 2024, Council approved the revised Charter at its meeting, which Charter incorporates the stipulations of the MFMA Circular 65: Audit Committee and Internal Audit.

COMPOSITION OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

The APAC should comprise of five independent members. The Municipal Manager, Chief Financial Officer and the Executive Mayoral Committee have standing invitations to all meetings. Both the Internal and External auditors have unrestricted access to the AC.

At the end of 30 June 2024, the APAC consists of five members, namely:

1. Mr. LH Fourie – appointed 30 October 2023 as Chairperson, serving a second term of 3 years as from 1 December 2023.
2. Adv. D Block – appointed 30 October 2023, serving a second term of 3 years as from 1 December 2023.
3. Mr. P Hayward – appointed 30 October 2023, serving a second term of 2 years as from 1 December 2023.
4. Mr P Barnard – appointed 30 October 2023, serving a first term of 3 years as from 1 December 2023.
5. Ms R Ewerts - appointed 30 October 2023, serving a first term of 3 years as from 1 December 2023.

AUDIT COMMITTEE ACTIVITIES

The Audit Committee met 5 times during the financial year ended 30 June 2024 and has carried out the following functions in terms of its charter:

1. Reviewed and amended the Audit Committee charter.
2. Reviewed and approved the risk based annual internal audit plan.
3. Reviewed all internal audit reports issued.
4. Reviewed the reporting by internal audit on performance management and performance information.
5. Issued reports and recommendations to Council on performance management and performance information.
6. Reviewed the annual financial statements on 30 June 2023, the Report of the Auditor-General (hereinafter referred to as the A-G) on the Annual Financial Statements and the findings of the A-G on predetermined objectives and compliance with certain laws and regulations, and their detailed Final Management Letter.
7. Attended the mid-year and final Performance Assessments of the Section 56 appointees
8. Performed assessments on the effectiveness of the Committee for review and comment by the Municipal Manager and for presentation to the Council.
9. Considered other matters as deemed appropriate.

Meeting dates:

1. 24 August 2023,
2. 27 September 2023,
3. 5 December 2023,
4. 26 March 2024 and
5. 26 June 2024.

Based on internal audit reports tabled at APAC meetings and with engagements with management at meetings the committee summarize the following for each oversight.

Council must bear in mind that internal audit activities are the main source for oversight conclusions and to ultimately advice Council. As the Auditor General stipulates in their report the fact that internal audit is not properly capacitated to provide full and sufficient assurance on various aspects.

OVERSIGHT: FINANCIAL ISSUES AND REPORTING

2022/23 EXTERNAL AUDIT PROCESS

The municipality received an unqualified without findings audit opinion – A CLEAN AUDIT - for the 2022/23 financial year. An unqualified audit outcome without findings means that the financial statements do not contain material misstatements and no material issues on compliance and performance management. The previous financial year (2021/22) the municipality received an unqualified audit outcome with findings.

The Committee can report that recommendations made by the Auditor General have been successfully rectified or implemented. At the committee meeting dated 26 June 2024 the progress as reported was 88.33%. The outstanding matters at year end relates to actions that take longer to address.

The result achieved in receiving a clean audit indicates that all matters were successfully addressed!

FINANCIAL POSITION OF THE MUNICIPALITY

The financial position of the municipality as at May 2024 remained stable compared to the previous financial year.

The municipality will however have to keep practising good financial management disciplines which include daily expenditure monitoring, effective debt collection and protecting its income base. Decisions made by Council and management must always meet the principle of affordability.

OVERSIGHT: PRE-DETERMINED OBJECTIVES/PERFORMANCE INFORMATION

Performance management is a process which seeks to measure the implementation of the municipality's organizational strategy. It is also a management tool designed to plan, monitor, measure and review the performance of the various departments and it provides the mechanism to measure whether the strategic goals and objectives of the municipality have been met.

The Committee distinguishes between:

- (a) Organisational performance, which is monitored and evaluated via the SBDIP and
 - (b) Individual performance management, which monitors and evaluates the performance of the municipal manager, managers reporting to the municipal manager, and other employees.
- The Committee unequivocally endorses the priority implementation of all recommendations made by the Internal and External Auditors.
 - Increased investment in time and financial and human resources are required to implement the recommendations suggested by this Committee, and Internal Audit, so that the system may continue to mature and the individual employees of the Municipality benefit from its introduction.
 - The Committee would like to see that the performance requirements contained in the performance agreements of the sec 56 employees be modified, so that every director is held directly responsible and accountable for the overall performance of his/her staff.
 - Performance management and measurement have been extended to include all levels of staff.

OVERSIGHT: RISK MANAGEMENT

Risk Management is a logical and systematic process of identifying risks that might affect organizational goals and to implement actions in mitigating losses. As such, it requires the commitment of the administrative, political and other stakeholders.

Risk management, by implication, is a management function, and at the Oudshoorn Municipality, the Municipal Manager as Accounting Officer is primarily responsible for risk management of the Municipality. In addition, the various departments as well as individual employees, should all be committed to and actively be involved in this critical aspect of municipal administration.

Internal audit did not issue a report in this financial year but quarterly provide reports from the Chief Risk Officer on the status amongst others risk assessments and review risk treatment plans.

The Audit Committee records its concerns regarding the following matters highlighted in these reports:

- a) The need for ongoing monitoring and management of identified risks in a more rigorous and structured manner to reduce risks of financial loss and reputational damage to the Municipality.
- b) The potential impact of risks highlighted that are associated with lack of skills and funding; and
- c) Control deficiencies regarding Human Resource issues like staff appointments, leave management and overtime management.

During the financial year Council appointed a Chief Risk Officer in the vacant position.

The Audit Committee since the appointment received regular feedback on the risk related issues. The following is an extract from the Audit Committee meeting dated 26 June 2024 regarding risk management:

The following documentation was provided by the Chief Risk Officer (CRO) for consideration by the Audit Committee. CRO to elaborate during the meeting.

- ***Feedback of risk management committee held 25 April 2024.***
- ***Strategic risk universe***
- ***Minutes of a risk management meeting held on 22 February 2024***

OVERSIGHT: GOVERNANCE AND ETHICS

The APAC considered one internal audit report for this period. Specific issues were raised in the report regarding the status of, inter alia:

1. The system of delegations to be updated.
2. The different codes of conduct applicable to staff and councillors being applied vigorously.

The Ethics Committee, which was established during the previous year, did not meet as at year-end, it is expected to add value to the good governance culture which needs to be applied throughout the municipality. The governance culture should include that the municipal directors remain accountable to ensure that the municipality complies with applicable laws and adhere to non-binding rules, codes and standards.

OVERSIGHT: COMPLIANCE

The Committee considered one report issued by Internal Audit with regard to the Division of Revenue Act (DoRA) and compliance with other legislation and regulations is part of other assignments. APAC recommend that Departments must ensure adherence with grant conditions and compliance with legislation which will support a clean external audit outcome.

OVERSIGHT: INTERNAL CONTROLS AND IT

The APAC considered various reports issued by Internal Audit. The municipality, as a regulated organization, has adequate controls in place but controls might not be efficient, effective or not applied. Control deficiencies as identified by internal audit are being monitored via audit finding registers to ensure recommendations are implemented. Management do implement recommendations but there are also circumstances which prevent timeous implementation.

Although the AC found the existence of controls, the committee recommend and encourage more sufficient and effective controls for these systems, procedures. Up to date standard operating procedures, policies and job descriptions is in certain instances work in progress, this is a must and remain necessary to improve the control environment.

With regard to information technology, internal audit did issue a report on general access controls and the importance of good control evaluations in future of all IT activities. Information technology auditing will be more important in future which will require skills from the internal audit activity.

SPECIAL INVESTIGATIONS

Special investigations conducted by internal audit are not material and have been tabled at APAC meetings.

OTHER RELEVANT ISSUES THAT MAY ENHANCE GOVERNANCE AND ACCOUNTABILITY

INTERNAL AUDIT

Internal audit is an important assurance provider and the need to allocate more resources to this unit will ensure more assurance.

APAC requested that the increase of the funding of the global assurance functions be considered by Council to ensure the maintenance/improvement of assurance.

APAC is of the view that the internal audit unit is functioning independent, but more resources is required to ensure conformance with the IIA standards and to balance the principle of sufficient resources to do assurance and on the other hand to ensure quality or conformance with the standards.

An external assessment is planned to be conducted in the 2025/26 financial year.

APAC RECOMMENDATIONS OR CONSIDERATIONS

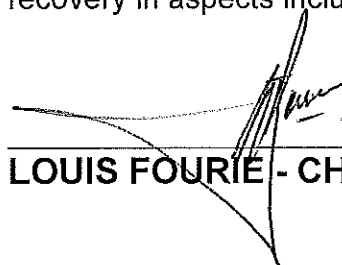
The Municipal Finance Management Act, Act 56 of 2003 section 166 stipulates that APAC is an advisory body which must advice; the committee highlight the following aspects:

- Continuity in leadership on both the political and managerial levels.
- Infrastructure spending must increase.
- Retain skills to provide services.
- Monitor finance to ensure remaining a going concern.
- Set the example for productivity and performance.

CONCLUSION

The committee acknowledges that the environment within which management is operating is difficult given the economic environment and the implications thereof to the municipality in general.

The committee extends its congratulations to management for their efforts and achievements under difficult circumstances. The municipality is still on a road of recovery in aspects including the administration, stable leadership and management.


LOUIS FOURIE - CHAIRPERSON

28/8/2024
DATE