Oudtshoorn Municipality

Annual Report

2024/25

Contents

CHAPTER 1

MAYOR'S FOREWORD

It is my privilege to present the 2024/2025 Annual Report of the Greater Oudtshoorn Municipality. This report is prepared in accordance with the Constitution of the Republic of South Africa, 1996, the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), as well as the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), and serves as a formal public account of our governance practices, performance and accountability.

Local government constitutes the foundation of democratic service delivery and developmental governance. The 2024/2025 Annual Report reflects a financial year in which communities were not regarded merely as recipients of services, but as active partners in decision-making, priority setting and local development. Through deliberate public participation, collaboration and transparent processes, communities were strengthened, their voices amplified, and their role within local government meaningfully deepened.

This Annual Report articulates a transparent and accountable development trajectory for a stronger, more cohesive and forward-looking Oudtshoorn – one that promotes economic growth, social cohesion and institutional stability.

The contents of this report attest to a governance approach firmly grounded in the principle of subsidiarity, in which decisions and responsibilities are exercised as close as possible to the directly affected communities. This affirms a system of governance that goes beyond administration, deliberately enabling local solutions, community initiative and accountable leadership at the grassroots level.

The Municipality's commitment to values-driven and ethical governance, as enshrined in its vision and mission, was not merely aspirational but found tangible expression during the 2024/2025 financial year. This commitment was formally validated by the Auditor-General of South Africa through the awarding of a clean audit opinion, providing objective and authoritative confirmation of sound financial management, adequate internal controls and full legislative compliance.

Our ongoing efforts to strengthen the system of local government and to promote inclusive community participation in governance processes are clearly reflected throughout this report. A sustained focus on cooperation among Council, administration, organised civil society, and the business sector has fostered a more responsive, accessible, and people-centred municipality.

The support of the National Department of Small Business Development for the planned establishment of an airport logistics hub at Oudtshoorn Airport represents a tangible manifestation of our strategic commitment to sustainable job creation, economic diversification, tourism growth, and the protection and development of the local business sector.

Sport, as a catalyst for economic activity and community development, also made a significant contribution during the reporting period. In the first five months of 2025 alone, sport tourism activities generated an estimated income of at least R99 million for the Greater Oudtshoorn area, according to South African Tourism figures. The growing demand to host additional national and provincial sporting events in Oudtshoorn further confirms the Municipality's increasing stature as a preferred destination for sport and events tourism.

During the 2024/2025 financial year, I placed deliberate emphasis on strengthening communication within the Municipality and between the Municipality and the community it serves. In line with the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), which promotes public participation and access to information, steps are being taken to modernise our communication platforms, ensure that the municipal website remains up to date, and provide residents with timely, accurate and accessible information. We owe our communities open, transparent and effective communication as a fundamental pillar of accountable governance.

In conclusion, this Annual Report affirms my vision of a system of local government that is inclusive, trust-based and opportunity-driven. It reflects a municipality that plans with its communities, grows alongside them, and works collectively towards a resilient, prosperous and united Oudtshoorn.

Executive Mayor – Greater Oudtshoorn Municipality

Alderman Johan Allers

Oudtshoorn Municipality

Executive Summary

1.1 Municipal Manager's Overview

In terms of section 121 of the Municipal Finance Management Act (MFMA) and MFMA Circular 63, I have the honour to present the Annual Report of Oudtshoorn Municipality for the 2024/25 financial year.

The 2024/25 financial year represents a period of sustained progress and institutional stability for Oudtshoorn Municipality. Despite a challenging local government environment marked by increasing service delivery demands and constrained resources, the Municipality remained steadfast in its commitment to good governance, financial sustainability, and responsive service delivery.

I am pleased to report that Oudtshoorn Municipality achieved a clean audit outcome for the 2024/25 financial year. This achievement reflects a sound internal control environment, effective financial management practices, and consistent compliance with applicable legislation, including the MFMA and related regulations. The clean audit outcome confirms the reliability of the Municipality's financial reporting and the effectiveness of its governance, risk management, and internal control systems.

Progress was also made in the delivery of basic services and the implementation of key programmes as outlined in the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP). The Municipality continued to prioritise infrastructure maintenance, financial sustainability, and community-focused initiatives to improve residents' quality of life. The Municipality focused on, but was not limited to, the infrastructure projects summarised below:

Project ID	Project Name	2023/24			2024/25		
		MIG Budget	Expenditure	Balance	Budget	Expenditure	Progress
		(R'000)					(%)
520149	Bongolethu: wards 4,6 & 8: Upgrading of Asbestos Water Pipe Infrastructure:Ph2	R39 100	R 0.00	R39 100	R12 468	R9 183	33%
504261	Bongolethu: wards 4,5 &6: Upgrading of Roads, Stormwater & Sidewalks	R30 049	R11 328	R18 720	R9 360	R9 286	100%
338856	Bongolethu Sport Ground: Upgrading of the Sport Field	R12 195	R8 395	R1 605	R1 605	R1 605	100%
	PMU	R1 237			R1 237	R1 237	
Total					**R24 669**	**R21 311**	

There were also some key milestones and achievements within Human Settlements for the 2024/25 financial year.

1. Dysselsdorp Housing Project – Major Delivery Milestones

In March 2025, 39 serviced sites were handed over to beneficiaries. This was followed in May 2025 by the handover of 24 top structures to 24 beneficiaries. Overall, the project delivered 483 top structures and 39 serviced sites, resulting in a total of 522 housing opportunities provided to beneficiaries. This project significantly advanced access to formal housing and improved living conditions in the area.

2. Bongolethu Consolidation Project – Progress and Handovers

Construction progressed steadily, with Asla commencing demolition of old structures in November 2024 and starting top structures in January 2025. By June 2025, 21 houses were handed over to beneficiaries, with the final 4 units completed and handed over on 11 July 2025. This consolidation effort enhanced housing quality and consolidation in Bongolethu. It should also be noted that this project was on the books for years and the completion of this project was not just a milestone for the Human Settlements division but also for the town itself.

3. Title Deeds Handover and Rural Sanitation Improvements

During the 2024/25 financial year, 115 title deeds were successfully handed over to rightful beneficiaries across various areas in the Greater Oudtshoorn Municipality (out of 534 held). This restored ownership security and dignity for many households. Additionally, funding of R500 000 was secured from our Provincial department and utilised to construct flush toilets with septic tanks in three rural areas, greatly enhancing dignity and basic sanitation for residents.

These points showcase tangible delivery in housing infrastructure, beneficiary empowerment, and service upgrades despite noted challenges (e.g., deceased owners, informal rentals/sales), where the section took service delivery to the doorstep of these beneficiaries in order to walk the extra mile as a positive action towards the restoration of dignity of our people.

These outcomes were achieved through collective effort and disciplined execution. The oversight role played by Council, supported by the Audit Committee and the Municipal Public Accounts Committee (MPAC), significantly strengthened accountability and transparency across the organisation.

Oudtshoorn Municipality

While notable progress has been made, the Municipality remains cognisant of key strategic risks that may impact future performance, including financial sustainability, ageing infrastructure, skills capacity, and external economic and environmental factors. Management remains committed to proactively addressing these risks to ensure organisational resilience and continuity of service delivery.

I wish to express my sincere appreciation to all municipal employees for their dedication, professionalism, and commitment during the year under review. Their contribution has been central to the Municipality's service delivery achievements and clean audit outcome. I also extend my gratitude to the Executive Mayor, Councillors, and all stakeholders for their continued support and cooperation.

As we move forward, Oudtshoorn Municipality remains committed to consolidating the gains achieved, strengthening institutional capacity, and delivering sustainable services in line with the principles of good governance and developmental local government.

Municipal Manager

M Yekani

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 2024/25 Annual Report reflects on the performance of the Municipality for the period 1 July 2024 to 30 June 2025. 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**	47.9%	48.7%	47.7%
	Females	52.1%	51.3%	52.3%
Age Breakdown	**0 - 14**	28.7%	27.7%	25.2%
	15 - 64	64.2%	65.1%	66.9%
	65+	7.2%	7.2%	8%
Source: Community Survey 2016; 2024/25 IDP; Census 2022				

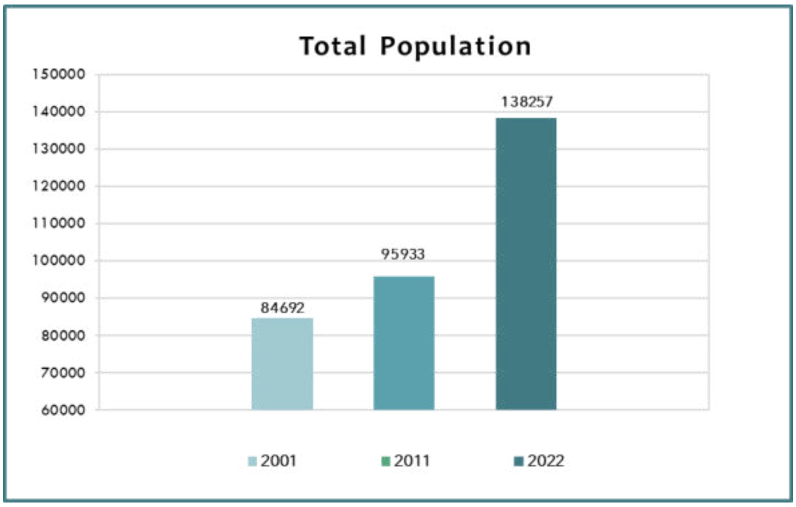
Table 1: Demographic Profile

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 forecasted 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

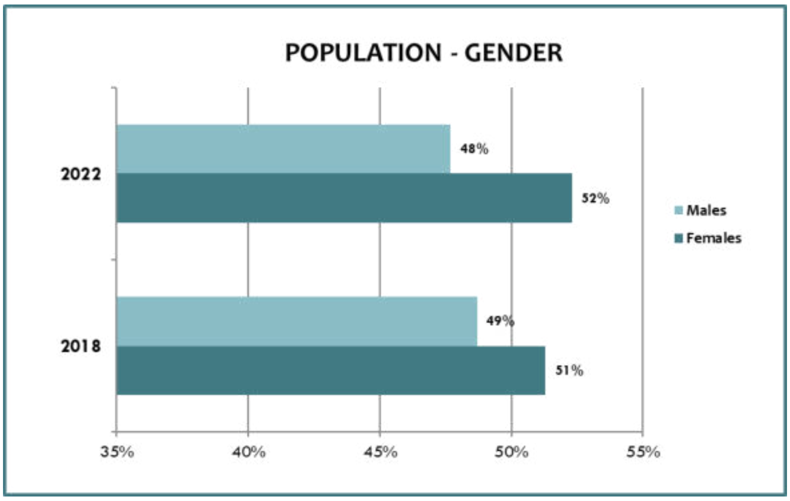
The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that as of 2022, there are more females than males in the Oudtshoorn municipal area with a ratio of 52.3% (females) to 47.7% (males). The sex ratio is therefore 91.3 meaning that for every 100 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 2018 / Census 2022		

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

Oudtshoorn Municipality



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	2022
	Total (%)		
Coloured	76.5	77.4	76.1
Black African	8.1	9.1	8
White	15.3	12.5	8.9
Indian or Asian	0.1	0.3	0.3
Source: Census 2001/2011/2022			

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 Garden Route District Municipality in the Western Cape Province. Since 5 December 2000, the Oudtshoorn municipal area has included the larger settlements of Oudtshoorn, Dysselsdorp, and De Rust as well as the smaller rural settlements of Volmoed, Schoemanshoek, Spieskamp, Vlakteplaas, 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 Cango 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 Bongolethu, with Bridgeton and Bongolethu 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.

Oudtshoorn Municipality

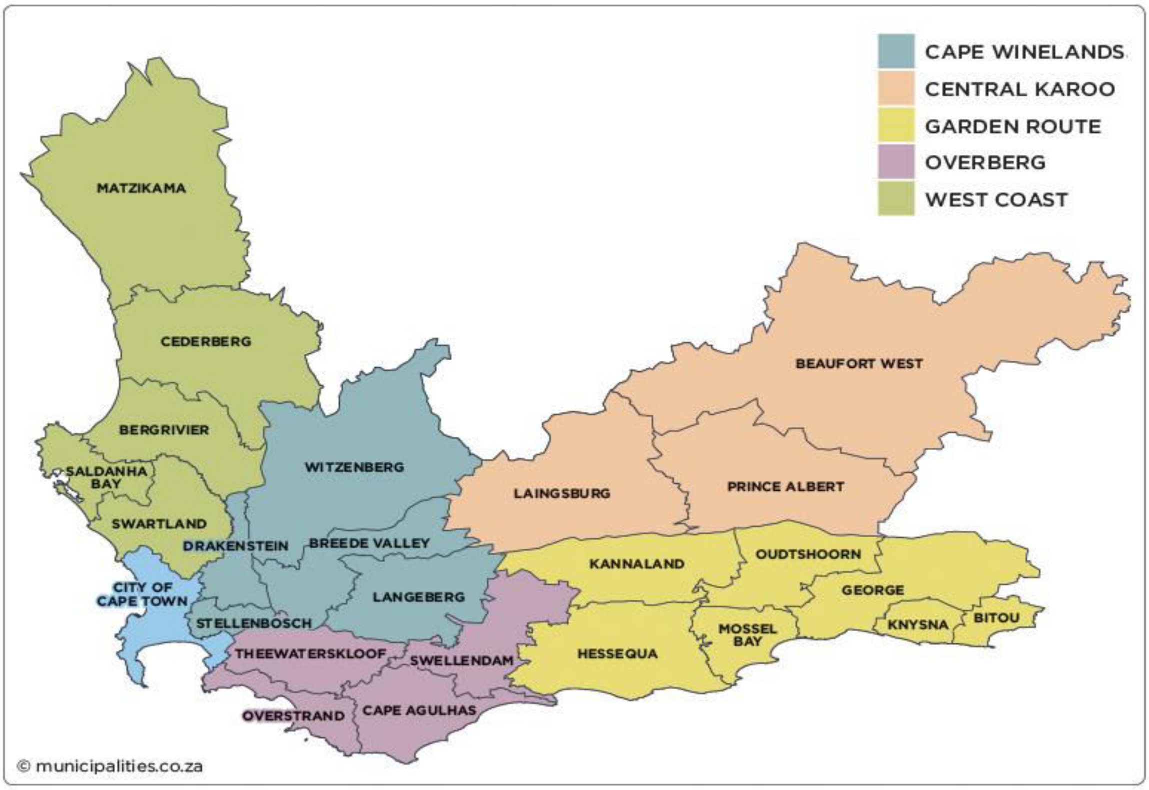
Wards

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, Bongolethu, Thabo Mbeki's Square, Toekomsrus
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	Bongolethu, part of Toekomsrus, 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, Rooiheuwel
13	Protea Hotel, Alpha, Bridgton Clinic, Bridgton Library, Bridgton Police Station

Table 4: Municipal Wards

Below maps of the Municipal area:



Oudtshoorn Municipality

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 local economy has grown substantially in recent years. The municipality's Gross Domestic Product (GDPR) was estimated at approximately R7.4 billion in 2021, reflecting significant expansion compared to earlier estimates from 2017. The economy continues to be driven mainly by finance, insurance, real estate and business services, manufacturing, and wholesale and retail trade, catering and accommodation, the latter also playing a critical role in employment. Employment remains concentrated in the wholesale and retail trade, catering and accommodation sector, followed by community, social and personal services, consistent with the municipality's service- and tourism-oriented profile. Despite economic growth, unemployment remains a challenge, with recent estimates around 25%. Oudtshoorn is a key cultural and tourism hub in the region. It hosts major events such as the Klein Karoo Nasionale Kunstefees (KKNK) and is home to the world-famous Cango Caves, which attract both local and international visitors. Its proximity to the coastal economic hub of George further strengthens tourism flows and regional economic linkages.
Tertiary Sector	In Oudtshoorn Local Municipality, the tertiary sector is the dominant contributor to the local economy, accounting for approximately 64.9 per cent of total GDPR based on the latest available sectoral data. This reflects Oudtshoorn's role as a regional service, trade and tourism centre. The secondary sector, valued at approximately R1.6 billion in 2017 (the most recent published figure), remains a significant contributor to the municipal economy, driven mainly by manufacturing and related activities. The primary sector is the smallest contributor, accounting for around 6.3 per cent of total GDPR. Despite its limited proportional contribution, the sector remains strategically important due to its linkages to agriculture, agro-processing and tourism, particularly the ostrich industry.
Manufacturing	The manufacturing sector remains an important contributor to economic activity in Oudtshoorn Local Municipality and plays a meaningful role in addressing unemployment. Historically, the sector has shown positive growth trends, contributing to net job creation during periods of economic expansion, particularly in agro-processing and related manufacturing activities linked to the local agricultural base. While manufacturing is not the largest employer in the municipality, its contribution is strategically significant due to its higher employment multipliers, opportunities for skills development, and strong linkages to the primary and tertiary sectors. As such, the sector remains a key focus area for local economic development initiatives aimed at strengthening industrial activity and expanding employment opportunities.
Agriculture	Agriculture in Oudtshoorn Local Municipality is historically centred on ostrich farming, which remains a defining feature of the local economy and an important contributor to rural employment and tourism. In response to market volatility in the ostrich industry and increasing climate pressures, diversification within the agricultural sector has accelerated. As alternatives to traditional ostrich farming, seed production, small-stock farming (particularly goats), and mixed farming systems have expanded in recent years. These activities have proven to be more climate-resilient and have contributed to improved income stability for farmers, supporting ongoing agricultural sustainability within the municipality.

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:

Service	Highlights	Description
Water Services	Network Upgrade	The Municipality continued its programme to replace ageing asbestos cement (AC) water pipelines. During the reporting period, significant progress was made with replacements along Park Avenue (from North Street to Hospital Street) and at various locations in Ward 8. These upgrades contribute to modernising the water reticulation network, reducing maintenance costs, and improving the reliability of water supply.
	Installation of Telemetry	The Municipality continued the installation of bulk water meters and a telemetry system during the reporting period. This initiative enhances real-time monitoring of water supply, improves the accuracy of consumption measurement, and supports efforts to reduce water losses across the water reticulation network.
	Upgrade of the KKRWSS	Upgrades and refurbishment of the Klein Karoo Rural Water Supply Scheme (KKRWSS) continued during the reporting period, including the replacement of control valves and steel bridge crossings, procurement of standby pumps for Vermaaksrivier boreholes, and upgrades to Motor Control Centres (MCCs). These interventions strengthen the reliability, operational efficiency, and resilience of the water supply scheme.
	Installation of Water Reticulation in rural areas	The Municipality extended water reticulation to underserved rural areas by installing approximately 3 km of pipeline in Schoemanshoek, providing permanent water supply to about 30 households previously reliant on tanker deliveries. Prepaid water meters were also installed in Blommetjieskloof to strengthen water management and ensure equitable service delivery.
Waste Water (Sanitation) Provision	Green Drop Assessment	The statutory three-yearly Green Drop audit was conducted during the reporting period, with final results still pending. Preliminary indications point to a significant improvement compared to the previous assessment, reflecting the Municipality's continued efforts to strengthen wastewater management practices, ensure compliance with national standards, and upgrade treatment facilities.
Electro Technical Services	Installation of Power Quality Meters in Substations	Vecto 3 Power Quality Meters were installed at the Unieplein and Schoemanshoek Substations. These installations enhance monitoring capabilities, enable accurate power quality

Service	Highlights	Description
		measurement, and support more efficient management of the electricity distribution network.
	Replacement of 11kV cable – Upgrade of Network	As part of the Municipality's ongoing programme to modernise and strengthen the electricity distribution network, ageing 11kV infrastructure was replaced with new 95mm² 3-core cables at key locations. A total of 165 metres was installed between the Museum and Olivier Substations, 100 metres between the SAP Substation and the Magistrate Metering Unit, and 500 metres along Park Road. These upgrades improve network reliability, reduce technical faults and outages, and increase capacity to support sustainable service delivery and future demand.
	Installation of new 315 kVA Minisub	A new 315 kVA minisubstation was installed in Botha Street to strengthen the local electricity distribution network. The installation increases supply capacity, accommodates growing demand, and enhances the reliability and efficiency of electricity service delivery to consumers.
	Upgrading of Substation Protection Equipment	New protection equipment was installed at the NA Smit and Bridgton Substations as part of the ongoing electricity network upgrade programme. These improvements enhance system safety, reduce the risk of equipment failure, and improve the reliability and stability of power supply to consumers.
	Electrical Masterplan	The Municipality updated its Electrical Masterplan to guide the sustainable development, upgrading, and maintenance of the electricity distribution network. The plan provides a strategic framework for future infrastructure investment, improved asset management, and the expansion of electricity services to meet growing demand across the Greater Oudtshoorn area.
	Dysselsdorp Phase 4 Electrification	As part of the electrification programme, 167 household electricity connections were completed in Dysselsdorp (Phase 4). The project expands access to electricity, improves living conditions for residents, and supports socio-economic development in the area.
Waste Management	Better Inter-Governmental Relations	The Municipality strengthened inter-governmental relations with the SANDF Infantry School and the Police College through improved service delivery support. Assistance included the provision of skips, weekly refuse removal, and refuse bags at the Police College, with similar waste management services extended to the SANDF Infantry School, reinforcing cooperation and enhancing community service delivery.
	Recycling Campaign	A successful recycling campaign was implemented at The Palms gated community in Ward 1 through a joint initiative between the Municipality's Environmental Officer and the Provincial Government, receiving recognition in the SALGA Western Cape Municipal Brief. In addition, a recycling initiative was rolled out during the ABSA KKNK 2025 in partnership with Drylands and PETCO, further promoting recycling and environmental sustainability.
	Boundary Fencing at De Rust Waste Disposal Facility	Internal funds were utilized to erect boundary fencing at the site, enhancing security, access control, and compliance with environmental management standards.
	Installation of Monitoring Boreholes at Grootkop Waste Disposal Facility	Two monitoring boreholes were installed at the Grootkop Waste Disposal Facility with funding from the Department of Environmental Affairs and Development Planning. This initiative

Service	Highlights	Description
		strengthens environmental monitoring, supports regulatory compliance, and promotes responsible management of the facility.
Human Settlements	Conclusion of the Dysselsdorp Project	An additional 24 houses were approved, constructed, and successfully handed over to beneficiaries, marking the completion of this phase of the project.
	39 Serviced Sites in Dysselsdorp	A total of 39 serviced sites, fully equipped with water, sanitation, and electricity, were successfully handed over, enabling sustainable living conditions and improved service delivery for beneficiaries.
	Bongolethu Consolidation Project	A total of 25 houses were demolished and rebuilt, ensuring that beneficiaries received improved and structurally sound housing in line with consolidation and upgrading objectives.

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:

Service	Description	Actions to address
Water Services	Ageing infrastructure leads to constant pipe breakages	The ageing water reticulation network continues to result in frequent pipe breakages, impacting service delivery and increasing maintenance demands. In response, the Municipality implemented a systematic pipe replacement programme, now in its fifth year, which has already improved network reliability and efficiency. The programme will continue over the coming years, subject to budget availability and funding priorities.
	Supply of potable water	The total available water for the Greater Oudtshoorn area exceeds the volume that can be assured at 98% reliability, placing the sustainability of potable water supply under ongoing pressure. To mitigate this risk, the Municipality continues to engage with the Department of Water and Sanitation to secure funding for augmentation schemes and long-term water supply solutions.
	Water supply interruptions due to load shedding	While Oudtshoorn's water supply is largely gravity-fed, Dysselsdorp and parts of the KKRWSS rely on boreholes and are affected during higher stages of load shedding. This results in supply shortfalls, requiring emergency power or water trucking, which is not sustainable. To address this, the Municipality is implementing water resilience measures, including securing alternative gravity-fed supplies and introducing renewable energy solutions such as solar and battery backup systems to stabilise borehole operations.
	Water delivery to rural areas	Many rural households remain outside the existing water reticulation network, requiring tanker deliveries to nearly 100 service points, which is costly and unsustainable. In response, the Municipality is implementing a budget-dependent programme to extend the water network where feasible, while also exploring alternative water supply solutions for areas where extensions are not viable, to improve equity, sustainability, and reliability of rural water services.
Waste Water (Sanitation) Provision	Ageing infrastructure and sewer blockages	The ageing sewer network and mechanical installations at various wastewater treatment works (WWTWs) require upgrading and replacement. These needs have been identified in the

Service	Description	Actions to address
		Municipality's long-term infrastructure plans, with implementation dependent on budget availability and competing service delivery priorities.
	Vandalism of infrastructure	The Municipality continues to experience vandalism and theft of critical infrastructure, resulting in significant financial losses and disruptions to service delivery. Where budgets allow, theft- and tamper-proof measures are being implemented to limit unauthorised access to sewer manholes. Ongoing challenges also include sewer blockages caused by root intrusion and the dumping of foreign materials, as well as the targeting of cables and mechanical equipment at wastewater treatment works, highlighting the need for improved security and protective measures.
	Stormwater intrusion in main sewer lines	Stormwater intrusion into the sewer network continues to pose challenges during heavy rainfall, leading to surcharging of main outfall sewers and overloading of WWTWs. In response, the Municipality is conducting public awareness campaigns to prevent illegal stormwater discharges, while longer-term plans include upgrading bulk outfall sewers to improve system resilience and maintain treatment capacity compliance.
Electro Technical Services	Staff recruitment	The Municipality has identified the need to recruit additional specialised and skilled staff to address existing skills gaps, as current in-house capacity remains limited. New staff regulations have slowed recruitment processes, impacting service delivery. To mitigate these challenges, restructuring within the Electrical Services Department is planned, alongside the implementation of succession planning to strengthen in-house capacity and improve service delivery over the long term.
	Vacant positions	More than 56% of departmental positions remain vacant, with 42% of these posts unfunded. This significant shortage places strain on service delivery, operational efficiency, and the ability to meet increasing infrastructure and maintenance demands. Addressing both the funding and filling of these positions is critical to strengthening capacity and ensuring sustainable service provision.
	Budget constrains	The current budget provision is not aligned with the minimum requirement standards for electricity services. This misalignment poses a risk of developing an unsafe and unreliable network, which could compromise service delivery, infrastructure sustainability, and community safety.
	Vandalism and theft	Ongoing incidents of vandalism, cable theft, and damage to infrastructure place additional strain on the Municipality's resources. These disruptions lead to frequent unplanned events, which in turn increase overtime work, escalate operational costs, and compromise the reliability of electricity supply.
	Customer Complaints Centre	The Customer Care Centre is currently not operational, limiting the Municipality's ability to provide an accessible platform for residents to log complaints, report faults, and receive timely feedback. This gap impacts service efficiency, customer satisfaction, and the overall responsiveness of the electricity services.
Waste Management	Illegal Dumping	The Municipality implemented various initiatives with communities and ward councillors to combat illegal dumping. Measures included the erection of warning boards at hotspots, enforcement actions with fines issued to offenders, and awareness campaigns led by the Environmental Officer to assess and improve community

Service	Description	Actions to address
		attitudes. Additional education and awareness initiatives were undertaken in partnership with PETCO and the Garden Route District Municipality, targeting schools, community groups, and the Bridgton shopping complex to promote responsible waste management and reduce illegal dumping.
	Shortcomings at Waste Disposal Facilities Due to Limited Funding	The Municipality continues to experience shortcomings at its waste disposal facilities due to limited funding. A technical report for the upgrading of the Grootkop Waste Disposal Facility is being prepared and, once finalised, will be used to support applications to the Municipal Infrastructure Grant (MIG) to improve compliance and operational standards.
Human Settlements	Land Invasion	A dedicated Land Invasion Unit needs to be established, strengthening the Municipality's capacity to combat land invasions is essential to safeguard municipal land, ensure compliance with applicable legislation, and protect future housing projects from being compromised.
	Response to Emergencies: Fires, Flooding, and Storms	Unpredictable weather patterns linked to climate change, together with limited municipal funding, constrain the Municipality's ability to respond to all affected areas during emergencies. To enhance disaster response capacity, grant funding was secured from the Provincial Department for emergency kits, with additional support provided by the National Department through the supply of emergency kits in flood-affected areas.
	Demand for Basic Services	To improve sanitation and accessibility in informal settlements, the provision of chemical toilets, including facilities for paraplegics, remains essential. An approved application of R500 000 will support smaller rural areas through the supply of water tanks for toilets and the construction of soak aways, thereby enhancing basic service delivery and living conditions.
	Demand for Proper Housing	The demand for adequate housing remains a significant challenge within the Municipality. To address this, applications were submitted to the Provincial Department for approval of project-ready housing initiatives, including the Oudtshoorn Central 600 Project. These projects aim to provide sustainable housing solutions for qualifying beneficiaries and improve living conditions in affected communities.

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	2023/24	2024/25
Electricity service connections	17 286	16 754
Water - Piped water inside dwelling	16 155	16 459
Sanitation - Households with at least VIP service	16 412	16 908
Waste collection - kerbside collection once a week	15 208	15 440

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 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	2023/24	2024/25
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	14.5	20.64
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)	18%	15%
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	2.3	2.6

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

1.5.3 Financial Overview

Details	2023/24	2024/25		
		Original budget	Adjustment Budget	Actual
	R'000			
Income				
Grants	174 022	154 939	157 894	150 810
Taxes, Levies and Tariffs	591 207	677 563	701 103	685 604
Other	89 015	143 947	155 612	92 094
Sub Total	**854 244**	**976 449**	**1 014 609**	**928 508**
***Less* Expenditure**	**-802 518**	**-956 301**	**-1 001 436**	**-891 432**
Reversal of impairment loss/(Impairment Loss) on Receivables	**-8 063**	**0**	**0**	**-31 929**
Reversal of Impairment loss/(Impairment Loss) on Fixed Assets	**2 779**	**0**	**0**	**-283**
Gains/(loss) on Sale of Fixed Assets	**-6 994**	**0**	**0**	**1 188**
Gains/(Loss) on Fair Value Adjustments	**1 884**	**0**	**0**	**-5 827**
Inventories: (Write-down)/Reversal of Write-down to NRV	**0**	**0**	**0**	**-404**
Net surplus/(deficit)	**41 332**	**20 148**	**13 173**	**-179**

Table 11: Financial Overview

1.5.5 Total Capital Expenditure

Detail	2023/24	2024/25
	R'000	
Original Budget	59 490	67 627
Adjustment Budget	68 367	74 126
Actual	60 954	65 589

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 2025/26	Council approved the Medium-Term Revenue and Expenditure Framework (MTREF) for the 2025/26 financial year at the Ordinary Council Meeting held on 5 June 2025. This approval provides the financial framework to guide

Highlights	Description
	municipal operations, service delivery, and infrastructure development over the medium term.
Approval of IDP 2025/26	Council approved the Integrated Development Plan (IDP) for the 2025/26 financial year at the Ordinary Council Meeting held on 05 June 2025. The IDP serves as the Municipality's principal strategic planning instrument, aligning community needs with available resources and guiding development priorities for the year ahead.
Filling of Municipal Manager's post	Council approved the filling of the Municipal Manager's post at the Ordinary Council Meeting held on 31 March 2025. This decision is critical to strengthening strategic leadership, ensuring administrative stability, and enhancing the overall governance capacity of the Municipality.
Filling of Directors Community Services post	Council approved the filling of the Director: Community Services post at the Special Council Meeting held on 12 March 2025. This appointment is essential to strengthen leadership within the Community Services Directorate, improve service delivery, and ensure that community-related programmes and initiatives are effectively implemented.
Filling of the CFO's post	Council approved the filling of the Chief Financial Officer (CFO) post at the Special Council Meeting held on 13 May 2025. This decision is vital to ensure sound financial management, strengthen compliance with the Municipal Finance Management Act (MFMA), and enhance the Municipality's overall financial sustainability.
Automated skills audit and PDP system	Previously, skills audits and Personal Development Plans (PDPs) were completed manually, which was a time-consuming and resource-intensive process. The introduction of an automated system has streamlined these processes, enabling faster completion, improved accuracy, and a fully paperless environment. This innovation enhances efficiency in workforce planning and supports more effective employee development.
Job Descriptions Evaluated	All job descriptions within the municipal staff establishment have been reviewed and evaluated. This process ensures alignment with organisational needs, compliance with legislative requirements, and provides a clear basis for performance management and staff development.
Competency Framework	A suitable competency framework has been adopted and applied to all positions within the municipal staff establishment and their respective job descriptions. This framework ensures that required skills, knowledge, and behavioural attributes are clearly defined, supporting effective recruitment, performance management, and staff development.
Automated system (Individual Performance)	An automated Individual Performance Management System has been implemented and is running successfully. Through this system, individual performance has been effectively cascaded down to lower staff levels, ensuring alignment with organisational objectives, improved accountability, and streamlined performance monitoring across the Municipality.
EAP Financial Management programme	The Employee Assistance Programme (EAP) and Wellness Office, in partnership with the HR Benefits and Administration unit, plays a key role in identifying cases of staff over-

Highlights	Description
	indebtedness. Through this programme, support mechanisms are introduced to assist employees in managing their financial wellbeing, thereby reducing stress and improving overall productivity in the workplace.
Wellbeing of staff surveys	The Employee Assistance Programme (EAP) and Wellness Office conducted three workplace surveys aimed at assessing and improving staff wellbeing. These included: 1. A survey on the overall wellbeing of all staff members. 2. A survey focused on the wellbeing of female staff members, identifying the need for relevant support programmes during office hours. 3. A survey exploring how the youth within the Municipality perceive the workplace culture. The results provide valuable insights to inform targeted interventions, promote a supportive work environment, and enhance employee engagement across different groups.

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	The Municipality has experienced challenges with cooperation in the implementation of the Municipal Staff Regulations. To address this, greater emphasis will be placed on communication, awareness, and capacity-building initiatives to ensure that staff understand the purpose, requirements, and benefits of the regulations. Strengthening awareness will foster compliance, improve alignment with legislative frameworks, and support the professionalisation of the municipal workforce.
Lack of cooperation from some employees, managers and supervisors during collection of skills needs information for the WSP period	The Municipality continues to experience challenges with cooperation from some employees, managers, and supervisors during the collection of skills needs information for the Workplace Skills Plan (WSP) period. A lack of buy-in from supervisors and managers has resulted in limited consultation with employees, which prevents the proper identification of scarce skills. In addition, poor attendance by managers and supervisors at skills needs meetings contributes to delays and incomplete submissions. To address this challenge, stronger accountability measures and improved engagement are required to ensure full participation in the process, enabling the Municipality to develop an accurate and responsive WSP that supports skills development and capacity building.
Time and attendance of employees at trainings	The Municipality faces challenges with employees failing to attend scheduled training sessions after being identified for participation. This results in wasted resources and unnecessary training costs. To address this, consequence management will be implemented, whereby employees who fail to attend training without valid reasons will be held accountable for the costs incurred. This measure aims to

Challenge	Actions to address
	promote responsibility, improve attendance, and ensure effective utilisation of training resources.
Lack of cooperation during skills audit	The Municipality has experienced challenges with cooperation during the skills audit process. Although awareness sessions have been conducted with supervisors and managers to highlight the importance of the exercise, some supervisors and managers still fail to complete the skills audits of their subordinates. This undermines the accuracy of workforce planning and hampers the identification of critical skills gaps. To address this, stronger accountability measures and continued awareness will be implemented to ensure full participation, thereby improving the quality of data collected and supporting effective skills development planning.
The Municipality continues to face challenges with the implementation of the Municipal Staff Regulations, as well as resistance to the adoption of new technology and systems. This lack of cooperation hampers operational delivery and weakens overall human resource governance.	The Municipality continues to face challenges with the implementation of the Municipal Staff Regulations, as well as resistance to the adoption of new technology and systems. This lack of cooperation hampers operational delivery and weakens overall human resource governance.
Lack of buy-in to the EAP & Wellness programmes and initiatives form line management.	The Municipality continues to face limited buy-in from line management regarding the Employee Assistance Programme (EAP) and Wellness initiatives. This lack of cooperation undermines the multi-disciplinary and holistic approach needed to support the wellbeing of staff and strengthen the organisational culture. To address this, greater emphasis will be placed on engaging line managers, highlighting the benefits of the EAP and Wellness programmes, and encouraging their active participation. Improved cooperation will foster a healthier workforce, enhance productivity, and reinforce a positive corporate culture within the Municipality.

Table 14: Municipal Transformation and Organisational Development Challenges

1.7 Auditor-General Report

1.7.1 Audited Outcomes

Year	2022/23	2023/24	2024/25
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
	2023/24	2024/25
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}	90%	88%

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
SA Jansen	Speaker	Patriotic Alliance	Proportional
JJ Allers	Executive Mayor	Freedom Front Plus	Proportional
MZ Tyatya	Executive Deputy Mayor	African National Congress	Ward 8
DJ Fourie	Councillor	Democratic Alliance	Ward 1
JN Duvenage	Councillor	Freedom Front Plus	Ward 2
JI Du Preez	Councillor	Democratic Alliance	Ward 3

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Council Members	Capacity	Political Party	Ward representing or proportional
NM Jaxa	Chairperson: Infrastructure Services	African National Congress	Ward 4
A Tiemie	Chairperson: Community Services	African National Congress	Ward 5
DV Moos	Chairperson: Corporate Services	African National Congress	Ward 6
A Berry	Councillor	Democratic Alliance	Ward 7
FFP Abrahams	Councillor	Patriotic Alliance	Ward 9
LSS van Rooyen	Councillor	African National Congress	Ward 10
J van der Ross	Councillor	African National Congress	Ward 11
RR Wildschut	Councillor	Democratic Alliance	Ward 12
JR Canary	Councillor	African National Congress	Ward 13
AC Barnard	Chairperson: Financial Services	Oudtshoorn Gemeenskaps Inisiatief	Proportional
L Campher	Chairperson: Planning & Development	Advieskantoor	Proportional
V Michaels	Councillor	SAAMSTAAN Party	Proportional
SN Bentley	Councillor	GOOD	Proportional
C Muller	Chairperson: Human Settlements	Freedom Front Plus	Proportional
CD Macpherson	Councillor	Democratic Alliance	Proportional
RJ April	Councillor	Democratic Alliance	Proportional
JC Lambaatjeen	Councillor	Democratic Alliance	Proportional
BV Owen	Councillor	Independent Civic Organisation of South Africa	Proportional
VM Donson	Councillor	Independent Civic Organisation of South Africa	Proportional

Table 17: Council

Below is a table which indicates the Council meeting attendance for the 2024/25 financial year:

Meeting dates	Meeting	Council Meetings Attendance	Apologies for non-attendance
25 July 2024	Special Council Meeting	25	0
01 August 2024	Special Council Meeting	25	0
06 August 2024	Special Council Meeting	23	2
16 August 2024	Special Council Meeting	20	3
23 August 2024	Special Council Meeting	23	2
03 September 2024	Special Council Meeting	22	3
16 September 2024	Special Council Meeting	24	1
30 September 2024	Ordinary Council Meeting	19	6

Meeting dates	Meeting	Council Meetings Attendance	Apologies for non-attendance
04 October 2024	Special Council Meeting	14	11
15 October 2024	Special Council Meeting	22	3
22 October 2024	Special Council Meeting	21	4
31 October 2024	Special Council Meeting	21	4
06 December 2024	Ordinary Council Meeting	21	4
12 December 2024	Special Council Meeting	22	3
14 January 2025	Special Council Meeting	24	1
30 January 2025	Special Council Meeting	21	4
27 February 2025	Special Council Meeting	22	3
12 March 2025	Special Council Meeting	17	8
31 March 2025	Special Council Meeting	25	0
29 April 2025	Special Council Meeting	24	1
13 May 2025	Special Council Meeting	24	1
14 May 2025	Special Council Meeting	19	6
05 June 2025	Ordinary Council Meeting	21	4

Table 18: Council Meetings

Executive Mayoral Committee

The Executive Mayor of the Municipality, Cllr JJ Allers, 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
A Tiemie	Chairperson: Community Services
DV Moos	Chairperson: Corporate Services
AC Barnard	Chairperson: Financial Services
L Campher	Chairperson: Planning & Development
NM Jaxa	Chairperson: Infrastructure Services

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
Mkhululi Yekani	Municipal Manager
Gerald Patrick de Jager	Chief Financial Officer
Reginal Keith Smit	Director: Corporate Services
Justin Wilbert Lesch	Director: Infrastructure Services
Ian Hadley Avontuur	Director: Community Services
Sinaye Siyasanga Jonas	Director: Planning & 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

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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, Garden Route 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	26 August 2024	18
2	27 August 2024 04 March 2025	21 22
3	28 August 2024 05 March 2025	14 30
4	14 August 2024 06 March 2025 10 April 2025	53 47 35
5	29 August 2024 10 March 2025 10 April 2025	19 42 35
6	20 August 2024 11 March 2025 09 April 2025	54 119 53
7	21 August 2024 26 August 2024 12 March 2025 15 April 2025	17 18 58 44
8	22 August 2024 13 March 2025 14 April 2025	45 38 44
9	16 March 2025 17 March 08 April 2025	25 44
10	18 March 2025 08 April 2025	69 59
11	19 March 2025 07 April 2025	40 43
12	23 March 2025	44
13	21 August 2024 12 March 2025 15 April 2025	17 58 44

Table 23: Public Meetings

2.4.1 Representative Forums

Labour Forum

The table below specifies the members of the Labour Forum for the 2024/25 financial year:

Name of representative	Capacity
NM Jaxa	Councillor
DV Moos	Councillor
A Tiemie	Councillor
L Campher	Councillor
A Barnard	Councillor
M Yekani	Employer
GP de Jager	Employer
J Lesch	Employer
IH Avontuur	Employer
E Jantjies	Employer
J Lekay	IMATU
W de Jager	IMATU
J Oktober .	IMATU
S Beauzac	IMATU
F van der Berg	IMATU
M Ngalo	SAMWU
P Salimani	SAMWU
V Malgas	SAMWU
M Xamfu	SAMWU
LL Thys	SAMWU
P Johnson	Employee Relations Support
RW Morrison	Employee Relations Support
B Avontuur	Employee Relations Support
T Rabie	Employee Relations Support
P Goliath	Council Support Services
J Metembo	Council Support Services
S Fukweni	Interpreter

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.

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

Name of representative	Dates of meetings held during the year
F Labuschagne	03 July 2024 07 October 2024 04 November 2024 03 February 2025 06 May 2025
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	08 July 2024 09 October 2024 06 November 2024 05 February 2025 07 May 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	04 July 2024 08 October 2024 05 November 2024 06 February 2025 08 May 2025
J Davel	
W Fouche	
J Cloete	
G Snyman	
G Deelman	
P Mc Duling	
M Roos	
J Meyer	

Table 27: Ward 3 Committee Meetings

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

Name of representative	Dates of meetings held during the year
H Baatjies	10 July 2024 10 October 2024 7 November 2024 06 February 2025 08 May 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	10 July 2024 14 October 2024 11 November 2024 10 February 2025 12 May 2025
B Prins	
M Baartman	
J Kamfer	
P Saterdag	
M Minnies	
A Britz	
A Moses	
J Martins	

Name of representative	Dates of meetings held during the year
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	09 July 2024 15 October 2025 12 November 2024 11 February 2025 13 May 2025
S Visagie	
F Thomas	
V Campher	
L Eksteen	
P Koopman	
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	15 July 2024 16 October 2024 13 November 2024 12 February 2025 14 May 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	16 July 2024 17 October 2024 14 November 2024 13 February 2025 27 May 2025
K Lewendal	
A Damans	
G Van Wyk	
K Le Roux	
J Figeland	

Name of representative	Dates of meetings held during the year
P Olyn	
F Kleynhans	
R Witbooi	
X Ngalo	

Table 32: Ward 8 Committee Meetings

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

Name of representative	Dates of meetings held during the year
A Solomons	17 July 2024 21 October 2024 18 November 2024 17 February 2025 19 May 2025
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	18 July 2024 22 October 2024 19 November 2024 18 February 2025 20 May 2025
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	22 July 2024 23 October 2024 20 November 2024 19 February 2025
B Le Roux	
C Smit	
D Boesak	

Name of representative	Dates of meetings held during the year
J Wolwerans	21 May 2025
L Januarie	
K Owen	
A Pietersen	
A Schoeman	
I Plaatjies	

Table 35: Ward 11 Committee Meetings

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

Name of representative	Dates of meetings held during the year
L Bonani	23 July 2024 24 October 2024 21 November 2024 20 February 2025 22 May 2025
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	13 July 2024 28 October 2024 25 November 2024 24 February 2025 26 May 2025
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
Mr Louis Fourie	Chairperson	28 August 2024 25 September 2024 26 November 2024 26 March 2025 27 June 2025
Mr Pieter Barnard	Member	
Mr Pierre Hayward	Member	
Adv Derick Block	Member	
Miss Rose-Mari 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 2024/25 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	Annual review of annual financial statements
7	Cash inspections
8	Ad-hoc requests
9	Municipal property rates Act (valuation)
10	BEC and BAC evaluation process
11	Cango Mountain Resort
12	Waste disposal sites
13	Exorbitant quoting
14	HR Regulations

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 2024/25 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
31	36	21

Table 40: Bid Committee Meetings

The attendance of members of the bid specification committees (with the relevant directorates) are as follow:

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: Cango Cave	100
Logistics Coordinator	100
Superintendent KKLWS	100
Logistics Operator Cango Caves	100
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

Member (Capacity)	Percentage attendance
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

The attendance of members of the bid evaluation committees (with the relevant directorates) are as follow:

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
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

Member	Percentage attendance
SCM Practitioner (3)	100
Acting Operational Manager: Cango Cave	100
Senior Head Guide (Cango 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

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
SCM Manager	100

Member	Percentage attendance
Chief Financial Officer	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 31 bids with an estimated value of 3 811 951,50, excluding 29 rates-based tenders. 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 01/11/2024	Structural Remedial Work to the Cango Caves building CIDB 3CE/ 3GB OR higher.	Office of the Municipal Manager: Cango Caves	Agonamathata Air Condition and Projects	R1 371 641,88
TD 06/03/2025	Procurement Renewal of An Email Security System	Finance: ICT	First Technology	R2 440 309,62

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. During the Financial Year, no bids in this regard were awarded by the Accounting Officer.

Appeals Lodged by Aggrieved Bidders

9 Objections were received for the period under review and 8 were unsuccessful.

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 R4 037 422 were approved by the Accounting Officer. The following table provides a summary of deviations approved for 2024/25:

Type of deviation	Number of deviations	Value of deviations	Percentage of total deviations value
Clause 36(1)(a)(i)- Emergency	1	R4 037 422	100
Clause36(1)(a)(ii)-Sole Supplier	0	0	0
Clause 36(1)(a)(v)- Impractical / impossible	0	0	0

Table 45: Summary of Deviations

Deviations from the normal procurement processes have been monitored closely and reported on a monthly basis.

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	2023/24	2024/25
Ensure that tenders are successfully finalised and awarded within the validity period of the tender to enhance effective delivery of services	98%	100%
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	100%	100%

Table 46: 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 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 4 Coloured	4 Male 1 Female	0

Table 47: Management Control

Enterprise and Supplier Development

Total Procurement Spend			
Total Number of Suppliers	45	**Total Value Spend**	R219 942 839.74
Total number of Exempt Micro Enterprises (EME's) suppliers	**Total value spent**	**% Black Ownership**	**%Black women ownership**
24	R53 364 140.77	86	17
Total number of Qualifying Small Enterprises (QSE's) suppliers	**Total value spent**	**% Black Ownership**	**%Black women ownership**
10	R59 204 580.77	80	54
Total number of large suppliers	**Total value spent**	**% Black Ownership**	**%Black women ownership**
11	R107 374 118.20	57	26
Total value of 2% NPAT or 0.2% of allocated budget			

Table 48: 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 49: 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 50: 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 51: 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 2024/25	Yes

Description of information and/or document	Yes/No
Adjusted Budget 2024/25	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
SDBIP 2024/25	Yes
IDP and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2024/25	Yes
IDP Process Plan for 2025/26	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 2023/24	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 52: Website Checklist

CHAPTER 3

This chapter provides an overview of the key service achievements of the Municipality that came to fruition during 2024/25 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 2024/25 was approved by the Mayor on 3 July 2024.

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 2024/25 financial year were signed by 31 July 2024.

The formal appraisal of the actual performance takes place twice per annum as regulated. The final evaluation of the 2023/24 financial year and the mid-year performance of 2024/25 (1 July 2024 to 31 December 2024) took place on 8 April 2025.

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
Refresher training conducted by Ignite to create scorecards	July 2024
Percentage of approved performance agreements by 30 July 2024	30%
Self - evaluation and Manager evaluation training conducted by Ignite	August 2024
Percentage of annual evaluation for 2023/24 by 30 August 2024	66%
Departmental moderation committee training done by Snr HR Officer	October 2024
Departmental moderation meetings for 2023/2024	November – December 2024
Municipal moderation committee meeting for 2023/2024	December 2024
Self- evaluation and Manager evaluation training conducted by Ignite	January 2025
Percentage of mid-year evaluation for 2024/25 by 31 January 2025	76%
Self- evaluation and Manager evaluation training conducted by Ignite	August 2025
Percentage of annual evaluation for 2023/24 by 29 August 2025	In progress

Table 53: Process of cascading Performance Management Development System

3.1.5 The IDP and the Budget

Both the IDP and budget for 2024/25 were reviewed and approved on 7 June 2024. 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.

Adjustment SDBIP 2024/25

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 5 June 2025.

The following amendments/adjustments were made:

Top Layer Ref	Reason for adjustment/ amendment
TL13	KPI target was changed to 65 as per the EPWP Grant Agreement from National Department of Public Works & Infrastructure.
TL20	KPI target was changed to submission from 31 December 2024 to 30 June 2025.
TL30	KPI was deleted due to insufficient budget. Provision will be made in the next financial year to address the matter.
TL 31	KPI wording was changed to make the KPI description more specific.

Table 54: SDBIP TL 2024/25 adjustments/amendments

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.

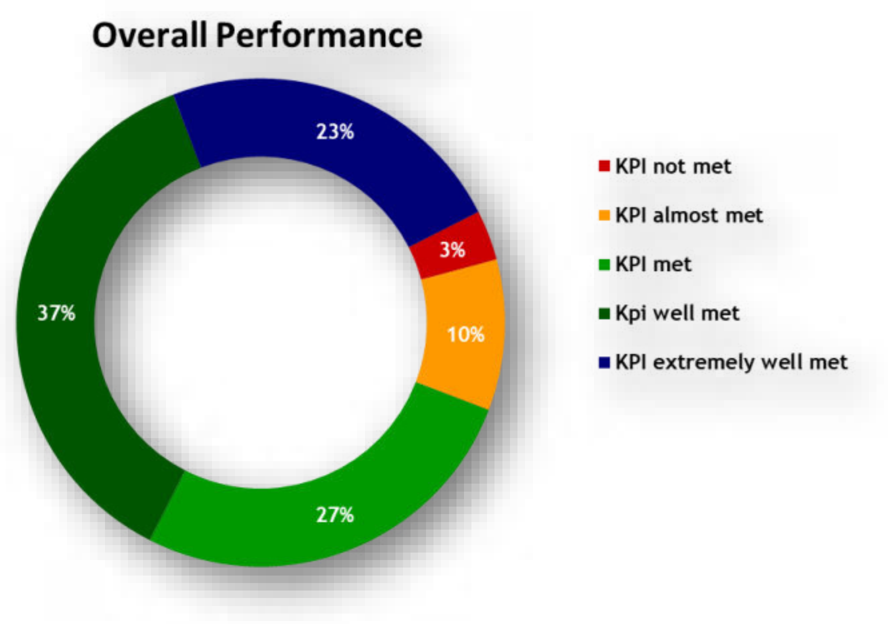
3.2 Strategic Service Delivery Budget Implementation Plan

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.

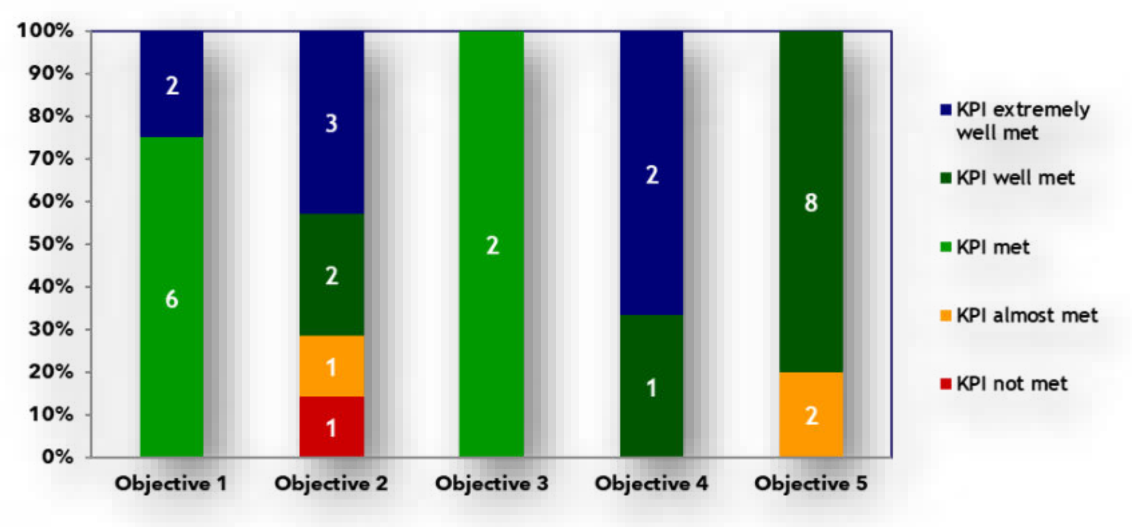
In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP KPI's applicable to 2024/25 in terms of the IDP strategic objectives. The following table explains the method by which the overall assessment of the actual performance against the targets set for the key performance 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% > = Actual/Target< 75%
KPI Almost Met		75% > = Actual/Target < 100%
KPI Met		Actual/Target = 100%
KPI Well Met		100% > Actual/Target < 150%
KPI Extremely Well Met		Actual/Target > = 150%

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	1	0	0	0	1
KPI Almost Met	0	1	0	0	2	3
KPI Met	6	0	2	0	0	8
KPI Well Met	0	2	0	1	8	11
KPI Extremely Well Met	2	3	0	2	0	7
Total	**8**	**7**	**2**	**3**	**10**	**30**

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 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
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 2025	All	6.37%	0%	0%	0%	13%	**13%**	**7.78%**	B
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	11.45%	20%	20%	20%	20%	**20%**	**8.88%**	B
TL21	Submit the EE plan to Department of Labour by 15 January 2025	EE plan submitted	All	1	0	0	1	0	**1**	**1**	G
TL22	Annually submit Workplace Skills Plan by 30 April 2025 to LGSETA	Workplace Skills Plan submitted	All	1	0	0	1	0	**1**	**1**	G
TL23	Submit a request for amendments of records to Provincial Archives by 30 November	Number of requests submitted	All	2	0	1	0	0	**1**	**1**	G

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL24	Conduct the performance evaluations of the Section 57 managers bi-annually	Number of evaluations conducted	All	New KPI for 2024/25	0	0	2	0	**2**	**2**	G
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	New KPI for 2024/25	0	0	1	0	**1**	**1**	G
TL26	Review the annual risk register by 30 April 2025	Reviewed risk register	All	New KPI for 2024/25	0	0	1	0	**1**	**1**	G

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	6
G2	KPI Well Met	0
B	KPI Extremely Well Met	2
Total KPIs		**8**

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 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
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	14.50%	0%	0%	0%	20%	**20%**	**20.64%**	R
Corrective Measure		It is in line with Circular 71 norms. The more loans the Municipality takes up, the closer the borrowing ratio moves toward the 45% benchmark. The increase to 20.64% is a direct result of the municipality taking up an additional loan during the 2024/25 financial year.									
TL6	Financial viability measured in terms of the outstanding service debtors as at 30 June 2025 ((Total outstanding	% of outstanding service debtors (total outstanding	All	18%	0%	0%	0%	25%	**25%**	**15%**	B

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
	service debtors/ revenue received for services)X100)	debtors refers to total net debtors)									
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	2.3	0	0	0	1.6	**1.6**	**2.6**	B
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	93.70%	93%	93%	93%	93%	**93%**	**93.30%**	G2
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 2025	All	90%	10%	35%	60%	95%	**95%**	**88%**	O
Corrective Measure		User departments must spend according to procurement plan. There was an issue with the service provider in spending MIG funds. Expenditure will be monitored in the coming financial year.									
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	2	0	0	0	1	**1**	**8**	B
TL18	The percentage (%) of the municipality's training budget spent, measured as Total Actual Training Expenditure/Approved Training Budget x100	Percentage (%) of budget spent on scheduled training within the financial year	All	60%	10%	30%	60%	80%	**80%**	**102.62%**	G2

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	1
O	KPI Almost Met	1
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 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL20	Review the Emergency Housing Assistance Policy by ~~31 December 2024~~ 30 June 2025	Policy reviewed and submitted to Council	All	1	0	~~1~~ 0	0	1	**1**	**1**	G
TL30	Review the Disaster Management Plan by 31 January 2025	Plan completed and submitted to Council	All	1	0	0	1	0	**1**	Indicator was deleted	
TL31	Submit quarterly reports on the number of households assisted in terms of allocations of emergency structures, prevention of illegal evictions and submit to Council for by 30 June 2025	Number of reports submitted to Council	All	New KPI for 2024/25	1	1	1	1	**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	0
B	KPI Extremely Well Met	0
Total KPIs		**2**

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 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
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 ï¿½ 100}	% unaccounted water by 30 June 2025	All	23.50%	0%	0%	0%	25%	**25%**	**16.60%**	B
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 2025	All	125	30	60	~~90~~ 0	~~150~~ 65	**~~150~~ 65**	**160**	B
TL28	The effective management of Thusong Centre measured by percentage of capital budget spent	Percentage (%) of capital budget spent	All	New indicator for 2024/25	10%	35%	60%	90%	**90%**	**97%**	G2

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	0
G	KPI Met	0
G2	KPI Well Met	1
B	KPI Extremely Well Met	2
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 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
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	7 841	7 500	7 500	7 500	7 500	**7 500**	**7 637**	G2
TL2	Provide subsidies for free basic electricity to indigent households(excluding	Number of indigent households receiving subsidies for free basic electricity as per	All	7 800	7 500	7 500	7 500	7 500	**7 500**	**7 649**	G2

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
	ESKOM supply area) as at 30 June 2025	PROMUN financial system. The Ontec management report is also used as unit of measurement									
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	7 598	7 500	7 500	7 500	7 500	**7 500**	**7 436**	O
Corrective Measure		Indigent verification processes were done, and applications were declined for indigence based on the information received from the credit bureau.									
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	7 601	7 500	7 500	7 500	7 500	**7 500**	**7 439**	O
Corrective Measure		Indigent verification processes were done, and applications were declined for indigence based on the information received from the credit bureau.									
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	15 208	14 600	14 600	14 600	14 600	**14 600**	**15 440**	G2
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 2025	All	16 155	15 200	15 200	15 200	15 200	**15 200**	**16 459**	G2
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 2025. The Ontec management report is also used as unit of measurement	All	17 286	16 400	16 400	16 400	16 400	**16 400**	**16 754**	G2
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	Number of residential properties which are billed for sewerage in accordance with the Promun Financial System as at 30 June 2025	All	15 427	15 000	15 000	15 000	15 000	**15 000**	**15 716**	G2

Ref	KPI	Unit of Measurement	Ward	Previous year actuals	Overall performance for 2024/25						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
	(toilets) as at 30 June 2025										
TL27	Maintenance on sports grounds measured in terms of the percentage of the maintenance budget spent	Percentage (%) of sports grounds repaired and maintenance spent.	All	N/A	10%	35%	60%	90%	**90%**	**97%**	G2
TL29	Spent 90% of the Library Services Capital budget by 30 June 2025	Percentage (%) of the capital budget spent for library services.	All	N/A	10%	35%	60%	90%	**90%**	**98%**	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	2
G	KPI Met	0
G2	KPI Well Met	8
B	KPI Extremely Well Met	0
Total KPIs		**10**

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
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 Function	Municipal Function Yes / No
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, situated between the Swartberg and Langeberg Mountain ranges, is characterised as a water-scarce area, receiving an average annual rainfall of between 280 mm and 360 mm. This climatic reality places continuous pressure on the Municipality to secure reliable water supply sources for the Greater Oudtshoorn.

Oudtshoorn

- Water for Oudtshoorn is currently sourced from a combination of surface and groundwater schemes, namely:
- Rust & Vrede Stream (Oudtshoorn's original water supply scheme)
- Melville Dam
- Koos Raubenheimer Dam
- Blossoms Wellfield

Dysselsdorp and the Klein Karoo Rural Water Supply Scheme (KKRWSS)

Dysselsdorp and the KKRWSS rely exclusively on groundwater sources. Eight production boreholes supply raw water to the Dysselsdorp Water Treatment Works (WTW). In addition, the KKRWSS receives supplementary supply from the Blossoms Wellfield.

The Dysselsdorp WTW (East) has a design capacity of 3.5 million cubic meters per annum (m^3/a), but currently operates at approximately 1.1 million m^3/a.

De Rust and Blomnek

Water for De Rust and Blomnek is abstracted from a weir in the Huis River, which under normal conditions is the sole source of supply for both settlements. During emergency conditions such as floods or droughts, Blomnek and De Rust can also be supplied via the KKRWSS.

De Rust and Blomnek have a licensed abstraction allocation of 143,000 m^3/a from the Huis River, diverted into the De Rust Reservoir. While the source generally provides sufficient water, river flow during the dry season often falls below the allocation, creating seasonal stress on supply.

Water Security and Future Planning

The total available water across the Greater Oudtshoorn exceeds the volume that can be assured with 98% reliability. As a result, the long-term sustainability of the area's water supply remains under pressure and is regarded as a significant concern.

To address this, potential augmentation schemes under consideration include:

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

b) Highlights: Water Services

The table below specifies the highlights for the year:

Highlights	Description
Network Upgrading	The Municipality continued with its programme to replace ageing asbestos cement (AC) pipes across the water reticulation network. During the reporting period, significant progress was made with the replacement of most of the AC pipelines along Park Avenue, from North Street to Hospital Street, as well as at various locations within Ward 8. These upgrades form part of the ongoing strategy to modernise the water network, reduce maintenance costs, and improve service reliability.
Installation of Telemetry	The Municipality continued with the installation of bulk water meters and a telemetry system during the reporting period. This initiative is aimed at improving the monitoring of water supply, enabling more accurate measurement of consumption, and supporting efforts to reduce water losses across the network.
Upgrading of the KKRWSS	Upgrades and refurbishment of the Klein Karoo Rural Water Supply Scheme (KKRWSS) continued during the reporting period. Works included the replacement of control valves and several steel bridge crossings, while standby pumps were procured for all boreholes in Vermaaksrivier to improve system reliability. In addition, Motor Control Centre (MCC) upgrades were implemented on a number of boreholes, further strengthening operational efficiency and resilience of the scheme.
Installation of Water Reticulation in rural areas	The Municipality continued with the extension of water reticulation to underserved rural communities. During the reporting period, approximately 3 km of pipeline was installed in Schoemanshoek, along the gravel road past Surval, providing a permanent water supply connection to around 30 households that were previously reliant on tanker deliveries. In addition, prepaid meters were installed in Blommetjieskloof to enhance water management and promote equitable access to services.

Table 68: Water Services Highlights

c) *Challenges: Water Services*

The table below specifies the challenges for the year:

Description	Actions to address
Ageing infrastructure leads to constant pipe breakages	The ageing water reticulation network continues to present challenges, with frequent pipe breakages affecting service delivery and increasing maintenance demands. To address this, the Municipality initiated a systematic pipe replacement programme, which is now in its fifth year. The programme has already improved the reliability and efficiency of the network and will continue for several more years, subject to budget availability and funding prioritisation.
Supply of potable water	The total available water for the Greater Oudtshoorn area currently exceeds the volume that can be assured with 98% reliability. Consequently, the sustainability of potable water supply remains under constant pressure and is regarded as a significant concern. To mitigate this risk, the Municipality continues to engage with the Department of Water and Sanitation through applications and discussions aimed at securing the necessary funding to implement augmentation schemes and long-term solutions.
Water supply interruptions due to load shedding	Although the town of Oudtshoorn benefits from a gravity-fed water supply, Dysselsdorp and parts of the Klein Karoo Rural Water Supply Scheme (KKRWSS) are reliant on boreholes. During higher stages of load shedding, these areas are unable to meet demand, necessitating the use of emergency power or, in cases of insufficient capacity, the trucking of water. This measure, however, is unsustainable in the long term. As part of the Municipality's water resilience plan, efforts are underway to secure alternative gravity-fed supplies and to introduce renewable energy solutions, including solar and battery backup systems, to safeguard borehole operations and improve supply stability.
Water delivery to rural areas	A significant number of rural households remain beyond the reach of the existing water supply network, necessitating the delivery of water by tanker to nearly 100 service points. This approach is costly and unsustainable in the long term. To address the challenge, the Municipality is implementing a budget-dependent programme to systematically extend the water reticulation network where feasible. In parallel, alternative water supply options are being investigated and pursued for areas where network extensions are not viable, with the aim of improving equity, sustainability, and reliability of rural water supply.

Table 69: Water Services Challenges

d) *Service Delivery Levels*

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

Households		
Description	**2023/24**	**2024/25**
	Actual	**Actual**
	No.	**No.**
Water: **(above min level)**		
Piped water inside dwelling	16 155	16 459
Piped water inside yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling)	270	0
Other water supply (within 200m)	0	0
Minimum Service Level and Above sub-total	**16 425**	**16 459**
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	**16 425**	**16 459**
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**
2023/24	270	100%	7 840
2024/25	0	100%	7 637
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	2024/25			
	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	1	0	0
Total	**2**	**2**	**0**	**0**
Employees and post numbers are as at 30 June				

Table 72: Employees: Directorate Infrastructure Services

Employees: Infrastructure Services				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	130	79	51	39.2
4 - 6	102	67	35	34.3
7 - 9	12	11	1	8.3
10 - 12	50	40	10	20.0
13 - 15	9	3	6	66.7
16 - 18	4	2	2	50.0
19 - 20	0	0	0	0.0
S57	1	1	0	0.0
Total	**308**	**203**	**105**	**34.1**
Employees and post numbers are as at 30 June				

Table 73: Employees: Infrastructure Services

Employees: PMU and Capital Projects				
Job Level	2024/25			
	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	2	2	0	0
10 - 12	2	1	1	50
13 - 15	2	2	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	**7**	**5**	**2**	**28.6**
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 2024/25: Water Services				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Pipe Replacement	3 000 000	3 000 000	3 234 926	-234 926
Rehabilitate Asbestos/Cement Water Pipes	10 897 100	10 841 500	7 985 404	2 856 096
KKRWSS: Refurbishments of Network, Reservoirs and Pumpstations	10 434 800	10 434 800	8 445 239	1 989 561
KKRWSS: Meter Replacement	1 500 000	1 500 000	1 268 524	231 476
KKRWSS: Supply of Water to Remote Areas	2 500 000	2 500 000	2 793 240	-293 240
Replacement of Asbestos Pipes	1 739 100	1 739 100	1 739 100	0
Catchment Management	300 000	300 000	109 890	190 110
Total	**30 371 000**	**30 571 100**	**25 832 023**	**4 739 077**

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 comprehensive sewer network that underpins sanitation service delivery across its jurisdiction. The system comprises an extensive network of gravity sewers, twelve (12) sewer pump stations, and three (3) Wastewater Treatment Works (WWTWs).

Oudtshoorn

Oudtshoorn is fully serviced by a waterborne sewerage system, with its network and main sewers draining from three primary catchment areas: West Bank, East Bank, and Bridgton/Bongulethu/Rosevalley.

- The Oudtshoorn WWTW consists of two separate treatment facilities.
- The original works, based on the trickling filter process, were constructed in the 1950s, extended in 1974, and upgraded in 1987 with the addition of an activated sludge plant.
- Further modifications undertaken between 1995 and 2000 increased treatment capacity from 7.5 Mℓ/day to 9 Mℓ/day of Average Dry Weather Flow (ADWF).

This WWTW is classified as a Class B plant and is legally required to comply with the General Standards of the National Water Act, Act No. 36 of 1998 (Section 19(1) & (2)).

Dysselsdorp

The town of Dysselsdorp is serviced by a conventional waterborne sewerage system. All network sewers gravitate into a single ⌀375 mm collector sewer, which conveys sewage to the Dysselsdorp WWTW.

The facility is operated as a hybrid plant, integrating pond systems with an activated sludge process. This configuration is known as the Pond Enhancement Treatment and Operation (PETRO) process, ensuring improved treatment efficiency.

De Rust and Blomnek

- De Rust: Properties in the town are serviced by conservancy tanks, which are emptied by a municipal vacuum tanker when required. The De Rust WWTW is a pond-based treatment facility consisting of five (5) ponds connected in series. The plant has no overflow into a watercourse and relies on evaporation for volume reduction, thereby mitigating the risk of uncontrolled effluent discharge.
- Blomnek: This settlement is serviced by a conventional sewerage system comprising ⌀150 mm sewers in older sections and ⌀160 mm sewers in newer extensions. The system drains into a ⌀150 mm collector sewer, with final treatment provided at the De Rust WWTW.

b) Highlights: Waste Water (Sanitation) Provision

The table below specify the highlight for the year:

Highlight	Description
Green Drop Assessment	The statutory three-yearly Green Drop audit was conducted during the reporting period, and the final results are still awaited. Preliminary indications, however, suggest a marked improvement in performance when compared with the previous assessment. This reflects the Municipality's ongoing commitment to strengthening waste water management practices, compliance with national standards, and the progressive upgrading of treatment facilities.

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 ageing sewer network requires replacement in several areas, while mechanical installations at the various WWTWs are also in need of upgrading and replacement. These interventions have been identified as part of the Municipality's long-term infrastructure planning. However, implementation remains subject to budget availability and competing service delivery priorities.
Vandalism of infrastructure	The Municipality continues to face challenges relating to vandalism and theft of critical infrastructure, which results in significant financial losses amounting to millions of rand and directly hinders effective service delivery. Budget permitting, theft- and tamper-proof installations are being implemented to restrict unauthorised access to sewer manholes. In addition, root intrusions and the deliberate dumping of foreign materials into the sewer system cause frequent blockages in certain areas. Cables and mechanical installations at WWTWs are also frequently targeted, underscoring the urgent need for strengthened security measures and improved protective infrastructure.
Stormwater intrusion in main sewer lines	Stormwater intrusion into the sewer network remains a recurring challenge, particularly during periods of heavy rainfall. This results in the surcharging of certain main outfall sewers as well as the overloading of inlet works at WWTWs. To address this, public awareness campaigns are being undertaken to discourage the illegal discharge of stormwater into the sewer system. In the longer term, upgrading of the bulk outfall sewers will be required to ensure system resilience and to maintain compliance with treatment capacity standards.

Table 77: Waste Water (Sanitation) Provision Challenge

d) Service Delivery Levels

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

Households		
Description	2023/24	2024/25
	Outcome	Actual
	No.	No.
Sanitation/sewerage: (above minimum level)		
Flush toilet (connected to sewerage)	15 427	15 716
Flush toilet (with septic tank)	0	12
Chemical toilet	950	997
Pit toilet (ventilated)	35	15
Other toilet provisions (above minimum service level)	0	168
Minimum Service Level and Above sub-total	**16 412**	**16 908**
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**
Below Minimum Service Level Percentage	**0%**	**0%**
Total households	**16 412**	**16 908**
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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	68	20	48	70.59
4 - 6	52	37	15	28.85
7 - 9	6	6	0	0
10 - 12	23	21	2	8.69
13 - 15	2	1	1	50
16 - 18	0	0	0	0

Water And Sanitation Services				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
19 - 20	0	0	0	0
Total	**151**	**85**	**66**	**43.71**
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 2024/25: Waste Water (Sanitation)				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Refurbishment of Plant Equipment	500 000	500 000	245 612	254 388
Pipe Replacement	0	255 700	255 700	0
Total	**500 000**	**755 700**	**501 312**	**254 388**

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

3.3.3 Electro Technical Services

a) Introduction to Electro Technical Services

Local government plays a vital role in the provision of electricity. In terms of Section 153 of the Constitution, municipalities are mandated to ensure the sustainable provision of services to communities, supporting both economic growth and social development.

Oudtshoorn Municipality sources electricity in bulk from Eskom and distributes it within its licensed supply area under the authority of the National Energy Regulator of South Africa (NERSA). Electricity is supplied through four Eskom intake substations at 11 000 volts and 22 000 volts, and then redistributed via a series of cables, lines, and substations to consumers in Oudtshoorn, Dysselsdorp, and De Rust. With the exception of the Cango Valleys and Matjiesrivier, Eskom remains the supplier for the extensive rural areas and remote settlements surrounding Oudtshoorn.

At the household level, electricity provision meets at least Service Level 5 standards—ensuring a medium to high wattage supply, complemented by appropriate street lighting. This level of service is supported by technically rated infrastructure and skilled personnel.

To strengthen operational efficiency and reduce escalating expenditure, the Electricity Department is addressing staffing shortages by filling 60% of vacant posts and enhancing its asset management capacity. The asset management system has been improved by linking the asset register to a Geographic Information System (GIS), with verification undertaken by both the Department and an asset management consulting company. The Department manages all technical data, while the consulting company oversees non-technical data.

A core objective of the Municipality remains the expansion of electricity services to all households within the Greater Oudtshoorn area. Energy losses stood at 6.39% in 2023/24, compared to 7.78% in 2024/25.

The Electro-Technical Services Department is responsible for:

- Constructing and maintaining the distribution network, and providing new infrastructure to ensure a reliable and affordable supply of electricity
- Managing revenue effectively by ensuring accurate billing and reducing distribution losses to cover both operational and capital costs
- Providing reliable and acceptable levels of public lighting to enhance community safety and living standards
- Ensuring the effective utilisation and management of the municipal vehicle and plant fleet

b) *Highlights: Electro Technical Services*

The table below specifies the highlights for the year:

Highlights	Description
Installation of Power Quality Meters in Substations	Vecto 3 Power Quality Meters were installed at the Unieplein and Schoemanshoek Substations. These installations are aimed at improving monitoring capabilities, ensuring accurate measurement of power quality, and supporting the efficient management of the electricity distribution network.
Replacing of 11kV cable – Upgrading of Network	As part of strengthening the electricity distribution network, 165 meters of 11kV 95mm x 3-core cable were installed between the Museum Substation and the Olivier Substation. This upgrade improves network reliability, reduces the risk of outages, and enhances the overall capacity of the system to meet consumer demand.
Replacing of 11kV cable – Upgrading of Network	A total of 100 meters of 11kV 95mm x 3-core cable were installed between the SAP Substation and the Magistrate Metering Unit. This upgrade forms part of the ongoing efforts to modernise the electricity distribution network, ensuring improved reliability, reduced technical faults, and greater efficiency in meeting consumer electricity needs.
Replacing of 11kV cable – Upgrading of Network	A 500-meter section of 11kV 95mm x 3-core cable was installed in Park Road as part of the Municipality's electricity network upgrade programme. This intervention enhances the stability of the distribution network, reduces the likelihood of faults, and improves the overall reliability of electricity supply to consumers in the area.
Installation of new 315 kVA Minisub	A new 315 kVA Minisubstation was installed in Botha Street to strengthen the local electricity distribution network. This

Highlights	Description
	installation increases supply capacity, supports growing demand in the area, and improves the overall reliability and efficiency of service delivery to consumers.
Upgrading of Substation Protection Equipment	New protection equipment was installed at the NA Smit and Bridgton Substations as part of the ongoing upgrade of the electricity distribution network. These improvements enhance system safety, reduce the risk of equipment failure, and ensure greater reliability and stability of the power supply to consumers.
Electrical Masterplan	The Municipality undertook the updating of its Electrical Masterplan to guide the sustainable development, upgrading, and maintenance of the electricity distribution network. This strategic plan provides a framework for future infrastructure investment, improved asset management, and the expansion of services to meet growing consumer demand across the Greater Oudtshoorn area.
Dysselsdorp Phase 4 Electrification	As part of the electrification programme, 167 household connections were completed in Dysselsdorp (Phase 4). This project expands access to electricity, improves the standard of living for residents, and supports socio-economic development in the area.

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 existing skills gaps within various areas of supply, the Municipality recognises the need to employ more specialised and skilled staff, as current in-house capabilities remain insufficient. The implementation of new staff regulations has proven cumbersome and time-consuming, further exacerbating service delivery challenges. To mitigate these constraints, restructuring within the Electrical Services Department is planned to enhance efficiency and improve service delivery. In addition, succession planning is identified as a critical component to systematically build and strengthen in-house capacity over the long term.
Vacant positions	More than 56% of the positions within the department remain vacant, of which 42% are unfunded. This shortage of human resources places significant strain on service delivery, operational efficiency, and the ability to meet growing infrastructure and maintenance demands. Addressing both the funding and filling of these posts is critical to strengthening departmental capacity and ensuring sustainable service provision.
Budget constrains	The current budget provision is not aligned with the minimum requirement standards for electricity services. This misalignment poses a risk of developing an unsafe and unreliable network, which could compromise service delivery, infrastructure sustainability, and community safety.

Description	Actions to address
Vandalism and theft	Ongoing incidents of vandalism, cable theft, and damage to infrastructure place additional strain on the Municipality's resources. These disruptions lead to frequent unplanned events, which in turn increase overtime work, escalate operational costs, and compromise the reliability of electricity supply.
Customer Complaints Centre	The Customer Care Centre is currently not operational, limiting the Municipality's ability to provide an accessible platform for residents to log complaints, report faults, and receive timely feedback. This gap impacts service efficiency, customer satisfaction, and the overall responsiveness of the electricity services.

Table 82: Electro Technical Services Challenges

d) Service Delivery Levels

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

Households		
Description	2023/24	2024/25
	Actual	Actual
	No.	No.
Energy: **(above minimum level)**		
Electricity (at least minimum service level)	1 719	1 646
Electricity – prepaid (minimum service level)	15 567	15 108
Minimum Service Level and Above sub-total	**17 286**	**16 754**
Minimum Service Level and Above Percentage	**86.9%**	**86.5%**
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	**13.1%**	**13.5%**
Total number of households	**19 896**	**19 364**

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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	20	3	17	85
4 - 6	0	0	0	0
7 - 9	6	5	1	16.67
10 - 12	20	13	7	35
13 - 15	4	0	4	100
16 - 18	1	0	1	100
19 - 20	0	0	0	0
Total	**51**	**21**	**30**	**58.82**
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 2024/25: Electricity				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Equipment	500 000	1 000 000	921 215	78 785
Upgrading 11 KV	2 000 000	2 068 800	1 929 664	139 136
Transport Assets	9 000 000	9 000 000	8 928 780	71 220
Equipment	500 000	521 700	0	521 700
Total	**12 000 000**	**12 590 500**	**11 779 659**	**810 841**

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

b) *Highlights: Waste Management*

The table below specifies the highlights for the year:

Highlights	Description
Better Inter-Governmental Relations	The Municipality has strengthened service delivery relationships with the SANDF Infantry School and the Police College. Support provided includes the placement of skips at the Police College, weekly refuse removal, and the supply of refuse bags. A similar waste management service is also being rendered to the SANDF Infantry School, reinforcing inter-governmental cooperation and improved community service delivery.
Recycling Campaign	A successful recycling campaign was implemented with the gated community *The Palms* in Ward 1, through a joint venture between the Municipality's Environmental Officer and the Provincial Government. This initiative received recognition and was published in the SALGA Western Cape Municipal Brief. A second initiative was successfully rolled out during the ABSA KKNK 2025, in partnership with Drylands and PETCO, further promoting recycling and environmental sustainability.
Boundary Fencing at De Rust Waste Disposal Facility	Internal funds were utilized to erect boundary fencing at the site, enhancing security, access control, and compliance with environmental management standards.
Installation of Monitoring Boreholes at Grootkop Waste Disposal Facility	Two monitoring boreholes were installed at the Grootkop Waste Disposal Facility, funded by the Department of Environmental Affairs and Development Planning. This initiative strengthens environmental monitoring and compliance, ensuring responsible management of the site.

Table 86: Waste Management Highlights

c) *Challenges: Waste Management*

The table below specifies the challenges for the year:

Description	Actions to address
Illegal Dumping	The Municipality implemented several initiatives in collaboration with communities and ward councillors to address illegal dumping. Warning boards were erected in

Description	Actions to address
	identified hotspots, and Law Enforcement assisted by fining individuals caught dumping illegally. Awareness campaigns were conducted in partnership with the Environmental Officer, during which questionnaires were distributed and completed to assess community awareness and attitudes. In addition, joint initiatives with PETCO and the Garden Route District Municipality focused on education and awareness, targeting schools, community groups, and the shopping complex in Bridgton. These efforts aim to reduce illegal dumping and promote responsible waste management practices.
Shortcomings at Waste Disposal Facilities Due to Limited Funding	Shortcomings at Waste Disposal Facilities Due to Limited Funding The Municipality continues to face shortcomings at its waste disposal facilities as a result of limited funding. A technical report is currently being prepared for the upgrading of the Grootkop Waste Disposal Facility. Once finalized, the report will be utilized to support funding applications to the Municipal Infrastructure Grant (MIG) in order to address these shortcomings and improve compliance and operational standards.

Table 87: Waste Management Challenges

d) Service Delivery Levels

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

Description	2023/24	2024/25
	Actual	Actual
Household		
Refuse Removal: (Minimum level)		
Removed at least once a week	15 208	15 440
Minimum Service Level and Above Percentage	**100%**	**100%**
Refuse Removal: (Below minimum level)		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
Below Minimum Service Level Sub-total	**0**	**0**
Below Minimum Service Level percentage	**0%**	**0%**
Total number of households	**15 208**	**15 440**

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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	106	67	39	36.79
4 - 6	22	15	7	31.82
7 - 9	3	3	0	0
10 - 12	3	1	2	66.67
13 - 15	3	3	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	**137**	**89**	**48**	**35.04**
Employees and post numbers are as at 30 June				

Table 89: Employees: Employees: Waste Management and Pollution Control

Employees: Cleansing Services				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	28	16	12	42.86
4 - 6	10	4	6	60
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
Total	**39**	**21**	**18**	**46.15**
Employees and post numbers are as at 30 June				

Table 90: Employees: Cleansing Services

f) Capital: Waste Management

The following table indicates the capital expenditure for this division:

Capital Expenditure 2024/25: Waste Management				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Digger Loader	1 500 000	1 500 000	1 534 943	-34 943
Old New Waste Disposal Site-Solid Waste	500 000	500 000	433 968	66 032
Boreholes Solid Waste	0	223 500	209 454	14 046
Total	**2 000 000**	**2 223 500**	**2 178 365**	**45 135**

Table 91: Capital Expenditure: Waste Management

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 UISP (600 units): Planning stalled due to COVID-19 and funding; public participation completed; next steps include Notices of Intent and site/service plans.
- Spekkop IRDP (880–5,000 units): EIA completed (2021); project delayed, later approved after public participation; further planning underway.
- Dysselsdorp UISP (534 units): 483 houses and 459 title deeds handed over; 24 additional houses completed (May 2025); 39 extra serviced sites handed over.
- Rosevalley Phase IV UISP (132 units): 129 sites serviced; toilets installed (some vandalised, under repair). Beneficiaries already in residence.
- Mudhouses/Bongolethu Consolidation: 18 demolitions and 7 vacant erven processed; new houses constructed and handed over (June–July 2025).

There is a total of 31 informal settlement areas (both legal and illegal) with a total of approximately 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 997 chemical toilets available, resulting in a ratio of 2:3 between structures and toilets based on the vicinity but we make use of the National Governments ratio of 5:1.

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. Asla has since assisted with relocation fees, which assisted the section making the load a bit lighter.

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.

Dysselsdorp UISP (534) –Sites were serviced and 459 houses have been handed over to beneficiaries with title deeds. Asla started with constructing of the last 24 houses in December 2024. On 22 and 23 May 2025 we handed over 24 top structures to 24 beneficiaries in the Dysselsdorp Housing project. The Mayor of Oudtshoorn and the councillors attended the handover of the first 12 houses. 483 Top structures and 39 serviced sites were handed over in total in this Dysselsdorp Housing Project.

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 for financial year 2024/25 by external attorney: 28
- Transfers outstanding Dysseldorp Housing Project (522) top structures completed.
- Twenty-four (24) transfers await title deeds.
- Transfers from Service Provider (ASLA): One (1) title deed transfer for Infill Housing Project received.
- An application was made for funding for pre 1994 – 2014 outstanding transfers for financial year 2025/26, and an amount of R1.8mil were approved by Province.

Nine (9) first home finance applications for 2025 (previously known as FLISP) were received, of which Five (5) are approved and Two (2) Declined, whilst 2 are still in process (for people whose household income is between R3 501 and R22 000 p.m). One Hundred and nine (109) Individual Subsidies (for people's household income of less than R3 500 p.m.) were received; 39 are approved; 14 declined and 57 in progress. The operating budged was spent, well with the small overtime budget controlled well.

Mudhouses/ Bongholethu Consolidation

After resubmitting the application approval was granted for this project. In July 2024 the application was sent to Province, house plans were submitted. The PoA's (Power of Attorney) and copy of Title Deeds were submitted to Building Control, as proof that the beneficiaries are the owners of the houses

A challenge was the beneficiaries that refused to sign the forms for the demolishment of their houses.

New consent forms were presented, because the other forms are outdated. A new start- on date was established. There were 18 houses for demolishment and 7 vacant erven. On 09 October 2024, Housing and ASLA had a meeting with the Bongolethu Consolidation beneficiaries, where they were explained regarding the demolition of houses. House Plans was submitted and approved. The beneficiaries had to sign an indemnity form, as they do not want to move from their plots. ASLA went on site on 05 November 2024 for demolishing of the houses. Asla started with constructing of houses in December 2024 till 13 June 2025 when the first handovers occur. The last handover of houses was on July 11, 2025.

b) Highlights: Human Settlements

The table below specifies the highlights for the year:

Highlights	Description
Conclusion of the Dysselsdorp Project	An additional 24 houses were approved, constructed, and successfully handed over to beneficiaries, marking the completion of this phase of the project.
39 Serviced Sites in Dysselsdorp	A total of 39 serviced sites, fully equipped with water, sanitation, and electricity, were successfully handed over, enabling sustainable living conditions and improved service delivery for beneficiaries.
Bongolethu Consolidation Project	A total of 25 houses were demolished and rebuilt, ensuring that beneficiaries received improved and structurally sound housing in line with consolidation and upgrading objectives.

Table 92: Human Settlements Highlights

c) Challenges: Human Settlements

The table below specifies the challenges for the year:

Description	Actions to address
Land Invasion	A dedicated Land Invasion Unit needs to be established, strengthening the Municipality's capacity to combat land invasions is essential to safeguard municipal land, ensure compliance with applicable legislation, and protect future housing projects from being compromised.
Response to Emergencies: Fires, Flooding, and Storms	Due to unpredictable weather patterns associated with climate change, combined with limited municipal funding, the Municipality is only able to provide assistance to a limited number of affected areas. To strengthen disaster response capacity, applications for grant funding were submitted to the Provincial Department for the procurement of emergency kits, which have since been approved. In addition, the National

Description	Actions to address
	Department is providing further support through the supply of emergency kits in areas where flooding has occurred.
Demand for Basic Services	To improve sanitation and accessibility in informal settlements, the provision of chemical toilets, including facilities designed for paraplegics, is essential. An application for R500 000 was submitted and approved to service certain smaller rural areas. This funding will enable the supply of water tanks for toilets as well as the construction of soak aways, thereby improving basic service delivery and living conditions in these communities.
Demand for Proper Housing	The demand for adequate housing remains a pressing issue within the Municipality. To address this, an application was submitted to the Provincial Department for the approval of project-ready housing initiatives, including the Oudtshoorn Central 600 Project (covering GG Kamp, Kanaal, and Black Joint areas). These projects aim to provide sustainable housing solutions for qualifying beneficiaries and to improve overall living conditions in the affected communities.

Table 93: Human Settlements Challenges

d) Employees: Human Settlements

The following table indicates the staff composition for this division:

Employees: Integrated Human Settlement				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	2	2	0	0
4 - 6	8	8	0	0
7 - 9	1	1	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	**13**	**12**	**1**	**7.69**
Employees and post numbers are as at 30 June				

Table 94: Employees: Employees: Integrated Human Settlement

e) Capital: Human Settlements

The following table indicates the capital expenditure for this division:

Capital Expenditure 2024/25: Human Settlements				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Toilets Informal Settlements	0	434 800	434 800	0
Total	**0**	**434 800**	**434 800**	**0**

Table 95: Capital Expenditure: Human Settlements

3.3.6 Free Basic Services and Indigent Support

a) Introduction

Basic municipal services are provided to all urban areas and certain rural farm areas within the municipal boundaries. However, the extension of these services to unserved areas, as well as the upgrading of existing infrastructure, is severely constrained by funding limitations.

In accordance with the Municipality's approved Indigent Policy, all households with a monthly income of less than R4 600 qualify for free basic services, as stipulated by national policy. The table below reflects the percentage of indigent households with access to these free basic municipal services.

Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2023/24	15 827	7 800	49.28	7 841	49.54	7 598	48.01	7 601	48.03
2024/25	16 755	7 649	45.65	7 637	45.58	7 436	44.39	7 439	44.38

Table 96: 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 R'000	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000
2023/24	7 800	50	12 252	9 485	0	0	241	50	267
2024/25	7 649	50	14 235	9 106	0	0	222	50	259

Table 97: Free Basic Electricity Services to Indigent Households

Water						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kl)	Value R'000	No. of HH	Unit per HH (kl)	Value R'000
2023/24	7 841	6kl	18 513	8 315	0	0
2024/25	7 637	6kl	20 105	9 118	0	0

Table 98: Free Basic Water Services to Indigent Households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No of HH	R value per HH	Value (R'000)	No of HH	Unit per HH per month	Value (R'000)
2023/24	7 598	3 408	24 990	7 829	0	0
2024/25	7 439	346.22	27 186	9 316	0	0

Table 99: 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 (R'000)	No of HH	Unit per HH per month	Value (R'000)
2023/24	7 601	3 287	24 365	7 607	0	0
2024/25	7 436	333.86	27 909	9 319	0	0

Table 100: 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) 2023/24, the Oudtshoorn Municipal Area comprises approximately 178.2 km of paved roads (asphalt/seal), approximately 22.1km of block-paved roads and 21.4 Unpaved Roads. The total replacement value of the road network is estimated at approximately R2 265 197 808.

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%. To repair the existing roads and achieve a 20-year design lifespan, as shown in the table below, a budget of R526 Million Rand is required for all flexible roads. Howev-er, if we focus only on roads with conditions ranging from Fair to Very Poor, the required budget is R99 Million Rands and that means the Municipality needs to invest R9.9 million per year over a ten (10) year period. This cost estimate is based on current cost.

The present overall condition of the road network is good with a Visual Condition Index of 77.718, take note the condition and index are based on assessments done in 2023. 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 (5) 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 Ten (10) years, if not sooner. 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) and the National Land Transport Amendment Act require municipalities to prepare Integrated Transport Plans (ITPs) aligned to national and provincial frameworks. Oudtshoorn Municipality, classified as a Type 3 Planning Authority, is therefore responsible for compiling a Local Integrated Transport Plan (LITP), which must form part of the Integrated Development Plan (IDP) and be aligned with the Municipal Finance Management Act (MFMA). The plan covers the current status of transport, needs assessments, improvement proposals, and funding requirements, focusing on public transport, non-motorised transport (NMT), and the integration of new projects into broader municipal planning. The Garden Route District Municipality developed an updated ITP for 2024–2029, to be reviewed every five years. Key priorities for Oudtshoorn include promoting affordable and inclusive public and non-motorised transport such as walking and cycling, strengthening enforcement and regulation of minibus taxi operations, and improving coordination across municipal units and with provincial and district authorities. Emphasis is also placed on regional connectivity through improved road and rail links, integrating transport planning into new housing projects, supporting the growing tourism sector with adequate road networks and mobility services, and increasing municipal capacity and funding to deliver on transport responsibilities. Overall, transport is seen as a critical driver for spatial transformation, economic growth, tourism development, and equitable access to services and opportunities.

Stormwater

In 2012, Oudtshoorn Municipality adopted a Stormwater Master Plan (SMP) for Oudtshoorn, Dysselsdorp, and De Rust, which must be updated every five years. The SMP is presented in three volumes: (1) Oudtshoorn Stormwater Master Plan, (2) Dysselsdorp and De Rust Stormwater Master Plan, and (3) Grobbelaars River Floodline Investigation. The plan was developed through consultations with officials, residents, and consultants, supported by site visits, surveys, data capturing, modelling, and hydraulic analyses.

The SMP identifies the need to address deficiencies in the current system, focusing on both minor floods (1 in 5-year events, which the system should handle as normal rain events) and major floods (1 in 50-year events, requiring costly upgrades). Recommended interventions include increasing pipe sizes, adding new pipes, improving inlet and outlet controls, erosion protection, kerbing, and ongoing maintenance. Where stormwater infrastructure is lacking, new systems must be constructed.

The Grobbelaars River floodline study assists with town planning by guiding how far future developments should be located from riverbanks. Key conclusions include the creation of a SWMM stormwater model, hydraulic analysis of flood events, identification of capacity constraints, and proposals for irrigation channel management, upgrades, system expansion, and maintenance programmes.

The recommendations are that Oudtshoorn Municipality implements the irrigation channel management system, addresses 1 in 5-year flood event capacity constraints, and undertakes general upgrades and expansions as part of its medium-term budget (5–10 years). A structured system maintenance programme should also be implemented to ensure long-term functionality.

b) Highlights: Roads and Stormwater

The table below specifies the highlights for the year:

Highlights	Description
Road Surface Rejuvenation	A total of 35 938.62 m² of existing road surfacing was successfully rejuvenated, extending the lifespan of the municipal road infrastructure and improving driving conditions for road users.
Road Upgrades	A total of 498 metres of road was upgraded from gravel to a surfaced standard, improving accessibility, safety, and durability of the municipal road network.

Table 101: 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.

Table 102: Road and Stormwater Challenges

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
2023/24	178.2	0.1	0.2	1.4	18.4
2024/25	178.2	0.5	3.2	0	28.2

Table 103: 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
2023/24	21.4	0	0.8	7.4
2024/25	20.9	0	0.498	5.7

Table 104: 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		
2023/24	19 000	11 000	8 000
2024/25	8 000	4 000	5 000

Table 105: 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	2024/25			
	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	1	1	0	0
13 - 15	1	0	1	100
16 - 18	1	1	0	0
19 - 20	0	0	0	0
Total	**4**	**3**	**1**	**25**
Employees and post numbers are as at 30 June				

Table 106: Employees: Roads, Transport & Storm Water (RTS)

f) *Capital: Roads and Stormwater*

The following table indicates the capital expenditure for this division:

Capital Expenditure 2024/25: Roads and Stormwater				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Paving of Streets	8 139 200	8 139 200	8 075 073	64 127
Rehab Streets Stormwater - Oudtshoorn	4 000 000	4 000 000	4 000 000	0
Roads Equipment	350 000	350 000	335 580	14 420
Upgradng of Sidewalks	850 000	850 000	139 058	710 942
Total	**13 339 200**	**13 339 200**	**12 549 711**	**789 489**

Table 107: 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 60 years 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

b) Capital: Planning and Development

The following table indicates the capital expenditure for this division:

Capital Expenditure 2024/25: Planning and Development				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Upgrade of SMME Infrastructure	0	559 500	510 059	49 441
Total	**0**	**559 500**	**510 059**	**49 441**

Table 108: Capital Expenditure: Planning and Development

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

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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.

The Oudtshoorn Spatial Development Framework 2020 (OSDF 2020) does require immediate review or amendment due to changing circumstances within the municipal area, a review and amendment process is scheduled for the 2025/26 financial year, which is expected to be finalized in May 2027. In the meantime, a Capital Expenditure Framework (CEF) Technical Report was completed in 2022 and subsequently approved by the Council as an addendum to the Oudtshoorn 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 make reference to 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
House Shop By-Law	A House Shop By-Law has been compiled to regulate all existing and intended house shops within the Greater Oudtshoorn Municipal area. The required public participation process was undertaken, and all relevant inputs and comments were considered in the finalization of the draft. The By-Law is currently

Highlights	Description
	awaiting final approval by Council, after which it will be published in the Provincial Gazette.
Appointment of a Director: Planning and Development	The position of Director: Planning and Development was advertised, after which a shortlisting process and first-round interviews were conducted by the appointed service provider.
Land Use and Development Applications	All Town Planning applications were finalized within the legislated timeframes. In terms of 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 receipt. The Municipality has ensured compliance with this requirement, thereby strengthening efficiency, accountability, and regulatory certainty in land use management.
Development and Approval of 3rd Generation Oudtshoorn Municipality Air Quality Management Plan	In accordance with the National Environmental Management: Air Quality Act, each municipality is required to develop and maintain an Air Quality Management Plan (AQMP). The 3rd Generation Oudtshoorn Municipality AQMP has been developed and approved, ensuring continued compliance with national legislation and providing a strategic framework to improve air quality management within the municipal area.
Establishment of a Draft River Maintenance Management Plan	A draft plan has been prepared to guide the sustainable maintenance and management of the Municipality's river systems. The plan provides a framework for protecting water resources, preventing degradation, and ensuring compliance with environmental legislation while supporting long-term ecological sustainability.
Update of Air Quality Monitoring Software	The Air Quality Monitoring Software was successfully updated through the appointed service provider, ensuring accurate and reliable data collection to support effective air quality management and regulatory compliance.
Application for Section 30A Approval	An application was submitted to the Department of Environmental Affairs and Development Planning for approval in terms of Section 30A of the National Environmental Management Act (NEMA). This process enables the Municipality to obtain the necessary authorization to address specific environmental management requirements in compliance with national legislation.
Appointment of Service Provider for Rehabilitation Plan	A service provider was successfully appointed to draft a rehabilitation plan aimed at addressing non-compliances with the conditions of Section 30A approval. This initiative will ensure corrective action, regulatory compliance, and the sustainable rehabilitation of affected areas.
Implementation of Source Separation Recycling Programme at The Palms	A recycling-from-source initiative was successfully implemented at The Palms, with collaborative support from SALGA, the Department of Environmental Affairs and Development Planning (DEADP), the Garden Route District Municipality, Cleansing Services, and PETCO. This programme promotes waste minimisation, improves recycling rates, and strengthens partnerships for sustainable environmental management.
Response to Compliance Notices and Directives	The Municipality responded to various compliance notices, directives, and pre-directives issued by the relevant authorities. These responses ensured that the Municipality addressed identified non-compliances, safeguarded institutional accountability, and demonstrated commitment to meeting legislative and regulatory obligations.

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Highlights	Description
Approval of Oudtshoorn Cemetery Expansion	Approval was obtained through the Section 24G process to proceed with the expansion of the Oudtshoorn Cemetery. This authorization ensures compliance with environmental legislation while addressing the growing community need for additional burial space.
Water Week Education and Awareness Campaign	Water Week programmes were conducted in collaboration with the Department of Water and Sanitation, targeting various schools. These initiatives promoted water conservation, raised awareness about sustainable water use, and encouraged responsible environmental practices among learners.
Clean-up Campaigns	Several clean-up campaigns were initiated in partnership with key stakeholders, including CapeNature. These initiatives contributed to environmental conservation, raised community awareness on waste management, and promoted collaboration in keeping public spaces clean and sustainable.
Social Media Environmental Awareness	Environmental awareness campaigns were carried out through various social media platforms, extending the Municipality's outreach and promoting community education on sustainable practices and environmental responsibility.
Representation on Provincial and National Platforms	The Municipality was represented on various provincial and national forums addressing environmental matters, ensuring that local priorities and challenges were voiced while contributing to broader policy discussions and collaborative solutions.
Assistance with Applicability Checklists	The Municipality assisted applicants in completing applicability checklists to ensure that all required departmental inputs were obtained and compliance with environmental legislation was secured prior to the commencement of activities. This process supports informed decision-making, reduces regulatory risks, and promotes sustainable development practices.

Table 109: 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
Revision of the Oudtshoorn Integrated Zoning Scheme By-Law, 2021	In terms of Section 24(1) of the Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act 16 of 2013), every municipality is required to adopt and approve a single land use scheme for its entire jurisdiction within five years of SPLUMA's commencement. The Oudtshoorn Integrated Zoning Scheme By-Law was adopted by Council and promulgated on 16 February 2021. Following its adoption, it replaced all existing and outdated zoning scheme regulations in operation within the Oudtshoorn area. A submission has already been made to Council to obtain permission to commence with the review process. The revision aims not only to address gaps and challenges identified since the adoption of the current By-Law but also to introduce amendments tailored to the unique circumstances of the Greater Oudtshoorn. As part of the modification process.
Development of a Mixed-Use Overlay Zone	A Mixed-Use Overlay Zone is a zoning district superimposed over one or more existing districts to impose additional restrictions, permit added uses, or introduce density bonuses and incentive zoning to achieve community goals. In the case of mixed-use zoning, the overlay provides flexibility by allowing developers to either follow the underlying zoning regulations or utilise the more adaptable mixed-use provisions. This approach encourages development that supports local goals such as improved land use efficiency, economic vitality, and community integration. When developing a Mixed-Use Overlay Zone, it is important for communities to identify the advantages most applicable to their context and structure the provisions to effectively achieve these objectives.
Responses to Pre-Directives and Directives in terms of the National Environmental Management Act (NEMA)	The Environmental Health and Heritage Officer, in collaboration with the Senior Manager: Land Use Management and Spatial Planning, has consistently provided sufficient and detailed responses to directives and pre-directives issued by the Provincial Department. These actions demonstrate the Municipality's commitment to compliance with NEMA and to addressing environmental management requirements in a responsible and accountable manner.
Intergovernmental Relationships with Environmental Departments	The Municipality has established a strong intergovernmental relationship with the Department of Environmental Affairs and Development Planning, collaborating on environmental matters to protect and manage the natural environment in the Oudtshoorn area. The Department has expressed its commitment to working closely with the Municipality in this regard. In addition, the Municipality has built a positive relationship with the Department of Forestry, which has contributed to local greening campaigns by providing trees and spekboom for planting across the Greater Oudtshoorn Municipal Area. These partnerships strengthen environmental sustainability and enhance community involvement in conservation initiatives.

Description	Actions to address
Air Quality Management	The Municipality has approved its 3rd Generation Air Quality Management Plan, which is currently being implemented. The Plan provides a strategic framework for monitoring, managing, and improving air quality within the municipal area. It will also be presented for adoption as an addendum to the 2026/27 Integrated Development Plan (IDP), ensuring alignment with the Municipality's broader planning and development objectives.
Capacity Need (Human Resources: Town Planning Section)	With the newly approved organogram, it is proposed that a Senior Planner and an additional Town Planner be appointed. These appointments will strengthen the capacity of the Town Planning Section, ensuring the achievement of key performance targets and the effective implementation of broader town planning objectives.
Capacity Need (Human Resources: Environmental Section)	With the newly approved organogram, the Environmental Health and Heritage Officer now reports directly to the Manager: Land Use Management and Spatial Planning, rather than to the Town and Regional Planner. To strengthen this function, additional qualified staff members are required to establish a dedicated Environmental Unit that will address all aspects related to the environmental sector, including compliance with specific environmental legislation applicable to the Municipality. Furthermore, funding is required to support awareness and education initiatives that promote environmental sustainability across the Greater Oudtshoorn area.
Capacity in Terms of By-Law Enforcement	To effectively address ongoing contraventions of the Zoning Scheme and environmental legislation, it is necessary to designate two Law Enforcement Officers on a permanent basis. These officers will undergo in-house training and will be responsible for issuing fines for illegal building works, as well as unlawful water and sewer connections. Their appointment will strengthen enforcement capacity and ensure improved compliance with zoning and environmental regulations across the municipal area.
Noise Meter Required to Address Noise Complaints	The Municipality must investigate the procurement of a noise metering device to effectively monitor and address community complaints related to noise pollution. This will support enforcement of relevant regulations and contribute to improved quality of life for residents.

Table 110: 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	2023/24	2024/25
Land use applications processed	120	133
Approximate value (Rand)	488 891	547 065
Complaint handling and responses to directives (Environmental management and Town Planning)	N/A	134

Table 111: 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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	10	7	3	30
4 - 6	17	16	1	5.88
7 - 9	14	13	1	7.14
10 - 12	28	22	6	21.43
13 - 15	8	6	2	25
16 - 18	1	1	0	0
19 - 20	0	0	0	0
S57	1	0	1	100
Total	**79**	**65**	**14**	**17.7**
Employees and post numbers are as at 30 June				

Table 112: Employees: Planning & Development

Employees: Directorate Planning and Development				
Job Level	2024/25			
	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
S57	1	0	1	100
Total	**2**	**1**	**1**	**50**
Employees and post numbers are as at 30 June				

Table 113: Employees: Directorate Planning and Development

Employees: Land Use Management and Spatial Planning				
Job Level	2024/25			
	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	3	1	2	66.67
13 - 15	3	1	2	66.67
16 - 18	1	1	0	0
19 - 20	0	0	0	0
Total	**8**	**4**	**4**	**50**
Employees and post numbers are as at 30 June				

Table 114: Employees: Land Use Management and Spatial Planning

3.5.2 Building Control

a) Introduction to Building Control

The Building Control Division is responsible for the approval process of building plan applications and the enforcement of statutory requirements regulating buildings, in terms of the National Building Regulations and Building Standards Act (Act 103 of 1977). It ensures that all applicable legislation and other relevant standards are conformed with. 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. The division also regulates the Outdoor Advertising signage by – law in the municipal area. The division also represents Oudtshoorn Municipality at Oudtshoorn Heritage Committee which make recommendations to Heritage Western Cape who issue building permits for buildings older than 60 years.

Legislation:

In terms of the National Building Regulations and Building Standard Act, Act 1977 (Act 103 of 1977) a building is define as follows:

(a) any structure, whether of a temporary or permanent nature and irrespective of the materials used in the erection thereof, erected or used for or in connection with-

(i) the accommodation or convenience of human beings or animals;

(ii) the manufacture, processing, storage, display or sale of any goods;

(iii) the rendering of any service;

(iv) the destruction or treatment of refuse or other waste materials;

(v) the cultivation or growing of any plant or crop;

(b) any wall, fence, swimming bath, swimming pool, reservoir or bridge or any other structure connected therewith;

(c) any fuel pump or any tank used in connection therewith;

(d) any part of a building, including a building as defined in paragraph (a), (b) or (c);

(e) any facilities or system, or part or portion thereof, within or outside but incidental to a building, for the provision of a water supply, drainage, sewerage, storm water disposal, electricity supply, or other similar service in respect of the building".

Section 4-

(1) No person shall without the prior approval in writing of the local authority in question, erect any building in respect of which plans and specifications are to be drawn and submitted in terms of this Act.

(2) Any application for approval referred to in subsection (1) shall be in writing on a form made available for that purpose by the local authority in question.

(3) Any application referred to in subsection (2) shall-

(a) contain the name and address of the applicant and, if the applicant is not the owner of the land on which the building in question is to be erected, of the owner of such land;

(b) be accompanied by such plans, specifications, documents and information as may be required by or under this Act, and by such particulars as may be required by the local authority in question for the carrying out of the objects and purposes of this Act.

Building Plan Applications

Since November 2021, all building plan applications must be submitted electronically via the approved Building Plan Portal.

In accordance with statutory timeframes:

- Plans smaller than 500m² must be approved or refused within 30 days of receipt.
- Plans larger than 500m² must be approved or refused within 60 days of receipt.

Process / Stages

1. Initial Stage
   The applicant requests a pre-submission check to ensure compliance before formal submission.
2. Check Stage
   - Clerks verify supporting documents.
   - A town planner is requested to review zoning compliance.
   - A pre-inspection may be scheduled.
   - A pro forma invoice is generated.
3. Checked Stage

- Applicant pays the invoice.
- Application is formally submitted.
- Finance verifies payment.

4. Distribution Stage
   - The plan examiner scrutinises the plans.
   - Relevant municipal departments provide their comments/inputs.
5. Review Stage
   - The Building Control Officer reviews departmental comments.
   - A recommendation is prepared for decision-making.
6. Final Outcome
   - The application is either approved or refused.
7. Incomplete Stage
   - If information or documents are outstanding, the applicant will be formally notified.
8. To Be Amended Stage
   - Where amendments are required, the applicant must revise and resubmit the plans.

Heritage Applications

According to section 34(1) of the National Heritage Resources Act, no person may alter or demolish any structure, or part of a structure, that is older than 60 years without a permit issued by the relevant provincial heritage resource authority.

Building plans for structures older than 60 years must first be submitted to Heritage Oudtshoorn for comments, and thereafter referred to Heritage Western Cape to issue a permit. Once a permit has been issued, it must be submitted to Oudtshoorn Municipality for final approval and the issuing of a building permit.

Inspections

Once the building plan has been approved, inspections must be carried out in accordance with the National Building Regulations.

The mandatory inspections are:

a) Trenches / excavations inspection

b) Drainage / sewer inspection

c) Completion / occupation inspection

Additional inspections may include:

- Floor inspections
- Roof inspections
- Pre-inspections

- Routine inspections

It is the responsibility of the owner to request the relevant inspections at the appropriate stages of construction. Requests for building inspections must be submitted at least two (2) days prior to the date of inspection.

Once the completion inspection has been carried out and compliance confirmed, an occupation certificate will be issued within fourteen (14) days, upon written request by the owner.

Issuing of Occupation or Completion Certificates

An occupation certificate or a completion certificate will be issued only after the required inspections have been conducted by the Building Control officials, and once all mandatory compliance certificates (COCs) have been received.

Complaints and Queries

Building-related complaints and queries are received on a weekly basis. The most common include:

- Non-residential uses (e.g. tuck shops, taverns)
- Nuisances
- Illegal structures
- Incorrect boundary lines
- Buildings or structures erected over boundary lines
- Land uses deviating from approved building plans
- Stormwater management issues

Outdoor Advertising Signage:

All signages are evaluated and approve or refuse in terms of the Outdoor advertising signage by – law. The applicant submits the application (Advertising signage) via the portal. The plan examiner checks and verifies if the application is fully compliant and correct. An invoice is created and sent back to applicant for payment. After receiving payment the application will be approved.

b) Highlights: Building Control

The table below specifies the highlights for the year:

Highlights	Description
Building Plan Applications	Final decisions in respect of 99% of all building plan applications were taken within the prescribed statutory timeframes: • Where the architectural area of the building to which the application relates is less than 500 square meters, the application was finalised within 30 days after receipt. • Where the architectural area of the building is 500 square meters or larger, the application was finalised within 60 days after receipt. In terms of Section 7 of the National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977), the local authority is required to grant or refuse its approval in respect of any application within these same statutory timeframes, namely: • Within 30 days after receipt of the application for buildings smaller than 500 square meters; and • Within 60 days after receipt of the application for buildings 500 square meters or larger.
Scanning of Old Building Plans	A total of 30% of the hard copy building plans stored in the municipal archives have been scanned and filed electronically. This initiative forms part of the municipality's ongoing process to digitise historical records, improve accessibility, and ensure the preservation of valuable planning documentation.

Table 115: Building Control Highlights

c) Challenges: Building Control

The table below specifies the challenges for the year:

Description	Actions to address
Capacity Need (Building Control)	With the newly approved organogram, provision has been made to strengthen the Building Control function through the proposed appointment of a Building Inspector and an Assistant Plan Examiner. These positions are critical to ensuring the achievement of key performance targets and the broader objectives of Building Control. It is further proposed that the post of Principal Clerk be re-designated to Administrative Officer, in recognition of the additional responsibilities and tasks that have been allocated to this position.
Capacity in Terms of By-law Enforcement	To effectively address ongoing contraventions of the Building Control and Outdoor Advertising Signage By-laws, it is necessary to appoint a Law Enforcement Officer / Building Inspector on a permanent basis. In-house training can be provided to equip these officers with the required skills. The appointed officer will be responsible for issuing fines and serving notices for unauthorised advertising signs and other

Description	Actions to address
	related infringements, thereby ensuring improved compliance with the applicable By-laws.

Table 116: Building Control Challenges

d) Service Delivery Levels

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

Type of service	2023/24	2024/25
Building plan applications processed	406	485
Total surface (m2) (value)	194 372	53 228
Approximate value of building work in (Rand)	146 597 915	262 287 842
Complaints handling and responses to directives (Building Control)	97	90
Building plan applications processed	406	485
Total surface (m2) (value)	194 372	53 228

Table 117: Building Control Service Delivery Levels

e) Employees: Building Control

Employees: Building Control				
Job Level	2024/25			
	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	66.67
13 - 15	3	3	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	**8**	**6**	**2**	**25**
Employees and post numbers are as at 30 June				

Table 118: Employees: Building Control

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.

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	Council has entered into a 9-year and 11-month lease agreement with TFASA to manage and develop the airport on its behalf. Under this agreement, the service provider will oversee a range of developments at the airport, expected to generate both direct and indirect socio-economic benefits for the town and surrounding communities 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 that opened in 2024. This new establishment is expected to create various part-time and full-time job opportunities.
Agri Klein Karoo	Agri Klein Karoo opened 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 was completed in 2025 and 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.
Oudtshoorn & De Rust Tourism Bureau	Implemented the Oudtshoorn & De Rust Tourism Summer Welcome Campaign. Attended key international shows and expos to promote the destination: • WTM Africa – April 2025 • Vakantiebeurs – Utrecht, Netherlands – January 2025 • Private Roadshow in Germany • Caravan Show – February 2025
Events	The Municipality supported and hosted a diverse range of cultural, sporting, and community events during the year, contributing to local tourism, economic stimulation, and social cohesion. These included: • Klein Karoo National Arts Festival • Grootvoël Rally • Klein Karoo Klassique • Bilateral International Kickboxing Championship – SA vs Canada

Highlights	Description
	• RGR Klein Karoo Oval Track Championship • Oudtshoorn Youth Cycling – Cycling SA Championships • Olfa Easter Soccer Tournament • Zibis 7s Tournament • Meiringspoort Marathon (21.1 km / 12.5 km) • Cango Marathon • SAMCA Nationals • South African Masters Athletics

Table 119: 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 Dysselsdorp 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 kid 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
Lack of space	Lack of space for manufacturing purposes especially light industry warehouses

Table 120: 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 121: LED Strategic Areas

d) Tourism and Marketing

The 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

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
- Bongolethu 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.

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
Western Cape Public Library Bill	The Western Cape Public Library Bill was passed and published in June 2025. The purpose of this Bill is to regulate Public Library Services in the province, providing a legislative framework to guide the governance, management, and development of libraries. The Bill further aims to ensure equitable access to information and knowledge resources, strengthen accountability, and enhance the role of libraries in supporting education, culture, and community development.
Library Partnerships with Local Chess Clubs	Libraries in the Greater Oudtshoorn Municipality have partnered with local chess clubs to utilise library spaces for chess tournaments and training sessions. This initiative not only promotes the recreational and educational use of library facilities but also supports youth development and community engagement. Notably, Maurice Langdon has been trained as an arbiter, further strengthening the capacity to host structured and recognised chess events.
Librarian for Dysselsdorp Public Library	The vacant post of Librarian at Dysselsdorp Public Library, which had remained unfilled for eight months, was successfully filled in July 2024. This appointment restores stability to the library's operations and ensures the continued provision of essential library and information services to the local community.

Table 122: 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 currently be serviced, which increases the risk of library material being stolen. To mitigate this risk and safeguard library resources, budgetary provision must be made for the regular servicing and maintenance of this equipment.
Maintenance and Renovation of Existing Library Buildings	Due to insufficient funding, the maintenance and renovation of existing library buildings have been compromised. This affects both the physical condition of facilities and the quality of services provided to the community. It is essential to allocate adequate budgetary resources for the upkeep of

Description	Actions to address
	library infrastructure and equipment to ensure continued functionality, safety, and a conducive environment for learning and community engagement.
Filling of Vacant Posts and Expansion of Mini Libraries	Due to a lack of funding, crucial vacancies within the library service cannot be filled. This has resulted in residents from certain Greater Oudtshoorn communities having to travel long distances to access the nearest libraries and information services. Addressing this funding gap is essential to ensure that vacant posts are filled and that mini libraries are expanded into underserved communities. Such interventions will improve local access to free library services, promote literacy and education, and strengthen the role of libraries as community hubs for information and learning.

Table 123: Libraries Challenges

d) Service Delivery Levels

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

Type of service	2023/24	2024/25
Library members	205 460	202 390
Books circulated	134 785	135 622
Exhibitions held	122	113
Internet users	17 074	20 425
Children programmes	93	84
Visits by school groups	22	37

Table 124: Service Delivery Levels for Libraries

e) Employees: Libraries

The following table indicates the staff composition for this division:

Employees: Libraries				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	24	19	5	20.83
7 - 9	2	0	2	100
10 - 12	5	2	3	60
13 - 15	2	2	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0

Employees: Libraries				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
Total	**33**	**23**	**10**	**30.30**
Employees and post numbers are as at 30 June				

Table 125: Employees: Libraries

f) Employees: Community Services

The following table indicates the staff composition for this division:

Employees: Community Services				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	158	143	15	9.49
4 - 6	125	78	47	37.6
7 - 9	97	57	40	41.24
10 - 12	51	27	24	47.06
13 - 15	9	9	0	0
16 - 18	1	0	1	100
19 - 20	0	0	0	0
S57	1	1	0	0
Total	**442**	**315**	**127**	**28.73**
Employees and post numbers are as at 30 June				

Table 126: *Employees: Community Services*

Employees: Office of the Director Community Services				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	0	1	0	0
7 - 9	1	0	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0

Employees: Office of the Director Community Services				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
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 127: *Employees: Office of the Director Community Services*

g) Capital: Libraries

The following table indicate the capital expenditure for this division:

Capital Expenditure 2024/25: Libraries				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
New Library (Rose Valley)	0	200 000	196 783	3 217
Total	**0**	**200 000**	**196 783**	**3 217**

Table 128: Capital Expenditure: Libraries

3.6.2 Cemeteries

a) Introduction to Cemeteries

The Greater Oudtshoorn Municipality is responsible for the management of five cemeteries located across Oudtshoorn, Dysselsdorp, and De Rust. These cemeteries are overseen by a dedicated supervisor who ensures proper administration, maintenance, and adherence to relevant policies and regulations. The supervisory role includes coordinating burial arrangements, monitoring available space, maintaining records, and ensuring that cemetery facilities remain dignified and accessible to the public.

b) Highlights: Cemeteries

The table below specifies the highlights for the year:

Highlights	Description
Approval of Cemetery Expansion	Approval to expand the Oudtshoorn Cemetery was granted through the Section 24G process. This authorization ensures compliance with environmental legislation while addressing the growing community demand for additional burial space.

Highlights	Description
Burial Records Updated	The continuous updating and maintenance of burial records ensures accurate information management and supports efficient cemetery administration.
Preparation of Burial Sites	Burial sites are prepared and provided as required to meet public needs, ensuring timely availability and dignified burial arrangements.

Table 129: Cemeteries Highlights

c) Challenges: Cemeteries

The table below specifies the challenges for the year:

Description	Actions to address
Limited burial space	In response to the challenge of limited burial space, the Planning and Development Department has initiated processes to investigate the extension of existing cemeteries. This proactive approach aims to ensure that adequate burial facilities remain available to meet the needs of the community in the coming years.
Limited staff	The challenge of limited staffing highlights the need for budgetary provision to fill vacant posts that are currently unfunded in the municipal organogram. Addressing this gap is essential to strengthen institutional capacity, enhance delivery service, and ensure that organisational objectives are met effectively.
Boundary fencing and vandalism	To address challenges related to vandalism and uncontrolled access, provision needs to be made in the budget for the installation of alternative security fencing. This measure will help safeguard municipal assets, reduce incidents of damage, and ensure better control of access to facilities.
Budget constraints	No funding has been allocated for the fencing of cemeteries and toilet facilities. To ensure the protection, safety, and proper maintenance of these community assets, budgetary provision must be considered in future financial planning cycles.

Table 130: Cemeteries Challenges

d) Services Delivery Levels

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

Type of service	2023/24	2024/25
Burials	770	704

Table 131: 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
HIV/AIDS Programme	The Municipality has adopted an HIV & AIDS Policy that provides the framework for guiding interventions and support. While this policy is in place, we are still in the process of identifying and securing sustainable funding sources to strengthen HIV/AIDS and broader health-related initiatives. The social development budget allocated to the Municipality is utilized as far as possible to support these programmes. In addition, we maintain close collaboration with the Department of Health and other relevant stakeholders to ensure an integrated and coordinated response to health challenges within the Greater Oudtshoorn area. Through this collective approach, the Municipality aims to improve community awareness, enhance access to support services, and contribute to the overall wellbeing of residents.
Poverty Alleviation Strategy	The Municipality has entered into a Memorandum of Understanding with Eden Meals on Wheels, a local non-governmental organisation that implements a successful nutritional programme. This partnership is aimed at addressing food insecurity and contributing towards the eradication of hunger within the Greater Oudtshoorn area. Objectives 1. Ensure a hunger-free childhood – Prioritise children's access to nutritious meals to support healthy growth and development. 2. Strengthen partnerships with NGOs and CBOs – Collaborate with civil society organisations to expand the reach and impact of food security initiatives. 3. Promote awareness on malnutrition – Educate communities about the causes, risks, and long-term impacts of malnutrition, while promoting healthy dietary practices. 4. Curtail malnutrition levels – Implement targeted interventions and support mechanisms to reduce and ultimately prevent malnutrition within vulnerable households.
Early Childhood Development (ECD) Support Programme	The Municipality recognises the importance ECD as the foundation for lifelong learning and development. The ECD budget allocated is primarily directed towards supporting the ECD community in ways that best address their identified needs. To ensure relevance and impact, the Municipality maintains ongoing communication and collaboration with the Klein Karoo ECD Forum, thereby strengthening coordination and identifying priority areas for support. In addition, ECD centres are eligible to benefit from the Municipality's Grant-in-Aid process, which provides financial assistance to enhance their operations, infrastructure, and programme delivery. Through these interventions, the Municipality seeks to improve the quality of early childhood services, promote equitable access to ECD opportunities, and contribute to the holistic

Highlights	Description
	development of young children within the Greater Oudtshoorn area.
Collaboration with the Western Cape Department of Social Development	The Oudtshoorn Municipality has entered into a Memorandum of Understanding (MOU) with the Western Cape Department of Social Development to formalise a working relationship aimed at strengthening social development initiatives within the Greater Oudtshoorn area. The MOU clearly defines the roles, responsibilities, and shared objectives of both parties to ensure coordinated and effective service delivery to vulnerable and marginalised groups. Through this partnership, the Municipality and the Department commit to: • Strengthening intergovernmental collaboration • Enhancing integrated planning and resource sharing • Ensuring alignment with national and provincial development strategies • Improving service delivery and accountability

Table 132: Social Development Highlights

c) Challenges: Social Development

The table below specifies the challenges for the year:

Description	Actions to address
Shortages of personnel	The challenge of limited personnel capacity was addressed through the appointment of young people under the Expanded Public Works Programme (EPWP). This intervention not only supported the Municipality in meeting its service delivery needs but also created valuable work opportunities for unemployed youth in the community.
Lack of sufficient budget	To address the challenge of limited financial resources, the Municipality has strengthened partnerships with various stakeholders, including government departments and non-governmental organisations (NGOs). These collaborations enable the pooling of resources, enhance programme sustainability, and ensure that essential services and development initiatives continue to reach vulnerable communities despite budgetary constraints.

Table 133: 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 specifies the highlight for the year:

Highlights	Description
Construction of New Building	The construction of a new building provided additional office space, which has been successfully utilised and has contributed to increased productivity and improved working conditions for staff.
New Appointments	The department made two permanent appointments, namely a Senior Clerk and a General Enquiry Clerk, strengthening administrative capacity and improving service delivery.
Additional Staff – Traffic Law Enforcement	Newly graduated officers have joined the Department, enhancing the capacity of the Traffic Law Enforcement Unit and strengthening the Municipality's ability to promote road safety and ensure compliance with traffic regulations.
Acquisition of Vehicles	Traffic Officers were equipped with a new fleet of vehicles, improving mobility, visibility, and operational efficiency in law enforcement activities across the municipal area.

Table 134: Traffic Services Highlights

b) *Challenges: Traffic Services*

The table below specifies the challenges for the year:

Challenges	Actions to overcome
Shortage of Personnel	The department continues to face a shortage of personnel. The appointment of additional staff is to be considered in order to strengthen capacity, improve service delivery, and address growing operational demands.
Inadequate Office Space	The construction of a new building has addressed the immediate shortage of office space, creating a more suitable working environment and supporting improved efficiency.

Table 135: Traffic Services Challenges

c) Services Delivery Levels

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

Details	2023/24	2024/25
Motor vehicle licenses processed	23 692	25 109
Learner driver licenses processed	2 386	2 503
Driver licenses processed	2 984	2 626
Driver licenses issued	1 064	1 235
Fines issued for traffic offenses	2 177 (excluding camera fines)	1 904 (excluding camera fines)
R-value of fines collected	R966 660	R1 949 850
Roadblocks held	240	270
Complaints attended to by Traffic Officers	120	246
Number of officers in the field on an average day	6	13
Number of officers on duty on an average day	6	8

Table 136: 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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	24	11	13	54.2
7 - 9	2	1	1	50.0
10 - 12	25	19	6	24.0
13 - 15	2	2	0	0.0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	**53**	**33**	**20**	**37.7**
Employees and post numbers are as at 30 June				

Table 137: Employees: Traffic Services

Employees: Law Enforcement				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	4	1	3	75
4 - 6	1	1	0	0
7 - 9	31	16	15	48.39
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	**37**	**19**	**18**	**48.65**
Employees and post numbers are as at 30 June				

Table 138: Employees: Law Enforcement

e) *Capital: Traffic Services*

The following table indicate the capital expenditure for this division:

Capital Expenditure 2024/25: Traffic Services				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Upgrading Testing Centre	0	2 605 900	2 137 910	467 990
Total	**0**	**2 605 900**	**2 137 910**	**467 990**

Table 139: Capital Expenditure: Traffic Services

3.7.2 Law Enforcement

a) *Highlights: Law Enforcement*

The table below specify the highlight for the year:

Highlights	Description
National Rural Youth Service Corps (NARYSEC) Students	Skill Development program that focuses on empowering unemployed youth.
Police Oversight and Community Safety (PCOS) Students' Graduation	Peace Officer and Traffic Warden training programmes were successfully completed, focusing on empowering young people with the necessary skills and qualifications to contribute to law enforcement and community safety.
Spaza Shop Operations	Law enforcement operations targeting non-compliant spaza shops resulted in the arrest of several illegal immigrants. These actions form part of broader efforts to ensure

Highlights	Description
	compliance with municipal by-laws, protect consumers, and promote fair trading practices within the community.
Opening of Upgraded Law Enforcement/Traffic Building	The upgraded Law Enforcement and Traffic Services building was officially opened, providing improved facilities to support the collaboration between Traffic and Law Enforcement units. This upgrade enhances operational efficiency, coordination, and service delivery to the community.

Table 140: Law Enforcement Highlights

b) Challenges: Law Enforcement

The table below specifies the challenges for the year:

Challenges	Actions to overcome
Shortage of Personnel	The department continues to face challenges due to a shortage of personnel. The filling of existing vacancies and the appointment of additional staff should be investigated to strengthen capacity, improve service delivery, and address increasing operational demands.
Fleet Shortage	The shortage of fleet vehicles remains a critical challenge for the department. Specific vehicles designed for the purpose of arrests should be procured to ensure effective operations, strengthen staff performance, and improve service delivery.
CCTV Cameras and Surveillance with Control Room	A dedicated Control Room should be established to ensure continuous surveillance of identified hotspot areas. This will enhance the safety of municipal property, reduce security-related costs, and provide greater protection for taxpayers and businesses within the municipal area.

Table 141: Law Enforcement Challenges

c) Services Delivery Levels

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

Details	2023/24	2024/25
Fines issued for traffic offenses	2 177 (excluding camera fines)	475
R-value of fines collected (R-value – 56)	R966 660	R266 100
Roadblocks held	240	48
Complaints attended to by Law Enforcement Officers	120	967
Number of officers in the field on an average day	6	28
Number of officers on duty on an average day	6	28
Arrests	N/A	70
Figures were previous (2023/24) combined with Traffic		

Table 142: Services Delivery Levels for Law Enforcement

3.7.3 Fire Services and Disaster Management

a) Introduction to Fire Services and Disaster Management

The Fire and Disaster Management Services operates 24/7, with a strong commitment to serving the people of Oudtshoorn effectively and consistently. Response times are aligned with the requirements of the Fire Services Act and SANS Regulations, ensuring the fastest possible service in emergency situations.

The Fire Department currently employs 18 permanent firefighters, supported by a Disaster Management Control Room staffed by 8 permanent employees. The Control Room functions as the central hub for all municipal services, operating around the clock and managing an average of 600 calls per month with efficiency and reliability.

b) Highlights: Fire Services and Disaster Management

The table below specify the highlight for the year:

Highlight	Description
Allied Building Fire	Despite the shortage of staff, the Fire Department responded effectively to the Allied Building fire and succeeded in safeguarding the structure. This reflects the dedication and resilience of the team in managing emergencies under challenging conditions.

Table 143: 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	Fire and Disaster Management Services faces challenges due to a limited fleet and aging vehicles that no longer comply with regulatory standards. To address this, budgetary provision must be made for the procurement of additional vehicles and the refurbishment of existing ones. Ensuring a reliable and compliant fleet is essential to maintain operational readiness, improve emergency response times, and uphold safety standards.
Lack of permanent firefighters and no growth within the department	The Fire and Disaster Management Services continues to face challenges due to the lack of permanent firefighters and limited growth within the department. This shortage places strain on existing personnel and affects the capacity to respond effectively to emergencies. To address this, budgetary provision must be made to fill all critical vacancies, thereby strengthening the department's capacity, improving delivery service, and ensuring compliance with safety standards.

Table 144: Fire Services and Disaster Management Challenges

d) Services Delivery Levels

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

Details	2023/24	2024/25
Total fires handled in the year	745	766
Total Rescue incidents in the year	51	60
Total Animal Rescues in the year	211	225
Total Fire Prevention Inspections	125	242
Reservists and volunteers trained	0	0
Awareness Initiatives on Fire Safety	21	44

Table 145: 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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	9	1	8	88.9
4 - 6	9	1	8	88.9
7 - 9	5	1	4	80.0
10 - 12	0	0	0	0.0
13 - 15	0	0	0	0.0
16 - 18	0	0	0	0.0
19 - 20	0	0	0	0.0
Total	**23**	**3**	**20**	**87.0**
Employees and Posts numbers are as at 30 June				

Table 146: Employees: Fire, Rescue 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
Hosting of Regional, Provincial, and National Events in Sport Facilities	The Municipality's sport facilities continue to serve as key venues for high-profile events. The NA Smit Swimming Pools hosted regional and provincial swimming galas, while the De Jager Athletic Track accommodated various athletic events at regional, provincial, and national levels. These activities not only promote sports development but also contribute to community pride and local economic stimulation.

Table 147: 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 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 that are not budgeted for.

Table 148: Parks and Recreation Challenges

b) Parks and Recreation Service Statistics

Type of service	2023/24	2024/25
Community parks		
Number of parks with play park equipment	12	11
Number of wards with community parks	5	5
Swimming pools		
Number of swimming pools	5	5
Number of visitors at swimming pools	26 051	40 633
R-value collected from entrance fees	353 105	332 453
Sport fields		
Number of wards with sport fields	5	5
Number of sport grounds or fields	6	6
Number of events hosted	462	382
R-value collected from utilisation of sport fields	17 143	18 631
Sport halls		
Number of wards with sport halls	1	1
Number of sport associations utilising sport halls	36	40
R-value collected from rental of sport halls	27 488	10 000
Stadiums		
Number of stadiums	1	1
Number of events hosted in stadiums	36	46

Table 149: 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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	91	70	21	23.07
4 - 6	45	31	14	31.11
7 - 9	13	12	1	7.69
10 - 12	4	3	1	25
13 - 15	1	1	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0

Employees: Parks, Sport, Recreation and Amenities				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
Total	154	117	37	24.03
Employees and post numbers are as at 30 June				

Table 150: Employees: Parks, Sport, Recreation and Amenities

d) *Capital: Sport and Recreation*

The following table indicates the capital expenditure for this division:

Capital Expenditure 2024/25: Sport and Recreation				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Upgrading: NA Smit Swimming Pool	300 000	97 000	97 000	0
Upgrading Sport Facility: Bongolethu Sportsgrounds	1 395 300	1 395 300	1 395 300	0
De Jager Sport stadium Equipment	500 000	823 000	820 380	2 620
Upgrading Sport Facility- Bongolethu Sportsgrounds	0	1 649 300	1 886 879	-237 579
Rehab of Sports Field Lighting	1 200 000	1 200 000	1 214 273	-14 273
Total	**3 395 300**	**5 164 600**	**5 413 832**	**-249 232**

Table 151: 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.

a) *Highlights: Community Halls and Buildings*

The table below specify the highlight for the year:

Highlight	Description
Hosting National events in Toekomsrus, Banquet Hall & Theatre	The Municipality successfully hosted KKNK shows at the Toekomsrus Banquet Hall and Theatre for the full duration of the festival. These events showcased local facilities as venues of national significance and contributed to cultural

Highlight	Description
	enrichment, tourism promotion, and economic activity within the Greater Oudtshoorn area.

Table 152: Parks and Recreation Highlights

b) Challenges: Community Halls and Buildings

The table below specifies the challenges for the year:

Description	Actions to address
Vandalism of facilities	To address recurring incidents of vandalism, it is recommended that vandal-proof security fencing be installed and security guards employed. These measures will enhance the protection of municipal facilities, reduce maintenance costs, and ensure that infrastructure remains accessible and functional for community use.
Aging Infrastructure and equipment	The Municipality faces challenges due to aging infrastructure and equipment. To ensure reliable delivery and operational efficiency, sufficient budgetary provision must be made for upgrades, ongoing maintenance, and the procurement of new equipment where necessary.

Table 153: Community Halls and Buildings Challenges

c) Community Halls and Buildings Service Statistics

Type of service	2023/24	2024/25
Number of community halls	7	7
Number events hosted	590	690

Table 154: Service Statistics Community Halls and Buildings

d) Capital: Community Halls and Buildings

The following table indicates the capital expenditure for this division:

Capital Expenditure 2024/25: Community Halls and Buildings				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Upgrading Of Building - Animal Pound	250 000	250 000	206 269	43 731
Upgrading Of Depo	1 500 000	1 500 000	1 500 000	0
Office Equipment	120 000	120 000	122 065	-2 065
Total	**1 870 000**	**1 870 000**	**1 828 334**	**41 666**

Table 155: Capital Expenditure: Community Halls and Buildings

3.8.3 Cango Caves

a) *Introduction to Cango Caves*

The Cango Caves are one of South Africa's most famous natural landmarks and a major tourist attraction, located about 29 km outside the town of Oudtshoorn.

They form an extensive system of limestone caves, stretching for over 4 km, although only a portion is open to the public. The caves are renowned for their dramatic stalactites, stalagmites, and helictites, formed over millions of years through slow mineral deposits. Some chambers, such as Van Zyl's Hall, are vast cathedral-like spaces, while others are narrow passages navigable only on the more adventurous "Adventure Tour."

The caves are considered a world-class speleological site and a heritage resource, with archaeological findings suggesting that they were used by humans as far back as the Early Stone Age. Today, the Cango Caves are managed as both a tourist destination and a protected site, balancing conservation with economic contribution through tourism.

They attract both domestic and international visitors, contributing significantly to the local economy of Oudtshoorn and the Garden Route region.

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
- The country's oldest and very first official tourist attraction
- The largest show cave system in Africa
- Offers guided tours in multiple languages
- Open to the public 364 days a year (closed only on December 25), the Cango Caves continue to captivate visitors with their awe-inspiring formations and fascinating history.

b) *Highlights: Cango Caves (Summarise)*

The table below specifies the highlights for the year:

Highlights	Description
Operational	
Procurement	Two procurement processes were undertaken at the Cango Caves. The first involved acquiring Radon Gas Monitors to comply with National Nuclear Regulatory requirements, ensuring safe monitoring of radon levels for staff health and safety. The second focused on appointing an operator for the Curio Shop, aimed at enhancing the visitor experience with retail products that showcase the Cango Caves, Oudtshoorn, and Klein Karoo brand.

Oudtshoorn Municipality

Highlights	Description
Capital Projects	Structural Remedial work to Cango Caves Building The Dept of Infrastructure provided support to the Cango Caves in addressing structural challenges affecting the main building. A contractor was appointed to carry out the necessary remedial work with the project being completed on 30 June 2025.
Recruitment	Temporary Staff: July 2024- February 2025 Staff were appointed from November 2024 to February 2025 to support operations during the peak tourism season. These positions included cashiers, tour guides, and general workers, ensuring continued service during the busiest months of the year.
RPS Site Visit	Radon Protection Specialist (RPS) - Quarterly Visits • 29 July 2024 – Site Visit • 24-25 October 2024 - Annual audit and training of staff. • 27 February 2025 – Site Visit • 8 May 2025- Annual Inspection The NNR conducted their annual inspection – this coincided with the quarterly visit of the RPS.
Training	Customer Service NGQ Level Training Department of Economic Development and Tourism (DEDAT) sponsored a Customer Service NQF Level 4 Course. Cango Caves staff participated in a 6-day training programme. Site Guide Training Cango Caves guides underwent training to obtain Site Guide Accreditation (Western Cape).
Workshops / Conferences	A series of tourism workshops and conferences were held to strengthen collaboration and promote the Garden Route and Klein Karoo. The Garden Route Tourism Strategy was reviewed in Oudtshoorn with stakeholders from across the region. The Regional Tourism Organisation Forum, hosted by Wesgro, reflected on 2024/25 performance and future opportunities. The Cango Caves participated in the SATSA National Conference and AGM under the theme "This Is Us – Reflection, Presence, Growth." In May 2025, the Cango Caves also joined a Cape Town Tourism Workshop in Oudtshoorn, aimed at building regional partnerships and enhancing destination marketing.
Events	The Cango Marathon, sponsored by Oudtshoorn Municipality and the Cango Caves for over 15 years, draws around 2,000 athletes annually and significantly boosts the local economy through tourism and hospitality. It also serves as a qualifier for the Comrades and Cape Town Marathons. The Spekboom Restaurant at the Cango Caves hosted Fezekile High School's Matric Ball, providing a memorable celebration while showcasing the venue's facilities and catering strengths. On 6 June 2025, the Cango Caves celebrated International Day of Caves and the Subterranean World by offering complimentary educational tours to local schools, later extended to July and August. The initiative promoted geological, historical, and conservation awareness and received wide media coverage.
Sponsorships & Social Outreach	The Cango Caves and Oudtshoorn Municipality provided sponsorship and support to a variety of schools, youth programmes, welfare organisations, sports events, and cultural initiatives. Beneficiaries ranged from local schools, libraries, and youth centres to welfare homes, churches, and community clubs,

Highlights	Description
	while sporting activities included cycling, biathlon, golf, bowls, and athletics. Cultural and entertainment events such as Miss Gay Images, KFM Wheel of Joy, and motorcycle and wildlife initiatives were also supported. These efforts highlight a broad commitment to education, social development, sport, culture, and community upliftment across the region.
Marketing	
Events	The Cango Caves partnered as a sponsor of major cycling events, including the SA Road & TT Championships in September 2024, where the prize-giving was hosted at the Spekboom Restaurant, and the Western Cape Cycling event in January 2025. In addition, the Caves hosted the Prologue of the Annual Dryland Traverse from 30 October to 2 November 2025, attracting nearly 200 athletes.
Advertisements	• Oudtshoorn Tourism Activity Booklet • Oudtshoorn Tourism Official Tourist Brochure • Dirty Boots • KKNK Festival Guide • Route 62 Map
Exhibitions / Conferences / Workshops	The Cango Caves actively participated in key tourism exhibitions and workshops to strengthen marketing and partnerships. At the South African Tourism Speed Marketing session in Knysna, the caves showcased their offering directly to specialist tour operators, gaining exposure and building new networks. In January 2025, they joined the Utrecht Vakantiebeurs and Munich Roadshow alongside regional partners, presenting a unified Oudtshoorn and Garden Route brand, which generated strong engagement and growing interest for future collaboration. In February 2025, the Cango Caves participated in the popular Caravan & Camp Show in Midrand, attracting over 22,000 visitors, with Oudtshoorn and the Garden Route well represented. In April 2025, they formed part of the Garden Route & Klein Karoo delegation at World Travel Market Africa in Cape Town, where a joint regional stand featuring multiple municipalities and 15 tourism products successfully boosted visibility and foot traffic.
Site Inspections / Educational	The Cango Caves continues to be a flagship attraction in Garden Route and Klein Karoo itineraries, frequently featured in site inspections and educational visits by both local and international tour operators. These visits strengthen product knowledge, reinforce its must-visit status, and highlight its global tourism relevance, with participation from operators across South Africa, Europe, Asia, and beyond. This broad engagement supports destination marketing for Oudtshoorn and the wider Garden Route region.
Networking	The Cango Caves strengthened tourism partnerships through active networking, including advisory participation on the Oudtshoorn Tourism Bureau Board, quarterly network evenings, the bureau's AGM, and a fundraiser. Broader collaboration was fostered via the Garden Route Arts & Culture Network Session hosted by KKNK, while the Cape Pioneer Dinner further supported destination marketing and relationship building.

Table 156: 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 provided support to the Cango Caves in addressing structural concerns within the facility. A consulting engineer was appointed to assess the situation and compiled a comprehensive report outlining the necessary remedial measures. The estimated cost for implementing the recommended work is R1,2 million.
Revenue Enhancement	The Cango Caves' main source of income is entrance fees, supplemented by rental space within the facility. These revenues are critical for sustaining operations and funding capital development. Tour companies and operators contribute significantly to visitor numbers and income. However, South Africa's weak economy and cost-conscious consumer behavior have placed pressure on domestic tourism over the past six years, a trend likely to persist and impact revenue growth.
Organogram / Vacant Positions The Cango Caves employs 36 permanent staff, including tour guides, cashiers, maintenance, and management. However, the current organogram does not fully address the operational and strategic needs of a major tourist attraction. Two critical vacancies – Conservation Officer and Coordinator: Interpretive Centre – remain unfilled.	These positions are essential for advancing conservation, scientific research, and public education, aligning with the core mission of protecting the site while fostering awareness among visitors and youth. Filling these posts is vital to strengthen environmental preservation and ensure the sustainable management of this natural heritage site.
Limited Marketing Budget	The Cango Caves' limited marketing budget restricts its ability to sustain brand visibility and compete effectively in the tourism market. This has led to tour operators reducing or excluding the Garden Route and Klein Karoo from itineraries in favor of Cape Town, viewed as more cost-effective. The trend threatens visitor numbers and underscores the urgent need for targeted marketing investment to secure the Cango Caves' status as a must-visit destination.

Table 157: Challenges: Cango Caves

d) Service Delivery Levels

Origin of visitors	Asia	France	Germany	Holland	India	Nordics	South Africa	United Kingdom	United States	Total
Jul	59	15	406	272	870	0	3 429	477	346	5 874
Aug	37	11	1 315	410	1 128	0	4 547	487	541	8 476
Sep	73	158	2 514	529	765	55	9 044	987	623	14 748
Oct	101	254	5 322	913	586	71	4 861	1 420	245	13 773
Nov	141	234	7 171	777	1 715	100	3 901	1 131	316	15 486
Dec	41	0	0	0	0	33	17 533	0	0	17 607
Jan	78	129	3 212	235	4 500	216	9 218	1 344	734	19 666
Feb	86	207	4 768	374	366	35	8 219	1 563	751	16 369
Mar	26	204	5 050	657	472	2	4 350	1 500	608	12 869
Apr	83	81	3 285	651	676	0	8 262	1 397	473	14 908
May	125	71	322	0	4 201	29	3 122	788	528	9 186
Jun	50	16	326	0	2 932	0	3 071	725	526	7 646
Total	**900**	**1 380**	**33 691**	**4 818**	**18 211**	**541**	**79 557**	**11 819**	**5 691**	**156 608**

Service Delivery Levels

Analysis of Visitor Origins to the Cango Caves

The Cango Caves recorded a total of 156 608 visitors over the twelve-month reporting period, reflecting both domestic and international demand with distinct seasonal patterns. Domestic tourism formed the majority share**,** with South Africa contributing 79 557 visitors (51%). The highest volumes were recorded in December (17 533) and January (9 218), coinciding with the national festive season and school holidays.

From an international perspective, Germany emerged as the leading source market, accounting for 33 691 visitors (22%). German arrivals were concentrated in September to November and February to March, while showing a sharp decline in December. India represented a significant and growing market, contributing 18 211 visitors (12%) with peaks in January, May, and June, which align with major Indian holiday periods. The United Kingdom followed with 11 819 visitors (8%), maintaining steady inflows throughout the year, particularly between October and March, while the United States contributed 5 691 visitors (4%), demonstrating smaller but consistent volumes of approximately 500–700 visitors per month.

Other European markets displayed more modest contributions. The Netherlands accounted for 4 818 visitors, peaking in October–November and again in February–March, while France contributed 1 380 visitors, mainly during September–November and February–March. In contrast, arrivals from Asia (900 visitors) and the Nordics (541 visitors) remained minimal and sporadic throughout the year.

In summary, the Cango Caves experienced two clear demand cycles: domestic peaks in December–January and international peaks in September–November and February–March. Conversely, June and

July represented low-demand periods, highlighting opportunities for targeted domestic campaigns to stimulate off-peak visitation. Strategic focus on high-yield international markets, particularly Germany and India, in alignment with their seasonal travel patterns, alongside sustained domestic promotion, will be essential to maintain growth and stabilise visitor flows throughout the year.

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 2025/26	Council approved the Medium-Term Revenue and Expenditure Framework (MTREF) for the 2025/26 financial year at the Ordinary Council Meeting held on 5 June 2025. This approval provides the financial framework to guide municipal operations, service delivery, and infrastructure development over the medium term.
Approval of IDP 2025/26	Council approved the Integrated Development Plan (IDP) for the 2025/26 financial year at the Ordinary Council Meeting held on 05 June 2025. The IDP serves as the Municipality's principal strategic planning instrument, aligning community needs with available resources and guiding development priorities for the year ahead.
Filling of Municipal Manager's post	Council approved the filling of the Municipal Manager's post at the Ordinary Council Meeting held on 31 March 2025. This decision is critical to strengthening strategic leadership, ensuring administrative stability, and enhancing the overall governance capacity of the Municipality.
Filling of Directors Community Services post	Council approved the filling of the Director: Community Services post at the Special Council Meeting held on 12 March 2025. This appointment is essential to strengthen leadership within the Community Services Directorate, improve service delivery, and ensure that community-related programmes and initiatives are effectively implemented.
Filling of the CFO's post	Council approved the filling of the Chief Financial Officer (CFO) post at the Special Council Meeting held on 13 May 2025. This decision is vital to ensure sound financial management, strengthen compliance with the Municipal Finance Management Act (MFMA), and enhance the Municipality's overall financial sustainability.

Table 159: 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	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	2	2	0	0
4 - 6	14	11	3	21.42
7 - 9	7	5	2	28.57
10 - 12	14	7	7	50
13 - 15	6	5	1	16.67
16 - 18	0	0	0	0
19 - 20	0	0	0	0
S57	1	1	0	0
Total	**44**	**31**	**13**	**29.55**
Employees and post numbers are as at 30 June				

Table 160: Employees: Office of the MM

c) Capital: Executive and Council

The following table indicate the capital expenditure for this division:

Capital Expenditure 2024/25: Executive and Council				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Upgrade Of Caves Building	800 000	1 283 600	691 274	592 326
Upgrade Of Municipal Buildings	250 000	250 000	169 970	80 030
Total	**1 050 000**	**1 533 600**	**861 244**	**672 356**

Table 161: 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 Cango Caves, Resorts, LED and International Relations. The coordination of these functions must be developed through a long-term strategy which this department is also responsible for.

b) Highlights: Strategic Services

The table below specifies the highlights for the year:

Highlights	Description
Construction of SMME Trading Center	The unit secured additional funding from the Department of Local Government to expand the container facility at the Thusong Center, creating additional trading space for SMMEs and supporting local economic development.
Cango Caves Upgrade	The unit coordinated the implementation of a capital project to repair the roof of the Caves building, ensuring the preservation of infrastructure and the continued safe operation of this key tourism facility.
Promote Retail and Business Development	The department successfully facilitated the development and commencement of the Klein Karoo Markt Mall in Oudtshoorn, creating new opportunities for retail growth, business investment, and local job creation.
Airport Development	The unit successfully procured a service provider to manage and operate the airport on behalf of the Council, ensuring improved operational efficiency and the continued provision of air transport services to the region.
National Arts Festival and Hosting of Events	The department contributed to and supported the hosting of both local and national events within the municipal area, including the National Arts Festival. These initiatives significantly boosted the tourism sector, promoted cultural development, and enhanced the Municipality's profile as an attractive destination for major events.

Table 162: Highlights: Strategic Services

c) Challenges: Strategic Services

The table below specifies the challenges for the year:

Description	Actions to address
Staffing Challenges in the Economic and Planning Development Unit	The department continues to experience challenges due to a shortage of staff, particularly within the Economic and Planning Development Unit. A review of the organogram has been undertaken, and provision has been made in the budget to address vacancies and strengthen capacity in this critical area.
Lack of Funding to Implement Projects and Programs	The department faces ongoing challenges due to insufficient funding to fully implement planned projects and programs.

Description	Actions to address
	Budget submissions will be prepared, with support required from Council to prioritize and allocate the necessary resources to ensure effective delivery.

Table 163: 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	2024/25			
	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	3	2	1	33.33
13 - 15	1	1	0	0
16 - 18	1	1	0	0
19 - 20	0	0	0	0
Total	**6**	**5**	**1**	**16.67**
Employees and post numbers are as at 30 June				

Table 164: Employees: Employees: Strategic Services and Tourism (LED, Social Development and Sport, Cango Caves)

Employees: Communication, IGR & Public Participation				
Job Level	2024/25			
	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**	**12.50**
Employees and post numbers are as at 30 June				

Table 165: Employees: Employees: Communication, IGR & Public Participation

Employees: Integrated Development Planning				
Job Level	2024/25			
	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**	**33.33**
Employees and post numbers are as at 30 June				

Table 166: Employees: Integrated Development Planning

Employees: Institutional Performance Management (PM) & SDBIP				
Job Level	2024/25			
	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	0	1	100
16 – 18	0	0	0	0
19 – 20	0	0	0	0
Total	**2**	**0**	**2**	**100**
Employees and post numbers are as at 30 June				

Table 167: Employees: Institutional Performance Management (PM) & SDBIP

3.9.3 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.

b) *Highlights: Human Resource Services*

The table below specify the highlight for the year:

Highlight	Description
Automated skills audit and PDP system	Previously, skills audits and Personal Development Plans (PDPs) were completed manually, which was a time-consuming and resource-intensive process. The introduction of an automated system has streamlined these processes, enabling faster completion, improved accuracy, and a fully paperless environment. This innovation enhances efficiency in workforce planning and supports more effective employee development.
Job Descriptions Evaluated	All job descriptions within the municipal staff establishment have been reviewed and evaluated. This process ensures alignment with organisational needs, compliance with legislative requirements, and provides a clear basis for performance management and staff development.
Competency Framework	A suitable competency framework has been adopted and applied to all positions within the municipal staff establishment and their respective job descriptions. This framework ensures that required skills, knowledge, and behavioural attributes are clearly defined, supporting effective recruitment, performance management, and staff development.
Automated system (Individual Performance)	An automated Individual Performance Management System has been implemented and is running successfully. Through this system, individual performance has been effectively cascaded down to lower staff levels, ensuring alignment with organisational objectives, improved accountability, and streamlined performance monitoring across the Municipality.
EAP Financial Management programme	The Employee Assistance Programme (EAP) and Wellness Office, in partnership with the HR Benefits and Administration unit, plays a key role in identifying cases of staff over-indebtedness. Through this programme, support mechanisms are introduced to assist employees in managing their financial wellbeing, thereby reducing stress and improving overall productivity in the workplace.
Wellbeing of staff surveys	The Employee Assistance Programme (EAP) and Wellness Office conducted three workplace surveys aimed at assessing and improving staff wellbeing. These included: 4. A survey on the overall wellbeing of all staff members. 5. A survey focused on the wellbeing of female staff members, identifying the need for relevant support programmes during office hours. 6. A survey exploring how the youth within the Municipality perceive the workplace culture.

Highlight	Description
	The results provide valuable insights to inform targeted interventions, promote a supportive work environment, and enhance employee engagement across different groups.

Table 168: *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	The Municipality has experienced challenges with cooperation in the implementation of the Municipal Staff Regulations. To address this, greater emphasis will be placed on communication, awareness, and capacity-building initiatives to ensure that staff understand the purpose, requirements, and benefits of the regulations. Strengthening awareness will foster compliance, improve alignment with legislative frameworks, and support the professionalisation of the municipal workforce.
Lack of cooperation from some employees, managers and supervisors during collection of skills needs information for the WSP period	The Municipality continues to experience challenges with cooperation from some employees, managers, and supervisors during the collection of skills needs information for the Workplace Skills Plan (WSP) period. A lack of buy-in from supervisors and managers has resulted in limited consultation with employees, which prevents the proper identification of scarce skills. In addition, poor attendance by managers and supervisors at skills needs meetings contributes to delays and incomplete submissions. To address this challenge, stronger accountability measures and improved engagement are required to ensure full participation in the process, enabling the Municipality to develop an accurate and responsive WSP that supports skills development and capacity building.
Time and attendance of employees at trainings	The Municipality faces challenges with employees failing to attend scheduled training sessions after being identified for participation. This results in wasted resources and unnecessary training costs. To address this, consequence management will be implemented, whereby employees who fail to attend training without valid reasons will be held accountable for the costs incurred. This measure aims to promote responsibility, improve attendance, and ensure effective utilisation of training resources.
Lack of cooperation during skills audit	The Municipality has experienced challenges with cooperation during the skills audit process. Although awareness sessions have been conducted with supervisors and managers to highlight the importance of the exercise, some supervisors and managers still fail to complete the skills audits of their subordinates. This undermines the accuracy of workforce planning and hampers the identification of critical skills gaps. To address this, stronger accountability measures and continued awareness will be implemented to ensure full participation, thereby improving the quality of data collected and supporting effective skills development planning.
The Municipality continues to face challenges with the implementation of the Municipal Staff Regulations, as well as resistance to the adoption of new technology and	The Municipality continues to face challenges with the implementation of the Municipal Staff Regulations, as well as resistance to the adoption of new technology and systems. This

Description	Actions to address
systems. This lack of cooperation hampers operational delivery and weakens overall human resource governance.	lack of cooperation hampers operational delivery and weakens overall human resource governance.
Lack of buy-in to the EAP & Wellness programmes and initiatives form line management.	The Municipality continues to face limited buy-in from line management regarding the Employee Assistance Programme (EAP) and Wellness initiatives. This lack of cooperation undermines the multi-disciplinary and holistic approach needed to support the wellbeing of staff and strengthen the organisational culture. To address this, greater emphasis will be placed on engaging line managers, highlighting the benefits of the EAP and Wellness programmes, and encouraging their active participation. Improved cooperation will foster a healthier workforce, enhance productivity, and reinforce a positive corporate culture within the Municipality.

Table 169: *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	2024/25			
	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
S57	0	0	0	0
Total	**1**	**1**	**0**	**0**
Employees and post numbers are as at 30 June				

Table 170: Employees: Office of the Director Corporate Services

Employees: Administration				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	6	4	2	33.33

Employees: Administration				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
7 - 9	1	1	0	0
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	**10**	**7**	**3**	**30**
Employees and post numbers are as at 30 June				

Table 171: Employees: Administration

Employees: Human Resources Management				
Job Level	2024/25			
	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	8	5	3	37.5
10 - 12	7	6	1	14.29
13 - 15	1	0	1	100
16 - 18	1	1	0	0
19 - 20	0	0	0	0
Total	**17**	**12**	**5**	**29.41**
Employees and post numbers are as at 30 June				

Table 172: Employees: Human Resources Management

e) *Capital: Human Resource Services*

The following table indicate the capital expenditure for this division:

Capital Expenditure 2024/25: Human Resource Services				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Office Furniture Equipment	60 000	60 000	59 118	882
Upgrading Of Municipal Offices Main Building	300 000	300 000	37 995	262 005

Capital Expenditure 2024/25: Human Resource Services				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Time And Attendance	350 000	350 000	346 880	3 120
Total	**710 000**	**710 000**	**443 993**	**266 007**

Table 173: Capital Expenditure: Human Resource Services

3.9.4 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
Paperless Municipal Accounts	The Municipality experienced challenges in the timely delivery of municipal accounts due to service delays at Post Offices. To address this, a project to deliver accounts via electronic platforms was launched in February 2025. At the start of the project, the Municipality printed approximately 11,491 accounts. Since implementation, the initiative has been a resounding success, with 19,236 accounts now delivered electronically. Only 0.9% (around 2,000 accounts) could not be delivered electronically, demonstrating a significant improvement in efficiency, reliability, and cost-effectiveness.
Financial position and performance	The Municipality has maintained a debtors' payment ratio of 93.3%, which is a notable achievement given the current economic climate. Furthermore, the Municipality continues to operate with a consistent operating surplus. The overall cash position has also improved significantly between 30 June 2024 and 30 June 2025, reflecting strengthened financial management and sustainability.
Funded and credible Municipal Budget	The Municipality adopted a fully funded budget for the year under review. The budget adhered to all prescripts of the Municipal Finance Management Act (MFMA), particularly in terms of ensuring its credibility. As a result, the Municipality successfully delivered on all strategic objectives of Council without encountering situations where projects had to be halted due to a lack of available cash for budget allocations. This reflects prudent financial planning, sound cash flow management, and a strong commitment to service delivery.

Table 174: Financial Services Highlights

c) Challenges: Financial Services

The table below specifies the challenges for the year:

Description	Actions to address
Inefficiencies within the municipal operations	The Municipality continues to experience inefficiencies in its operations, which place pressure on financial and human resources. Significant amounts are still being spent on overtime and fleet-related expenses, while the abuse of municipal vehicles persists. These inefficiencies not only increase costs but also undermine overall productivity and service delivery effectiveness.
Movement of assets	Municipal staff and councillors are required to adhere strictly to the Asset Management Policy by completing asset movement forms for all municipal assets. This practice is essential to minimise the risk of asset misplacement or assets being unaccounted for, thereby strengthening accountability and safeguarding municipal resources.
Employees are over indebted	The Municipality continues to face challenges with employee over-indebtedness. The Accounting Officer issued a directive to stop direct payroll deductions from new service providers; however, this measure has been challenged by organised labour. As a result, payroll deductions continue in line with the collective agreement,

Description	Actions to address
	maintaining the same negative impact on employee affordability and overall financial wellbeing.
Increase number of indigent consumers	The Municipality has experienced an increase in the number of indigent consumers, reflecting the socio-economic pressures within the Greater Oudtshoorn area. To address this challenge, the Municipality must develop strategies to stimulate the local economy, with the objective of creating more employment opportunities. By fostering economic growth, the dependency on indigent support can be reduced, while household incomes and community resilience are strengthened.

Table 175: Financial Services Challenges

d) Employees: Financial Services

The following table indicates the staff composition for this division:

Employees: Financial Services				
Job Level	2024/25			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	21.88
4 - 6	32	20	7	12.5
7 - 9	16	14	2	6.66
10 - 12	15	14	1	28.57
13 - 15	7	5	2	50
16 - 18	4	2	2	0
19 - 20	0	0	0	0
S57	1	1	0	0
Total	**75**	**56**	**14**	**18.66**
Employees and post numbers are as at 30 June				

Table 176: Employees Financial Services

e) Capital: Financial Services

The following table indicate the capital expenditure for this division:

Capital Expenditure 2024/25: Financial Services				
Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Computer And Software	1 600 000	1 673 500	1 670 212	3 288
Office Furniture Equipment	150 000	150 000	149 479	521
Total	**1 750 000**	**1 823 500**	**1 819 691**	**3 809**

Table 177: Capital Expenditure: Financial Services

3.9.5 Information and Communication Technology (ICT) Services

a) Introduction to ICT Services

The ICT Section forms part of the Finance Directorate and is responsible for managing, installing, repairing, and supporting all aspects of information and communication technology within the Municipality. This includes the maintenance of computer hardware and software, network infrastructure, and wireless communication systems.

The section currently consists of five staff members who provide ICT services to 410 active network users. Their responsibilities include the management of high sites, wireless clients (remote offices), desktops, laptops, printers, and Voice Over Internet Protocol (VOIP) communications.

The Municipality's ICT environment supports a wide range of software systems, including:

- Financial system
- Correspondence and customer care
- Email and internet access
- Pre-paid vending
- Library functions
- Payroll and human resources
- Building control and cemetery management
- Geographical Information System (GIS)
- Hosting of the Municipality's website and the Cango Caves

This section plays a critical role in enabling efficient service delivery, supporting administrative functions, and ensuring the continuity of municipal operations through reliable ICT infrastructure.

b) Highlights: ICT Services

The table below specify the highlight for the year:

Highlight	Description
Installation of New Hyper-V Host	A new PowerEdge R960 Hyper-V host was installed to strengthen the Municipality's ICT infrastructure. This upgrade enhances server capacity, improves system performance, and supports the stable and efficient operation of municipal applications and services.

Table 178: *ICT Services Highlights*

b) Challenges: ICT Services

The challenge that was experienced is as follow:

Description	Actions to address
Time and attendance	To improve accuracy and efficiency in monitoring employee attendance, the Municipality has prioritised the procurement of fingerprint access points. This project is planned for implementation in the 2025/26 financial year and will be budgeted as a multi-year initiative to address Council's identified needs.

Table 179: Challenges: ICT Services

c) Service Delivery Levels

Details	2023/24	2024/25
Provide ICT support to all municipal departments by attending to requests within 4 working days	100%	99%
Total number of support requests and enquiries	1 183	1 686
Total number of support requests and enquiries solved within 4 days	1 183	1 420

Table 180: Service Data for ICT Services

d) Employees: ICT Services

The following table indicates the staff composition for this division:

Employees: ICT Services				
Job Level	2024/25			
	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	3	3	0	0
13 - 15	2	1	1	50
16 - 18	1	0	1	100
19 - 20	0	0	0	0
Total	**7**	**5**	**2**	**28.57**
Employees and post numbers are as at 30 June				

Table 181: Employees: ICT Services

3.9.6 Procurement Services

a) Introduction to Procurement Services

In this 2024/25 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 2024/25 financial year end

b) Highlights: Procurement Services

The table below specifies the highlights for the year:

Highlights	Description
95% of tenders were awarded before expiry	Better progress in terms of prior financial year
Better planning in terms of deviating from SCM process	2022/23 total deviations were 8 2023/24 total deviations were only 2 2024/25 total deviations were only 1

Table 182: 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
Capacitating SCM unit	Appoint more SCM staff relating to tenders and rfq's function to ensure effective and efficient services to user departments and other stakeholders

Table 183: 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	7 296	608	19.98
Orders processed	6 438	536.50	17.64
Requests cancelled or referred back	858	71.5	2.35
Extensions	2	0.17	0.005

Description	Total	Monthly Average	Daily Average
Bids received (number of documents)	409	34.08	1.12
Bids awarded	34	2.83	0.09
Bids awarded ≤ R200 000	19	1.58	0.05
Appeals registered	12	1	0.03
Successful appeals	4	0.33	0.01

Table 184: 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 (%)
	2023/24		2024/25	
Clause 36(1)(a)(i)- Emergency	0	0	4 037 422	100
Clause 36(1)(a)(ii)- Sole Supplier	6 574.32	8.17	0	0
Clause 36(1)(a)(v)- Impractical /impossible	73 854.67	91.83	0	0

Table 185: Statistics of Deviations from the SCM Policy

3.9.7 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 eagerly anticipates the appointment of the Senior Property Management Administration Officer with effect from 01 July 2025. This role will make a significant contribution to our operations, particularly as the department has had to function without this critical position for many years. The absence of this role has severely hampered our ability to deliver services effectively, and its reinstatement marks an important step toward strengthening capacity and improving service delivery.

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
- Management of property and related matters in the Municipality
- Oversee Contracts management and administration
- Draft and prepare by - laws and regulations
- By – law review and administration
- Responsible for the management and supervision of the legal compliance function of the Municipality
- Provide legal support and direction to the administration and political leadership
- Draft codes, SOPs and policies, within the relevant legal framework
- Oversee statutory compliance within the Municipality
- Oversee the statutory compliance
- Conduct and prepare reports, opinions and legal memoranda in respect of all section 62 appeals and objections
- Responsible and oversee the leasing of Council's investment properties
- The planning and development of investment properties to accommodate specific planning interventions, investments and economic growth
- Management of expropriation of immovable property within the Municipality that is required for strategic purposes in terms of applicable legislation

b) *Highlights: Legal Services*

The highlights for the year under review were as follows:

Highlights	Description
Appointment of Senior Property Management Administration Officer	Council anticipates the commencement of duties by the Senior Property Management Administration Officer on 01 July 2025. This strategic appointment will play a pivotal role in strengthening the Municipality's capacity to manage leases, oversee municipal immovable assets, maintain accurate property records, and ensure compliance with relevant legislation. Furthermore, it is expected to enhance revenue protection, improve audit readiness, and significantly bolster overall service delivery within the property management function.
Occupation of Bridgton Chalets	The Municipality initiated the occupation of the Bridgton Chalets, generating a valuable source of income while simultaneously addressing the critical housing needs of

Highlights	Description
	municipal officials. This initiative supports financial sustainability and enhances staff welfare by providing secure and accessible accommodation.

Table 186: Highlights: Legal Services

c) Challenges: Legal Services

Challenges that are experienced includes the following:

Description	Actions to address
Lack of Administrative Support	The Municipality continues to face challenges due to insufficient administrative support, which negatively impacts efficiency and service delivery. It is recommended that the Municipal Manager urgently address this gap to ensure that adequate administrative capacity is in place to support operations and improve overall organisational effectiveness.
Legal Services – Property Administration Capacity	Legal Services is tasked with the responsibility of property administration; however, the section is not provided with sufficient capacity to perform this mandate optimally. This constraint hampers the effective management of municipal property assets. The matter must be addressed at senior management level to ensure that the necessary resources and support are allocated, enabling Legal Services to deliver on its responsibilities effectively.
Legal Services and Contract Administration	Legal Services is currently not involved in the incipient stages of contract administration, such as at the Bid Specification Committee (BSC) level. This creates risks in terms of compliance, contract quality, and enforceability. To address this challenge, a new Standard Operating Procedure (SOP) should be drafted to ensure Legal Services is included at all critical stages of the contract lifecycle, from planning and specification through to implementation and monitoring.

Table 187: Challenges: Legal Services

d) Service Delivery Levels

Details	2023/24	2024/25
Attending to requests for information applications made by members of the public is a form of service delivery	Yes	Yes

Table 188: Service Delivery Levels

3.10 Component H: Service Delivery Priorities for 2025/26

The main development and service delivery priorities for 2025/26 forms part of the Municipality's Top Layer SDBIP for 2025/26 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 2026 {(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 2026	All	**13%**
TL19	Limit vacancy rate to less than 15% of budgeted post by 30 June 2026 [(Number of funded posts vacant / number of funded posts) x100]	% Vacancy rate	All	**15%**
TL21	Submit the EE plan to Department of Labour by 15 January 2026	EE plan submitted	All	**1**
TL22	Annually submit Workplace Skills Plan by 30 April 2026 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 2026	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 2026	Reviewed risk register	All	**1**

Table 189: 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 2026 ((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%**
TL6	Financial viability measured in terms of the outstanding service debtors as at 30 June 2026 ((Total outstanding service debtors/ revenue received for services)X100)	% of outstanding service debtors (total outstanding debtors refers to total net debtors)	All	**25%**

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL7	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2026 ((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	**1.9**
TL8	Achieve a debtor payment percentage of 93% as at 30 June 2026 {(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 2026 {(Actual amount spent on capital projects /Total amount budgeted for capital projects)X100}	% the capital budget spent on capital projects as at 30 June 2026	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 2025/26 financial year	Number of people employed in the three highest levels of management	All	**3**
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	**90%**

Table 190: 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 2026 {(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 2026	All	**25%**
TL13	Create temporary jobs - FTE's in terms of EPWP by 30 June 2026 (Person days / FTE (230 days))	Number of FTE's created by 30 June 2026	All	**65**
TL28	The effective management of Thusong Centre measured by percentage of capital budget spent	Percentage (%) of capital budget spent.	All	**90%**

Table 191: 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 2026	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	**7 450**

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL2	Provide subsidies for free basic electricity to indigent households(excluding ESKOM supply area) as at 30 June 2026	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	**7 450**
TL3	Provide subsidies for free basic sanitation to indigent households as at 30 June 2026	Number of indigent households receiving subsidies for free basic sanitation as per PROMUN financial system	All	**7 300**
TL4	Provide subsidies for free basic refuse removal to indigent households as at 30 June 2026	Number of indigent households receiving subsidies for free basic refuse removal as per PROMUN financial system	All	**7 300**
TL10	Provide refuse services to residential properties for which refuse is removed and billed for the service as at 30 June 2026	Number of residential properties which are billed for refuse removal as per the PROMUN financial system	All	**15 300**
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 2026	Number of residential properties that receive piped water as per the Promun Financial System as at 30 June 2026	All	**16 000**
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 2026	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 2026. The Ontec management report is also used as unit of measurement	All	**16 000**
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 2026	Number of residential properties which are billed for sewerage in accordance with the Promun Financial System as at 30 June 2026	All	**15 000**
TL27	Maintenance on sports grounds measured in terms of the percentage of the maintenance budget spent	Percentage (%) of sports grounds repaired and maintenance spent.	All	**90%**
TL29	Spent 90% of the Library Services Capital budget by 30 June 2026	Percentage (%) of the capital budget spent for library services.	All	**90%**

Table 192: 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 of the Emergency Housing Assistance Policy by 30 June (bi-annually)	Policy reviewed and submitted to Council	All	**1**
TL30	Submit quarterly reports on the number of households assisted in terms of allocations of emergency structures, prevention of illegal evictions and submit to Council by 30 June 2026	Number of reports submitted to Council	All	**1**

Table 193: 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	2023/24	2024/25
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	30	29
The percentage (%) of the municipality's training budget spent, measured as Total Actual Training Expenditure/ Approved Training Budget x 100	60%	102.62%

Table 194: 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".

a) Employment Equity vs. Population

The table below indicates the employment equity vs. population:

African			Coloured			Indian			White		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
246.40	165	No	330.18	495	Yes	9.15	1	No	118.98	71	No

Table 195: 2024/25 EE Targets/Actual by Racial Classification

Male			Female			Disability		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target reached	Actual June	Target reached
379.46	461	Yes	325.25	271	No	2.11	4	Yes

Table 196: 2024/25 EE Targets/Actual by Gender Classification

Description	African	Coloured	Indian	White	Total
Number for positions filled for the 2024/25 financial year	23	47	1	6	77
% for Positions filled	29.87%	61.03%	1.29%	7.79%	99.98%

Table 197: EE Population 2024/25

b) Specific Occupational Levels – Race

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

Occupational	Male				Female				Total
Levels	A	C	I	W	A	C	I	W	
Top Management	1	4	0	0	0	0	0	0	5
Senior management	0	3	0	4	0	0	0	1	8
Professionally qualified and experienced specialists and mid- management	1	11	0	0	2	6	0	2	22
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	16	63	0	16	11	48	0	6	160
Semi-skilled and discretionary decision making	51	135	0	20	28	70	0	11	315
Unskilled and defined decision making	38	94	1	9	18	64	0	4	228
Total permanent	**107**	**310**	**1**	**49**	**59**	**188**	**0**	**24**	**738**

Table 198: Occupational Levels

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	7	10	0	1	2	12	0	2	34
Corporate Services	0	9	0	0	2	10	0	0	21
Financial Services	6	13	0	9	5	30	0	8	71
Planning & Development	10	19	0	2	8	25	0	4	68
Infrastructure Services	44	110	0	28	13	26	0	2	223
Community Services	40	149	1	9	29	85	0	8	321
Total permanent	**107**	**310**	**1**	**49**	**59**	**188**	**0**	**24**	**738**

Table 199: 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
	2023/24		2024/25	
SAMWU	208	25	296	33
IMATU	435	53	409	46
MATUSA	4	0.5	3	0.3
Non-members	181	22	179	20
Double membership	0	0	0	0
Total	**828**	**100**	**887**	**100**

Table 200: Trade Union Membership

4.2.2 Vacancy Rate

The approved organogram for the Municipality had 1 210 posts for the 2024/25 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 377 (Including temps) posts were vacant at the end of 2024/25, resulting in a vacancy rate of 31.16%.

However, the number of funded vacant posts were 67 as at 30 June 2025. Resulting in a total funded vacancy rate of 8.32% for the 2024/25 financial year.

Total number of funded posts vacant: 67

Total number of funded posts: 805

Percentage of funded post vacant (67/805) x 100 = 8.32%

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	5	1
Middle management	8	2
Professionals	22	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	160	15
Unskilled and defined decision making	228	25
Semi-skilled and defined decision making	315	19
Non- permanent employees	16	5
Total	**754**	**72**

Table 201: 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 a decrease from 74.69% in 2023/24 to 39.39% in 2024/25.

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
2023/24	83	56	27	62	74.69%
2024/25	99	71	28	39	39.39%

Table 202: 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 102 employees injured in the 2023/24 financial year against 111 employees in the 2024/25 financial year.

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

Directorates	2023/24	2024/25
Office of the Municipal Manager	1	3
Corporate Services	2	2
Financial Services	6	3
Strategic & Social Development	3	0
Community Services	54	55
Technical Services	36	48
Total	**102**	**111**

Table 203: Injuries

The table below indicates the incidence frequency rate for 2024/25:

Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Accumulative injury rate	9	6	8	10	14	9	8	15	5	10	13	4
Vehicle related incidents	0	0	0	0	0	0	0	0	0	0	0	0

Table 204: 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 2024/25 financial year shows an increase 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	2023/24	2024/25		
		Sick Leave	Unpaid Leave	Total
Office of the Municipal Manager	293	1180	26	1 206
Corporate Services	310	156	0	156
Financial Services	585	942	0	942
Community Services	1 763	2 647	241	2 888
Technical Services	1 344	1 640	729	2 369
Strategic & Social Development	189	164	0	164
Total	**4 483**	**6 728**	**996**	**7 724**

Table 205: Sick Leave

4.3.3 Disciplinary Measures

a) Disciplinary Cases per Directorate

Directorate	Number of cases	
	2023/24	2024/25
Office of the Municipal Manager	3	4
Corporate Services	1	2
Financial Services	1	2
Community Services	8	5
Technical Services	4	0
Strategic & Social Development	5	0
Total	**22**	**13**

Table 206: Disciplinary Cases Per Directorate

b) Outcome of Disciplinary Steps

Type of outcome	Number	
	2023/24	2024/25
Counselling	1	0
Final warning	3	3
Written warning	3	0
Not guilty	1	3
Dismissal	13	3
Withdrawn (During hearing)	0	4
10 Days with suspension	2	0
5 Days with suspension	0	0
Pending	1	0
Suspensions	16	13

Table 207: Outcome of Disciplinary Steps

c) Category of Disciplinary Offences per Charge

Category	Number	
	2023/24	2024/25
Absenteeism	7	4
Alcohol/drugs	3	1
Intimidation	7	0
Poor work performance	0	0
Dishonesty	3	3
Negligence	1	0
Poor conduct	0	4
Insubordination	2	1
Total	**23**	**13**
Number of category of offences vary from number of disciplinary cases as in some instances some individuals received more than one charge		

Table 208: 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	1
	Male	5	0
Associate professionals and technicians	Female	3	0
	Male	3	0
Professionals	Female	10	6
	Male	5	2
Clerks	Female	15	20
	Male	10	4

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
Service and sales workers	Female	20	16
	Male	20	15
Craft and related trade workers	Female	10	4
	Male	10	19
Plant and machine operators and assemblers	Female	10	10
	Male	30	45
Elementary occupations	Female	30	34
	Male	50	56
Sub total	**Female**	**103**	**91**
	Male	**133**	**141**
Total		**236**	**232**

Table 209: 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	
Online Training: Public Procurement: The Fundamentals	0	5	0	0	1	1	0	0	7
Online Training: Promotion of Administrative Justice Act (PAJA)	0	0	0	0	0	2	0	0	2
National Certificate: Local Economic Development NQF 4	1	1	0	0	1	1	0	0	4
National Certificate: Water and Wastewater Process Control NQF 3	0	3	0	0	1	3	0	0	7
Occupational Certificate: Electrician NQF 4	0	0	0	0	4	2	0	0	6
Water& Wastewater Treatment Process control supervision NQF 4	0	0	0	0	1	3	0	0	4
Water& Wastewater Treatment Process operations NQF 2	0	2	0	0	0	0	0	0	2
Municipal Competency level training	1	3	0	0	2	7	0	0	13
Change Management	1	1	0	0	0	0	0	0	2
First aid Level 1	1	8	0	0	6	7	0	1	23
First aid level 3	0	2	0	0	2	5	0	0	9
JCB Digger Loader	1	0	0	0	5	5	0	3	14
Small plant machinery & maintenance	0	0	0	0	7	5	0	1	13
Ride-on Mower	0	0	0	0	7	4	0	2	13
Turfgrass Maintenance	0	1	0	0	9	7	0	1	18

Training intervention	Female				Male				Total
	A	C	I	W	A	C	I	W	
Basic horticulture & landscape	1	0	0	0	5	9	0	0	15
Basic Computer Training	9	5	0	0	7	5	0	2	28
Hazardous Chemical Training	1	3	0	0	2	4	0	0	10
Wireman's License	2	0	0	0	1	4	0	2	9
Tourist guide training	0	4	0	0	2	2	0	0	8
High Voltage Regulations training	2	0	0	0	2	7	0	3	14
Plumbing trade test	0	0	0	0	5	6	0	0	11
Total	**20**	**38**	**0**	**0**	**70**	**89**	**0**	**15**	**232**

Table 210: Training Interventions

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	2	1	3	1	5
	Male	1	2	0	3	0	5
Professionals	Female	6	10	0	0	6	10
	Male	2	5	0	0	2	5
Technicians and associate professionals	Female	0	3	0	0	0	3
	Male	0	3	0	0	0	3
Clerks	Female	0	0	20	15	20	15
	Male	0	0	4	10	4	10
Service and sales workers	Female	6	10	10	10	16	20
	Male	5	5	10	15	15	20
Craft and related trade workers	Female	0	5	4	5	4	10
	Male	5	5	14	5	19	10
	Female	0	0	10	10	10	10

Occupational categories	Gender	Training provided within the reporting period					
		Learnerships		Skills programmes & other short courses		Total	
		Actual	Target	Actual	Target	Actual	Target
Plant and machine operators and assemblers	Male	0	0	45	30	45	30
Elementary occupations	Female	0	0	34	30	34	30
	Male	0	0	56	50	56	50
Sub total	**Female**	**12**	**30**	**79**	**73**	**91**	**103**
	Male	**13**	**20**	**129**	**113**	**141**	**133**
Total		**25**	**50**	**208**	**186**	**232**	**236**

Table 211: Skills Development

4.4.4 Skills Development – Budget Allocation

The table below indicates that a total amount of R 233 600 was allocated to the workplace skills plan and that 102.62% of the total allocated amount was spent in the 2024/25 financial year:

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
2023/24	220 400	642 100	549 021.97	63.65%
2024/25	233 600	233 600	239 729.50	102.62%

Table 212: 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)
Financial Officials				
Accounting officer	1	1	1	1
Chief financial officer	1	1	1	1
Senior managers	5	3	5	3
Any other financial officials	71	17	0	17
Supply Chain Management Officials				
Heads of supply chain management units	1	1	0	1
Supply chain management senior managers	0	0	0	0
Total	**78**	**22**	**7**	**22**

Table 213: 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	
2023/24	295 730	802 518	36.85%
2024/25	323 548	891 432	36.30%

Table 214: Personnel Expenditure

Oudtshoorn Municipality

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

Financial year	2023/24	2024/25		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Councillors (Political Office Bearers plus Other)				
Salary	9 785	9 896	11 330	11 360
Pension Contributions	646	315	315	717
Medical Aid Contributions	139	500	500	168
Motor vehicle allowance	1 060	1 267	1 267	759
Cell phone allowance	945	1 257	1 257	813
Sub Total	**12 576**	**13 234**	**14 668**	**13 818**
Senior Managers of the Municipality				
Basic Salaries and Wages	4 746	4 820	6 302	6 582
Acting allowance	15	32	32	12
Pension and UIF Contributions	776	831	831	896
Medical Aid Contributions	46	182	182	52
Overtime	0	90	90	0
Motor vehicle allowance	224	280	280	298
Cell phone allowance	361	342	342	413
Housing allowance	118	0	0	121
Performance Bonus	304	1 275	1 275	244
Other benefits or allowances	622	1	1	444
Leave Payments	170	0	0	91
Sub Total	**7 382**	**7 851**	**9 334**	**9 153**
Other Municipal Staff				
Basic Salaries and Wages	171 605	205 738	209 716	187 993
Acting allowance	956	1 202	1 287	1 198
Pension Contributions	30 393	42 094	42 094	33 251
Medical Aid Contributions	13 220	18 616	18 616	13 874
Motor vehicle allowance	5 049	5 773	5 773	4 938
Cell phone allowance	1 136	1 754	1 746	1 079
Housing allowance	1 264	1 560	1 570	1 290
Overtime	17 574	16 253	16 650	19 988
Leave Payments	3 793	0	0	3 630
Performance bonuses and annual bonuses	13 322	15 820	15 820	14 971

Financial year	2023/24	2024/25		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Other benefits or allowances	-459	7 208	7 366	-269
Long service awards	2 293	2 772	2 772	2 403
Post-retirement benefit obligations	15 986	18 802	16 938	16 938
Standby Allowance	6 530	0	0	6 987
Shift Allowance	699	0	0	760
Contributions to Group Insurance	4 989	0	0	5 365
Sub Total	**350**	**337 590**	**340 346**	**314 396**
Total Municipality	**308 307**	**358 674**	**364 347**	**337 367**
Total Managers and Staff	**295 732**	**345 441**	**349 679**	**323 549**

Table 215: Personnel Expenditure

CHAPTER 5

This chapter provides details regarding the financial performance of the municipality for the 2024/25 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 2024/25 financial year:

Financial Summary						
R'000						
Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Financial Performance						
Property rates	128 895	165 700	165 800	161 715	(2.46)	(2.53)
Service charges	458 520	511 863	535 303	519 728	1.51	(3.00
Investment revenue	24 757	11 827	14 532	25 511	53.64	43.04
Transfers recognised - operational	137 929	116 843	118 595	117 749	0.77	(0.72)
Other own revenue	57 174	132 121	141 081	70 621	(87.09)	(99.77)
Total Revenue (excluding capital transfers and contributions)	**807 275**	**938 353**	**975 310**	**895 323**	**(4.81)**	**(8.93)**
Employee costs	295 730	345 441	349 679	323 548	(6.77)	(8.08)
Remuneration of councillors	12 576	13 234	14 668	13 818	4.23	(6.15)
Depreciation & asset impairment	54 269	54 514	54 514	63 492	14.14	14.14
Finance charges	11 380	7 782	21 834	22 952	66.10	4.87
Materials and bulk purchases	245 606	352 392	371 954	289 499	(21.72)	(28.48)
Transfers & grants	3 303	3 643	3 643	2 967	(22.77)	(22.77)
Other expenditure	179 655	179 296	185 144	175 155	(2.36)	(5.70)
Total Expenditure	**802 518**	**956 301**	**1 001 436**	**891 432**	**(7.28**	**(12.34)**
Surplus/(Deficit)	**4 757**	**(17 948)**	**(26 126)**	**3 892**	**561.19**	**771.32**
Transfers recognised - capital	36,094	38,096	39,299	33,061	-15.23	-18.87
Contributions recognised - capital & contributed assets	10 876	0	0	123	100.00	100.00
Gains and losses and impairment reversals	(10 395)	0	0	(37 256)	100.00	100.00

Oudtshoorn Municipality

Financial Summary						
R'000						
Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Surplus/(Deficit) after capital transfers & contributions	**41 332**	**20 148**	**13 173**	**(179)**	**11335.00**	**7445.69**
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	31 384	33 127	34 365	28 510	(16.20)	(20.54)
Public contributions and donations	0	200	200	197	(1.64)	(1.64)
Borrowing	15 887	23 500	25 375	25 639	8.34	1.03
Internally generated funds	13 683	11 000	14 387	11 243	2.16	(27.96)
Total sources of capital funds	**60 954**	**67 827**	**74 326**	**65 589**	**(3.41)**	**(13.32)**
Financial position						
Total current assets	279 660	219 625	264 533	314 271	30.12	15.83
Total non -current assets	1 165 182	1 194 636	1 221 708	1 223 452	2.36	0.14
Total current liabilities	140 719	112 614	123 017	161 204	30.14	23.69
Total non-current liabilities	222 676	229 383	289 063	295 252	22.31	2.10
Community wealth/equity	1 081 447	1 072 264	1 074 162	1 081 268	0.83	0.66
Cash flows						
Net cash from (used) operating	67 721	90 127	83 900	87 802	(2.65)	4.44
Net cash from (used) investing	(54 546)	(77 771)	(85 245)	(60 351)	(28.86)	(41.25)
Net cash from (used) financing	1 584	5 000	3 500	6 365	21.45	45.02
Cash/cash equivalents at the year end	**14 758**	**17 355**	**2 155**	**33 816**	**48.68**	**93.63**
Cash backing/surplus reconciliation						
Cash and investments available	143 889	111 432	146 044	177 706	37.29	17.82
Application of cash & investments	0	(15 328)	(26 398)	0	0.00	0.00
Balance (surplus (shortfall)	**143 889**	**126 760**	**172 442**	**177 706**	**28.67**	**2.96**
Asset management						
Asset register summary (WDV)	1 130 740	1 194 636	1 221 708	1 187 181	(0.63)	(2.91)
Depreciation and asset impairment	54 269	54 514	54 514	63 492	14.14	14.14
Renewal of existing assets	3 095	3 095	4 745	4 742	34.73	(0.05)
Repairs and maintenance	50 420	27 859	29 272	22 855	(21.89)	(28.08)
Free services						
Cost of free basic services provided	96 434	89 993	89 993	102 781	12.44	12.44
Revenue cost of free services provided	0	14 920	14 920	0	0.00	0.00

Financial Summary						
R'000						
Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
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 216: Financial Performance 2024/25

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	
2023/24	879 222	858 907	(20 314)	-2.00	908 744	817 575	91 169	10.0.
2024/25	975 310	930 472	(44 838)	-5.00	1 001 436	930 651	70 785	7.00

Table 217: Performance Against Budgets

5.1.1 Revenue Collection by Vote

The table below indicates the Revenue collection performance by Vote:

Vote Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Vote 1 - Executive & Council	0	0	0	0	0.00	0.00
Vote 2 - Municipal Manager	87 235	93 785	97 755	92 047	(1.89)	(6.20)
Vote 3 - Corporate Services	563	738	738	515	(43.20)	(43.20)
Vote 4 - Financial Services	133 697	168 600	169 275	165 190	(2.06)	(2.47)
Vote 5 - Community and Public Safety	95 645	77 906	89 043	89 601	13.05	0.62
Vote 6 - Technical Services	520 191	611 737	632 836	555 696	(10.08)	(13.88)
Vote 7 - Planning and Development	21 576	23 683	24 963	27 423	13.64	8.97
Total Revenue by Vote	**858 908**	**976 449**	**1 014 609**	**930 472**	**(4.94)**	**(9.04)**
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 218: Revenue Collection by Vote

5.1.2 Revenue Collection by Source

The table below indicates the revenue collection performance by source for the 2024/25 financial year:

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Property rates	128 895	165 700	165 800	161 715	(2.46)	(2.53)
Property rates - penalties & collection charges	0	0	0	0	0.00	0.00
Service Charges - electricity revenue	299 962	342 449	370 349	355 012	3.54	(4.32)
Service Charges - water revenue	72 691	83 268	76 268	75 106	(10.87)	(1.55)
Service Charges - sanitation revenue	44 159	50 210	47 750	48 538	(3.44)	1.62
Service Charges - refuse revenue	41 708	35 936	40 936	41 072	12.51	0.33
Service Charges - other	0	0	0	0	0.00	0.00
Rentals of facilities and equipment	3 672	2 860	4 299	4 568	37.39	5.89
Interest earned - external investments	14 999	9 801	10 451	15 426	36.46	32.25
Interest earned - outstanding debtors	9 757	11 827	14 532	10 085	(17.27)	(44.09)
Dividends received	0	0	0	0	0.00	0.00
Fines	16 228	14 955	20 323	22 004	32.04	7.64
Licences and permits	454	471	521	449	(4.91)	(16.04)
Agency services	5 622	7 901	7 901	5 870	(34.61)	(34.61)
Transfers recognised - operational	137 929	116 843	118 595	117 749	0.77	(0.72)
Other revenue	35 861	30 984	30 565	38 505	19.53	20.62
Gains on disposal of PPE	0	65 147	67 020	1 188	(5383.34)	(5540.95)
Total Revenue (excluding capital transfers and contributions)	**811 938**	**938 353**	**975 310**	**897 287**	**(4.58)**	**(8.70)**
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 219: Revenue by Source

5.1.3 Operational Services Performance

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Operating Cost						
Water	64 196	50 966	42 444	25 644	(98.74)	(65.51)

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Operating Cost						
Waste Water (Sanitation)	26 764	28 351	24 673	27 656	(2.51)	10.79
Electricity	29 714	28 617	38 429	20 685	(38.34)	(85.78)
Waste Management	20 506	8 540	9 535	4 527	(88.63)	(110.61)
Housing	(12 026)	(15 260)	(14 758)	(13 463)	(13.34)	(9.62)
Component A: sub-total	**129 154**	**101 215**	**100 323**	**65 050**	**(55.60)**	**(54.23)**
Roads and Stormwater	(40 055)	(26 653)	(28 298)	(24 505)	(8.77)	(15.48)
Component B: sub-total	**(40 055)**	**(26 653)**	**(28 298)**	**(24 505)**	**(8.77)**	**(15.48)**
Planning and Development	(17 756)	(20 165)	(20 050)	(18 699)	(7.84)	(7.22)
Component C: sub-total	**(17 756)**	**(20 165)**	**(20 050)**	**(18 699)**	**(7.84)**	**(7.22)**
Community and Social Services	(33 961)	(16 941)	(19 357)	(30 910)	45.19	37.38
Public Safety	(26 123)	(26 005)	(24 758)	(24 159)	(7.64)	(2.48)
Component D: sub-total	**(60 084)**	**(42 946)**	**(44 115)**	**(55 069)**	**22.01**	**19.89**
Sport and Recreation	(26 920)	(49 044)	(49 034)	(29 529)	(66.09)	(66.05)
Component E: sub-total	**(26 920)**	**(49 044)**	**(49 034)**	**(29 529)**	**(66.09)**	**(66.05)**
Financial & Admin	42 569	51 019	45 309	48 139	(5.98)	5.88
Executive and Council	11 502	19 033	25 052	17 599	(8.15)	(42.35)
Other	(2 827)	(12 310)	(16 014)	(3 166)	(288.83)	(405.81)
Component F: sub-total	**51 244**	**57 742**	**54 347**	**62 572**	**7.72**	**13.15**
Net Operational (Service)	**35 583**	**20 148**	**13 173**	**(179)**	**11335.01**	**7445.70**
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 220: Operational Services Performance

5.2 Financial Performance per Municipal Function

5.2.1 Water Services

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	124 500	169 424	164 297	102 120	(65.91)
Expenditure:					
Employees	28 336	29 581	30 245	31 504	6.10
Repairs & Maintenance	4 605	5 161	5 161	3 350	(54.03)
Other	27 363	83 716	86 448	41 621	(101.14)
Total Operational Expenditure	**60 304**	**118 458**	**121 853**	**76 476**	**(54.90)**
Net Operational (Service) Expenditure	**64 196**	**50 966**	**42 444**	**25 644**	**(98.74)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 221: Financial Performance: Water Services

5.2.2 Waste Water (Sanitation)

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	56 026	61 389	58 929	61 204	(0.30)
Expenditure:					
Employees	17 561	21 300	21 391	19 280	(10.48)
Repairs & Maintenance	1 791	2 832	2 832	722	(292.55)
Other	9 910	8 906	10 033	13 547	34.26
Total Operational Expenditure	**29 262**	**33 038**	**34 256**	**33 548**	**1.52**
Net Operational (Service) Expenditure	**26 764**	**28 351**	**24 673**	**27 656**	**(2.51)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 222: Financial Performance: Waste Water (Sanitation) Services

5.2.3 Electricity

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	313 500	354 509	382 459	368 579	3.82
Expenditure:					
Employees	14 411	20 028	20 190	16 442	(21.81)
Repairs & Maintenance	5 144	6 398	6 319	3 836	(66.79)
Other	264 230	299 466	317 521	327 616	8.59
Total Operational Expenditure	**283 786**	**325 892**	**344 030**	**347 894**	**6.32**
Net Operational (Service) Expenditure	**29 714**	**28 617**	**38 429**	**20 685**	**(38.34)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 223: Financial Performance: Electricity

5.2.4 Waste Management

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	55 127	47 061	52 568	52 716	10.73
Expenditure:					
Employees	18 768	22 419	22 812	21 497	(4.29)
Repairs & Maintenance	276	344	998	5	(6770.00)
Other	15 577	15 758	19 222	26 687	40.95
Total Operational Expenditure	**34 621**	**38 520**	**43 032**	**48 189**	**20.06**
Net Operational (Service) Expenditure	**20 506**	**8 540**	**9 535**	**4 527**	**(88.63)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 224: Financial Performance: Waste Management

5.2.5 Housing

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	634	167	667	558	70.05
Expenditure:					
Employees	4 237	5 368	5 353	4 332	(23.93)
Repairs & Maintenance	23	200	200	139	(43.78)
Other	8 399	9 859	9 872	9 550	(3.23)
Total Operational Expenditure	**12 659**	**15 427**	**15 425**	**14 021**	**(10.03)**
Net Operational (Service) Expenditure	**(12 026)**	**(15 260)**	**(14 758)**	**(13 463)**	**(13.34)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					
** Housing was incorporated with Planning & Development and Municipal Manager, therefore no separate expenditure in 2024/25 actuals*					

Table 225: Financial Performance: Housing

5.2.6 Roads and Stormwater

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	25 401	26 415	27 151	23 793	(11.02)
Expenditure:					
Employees	18 761	27 232	27 621	20 901	(30.29)
Repairs & Maintenance	30 760	8 935	8 891	9 423	5.17
Other	15 936	16 901	18 938	17 974	5.97
Total Operational Expenditure	**65 456**	**53 068**	**55 449**	**48 298**	**(9.88)**
Net Operational (Service) Expenditure	**(40 055)**	**(26 653)**	**(28 298)**	**(24 505)**	**(8.77)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 226: Financial Performance: Roads and Stormwater

5.2.7 Planning

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	640	0	620	617	100.00
Expenditure:					
Employees	15 209	16 348	16 536	16 116	(1.44)
Repairs & Maintenance	306	0	0	117	100.00
Other	2 881	3 817	4 134	3 082	(23.84)
Total Operational Expenditure	**18 396**	**20 165**	**20 670**	**19 316**	**(4.40)**
Net Operational (Service) Expenditure	**(17 756)**	**(20 165)**	**(20 050)**	**(18 699)**	**(7.84)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 227: Financial Performance: Planning

5.2.8 Community and Social Services

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	7 280	8 058	8 325	7 224	(11.55)
Expenditure:					
Employees	20 692	19 740	19 833	24 138	18.22
Repairs & Maintenance	3 170	92	159	689	86.62
Other	17 380	5 168	7 690	13 306	61.16
Total Operational Expenditure	**41 241**	**24 999**	**27 682**	**38 133**	**34.44**
Net Operational (Service) Expenditure	**(33 961)**	**(16 941)**	**(19 357)**	**(30 910)**	**45.19**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 228: Financial Performance: Community and Social Services

5.2.9 Sport and Recreation

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	1 366	1 366	1 546	1 598	14.48
Expenditure:					
Employees	22 969	34 741	33 390	23 721	(46.45)
Repairs & Maintenance	1 655	1 477	1 641	1 218	(21.30)
Other	3 662	14 192	15 549	6 188	(129.36)
Total Operational Expenditure	**28 286**	**50 410**	**50 580**	**31 127**	**(61.95)**
Net Operational (Service) Expenditure	**(26 920)**	**(49 044)**	**(49 034)**	**(29 529)**	**(66.09)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 229: Financial Performance: Sport and Recreation

5.2.10 Financial and Administrative Services

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	134 260	169 337	170 012	165 705	(2.19)
Expenditure:					
Employees	59 750	57 844	58 969	63 641	9.11
Repairs & Maintenance	1 612	263	285	224	(17.18)
Other	30 329	60 211	65 450	53 701	(12.12)
Total Operational Expenditure	**91 691**	**118 318**	**124 703**	**117 566**	**(0.64)**
Net Operational (Service) Expenditure	**42 569**	**51 019**	**45 309**	**48 139**	**(5.98)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 230: Financial Performance: Financial Services

5.2.11 Executive and Council

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	106 362	115 935	119 885	116 792	0.73
Expenditure:					
Employees	40 020	49 575	48 780	43 841	(13.08)
Repairs &Maintenance	345	252	332	231	(8.93)
Other	54 495	47 076	45 721	55 121	14.60
Total Operational Expenditure	**94 860**	**96 903**	**94 833**	**99 194**	**2.31**
Net Operational (Service) Expenditure	**11 502**	**19 033**	**25 052**	**17 599**	**(8.15)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 231: Financial Performance: Executive and Council

5.2.12 Public Safety

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	24 866	22 787	28 150	29 566	22.93
Expenditure:					
Employees	32 913	36 477	37 358	35 948	(1.47)
Repairs &Maintenance	455	1 063	713	2 900	63.33
Other	17 622	11 251	14 837	14 876	24.37
Total Operational Expenditure	**50 989**	**48 792**	**52 909**	**53 724**	**9.18**
Net Operational (Service) Expenditure	**(26 123)**	**(26 005)**	**(24 758)**	**(24 159)**	**(7.64)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 232: Financial Performance: Public Safety

5.2.13 Other

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	0	0	0.00
Expenditure:					
Employees	2 019	0	0	2 187	100.00
Repairs &Maintenance	0	0	0	0	0.00
Other	808	12 310	16 014	978	(1158.10)
Total Operational Expenditure	**2 827**	**12 310**	**16 014**	**3 166**	**(288.83)**
Net Operational (Service) Expenditure	**(2 827)**	**(12 310)**	**(16 014)**	**(3 166)**	**(288.83)**
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 233: Financial Performance: Other

5.3 Grants

5.3.1 Grant Performance

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

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Operating Transfers and Grants						
National Government:	**158 130**	**143 806**	**143 742**	**137 904**	**(4.28)**	**(4.23)**
Local Government Equitable Share	96 434	102 781	102 781	102 781	0.00	0.00
Finance Management	2 802	2 800	2 800	2 800	0.00	0.00
EPWP Incentive	1 672	1 492	1 492	1 492	0.00	0.00
Municipal Infrastructure Grant	23 559	24 733	24 669	21 311	(16.06)	(15.76)
Integrated National Electrification Program	0	0	0	0	0.00	0.00
Water Services Infrastructure Grant	8 060	12 000	12 000	9 520	0.00	0.00
Municipal Drought Relief Grant	0	0	0	0	0.00	0.00
Municipal Disaster Relief Grant	25 602	0	0	0	0.00	0.00
Water Macro Planning Grant	0	0	0	0	0.00	0.00

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Regional Bulk Infrastructure Grant - Department of Water Affairs and Forestry	0	0	0	0	0.00	0.00
Provincial Government:	**15 893**	**11 133**	**13 765**	**12 656**	**12.03**	**(8.77)**
Integrated Human Settlement Grant	0	0	0	58	0.00	0.00
Emergency Housing Program	634	0	0	0	0.00	0.00
Library Services Conditional Grant	6 805	8 019	8 019	6 973	(15.00)	(15.00)
Library Services Replacement Funding	475	0	0	0	0.00	0.00
Rosevalley Library Grant	0	0	0	0	0.00	0.00
Maintenance & Construction of Road Infrastructure	170	190	990	990	80.81	0.00
Thusong support grant	140	167	167	117	(42.28)	(42.28)
Community Development Workers	57	57	57	57	0.00	0.00
Western Cape Financial Management Capability Grant	2 000	100	675	675	85.19	0.00
Waste Management Compliance Grant	0	0	257	241	100.00	(6.70)
Western Cape Municipal Interventions Grant	0	0	1 000	1 000	100.00	0.00
Municipal Energy Resilience Grant	0	0	600	545	(10.16)	(10.16)
Municipal Water Resilience Grant	3 000	2 000	2 000	2 000	0.00	0.00
Local Government Public Employment Grant	0	0	0	0	0.00	0.00
Western Cape Financial management capacity building grant	0	0	0	0	0.00	0.00
Local Government Internship Grant	0	0	0	0	0.00	0.00
Municipal Drought Relief Grant	0	0	0	0	0.00	0.00
Development of Sport & Recreation Facilities	201	0	0	0	0.00	0.00
Municipal Service Delivery and Capacity Building grant	500	0	0	0	0.00	0.00
Fire Services Capacity Building Grant	1 911	0	0	0	0.00	0.00
Airport Infrastructure Grant	0	0	0	0	0.00	0.00
Upgrading of SMME Infrastructure	0	0	0	0	0.00	0.00
Other grant providers:	**0**	**0**	**0**	**251**	**100.00**	**100.00**
Garen Rout District Municipality	0	0	0	0	0.00	0.00

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Asla Rosevalley Library Grant	0	0	0	251	100.00	100.00
Total Operating Transfers and Grants	**174 022**	**154 939**	**157 507**	**150 810**	**(2.74)**	**(4.44)**
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual						

Table 234: Grant Performance for 2024/25

5.3.2 Conditional Grants

Details	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Budget	Adjustments Budget	Actual	Budget	Adjustment Budget
	R'000				%	
Local Government Equitable Share	96 434	102 781	102 781	102 781	0.00	0.00
Finance Management	2 802	2 800	2 800	2 800	0.00	0.00
EPWP Incentive	1 672	1 492	1 492	1 492	0.00	0.00
Municipal Infrastructure Grant	23 559	24 733	24 669	21 311	(16.06)	(15.76)
Integrated National Electrification Program	0	0	0	0	0.00	0.00
Water Services Infrastructure Grant	8 060	12 000	12 000	9 520	0.00	0.00
Municipal Drought Relief Grant	0	0	0	0	0.00	0.00
Municipal Disaster Relief Grant	25 602	0	0	0	0.00	0.00
Water Macro Planning Grant	0	0	0	0	0.00	0.00
Integrated Human Settlement Grant	0	0	0	58	0.00	0.00
Emergency Housing Programm	634	0	0	0	0.00	0.00
Library Services Conditional Grant	6 805	8 019	8 019	6 973	(15.00)	(15.00)
Rosevalley Library Grant	0	0	0	0	0.00	0.00
Maintenance & Construction of Road Infrastructure	170	190	990	990	80.81	0.00
Thusong support grant	140	167	167	117	(42.28)	(42.28)
Community Development Workers	57	57	57	57	0.00	0.00
Local Government Public Employment Grant	0	0	0	0	0.00	0.00
Western Cape Financial management capacity building grant	0	0	0	0	0.00	0.00
Local Government Internship Grant	0	0	0	0	0.00	0.00
Municipal Drought Relief Grant	0	0	0	0	0.00	0.00

Details	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Budget	Adjustments Budget	Actual	Budget	Adjustment Budget
	R'000				%	
Fire Services Capacity Building Grant	1 911	0	0	0	0.00	0.00
Airport Infrastructure Grant	0	0	0	0	0.00	0.00
Upgrading of SMME Infrastructure	0	0	0	0	0.00	0.00
Garen Rout District Municipality	0	0	0	0	0.00	0.00
Asla Rosevalley Library Grant	0	0	0	251	0.00	0.00
Western Cape Financial Management Capability Grant	2 000	100	675	675	100.00	100.00
Waste Management Compliance Grant	0	0	257	241	100.00	100.00
Western Cape Municipal Interventions Grant	0	0	1 000	1 000	100.00	100.00
Municipal Energy Resilience Grant	0	600	600	545	100.00	100.00
Municipal Water Resilience Grant	3 000	2 000	2 000	2 000	100.00	100.00
Title Deeds Restoration Grant	0	0	0	0	100.00	100.00
Library Services Replacement Funding	475	0	0	0	0.00	0.00
Development of Sport & Recreation Facilities	201	0	0	0	0.00	0.00
Municipal Service Delivery and Capacity Building grant	500	0	0	0	0.00	0.00
Total	**174 022**	**154 939**	**157 507**	**150 810**	**(2.74)**	**(4.44)**
** 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 235: Conditional Grants

5.3.3 Level of Reliance on Grants and Subsidies

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'000		%
2023/24	174 022	854 245	20.37
2024/25	150 810	928 508	16.24

Table 236: Reliance on Grants and Subsidies

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	Dam	
Key Staff Involved	Justin Lesch	
Staff Responsibilities	Director Technical Services	
Asset Value as at 30 June 2024	2023/24 R million	2024/25 R million
	19 565	17 648
Capital Implications	Refurbishement of equipment	
Future Purpose of Asset	Water supply to Oudtshoorn town	
Describe Key Issues	Limited funding available	
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	Waste water treatment plant	
Key Staff Involved	Justin Lesch	
Staff Responsibilities	Director Technical Services	
Asset Value as at 30 June 2024	2023/24 R million	2024/25 R million
	19 565	26 800
Capital Implications	Refurbishement of equipment	
Future Purpose of Asset	Treat waste water for the whole of Oudtshoorn town	
Describe Key Issues	Limited funding available	
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	Justin Lesch	
Staff Responsibilities	Director Technical Services	
Asset Value as at 30 June 2024	2023/24 R million	2024/25 R million
	9 616	9 106
Capital Implications	Maintenance of Blossoms pipeline and relating infrastructure	
Future Purpose of Asset	Additional Water supply to Oudtshoorn and rural areas.	

Describe Key Issues	Limited funding available for maintenance
Policies in Place to Manage Asset	Asset Management Policy and Masterplans

Table 237: Treatment of the Three Largest Assets

5.4.2 Repairs and Maintenance

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Budget variance
		R' 000			%
Repairs and Maintenance Expenditure	50 420	27 859	29 272	22 855	(28.08)
Variances are calculated by dividing the difference between actual and adjustments budget by the actual.					

Table 238: Repairs & Maintenance

5.5 Financial Ratios Based on Key Performance Indicators

5.5.1 Liquidity Ratio

Description	Basis of calculation	2023/24	2024/25
		Audited outcome	Audited outcome
Current Ratio	Current assets/current liabilities	1.99	1.95
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.68	1.78
Liquidity Ratio	Monetary Assets/Current Liabilities	1.02	1.10

Table 239: Liquidity Financial Ratio

5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2023/24	2024/25
		Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.32	2.63
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	18%	15%
Debt Coverage	(Total Operating Revenue – Operating Grants)/Debt service payments due within financial year)	14.43	17.74

Table 240: Financial Viability National KPAs

5.5.3 Borrowing Management

Description	Basis of calculation	2023/24	2024/25
		Audited outcome	Audited outcome
Capital charges to operating expenditure	Interest & Principal Paid /Operating Expenditure	3%	4%

Table 241: Borrowing Management

5.5.4 Employee Costs

Description	Basis of calculation	2023/24	2024/25
		Audited outcome	Audited outcome
EmployeeCosts	Employee costs/(Total Revenue – Capital Revenue)	37%	36%

Table 242: Employee Costs

5.5.5 Repairs and Maintenance

Description	Basis of calculation	2023/24	2024/25
		Audited outcome	Audited outcome
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	6%	3%
Variances are calculated by dividing the difference between actual and adjustments budget by the actual.			

Table 243: 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 2024/25 financial year:

Details	2023/24	2024/25				
	Audited outcome	Original Budget	Adjustment Budget	Actual	Variance to Original Budget	Variance to Adjustment Budget
Source of finance						
Description	R'000				%	
External loans	15 887	23 500	25 375	25 639	0.00	0.00
Public contributions and donations	0	0	200	197	0.00	0.00
Grants and subsidies	31 384	33 127	34 165	28 510	3.13	(16.55)
Own funding	13 682	11 000	14 387	11 243	30.79	(21.85)
Total	**60 954**	**67 627**	**74 126**	**65 589**	**8.77**	**(3.11)**

Details	2023/24	2024/25				
	Audited outcome	Original Budget	Adjustment Budget	Actual	Variance to Original Budget	Variance to Adjustment Budget
Percentage of finance						
%						
External loans	26	35	34	39	0.00	0.00
Public contributions and donations	0	0	0	0	0.00	0.00
Grants and subsidies	51	49	46	43	(5.91)	(5.69)
Own funding	22	16	19	17	19.32	(11.68)
Capital expenditure						
Description	R'000				%	
Water and sanitation	24 397	30 871	31 071	25 901	0.65	(16.64)
Electricity	2 582	12 522	12 591	2 454	0.55	(80.51)
Housing	0	0	435	0	0.00	0.00
Roads and stormwater	17 551	13 339	13 339	13 077	0.00	(1.96)
Other	16 424	10 895	16 691	24 156	53.19	44.73
Total	**60 954**	**67 627**	**74 126**	**65 589**	**8.77**	**(3.11)**
Percentage of expenditure						
%						
Water and sanitation	40	46	42	39	(8.18)	(5.79)
Electricity	4	19	17	4	(8.27)	(77.97)
Housing	0	0	1	0	0.00	0.00
Roads and stormwater	29	20	18	20	(8.77)	10.80
Other	27	16	23	37	39.76	63.57
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 244: Capital Expenditure by Funding Source

5.7 Capital Spending on 5 Largest Projects

Name of Project	2024/25				
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment variance
	R'000			%	
Paving of Streets	8 139	8 139	8 075	0.00	0.00
Rehab Streets Stormwater - Oudtshoorn	4 000	4 000	4 000	0.00	0.00
Rehabilitate Asbestos/Cement Water Pipes	10 842	10 842	7 985	0.00	0.00
KKRWSS: Refurbishments of Network, Reservoirs and Pumpstations	10 435	10 435	8 445	0.00	0.00
Transport Assets	9 000	9 000	8 929	0.00	0.00
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.					
Name of Project - A	Paving of streets				
Objective of Project	To pave streets in previously disadvantaged areas				
Delays	None				
Future Challenges	Funding is limited for full replacement of ageing infrastructure				
Anticipated citizen benefits	Paved streets in previously disadvantaged areas				
Name of Project - B	Rehab streets stormwater - Oudtshoorn				
Objective of Project	To replace aging infrastructure				
Delays	None				
Future Challenges	Funding is limited for full replacement of ageing infrastructure				
Anticipated citizen benefits	Provision of basic services to public				
Name of Project - C	Rehabilitate asbestos/cement water pipes				
Objective of Project	To replace aging infrastructure				
Delays	Non-performance by contractor				
Future Challenges	Funding is limited for full replacement of ageing infrastructure				
Anticipated citizen benefits	Provision of basic services to public				
Name of Project - D	KKRWSS: refurbishments of network, reservoirs and pumpstations				
Objective of Project	To replace aging infrastructure				
Delays	None				
Future Challenges	Funding is limited for full replacement of ageing infrastructure				
Anticipated citizen benefits	Provision of basic services to public				
Name of Project - E	Transport assets				
Objective of Project	To replace existing ageing yellow fleet				
Delays	None				
Future Challenges	Funding is limited for full replacement of ageing fleet, full maintenance lease is too expensive on the long term				
Anticipated citizen benefits	Provision of basic services to public				

Table 245: Capital Spending on 5 Largest Projects

5.8 Capital Expenditure on New Assets

Description	2023/24	2024/25			Planned Capital expenditure		
	Audited outcome	Original Budget	Adjustment Budget	Actual Expenditure	2025/26	2026/27	2027/28
R'000							
Capital expenditure by Asset Class							
Infrastructure - Total	**44 674**	**3 522**	**3 814**	**41 454**	**7 093**	**9 092**	**9 338**
Infrastructure: Road transport - Total	**17 551**	**0**	**0**	**13 077**	**0**	**0**	**0**
Roads, Pavements & Bridges	17 551	0	0	13 077	0	0	0
Stormwater	0	0	0	0	0	0	0
Infrastructure: Electricity - Total	**2 582**	**3 522**	**3 591**	**2 454**	**7 093**	**9 092**	**9 338**
Generation	0	0	0	0	0	0	0
Transmission & Reticulation	2 582	3 522	3 591	2 454	7 093	9 092	9 338
Street Lighting	0	0	0	0	0	0	0
Infrastructure: Water - Total	**24 294**	**0**	**224**	**25 466**	**0**	**0**	**0**
Dams & Reservoirs	0	0	0	0	0	0	0
Water Purification	0	0	0	0	0	0	0
Reticulation	24 294	0	224	25 466	0	0	0
Infrastructure: Sanitation - Total	**103**	**0**	**0**	**435**	**0**	**0**	**0**
Reticulation	0	0	0	0	0	0	0
Sewerage Purification	103	0	0	435	0	0	0
Infrastructure: Other - Total	**144**	**0**	0	**21**	**0**	**0**	**0**
Waste Management	0	0	0	0	0	0	0
Transportation	0	0	0	0	0	0	0
Gas	0	0	0	0	0	0	0
Other	144	0	0	21	0	0	0
Community - Total	**8 831**	**0**	**200**	**7 303**	**2 350**	**0**	**600**
Community Halls	497	0	0	0	0	0	0
Libraries	201	0	200	0	350	0	0
Recreational Facilities	7 938	0	0	4 624	0	0	0
Cemeteries		0	0	0	0	0	600
Other	194	0	0	2 678	2 000	0	0
Capital expenditure by Asset Class	**7 449**	**13 930**	**14 327**	**16 832**	**5 540**	**8 610**	**2 560**
Investment properties - Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other	0	0	0	0	0	0	0

Description	2023/24	2024/25			Planned Capital expenditure		
	Audited outcome	Original Budget	Adjustment Budget	Actual Expenditure	2025/26	2026/27	2027/28
R'000							
Capital expenditure by Asset Class							
Other assets	**7 449**	**13 930**	**14 327**	**16 832**	**5 540**	**8 610**	**2 560**
General Vehicles	0	10 500	10 500	10 387	1 800	4 000	0
Specialised Vehicles	0	0	0	0	0	0	0
Plant & Equipment	2 190	1 150	1 473	1 125	650	1 050	900
Computers - hardware/equipment	840	1 600	1 674	1 676	1 010	500	500
Furniture and other office equipment	1 296	680	680	1 321	930	760	660
Civic Land and Buildings	0	0	0	0	150	800	500
Other Buildings	3 123	0	0	2 323	1 000	1 500	0
Intangibles	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Computers – software & programming	0	0	0	0	0	0	0
Total Capital Expenditure on new assets	**60 954**	**17 452**	**18 341**	**65 589**	**14 983**	**17 702**	**12 498**

Table 246: Capital Spending on New Assets

5.9 Municipal Infrastructure Grant (MIG)

Details	2024/25				
	Original Budget	Adjustments Budget	Actual	Variance	
				Original Budget	Adjustments Budget
	R			%	
Infrastructure - Water					
Reticulation	12 468	12 468	9 183	74%	74%
Other Specify: Recreational facilities & Roads					
Outdoor Sport facilities	1 605	1 605	1 605	100%	100%
Roads	9 360	9 360	9 286	99%	99%
PMU	**1 236**	**1 236**	**1 237**	**100%**	**100%**
Total	**24 669**	**24 669**	**21 311**	**86%**	**86%**

** 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 247: 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	2023/24	2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Cash flow from operating activities				
Receipts				
Ratepayers and other	599 131	857 072	891 368	684 750
Government - operating	114 344	116 843	118 218	120 810
Government - capital	36 095	38 096	39 289	33 061
Interest	23 597	11 827	14 532	25 377
Dividends	0	0	0	0
Payments				
Suppliers and employees	(693 675)	(922 908)	(952 945)	(751 152)
Finance charges	(8 468)	(6 983)	(22 734)	(20 490)
Transfers and Grants	(3 303)	(3 820)	(3 828)	(4 555)
Net cash from/(used) operating activities	**67 721**	**90 127**	**83 900**	**87 802**
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	13	0	0	1 964
Payments				
Capital assets	(54 559)	(77 771)	(85 245)	(62 315)
Net cash from/(used) investing activities	**(54 546)**	**(77 771)**	**(85 245)**	**(60 351)**
Cash flows from financing activities				
Receipts				
Borrowing long term/refinancing	17 200	23 500	23 500	23 500
Payments				
Repayment of borrowing	(15 616)	(18 500)	(20 000)	(17 135)
Net cash from/(used) financing activities	**1 584**	**5 000**	**3 500**	**6 365**
Net increase/ (decrease) in cash held	**14 758**	**17 355**	**2 155**	**33 816**
Cash/cash equivalents at the year begin:	**129 131**	**94 077**	**143 889**	**143 889**
Cash/cash equivalents at the year-end:	**143 889**	**111 432**	**146 044**	**177 706**

Description	2023/24	2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Source: MBRR SA7				

Table 248: Cash Flow

5.11 Gross Outstanding Debtors per Service

Financial year	Rates	Trading services (Electricity and Water)	Economic services (Sanitation and Refuse)	Housing rentals	Other	Total
	R'000					
2023/24	41 459	67 980	36 561	1	4 973	150 973
2024/25	53 205	70 055	42 459	1	5 081	170 800
Difference	11 746	2 075	5 898	0	108	19 827
% growth year on year	**28**	**3**	**16**	**0**	**2**	**13**

Table 249: Gross Outstanding Debtors per Service

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				
2023/24	35 717	9 716	6 788	98 752	150 973
2024/25	44 335	10 630	7 205	108 630	170 800
Difference	8 618	914	417	9 878	19 827
% growth year on year	**24**	**9**	**6**	**10**	**13**

Table 250: 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	2023/24	2024/25
Long-Term Loans (annuity/reducing balance)	82 249	98 130
Financial Lease	0	45 681
Total	**82 249**	**143 811**

Table 251: Actual Borrowings

5.13.2 Investments

Investment type	2023/24	2024/25
	Actual	Actual
	R'000	
Deposits – Bank	112 615	143 748
Total	**112 615**	**143 748**

Table 252: Investments

5.13.3 Grants Made by the Municipality: 2024/25

All organisation or person in receipt of grants provided by the Municipality	Nature of project	Conditions attached to funding	Value 2024/25 R'000	Total amount committed over previous and future years
Local government graduate internship grant	Bursaries non-employee	Yes	348	2 160
Study Assistance	Bursaries non-employee	Yes	500	2 283
Local Tourism Bureau	Non-profit Institutions	Yes	600	1 963
Marketing - KKNK	Non-profit Institutions	Yes	400	1 309
Special Programs	Non-profit Institutions	Yes	(24)	318
Events Management Support	Households	Yes	480	277
Early Childhood Development	Households	Yes	0	144
Nutritional Centre	Non-profit Institutions	Yes	100	441

All organisation or person in receipt of grants provided by the Municipality	Nature of project	Conditions attached to funding	Value 2024/25	Total amount committed over previous and future years
			R'000	
Transversal matters -old age-woman	Households	Yes	63	159
Youth Advisory Centre	Bursaries non-employee	Yes	0	637
Outreach Programme	Non-profit Institutions	Yes	11	32
Sports Development	Non-profit Institutions	Yes	489	1 279
Sports Events	Non-profit Institutions	Yes	0	219

Table 253: Grants Made by the Municipality: 2024/25

CHAPTER 6

Component A: Auditor-General Opinion

6.1 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

6.2 Auditor-General Report 2024/25

2024/25
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 2025, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2024 (Dora).

Table 255: AG Report 2024/25

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
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
MTECH	Medium Term Expenditure Committee
NGO	Non-governmental organisation

NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Association
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

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Financial Statements

OUDTSHOORN
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SOUTH AFRICA

Auditing to build public confidence

30 November 2025

OUDTSHOORN LOCAL MUNICIPALITY

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AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

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OUDTSHOORN LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

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, Dysselsdorp, De Rust, Volmoed, De Hoop
Demarcation code : WC045

EXECUTIVE MAYOR

JJ Allers

DEPUTY EXECUTIVE MAYOR

MZ Tyatya

SPEAKER

S Jansen

MEMBERS OF THE EXECUTIVE COMMITTEE

Executive Mayor	JJ Allers
Deputy Executive Mayor	MZ Tyatya
Speaker	S Jansen
Executive Mayoral Committee	CF Sylvester (resigned 4 June 2025)
Executive Mayoral Committee	A Barnard (started 18 June 2025)
Executive Mayoral Committee	NM Jaxa
Executive Mayoral Committee	BV Moos
Executive Mayoral Committee	DC Booysen (resigned 27 August 2024)
Executive Mayoral Committee	L Campher(started 28 August 2024)
Executive Mayoral Committee	C Muller
Executive Mayoral Committee	A Tiemie

ACTING ACCOUNTING OFFICER

M Yekani

CHIEF FINANCIAL OFFICER

GP De Jager

REGISTERED OFFICE

69 Voortrekker Road
OUDTSHOORN
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 2025

GENERAL INFORMATION

PRINCIPLE BANKERS

First National Bank

ATTORNEYS

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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,
Magqabi Seth Zita Attorneys Inc, 2nd Floor Harmony Building ,Market Street North End, Gqeberha

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 2025

GENERAL INFORMATION

MEMBERS OF THE OUDTSHOORN LOCAL MUNICIPALITY

WARD	COUNCILLORS
Councillor	DJ Fourie
Councillor	J Duvenage
Councillor	J Du Preez
Councillor	N Jaxa
Councillor	A Tiemie
Councillor	D Moos
Councillor	A Berry
Councillor	M Tyatya
Councillor	FFP Abrahams (started 5 December 2024)
Councillor	L Van Rooyen
Councillor	J Van der Ross
Councillor	RR Wildschut
Councillor	J Canary

PROPORTIONAL	COUNCILLORS
Councillor	JJ Allers
Councillor	CD Macpherson
Councillor	RJ April
Councillor	SN Bentley
Councillor	L Campher(started 28 August 2024)
Councillor	DC Booysen (resigned 27 August 2024)
Councillor	VM Donson
Councillor	JC Lambaatjeen
Councillor	C Muller
Councillor	BV Owen
Councillor	SA Jansen
Councillor	CF Sylvester (resigned 4 June 2025)
Councillor	A Barnard (started 18 June 2025)
Councillor	V Michaels

OUDTSHOORN LOCAL MUNICIPALITY

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements year ended 30 June 2025, which are set out on pages 5 to 121 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 2026 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
Municipal Manager

Date

OUDTSHOORN LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2025

	Notes	2025 Actual R	2024 Restated R
ASSETS			
Non-Current Assets		**1 223 452 375**	**1 165 182 137**
Property, Plant and Equipment	2	1 187 181 145	1 130 740 421
Investment Property	3	22 463 129	20 579 897
Intangible Assets	4	33 756	87 474
Heritage Assets	5	13 774 345	13 774 345
Current Assets		**314 271 119**	**279 660 486**
Inventory	7	9 991 635	7 216 471
Receivables from Exchange Transactions	8	90 287 219	100 524 956
Receivables from Non-exchange Transactions	9	24 026 462	19 165 985
VAT Accrual	18.2	9 153 584	8 137 846
VAT Receivable	18.2	2 882 981	661 267
Operating Lease Asset	6	223 707	64 906
Cash and Cash Equivalents	10	177 705 531	143 889 055
Total Assets		**1 537 723 494**	**1 444 842 623**
NET ASSETS AND LIABILITIES			
Non-Current Liabilities		**295 251 645**	**222 676 298**
Long-term Borrowings	11	120 820 945	74 589 922
Non-current Provisions	12	40 942 700	31 859 295
Non-current Employee Benefits	13	133 488 000	116 227 081
Current Liabilities		**161 203 938**	**140 719 090**
Consumer Deposits	14	12 869 736	12 172 315
Current Employee Benefits	15	37 118 036	34 344 052
Trade and Other Payables from Exchange Transactions	16	56 060 022	58 289 783
Unspent Transfers and Subsidies	17	3 448 961	1 974 808
VAT Accrual	18.1	20 987 418	19 595 612
VAT Payable	18.1	7 729 304	6 683 348
Current Portion of Long-term Borrowings	11	22 990 461	7 659 173
Total Liabilities		**456 455 583**	**363 395 389**
Net Assets		**1 081 267 900**	**1 081 447 236**
Accumulated Surplus/(deficit)		1 081 267 900	1 081 447 236
Total Net Assets and Liabilities		**1 537 723 484**	**1 444 842 624**

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

30 November 2025

OUDTSHOORN LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 Actual R	2024 Restated R
REVENUE			
Non-exchange Revenue		**342 898 763**	**337 305 530**
Taxation Revenue		**161 715 317**	**128 895 090**
Property Rates	19	161 715 317	128 895 090
Transfer Revenue		**172 937 608**	**201 126 439**
Government Grants and Subsidies - Capital	20	33 061 316	36 093 755
Government Grants and Subsidies - Operating	20	117 748 849	137 928 719
Fines, Penalties and Forfeits		22 004 020	16 227 904
Contributed Property, Plant and Equipment	21	123 424	10 876 060
Other Revenue		**8 245 837**	**7 284 001**
Availability Charges	22	4 160 376	3 791 822
Interest Earned - Non-exchange Transactions		3 627 379	2 986 282
Government Incentives Received		458 082	505 897
Exchange Revenue		**585 609 275**	**516 939 377**
Service Charges	24	519 727 829	458 520 374
Entrance fees		24 552 634	19 008 912
Sales of Goods and Rendering of Services	25	5 336 240	4 837 976
Rental from Fixed Assets	26	4 568 411	3 671 763
Interest Earned - External Investments	27	15 425 715	14 999 460
Interest Earned - Exchange Transactions	28	6 457 520	6 771 203
Licences and Permits	23	449 346	454 113
Agency Services	53	5 869 915	5 622 069
Operational Revenue	29	3 221 666	3 053 507
Total Revenue		**928 508 038**	**854 244 907**
EXPENDITURE			
Employee related cost	30	(323 547 528)	(295 730 370)
Remuneration of Councillors	31	(13 817 631)	(12 575 623)
Bad Debts Written Off	8,9	(34 177 961)	(21 398 066)
Contracted Services	32	(47 523 701)	(31 322 447)
Depreciation and Amortisation	33	(63 492 479)	(54 268 622)
Finance Charges	34	(22 952 371)	(11 380 189)
Bulk Purchases	35	(289 499 437)	(245 605 593)
Inventory Consumed	7	(22 441 533)	(57 866 988)
Operating Leases		(6 254 587)	(5 069 535)
Transfers and Subsidies	36	(2 967 132)	(3 303 057)
Operational Cost	37	(64 757 240)	(63 997 754)
Total Expenditure		**(891 431 598)**	**(802 518 244)**
Operating Surplus/(Deficit) for the Year		**37 076 440**	**51 726 662**
Inventories: (Write-down)/Reversal of Write-down to Net Realisable	7	(404 113)	-
Reversal of Impairment Loss/(Impairment Loss) on Receivables	38	(31 929 043)	(8 062 683)
Gains/(Loss) on Sale of Fixed Assets	39	1 188 094	(6 994 498)
Reversal of Impairment Loss/(Impairment Loss) on Fixed Assets	40	(283 335)	2 778 823
Gains/(Loss) on Fair Value Adjustments		(5 827 378)	1 883 635
NET SURPLUS/(DEFICIT) FOR THE YEAR		**(179 335)**	**41 331 940**

OUDTSHOORN LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

	Accumulated Surplus/ (Deficit) R	Total R
Balance at 1 July 2023	**1 024 552 923**	**1 024 552 923**
Correction of Error 41.1	15 562 373	15 562 373
Restated balance	**1 040 115 296**	**1 040 115 296**
Net Surplus/(Deficit) for the year	35 582 768	35 582 768
Balance at 30 June 2024	**1 075 698 064**	**1 075 698 064**
Correction of Error 41.1	5 749 172	5 749 172
Restated balance	**1 081 447 236**	**1 081 447 236**
Net Surplus/(Deficit) for the year	(179 335)	(179 335)
Balance at 30 June 2025	**1 081 267 900**	**1 081 267 900**

OUDTSHOORN LOCAL MUNICIPALITY

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 Actual R	2024 Restated R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts			
Ratepayers and other		684 750 390	599 130 513
Government Grants and Subsidies		153 871 697	150 439 086
Interest		25 376 983	23 597 117
Cash payments			
Suppliers and Employees		(751 151 984)	(693 674 638)
Finance Charges		(20 490 148)	(8 468 378)
Transfers and Grants		(2 967 132)	(3 303 056)
Government Grants repaid		(1 587 375)	-
Net Cash from Operating Activities	**42**	**87 802 433**	**67 720 645**
CASH FLOW FOR INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(62 315 009)	(54 558 953)
Proceeds on Disposal of Fixed Assets		1 963 659	12 775
Net Cash from Investing Activities		**(60 351 350)**	**(54 546 178)**
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowing - Long term/Refinancing		23 500 000	17 200 000
Repayment of Borrowing		(17 134 604)	(15 616 373)
Net Cash from Financing Activities		**6 365 396**	**1 583 627**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		33 816 478	14 758 094
Cash and Cash Equivalents at the beginning of the year		143 889 055	129 130 961
Cash and Cash Equivalents at the end of the year	43	177 705 531	143 889 055
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**33 816 476**	**14 758 094**

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 Pa	Aggregated	Governance and Administration
	Legal Services	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
	Supply Chain Management	Aggregated	Governance and Administration
Vote 5 - Community Services	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
	Cleancing Services	Aggregated	Community and Public Safety
Vote 6 -Infrastructure Services	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

OUDTSHOORN LOCAL MUNICIPALITY

PRIMARY REPORTABLE SEGMENTS FOR THE YEAR ENDED 30 JUNE 2025

	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	**50 533 661**	**9 622 439**	**-**	**525 453 174**	**-**	**585 609 275**
Service Charges - Electricity Revenue	-	-	-	355 011 741	-	355 011 741
Service Charges - Water Revenue	-	-	-	75 105 810	-	75 105 810
Service Charges - Sanitation Revenue	-	-	-	48 538 283	-	48 538 283
Service Charges - Refuse Revenue	-	-	-	41 071 994	-	41 071 994
Sales Of Goods And Rendering Of Services	29 034 071	847 078	-	7 725	-	29 888 873
Rental Of Facilities And Equipment	3 619 101	949 310	-	-	-	4 568 411
Interest Earned - External Investments	15 425 715	-	-	-	-	15 425 715
Interest Earned - Outstanding Debtors	753 970	-	-	5 703 549	-	6 457 520
Licences and Permits	-	449 346	-	-	-	449 346
Agency Services	-	5 869 915	-	-	-	5 869 915
Operational Revenue	1 700 804	1 506 791	-	14 071	-	3 221 666
External revenue from non-exchange transactions	**231 907 209**	**28 472 428**	**3 893 077**	**47 404 968**	**-**	**311 677 682**
Property Rates	161 715 317	-	-	-	-	161 715 317
Fines, Penalties And Forfeits	26 971	21 417 311	-	559 737	-	22 004 020
Interest Earned - Outstanding Debtors	3 627 379	-	-	-	-	3 627 379
Availabilty charges	-	-	-	4 160 376	-	4 160 376
Government Incentives Received	458 082	-	-	-	-	458 082
Transfers And Subsidies - Operating	64 115 800	7 055 117	3 893 077	42 684 855	-	117 748 849
Gains on Disposal of Fixed assets	1 963 659	-	-	-	-	1 963 659
Other Gains	-	-	-	-	-	-
Total Segment Revenue (excluding capital transfers and contributions)	**282 440 870**	**38 094 867**	**3 893 077**	**572 858 143**	**-**	**897 286 957**
SEGMENT EXPENDITURE						
Employee Related Costs	109 669 748	88 138 593	37 016 998	88 722 189	-	323 547 528
Remuneration Of Councillors	13 817 631	-	-	-	-	13 817 631
Bulk Purchases	-	-	-	289 499 437	-	289 499 437
Debt Impairment	16 375 793	-	-	15 553 250	-	31 929 043
Depreciation & Asset Impairment	5 005 845	653 379	13 197 495	44 919 095	-	63 775 814
Finance Charges	9 419 407	2 343 492	1 003 655	10 185 817	-	22 952 371
Inventory consumed	1 726 194	3 619 534	4 619 173	12 476 630	-	22 441 533
Irrecoverable debts written off	5 247 941	10 730 100	-	18 199 921	-	34 177 961
Contracted Services	13 573 054	15 267 843	7 491 973	11 190 831	-	47 523 701
Transfers and Subsidies	848 310	499 874	1 618 948	-	-	2 967 132
Other Expenditure	37 638 726	15 752 853	2 665 634	14 954 615	-	71 011 827
Losses on Disposal of Fixed Assets	775 565	-	-	-	-	775 565
Other Losses	5 827 378	-	-	404 113	-	6 231 491
Total Segment Expenditure	**219 925 590**	**137 005 667**	**67 613 877**	**506 105 898**	**-**	**930 651 032**
Surplus/(Deficit)	**62 515 280**	**(98 910 799)**	**(63 720 800)**	**66 752 245**	**-**	**(33 364 075)**
Transfers and Subsidies-Capital	-	726 300	20 574 144	11 760 872	-	33 061 316
Contributed Assets	-	123 424	-	-	-	123 424
Surplus/(Deficit) for the year	**62 515 280**	**(98 184 499)**	**(43 146 657)**	**78 513 117**	**-**	**(179 335)**
CAPITAL EXPENDITURE FOR THE YEAR	**3 124 929**	**10 011 658**	**13 059 770**	**39 392 238**		**65 588 595**

OUDTSHOORN 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	44 313 681	8 120 632	-	464 505 064	-	516 939 377
Service Charges - Electricity Revenue	-	-	-	299 961 622	-	299 961 622
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	3 082 185	589 578	-	-	-	3 671 763
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
Availabilty 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)	**240 648 729**	**32 023 807**	**3 186 900**	**533 626 431**	**-**	**809 485 866**
SEGMENT EXPENDITURE						
Employee Related Costs	104 212 167	80 820 505	33 976 224	79 091 042	-	298 099 937
Remuneration Of Councillors	12 575 623	-	-	-	-	12 575 623
Debt Impairment	3 421 275	6 869 452	-	(2 228 044)	-	8 062 683
Depreciation & Asset Impairment	4 753 745	2 064 912	14 323 094	30 348 049	-	51 489 799
Finance Charges	7 974 993	158 244	85 247	3 161 704	-	11 380 189
Bulk Purchases	-	-	-	245 605 593	-	245 605 593
Irrecoverable debts written off	2 102 223	7 149 288	-	12 146 555	-	21 398 066
Inventory consumed	3 883 391	6 816 825	31 403 541	15 763 232	-	57 866 988
Contracted Services	13 458 777	11 999 551	269 217	5 594 902	-	31 322 447
Transfers and Subsidies	438 686	1 131 379	1 732 993	-	-	3 303 057
Losses on Disposal of Fixed Assets	7 007 273	-	-	-	-	7 007 273
Other Expenditure	31 943 123	16 456 942	2 418 304	15 879 353	-	66 697 721
Other Losses	314 365	-	-	-	-	314 365
Total Segment Expenditure	**192 085 640**	**133 467 096**	**84 208 620**	**405 362 386**	**-**	**815 123 742**
Surplus/(Deficit)	48 563 089	(101 443 290)	(81 021 720)	128 264 045	-	(5 637 876)
Transfers and Subsidies-Capital	-	2 122 655	22 911 100	11 060 000	-	36 093 755
Contributed Assets	-	10 876 060	-	-	-	10 876 060
Surplus/(Deficit) for the year	**48 563 089**	**(88 444 575)**	**(58 110 620)**	**139 324 045**	**-**	**41 331 939**
CAPITAL EXPENDITURE FOR THE YEAR	**2 143 213**	**12 587 931**	**18 513 276**	**27 709 883**		**60 954 303**

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.

- Operating leases are aggregated with Operational Cost for reporting purposes on the report, and is not classified seperately in terms of NT mSCOA Formats.

OUDTSHOORN LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2025

	Notes	Original Budget R	Budget Adjustments (i.t.o. s28 and s31 of the MFMA) R	Final Adjustment Budget R	Final Budget R	Actual Outcome R	Actual Outcome as % of Final Budget Variance %
ASSETS							
Current Assets							
Cash and cash equivalents		111 431 700	34 611 700	146 043 400	146 043 400	177 705 531	21.68%
Trade and other receivables from exchange transactions		83 981 600	9 366 200	93 347 800	93 347 800	90 287 219	-3.28%
Receivables from non-exchange transactions		18 954 400	(1 093 700)	17 860 700	17 860 700	24 026 462	34.52%
Current portion of non-current receivables		26 100	38 800	64 900	64 900	223 707	244.69%
VAT		-	-	-	-	12 036 565	100.00%
Inventory		5 231 400	1 985 100	7 216 500	7 216 500	9 991 635	38.46%
Total Current Assets	**46.1.1**	219 625 200	44 908 100	264 533 300	264 533 300	314 271 119	18.80%
Non-Current Assets							
Investment Property		16 610 000	1 446 900	18 056 900	18 056 900	22 463 129	24.40%
Property, Plant and Equipment		1 163 966 900	25 822 800	1 189 789 700	1 189 789 700	1 187 181 145	-0.22%
Intangible Assets		285 100	(197 600)	87 500	87 500	33 756	-61.42%
Other Non-Current Assets		13 774 300	-	13 774 300	13 774 300	13 774 345	0.00%
Total Non-Current Assets	**46.1.3**	1 194 636 300	27 072 100	1 221 708 400	1 221 708 400	1 223 452 375	0.14%
TOTAL ASSETS		1 414 261 500	71 980 200	1 486 241 700	1 486 241 700	1 537 723 494	3.46%
LIABILITIES							
Current Liabilities							
Financial liabilities		15 563 700	(7 904 500)	7 659 200	7 659 200	22 990 461	200.17%
Consumer Deposits		11 319 500	-	11 319 500	11 319 500	12 869 736	13.70%
Trade and other payables from exchange transactions		46 550 000	3 866 100	50 416 100	50 416 100	56 060 022	11.19%
Trade and other payables from non-exchange transactions		67 400	3 216 000	3 283 400	3 283 400	3 448 961	5.04%
VAT		4 168 400	3 831 800	8 000 200	8 000 200	28 716 723	258.95%
Provisions		34 945 400	7 392 900	42 338 300	42 338 300	37 118 036	-12.33%
Total Current Liabilities	**46.1.2**	112 614 400	10 402 300	123 016 700	123 016 700	161 203 938	31.04%
Non-Current Liabilities							
Borrowing		72 394 200	60 876 100	133 270 300	133 270 300	120 820 945	-9.34%
Provisions		156 989 000	(1 196 100)	155 792 900	155 792 900	174 430 700	11.96%
Total Non-Current Liabilities	**46.1.4**	229 383 200	59 680 000	289 063 200	289 063 200	295 251 645	2.14%
TOTAL LIABILITIES		341 997 600	70 082 300	412 079 900	412 079 900	456 455 583	10.77%
NET ASSETS							
Accumulated Surplus/(Deficit)		1 072 263 800	1 898 100	1 074 161 900	1 074 161 900	1 081 267 900	0.66%
TOTAL NET ASSETS		1 072 263 800	1 898 100	1 074 161 900	1 074 161 900	1 081 267 900	0.66%

OUDTSHOORN LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Original Budget	Budget Adjustments	Final Adjustment Budget	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget
			(into. s28 and s31 of the MFMA)				Variance
		R	R	R	R	R	%
Revenue By Source							
Exchange Revenue							
Service Charges - Electricity Revenue		342 449 100	27 900 000	370 349 100	370 349 100	356 822 854	-3.65%
Service Charges - Water Revenue		83 268 100	(7 000 000)	76 268 100	76 268 100	76 224 266	-0.06%
Service Charges - Sanitation Revenue		50 210 200	(2 460 000)	47 750 200	47 750 200	49 769 091	4.23%
Service Charges - Refuse Revenue		35 935 600	5 000 000	40 935 600	40 935 600	41 071 994	0.33%
Sales Of Goods And Rendering Of Services		29 571 900	(532 000)	29 039 900	29 039 900	29 888 873	2.92%
Rental Of Facilities And Equipment		2 860 300	1 439 000	4 299 300	4 299 300	4 568 411	6.26%
Agency Services		7 901 400	-	7 901 400	7 901 400	5 869 915	-25.71%
Interest earned from Current and Non Current Assets		11 826 700	2 705 000	14 531 700	14 531 700	15 425 715	6.15%
Interest earned from Receivables		9 801 200	650 000	10 451 200	10 451 200	6 457 520	-38.21%
Licences or permits		471 400	50 000	521 400	521 400	449 346	-13.82%
Operational Revenue		1 412 500	112 200	1 524 700	1 524 700	3 221 666	111.30%
Non-Exchange Revenue					-		
Property Rates		165 699 800	100 000	165 799 800	165 799 800	165 342 697	-0.28%
Fines, penalties and forfeits		14 955 000	5 367 900	20 322 900	20 322 900	22 004 020	8.27%
Gains on disposal of Assets			-		-	1 963 659	100.00%
Transfers And Subsidies - Operating		116 842 700	1 752 000	118 594 700	118 594 700	117 748 849	-0.71%
Operational Revenue						458 082	100.00%
Other Gains		65 147 200	1 872 600	67 019 800	67 019 800	-	-100.00%
Total Revenue (excluding capital transfers and contributions)	**46.2.1**	938 353 100	36 956 700	975 309 800	975 309 800	897 286 957	-8.00%
Expenditure By Type							
Employee Related Costs		345 440 600	4 238 400	349 679 000	349 679 000	323 547 528	-7.47%
Remuneration of Councillors		13 233 800	1 434 000	14 667 800	14 667 800	13 817 631	-5.80%
Bulk Purchases		267 217 500	16 000 000	283 217 500	283 217 500	289 499 437	2.22%
Inventory consumed		85 174 800		88 736 300	90 290 084	22 441 533	-75.15%
Debt Impairment		14 880 700		15 021 700	15 021 700	31 929 043	112.55%
Depreciation and Asset Impairment		54 514 200	-	54 514 200	54 514 200	63 775 814	16.99%
Interest		7 781 500	14 052 200	21 833 700	24 891 100	22 952 371	-7.79%
Contracted Services		42 985 300	1 428 000	44 413 300	39 996 906	47 523 701	18.82%
Transfers and subsidies		3 642 800	-	3 642 800	3 411 900	2 967 132	-13.04%
Irrecoverable debts written off		25 284 500		29 174 100	29 174 100	34 177 961	17.15%
Operational costs		81 226 900	163 200	81 390 100	80 918 210	71 011 827	-12.24%
Losses on Disposal of Fixed Assets		-	-	-	-	775 565	100.00%
Other Losses		14 918 500	-	15 145 200	15 145 200	6 231 491	-58.86%
Total Expenditure	**46.2.2**	956 301 100	37 315 800	1 001 435 700	1 000 927 700	930 651 032	-7.02%
Surplus/(Deficit)		(17 948 000)	(359 100)	(26 125 900)	(25 617 900)	(33 364 075)	30.24%
Transfers Recognised - Capital	**46.2.1**	38 096 300	1 203 000	39 299 300	39 556 300	33 061 316	-16.42%
Contributed Assets			-	-	-	123 424	100.00%
Surplus/(Deficit) for the year		20 148 300	843 900	13 173 400	13 938 400	(179 335)	

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

30 November 2025

OUDTSHOORN LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2025

	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 Variance
		R	R	R	R	R	%
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Property rates		157 414 800	95 000	157 509 800	157 509 800	120 999 319	-23.18%
Service Charges		575 333 600	26 628 100	601 961 700	601 961 700	462 428 090	-23.18%
Other Revenue		124 323 300	7 573 000	131 896 300	131 896 300	101 322 981	-23.18%
Government - Operating		116 842 700	1 375 000	118 217 700	118 217 700	120 810 382	2.19%
Government - Capital		38 096 300	1 193 000	39 289 300	39 289 300	33 061 315	-15.85%
Interest		11 826 700	2 705 000	14 531 700	14 531 700	25 376 983	74.63%
Payments							
Suppliers and Employees		(922 907 800)	(30 037 500)	(952 945 300)	(952 945 300)	(752 739 359)	-21.01%
Finance Costs		(6 983 100)	(15 750 900)	(22 734 000)	(22 734 000)	(20 490 148)	-9.87%
Transfers and Grants		(3 820 000)	(7 500)	(3 827 500)	(3 827 500)	(2 967 132)	-22.48%
Net Cash from/(used) Operating Activities	**46.3.1**	90 126 500	(6 226 800)	83 899 700	83 899 700	87 802 433	4.65%
CASH FLOW FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE		-	-	-	-	1 963 659	100.00%
Payments							
Capital Assets		(77 771 400)	(7 473 800)	(85 245 200)	(85 245 200)	(62 315 009)	-26.90%
Net Cash from/(used) Investing Activities	**46.3.2**	(77 771 400)	(7 473 800)	(85 245 200)	(85 245 200)	(60 351 350)	-29.20%
CASH FLOW FROM FINANCING ACTIVITIES							
Receipts							
Borrowing long term/refinancing		23 500 000	-	23 500 000	23 500 000	23 500 000	0.00%
Payments							
Repayment of Borrowing		(18 500 000)	(1 500 000)	(20 000 000)	(20 000 000)	(17 134 604)	-14.33%
Net Cash from/(used) Financing Activities	**46.3.3**	5 000 000	(1 500 000)	3 500 000	3 500 000	6 365 396	81.87%
NET INCREASE/(DECREASE) IN CASH HELD		17 355 100	(15 200 600)	2 154 500	2 154 500	33 816 478	1469.57%
Cash and Cash Equivalents at the year begin:		94 076 800	49 812 300	143 889 100	143 889 100	143 889 055	0.00%
Cash and Cash Equivalents at the year end:		111 431 900	34 611 700	146 043 600	146 043 600	177 705 532	21.68%

2. PROPERTY, PLANT AND EQUIPMENT

2.1 30 JUNE 2025

	Cost/Revaluation								Accumulated Depreciation and Impairment Losses							Carrying Value
	Opening Balance	Transfers	Additions	Under Construction	Contributed Assets	Disposals	Impairment	Closing Balance	Opening Balance	Impairment	Depreciation	Transfers	Disposals	Impairment	Closing Balance	
Land and Buildings																
Land	98 511 328				-		-	98 511 328	17 009 750	283 335		-	-	-	17 293 085	81 218 243
Transfer of to Investment Property		(1 828 052)						(1 828 052)				(176 000)			(176 000)	(1 652 052)
Buildings	51 516 474		1 593 986	729 269	-	-	-	53 839 730	13 370 526		943 441		-	-	14 313 967	39 525 763
	150 027 802	**(1 828 052)**	**1 593 986**	**729 269**	**-**	**-**	**-**	**150 523 006**	**30 380 276**	**283 335**	**943 441**	**(176 000)**	**-**	**-**	**31 431 052**	**119 091 954**
Infrastructure																
Roads and Stormwater	360 568 804	-	13 077 274				-	373 646 078	129 357 229		13 197 495			-	142 554 725	231 091 353
Electricity	219 522 558	-	1 807 964	646 161		(183 431)	-	221 793 253	104 678 161		6 976 641		(117 807)	-	111 536 994	110 256 259
Water Supply	573 965 438	-	3 736 326	21 730 108			-	599 431 872	158 626 185		17 365 549			-	175 991 733	423 440 139
Sanitation	139 912 800	-		434 800			-	140 347 600	42 788 076		3 845 513			-	46 633 588	93 714 012
Solid Waste Infrastructure	8 510 028	-					-	8 510 028	1 399 825		233 368			-	1 633 193	6 876 835
Communication Infrastructure	1 384 049	-	21 058				-	1 405 107	549 174		140 204			-	689 377	715 730
Capitalised Restoration Cost	16 161 141		7 264 604					23 425 745	16 093 674		2 342 753				18 436 427	4 989 318
	1 320 024 819	**-**	**25 907 225**	**22 811 069**	**-**	**(183 431)**	**-**	**1 368 559 683**	**453 492 323**	**-**	**44 101 522**	**-**	**(117 807)**	**-**	**497 476 038**	**871 083 645**
Community Assets																
Libraries	15 071 237	-			-	-	-	15 071 237	1 825 331		60 329	-	-	-	1 885 660	13 185 577
Civic Buildings	26 795 177				-	-	-	26 795 177	8 752 882	-	369 465	-	-	-	9 122 347	17 672 830
Recreational Facilities	104 436 671		1 646 301	2 978 150	-	-	-	109 061 123	35 275 433	-	1 532 925	-	-	-	36 808 358	72 252 765
Transfer to Investment property		(620 000)						(620 000)				-	-	-	-	(620 000)
Cemeteries	1 730 291	-			-	-	-	1 730 291	249 824		11 092	-	-	-	260 916	1 469 375
Other	15 309 451	-	688 865	1 989 287	-	-	-	17 987 602	4 032 745	-	212 492	-	-	-	4 245 237	13 742 365
	163 342 827	**(620 000)**	**2 335 166**	**4 967 437**	**-**	**-**	**-**	**170 025 430**	**50 136 214**	**-**	**2 186 304**	**-**	**-**	**-**	**52 322 518**	**117 702 912**
Other Assets																
Furniture and Office Equipment	15 137 286	-	1 321 059			(1 319 712)	-	15 138 632	8 564 585		1 053 478	-	(1 171 190)	-	8 446 873	6 691 759
Motor vehicles	26 838 684	-	10 386 858			(193 385)	-	37 032 157	11 907 833		1 573 421	-	(105 230)	-	13 376 024	23 656 133
Computer Equipment	8 616 520	-	1 675 694		123 424	(502 503)	-	9 913 135	4 227 810		839 183	-	(430 503)	-	4 636 490	5 276 646
Plant and Equipment	10 747 148	-	1 125 436			(605 696)	-	11 266 888	5 286 030		944 616	-	(433 692)	-	5 796 954	5 469 934
	61 339 638	**-**	**14 509 046**	**-**	**123 424**	**(2 621 297)**	**-**	**73 350 812**	**29 986 258**		**4 410 697**	**-**	**(2 140 615)**	**-**	**32 256 340**	**41 094 471**
Leases																
Vehicles and Office Equipment	(0)	-	49 844 987	-	-		-	49 844 987	(0)		11 636 788	-		-	11 636 788	38 208 200
	(0)	-	49 844 987	-	-	-	-	49 844 987	(0)		11 636 788	-	-	-	11 636 788	38 208 200
Total	**1 694 735 086**	**(2 448 053)**	**94 190 410**	**28 507 775**	**123 423**	**(2 804 729)**	**(1)**	**1 812 303 917**	**563 995 069**	**283 334**	**63 278 752**	**(176 001)**	**(2 258 423)**	**(1)**	**625 122 735**	**1 187 181 181**

2.2 30 JUNE 2024 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	102 793 328	(1 550 000)	-	-	-	(2 732 000)	-	98 511 328	17 009 750		-	-	-	-	17 009 750	81 501 578
Balance previously reported	95 656 328	(1 550 000)	0	-	-		-	94 106 328	18 249 750		-	-	-	-	18 249 750	75 856 578
Correction of error note 41.1 (b)	-					(2 732 000)		(2 732 000)	(1 240 000)						(1 240 000)	(1 492 000)
Correction of error note 41.1(c)	7 137 000							7 137 000			-				-	7 137 000
Buildings	48 453 744	(60 000)	2 854 123	268 607	-	-	-	51 516 474	12 528 728		845 417	(3 619)	-	-	13 370 526	38 145 948
	151 247 072	**(1 610 000)**	**2 854 123**	**268 607**	**-**	**(2 732 000)**	**-**	**150 027 802**	**29 538 478**		**845 417**	**(3 619)**	**-**	**-**	**30 380 276**	**119 647 526**
Infrastructure																
Roads and Stormwater	336 043 390	-	17 551 140	-	7 809 749	(527 025)	-	360 877 254	115 415 425	-	14 323 094	-	(381 289)	-	129 357 229	231 520 024
Balance previously reported	336 043 390		17 551 140			(527 025)		353 067 505	115 415 425		13 974 050	-	(381 289)		129 008 185	224 059 319
Correction of error note 41.1 (f)					7 809 749			7 809 749							-	7 809 749
Correction of error note 41.1 (g)								-			349 044				349 044	(349 044)
Electricity	217 148 235	-	2 189 088	392 973	-	(899 839)	-	218 830 456	96 750 501	-	8 723 154	-	(795 494)	-	104 678 161	114 152 295
Balance Previously Reported	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
Correction of error note 41.1 (g)								-			2 529				2 529	(2 529)
Water Supply	556 968 754	-	23 664 900	628 971	1 145 723	(7 550 005)	-	574 858 343	146 454 309	-	13 307 610	-	(1 135 734)	-	158 626 185	416 232 158
Balance previously reported	557 473 283	-	23 664 900	907 180		(7 550 005)	-	574 495 358	146 454 309		13 255 315	-	(1 135 734)	-	158 573 890	415 921 468
Correction of error note (e)				(278 209)				(278 209)							-	(278 209)
Correction of error note (e)	(177 678)							(177 678)							-	(177 678)
Correction of error note (e)	(326 851)							(326 851)							-	(326 851)
Correction of error note 41.1 (f)					1 145 723			1 145 723							-	1 145 723
Correction of error note 41.1 (g)											52 295				52 295	(52 295)
Sanitation	137 383 066	-	102 157	1 000	1 920 588	(2 816)	-	139 403 996	38 989 020	-	3 801 059	-	(2 004)	-	42 788 076	96 615 920
Balance previously reported	137 776 374	-	102 157	1 000		(2 816)	-	137 876 715	38 989 020		3 702 371	-	(2 004)	-	42 689 388	95 187 327
Correction of error note (e)	(272 690)							(272 690)							-	(272 690)
Correction of error note (e)	(120 618)							(120 618)							-	(120 618)
Correction of error note 41.1 (f)					1 920 588			1 920 588							-	1 920 588
Correction of error note 41.1 (g)								-			98 688				98 688	(98 688)
Solid Waste Infrastructure	8 510 028		-	-	-			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
Capitalised Restoration Cost	19 990 098		126 987				(3 955 944)	16 161 141	15 617 200		476 474				16 093 674	67 467
	1 277 283 666	**-**	**43 778 225**	**1 022 944**	**10 876 060**	**(8 979 685)**	**(3 955 944)**	**1 320 025 266**	**414 814 352**	**-**	**40 992 491**	**-**	**(2 314 520)**	**-**	**453 492 323**	**866 532 943**

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	-	(48 815)	-	104 436 671	34 014 056		1 261 377	-	-	-	35 275 433	69 161 239
Balance Previously reported	96 547 122		96 154	7 842 210	-	-		104 485 486	34 014 056		1 261 377				35 275 433	69 210 053
Correction of error note 41.1 (b)						(48 815)		(48 815)							-	(48 815)
Cemeteries	1 730 291		-		-	-		1 730 291	237 180		12 644				249 824	1 480 467
Other	15 115 386	-	-	194 064	-	-	-	15 309 451	3 777 757		254 988	-	-	-	4 032 745	11 276 705
Balance Previously reported	14 425 386		-	194 064	-	-	-	14 619 451	3 777 757		243 877	-	-	-	4 021 634	10 597 817
Correction of error note 41.1 (c)	690 000							690 000			11 111		-		11 111	678 889
	154 560 654	**-**	**794 713**	**8 036 275**	**-**	**(48 815)**	**-**	**163 342 827**	**48 060 191**		**2 076 023**	**-**	**-**	**-**	**50 136 214**	**113 206 613**
Other Assets																
Furniture and Office Equipment	14 491 545	-	1 296 296	-	-	(650 555)	-	15 137 286	8 055 468		1 009 024	-	(499 907)	-	8 564 585	6 572 701
Balance previously reported	14 355 405	-	1 296 296			(650 555)	-	15 001 145	8 055 468		987 638	-	(499 907)	-	8 543 199	6 457 947
Correction of error note 41.1 (a)	136 140							136 140			21 386				21 386	114 754
Motor vehicles	26 838 684	-	-	-	-	-	-	26 838 684	10 926 740		981 093	-	-	-	11 907 833	14 930 851
Balance Previously reported	26 825 818	-		-	-		-	26 825 818	10 926 740		979 187	-		-	11 905 927	14 919 891
Correction of error note 41.1 (a)	12 867							12 867			1 906				1 906	10 960
Computer Equipment	8 094 701	-	840 299	-	-	(318 479)	-	8 616 520	3 761 274		729 370	-	(262 834)	-	4 227 810	4 388 711
Balance previously reported	8 073 718	-	840 299			(318 479)	-	8 595 537	3 761 274		725 499	-	(262 834)	-	4 223 939	4 371 597
Correction of error note 41.1 (a)	20 983							20 983			3 870				3 870	17 113
Plant and Equipment	8 912 557	-	2 189 808	-	-	(355 217)	-	10 747 148	4 737 365		772 240	-	(223 576)	-	5 286 030	5 461 118
Balance previously reported	8 752 217	-	2 189 808			(355 217)	-	10 586 809	4 737 365		739 755		(223 576)	-	5 253 544	5 333 264
Correction of error note 41.1 (a)	160 339							160 339			32 486				32 486	127 854
	58 337 487	**-**	**4 326 403**	**-**	**-**	**(1 324 252)**	**-**	**61 339 638**	**27 480 847**		**3 491 727**	**-**	**(986 316)**	**-**	**29 986 258**	**31 353 381**
Leases																
Vehicles and Office Equipment	19 755 621	-	-	-	-	(19 755 621)	-	(0)	9 651 053		6 585 207	-	(16 236 260)	-	(0)	0
	19 755 621	**-**	**-**	**-**	**-**	**(19 755 621)**	**-**	**(0)**	**9 651 053**		**6 585 207**	**-**	**(16 236 260)**	**-**	**(0)**	**0**
Total	**1 661 184 500**	**(1 610 001)**	**51 753 463**	**9 327 825**	**10 876 059**	**(32 840 374)**	**(3 955 945)**	**1 694 735 533**	**529 544 920**	**(1)**	**53 990 864**	**(3 620)**	**(19 537 097)**	**(1)**	**563 995 069**	**1 130 740 463**

		2025 R	2024 R
2.	**PROPERTY, PLANT AND EQUIPMENT**		

See previous sheet page 58

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2.2 Property, Plant and Equipment which is in the process of being constructed or developed:

	2025 R	2024 R
Infrastructure Assets	26 574 291	4 892 111
Roads and Stormwater	86 500	86 500
Electricity	4 238 423	4 600 401
Water Supply	21 814 568	205 210
Sanitation	434 800	-
Community Assets	4 454 434	10 179 357
Other Assets	997 876	268 607
Total Property, Plant and Equipment under construction	**32 026 601**	**15 340 075**

2.4 Expenditure incurred to repair and maintain Property, Plant and Equipment:

	2025 R	2024 R
Other materials	13 584 282	23 786 451
Contracted Services	9 060 502	26 459 752
Other Expenditure	210 336	173 606
Total Repairs and Maintenance	**22 855 120**	**50 419 809**

2.5 Effect of changes in accounting estimates

The Municipality has reassessed the useful lives and residual values of Property, Plant and Equipment. This resulted in change in depreciation charge, accumulated depreciation and the carrying value of Property, Plant and Equipment. The effect of the change in the current and future periods are disclosed as follows:

	2025 R	2026 R	2027 R
Effect on Property, plant and equipment	5 086 868	5 751 049	6 853 963

2.7 Contractual commitments for acquisition of Property, Plant and Equipment:

	2025 R	2024 R
Approved and contracted for:	55 056 832	32 209 328
Infrastructure	48 243 905	24 724 041
Community	528 003	4 675 530
Other	6 284 923	2 809 757
Total	**55 056 832**	**32 209 328**
This expenditure will be financed from:		
Government Grants	30 949 929	23 114 201
Own Resources	24 106 902	9 095 127
Total	**55 056 832**	**32 209 328**

		2025 R	2024 R
2.8	**Land is controlled, but Oudtshoorn Municipality is not the legal owner/custodian**		
	Carrying amount at year end	14 206 810	15 857 101
	Total	**14 206 810**	**15 857 101**

Key judgements and assumptions applied

- 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

		2025 R	2024 R
3.1	**Net Carrying amount at 1 July**	**20 403 897**	**19 133 077**
	Cost	25 804 913	21 671 913
	Correction of Error - 41.1 (d)	-	2 523 000
	Accumulated Depreciation	(2 151 936)	(1 988 756)
	Accumulated Impairment Loss	(3 249 079)	(3 073 079)
	Transfer from Property, Plant and Equipment - Note 2	2 448 052	1 606 381
	Cost	2 448 052	1 610 000
	Accumulated Depreciation	-	(3 619)
	Disposal - Cost	(272 928)	-
	Disposal - Accumulated Depreciation	43 668	-
	Depreciation for the year	(159 561)	(159 561)
	Net Carrying amount at 30 June	**22 463 129**	**20 579 897**
	Cost	27 980 037	25 804 913
	Accumulated Depreciation	(2 267 829)	(2 151 936)
	Accumulated Impairment Loss	(3 073 079)	(3 073 079)
	Transfer from Property, Plant and Equipment - Note 2	(176 000)	-
3.2	**Revenue from Investment Property**		
	Revenue derived from the rental of Investment Property	1 319 219	449 268

		2025 R	2024 R
4.	**INTANGIBLE ASSETS**		
4.1	**Net Carrying amount at 1 July**	**87 474**	**285 099**
	Cost	584 216	1 176 921
	Accumulated Amortisation	(496 742)	(891 822)
	Accumulated Impairment Loss	-	-
	Amortisation	(53 718)	(118 196)
	Disposals	-	(592 705)
	Amortisation written back on disposal	-	513 276
	Net Carrying amount at 30 June	**33 756**	**87 474**
	Cost	584 216	584 216
	Accumulated Amortisation	(550 460)	(496 742)

4.2 Material Intangible Assets included in the carrying value:

Description	Remaining Amortisation Period		
Software	1 -3 years	33 756	87 474

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.

		2025 R	2024 R
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 and 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.

	2025 R	2024 R
Herrie's Stone, Meiringspoort, Oudtshoorn District		
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.		
Cango Caves		
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
CP Nel Museum Building		
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
Mayoral Chains		
The municipality has two mayoral chains which are kept in a safe at the main building.	37 700	37 700
	13 774 345	**13 774 345**

6 OPERATING LEASE ARRANGEMENTS

6.1 The Municipality as Lessor

	2025 R	2024 R
Operating Lease Asset	223 707	64 906
Disclosed as follows:		
Current Operating Lease Asset	223 707	64 906
	223 707	**64 906**

Reconciliation

	2025 R	2024 R
Balance at the beginning of the year	64 906	26 109
Movement during the year	158 800	38 798
Balance at the end of the year	**223 707**	**64 906**

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:

	2025 R	2024 R
Up to 1 Year	980 120	529 392
1 to 5 Years	4 194 822	660 801
More than 5 Years	3 282 152	169 351
Total Operating Lease Arrangements	**8 457 094**	**1 359 544**

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 and Oudtshoorn Airport

		2025 R	2024 R
7.	**INVENTORY**		
	Maintenance Materials - At Cost	9 474 979	6 772 820
	Water – At Cost	516 656	443 652
	Total Inventory	**9 991 635**	**7 216 471**

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	9 318 787	40 148 984
	Finished Goods	539	127 139
	Materials and supplies	13 122 206	17 590 866
	Total	**22 441 533**	**57 866 988**

8.	**RECEIVABLES FROM EXCHANGE TRANSACTIONS**		
	Electricity	34 062 552	29 351 635
	Water	25 874 630	28 516 488
	Property Rentals	506	506
	Waste Management	19 806 986	16 730 938
	Waste Water Management	20 595 487	18 072 834
	Units not billed	19 532 475	22 023 305
	Legal Fees Recovery	29 216	29 216
	Klein Karoo Water Scheme	5 093 103	5 695 483
	Sundry municipal charges	5 061 619	4 954 167
	Prepaid expenditure	1 394 454	(6 764)
	Other	19 552	19 124
	Suspense Debtors	12 416 211	4 046 035
	Control, Clearing And Interface Accounts	-	174 214
	Correction of error as per note 41.1 (n)	-	(100 416)
	Correction of error as per note 41.1 (n)	-	(728)
	Correction of error as per note 41.1(q)		9 065 244
	Total: Receivables from exchange transactions (before provision)	**143 886 792**	**138 571 280**
	Less: Provision for Debt Impairment	(53 599 573)	(38 046 324)
	Total: Receivables from exchange transactions (after provision)	**90 287 219**	**100 524 956**

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

(Electricity): Ageing

	2025 R	2024 R
Current (0 - 30 days)	19 595 981	15 345 070
31 - 60 Days	2 460 355	2 348 769
61 - 90 Days	1 198 592	1 004 092
+ 90 Days	10 807 625	10 653 704
Total	**34 062 552**	**29 351 635**

(Water): Ageing

	2025 R	2024 R
Current (0 - 30 days)	5 395 806	4 883 764
31 - 60 Days	1 972 878	2 572 392
61 - 90 Days	1 471 449	1 607 616
+ 90 Days	17 034 496	19 452 715
Total	**25 874 630**	**28 516 488**

(Property Rentals): Ageing

	2025 R	2024 R
Current (0 - 30 days)	-	-
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	506	506
Total	**506**	**506**

	2025 R	2024 R
(Waste Management): Ageing		
Current (0 - 30 days)	3 378 174	3 028 283
31 - 60 Days	1 159 251	1 056 275
61 - 90 Days	863 581	860 872
+ 90 Days	14 405 980	11 785 509
Total	**19 806 986**	**16 730 938**
(Waste Water Management): Ageing		
Current (0 - 30 days)	3 564 645	3 226 062
31 - 60 Days	1 180 645	1 120 705
61 - 90 Days	869 234	918 837
+ 90 Days	14 980 963	12 807 230
Total	**20 595 487**	**18 072 834**
(Units not billed): Ageing		
Current (0 - 30 days)	19 532 475	22 023 305
31 - 60 Days		-
61 - 90 Days		-
+ 90 Days		-
Total	**19 532 475**	**22 023 305**
(Legal Fees Recovery): Ageing		
Current (0 - 30 days)	-	-
31 - 60 Days		-
61 - 90 Days		-
+ 90 Days	29 216	9 094 460
Total	**29 216**	**9 094 460**
(Klein Karoo Water Scheme): Ageing		
Current (0 - 30 days)	673 373	529 514
31 - 60 Days	269 866	307 901
61 - 90 Days	180 767	282 847
+ 90 Days	3 969 098	4 575 221
Total	**5 093 103**	**5 695 483**
(Sundry and Suspense debtors): Ageing		
Current (0 - 30 days)	830 447	675 603
31 - 60 Days	161 829	167 354
61 - 90 Days	115 204	324 922
+ 90 Days	16 370 351	7 731 178
Total	**17 477 831**	**8 899 058**
(Prepaid expenditure): Ageing		
Current (0 - 30 days)	1 394 454	(6 764)
31 - 60 Days		-
61 - 90 Days		-
+ 90 Days		-
Total	**1 394 454**	**(6 764)**

	2025 R	2024 R
(Other): Ageing		
Current (0 - 30 days)	-	-
31 - 60 Days		-
61 - 90 Days		-
+ 90 Days	19 552	19 124
Total	**19 552**	**19 124**

	2025 R	2024 R
(Total): Ageing		
Current (0 - 30 days)	54 365 355	49 704 836
31 - 60 Days	7 204 824	7 573 396
61 - 90 Days	4 698 826	4 999 186
+ 90 Days	77 617 787	76 293 862
Total	**143 886 792**	**138 571 280**

Summary of Service Debtors by Customer Classification

	Other	Residential	Industrial/ Commercial	National and Provincial Government
30 June 2025				
Current (0 - 30 days)	824 196	15 225 204	13 131 188	4 257 838
31 - 60 Days	300 140	5 116 634	1 004 493	783 557
61 - 90 Days	215 122	3 561 458	698 798	223 448
+ 90 Days	4 758 212	83 928 609	9 258 109	599 786
Total debtors by customer classification	**6 097 670**	**107 831 905**	**24 092 588**	**5 864 629**

Summary of Service Debtors by Customer Classification

	Other	Residential	Industrial/ Commercial	National and Provincial Government
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	14 747 978	74 776 327	8 085 627	545 381
Total debtors by customer classification	**16 231 416**	**96 665 063**	**20 090 668**	**5 584 133**

Reconciliation of Provision for Debt Impairment

	2025	2024
Balance at beginning of year	38 046 324	40 274 368
Contribution to provision	15 553 250	(2 228 044)
Balance at end of year	**53 599 573**	**38 046 324**

The total amount of this provision is R53 599 573 and consist of:

	2025	2024
Services	53 599 573	38 046 324
Total Provision for Debt Impairment on Receivables from exchange transactions	**53 599 573**	**38 046 324**

Classification of Bad Debts Written-off

	2025	2024
Electricity	1 779 206	1 416 747
Refuse	3 725 281	2 777 927
Sewerage	4 168 594	2 856 985
Water	8 526 840	5 094 895
	18 199 921	**12 146 555**

Ageing of amounts past due but not impaired:

	2025	2024
Services	35 921 863	50 820 120
	35 921 863	**50 820 120**

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.

		2025 R	2024 R
9.	**RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS**		
	Property Rates	53 205 163	41 459 103
	Availability Charges	7 080 606	6 173 005
	Fines	34 377 344	25 794 733
		94 663 112	73 426 841
	Less: Provision for Debt Impairment	(70 636 650)	(54 260 857)
	Total Receivables from non-exchange transactions	**24 026 462**	**19 165 985**

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 is not performed in terms of GRAP 104 on initial recognition.

(Property Rates): Ageing

	2025	2024
Current (0 - 30 days)	10 526 987	7 700 471
31 - 60 Days	3 189 475	1 933 273
61 - 90 Days	2 289 497	1 563 560
+ 90 Days	37 199 203	30 261 799
Total	**53 205 163**	**41 459 103**

(Availability Charges): Ageing

	2025	2024
Current (0 - 30 days)	369 287	328 110
31 - 60 Days	235 518	209 014
61 - 90 Days	217 070	225 690
+ 90 Days	6 258 731	5 410 191
Total	**7 080 606**	**6 173 005**

(Fines): Ageing

	2025	2024
Current (0 - 30 days)	2 066 750	1 018 650
31 - 60 Days	2 267 950	1 259 650
61 - 90 Days	2 260 860	1 217 700
+ 90 Days	27 781 784	22 298 733
Total	**34 377 344**	**25 794 733**

Summary of Debtors (Property Rates +Availability) by Customer Classification

	Other	Residential	Industrial/ Commercial	National and Provincial Government
30 June 2025				
Current (0 - 30 days)	71 567	8 402 249	2 132 908	289 549
31 - 60 Days	15 231	3 024 641	361 150	23 971
61 - 90 Days	6 987	2 243 329	239 778	16 474
+ 90 Days	77 300	37 824 684	5 010 348	545 603
Total debtors by customer classification	**171 084**	**51 494 904**	**7 744 184**	**875 597**

Summary of Debtors (Property Rates+Availability) by Customer Classification

	Other	Residential	Industrial/ Commercial	National and Provincial Government
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	**314 591**	**39 062 516**	**6 925 827**	**1 329 174**

	2025 R	2024 R
Reconciliation of Provision for Debt Impairment		
Balance at beginning of year	54 260 857	43 970 130
Contribution to provision	16 375 793	10 290 727
Balance at end of year	**70 636 650**	**54 260 857**

The total amount of this provision is R70 636 650 and consist of:

	2025 R	2024 R
Taxes	33 745 532	25 835 727
Availability Charges	5 962 160	4 867 795
Fines	30 928 957	23 557 335
Total Provision for Debt Impairment on Trade Receivables from non-exchange transactions	**70 636 650**	**54 260 857**

Classification of Bad Debts Written-off

	2025 R	2024 R
Rates	5 247 940	2 102 223
Fines	10 730 100	7 149 288
	15 978 040	**9 251 511**

Ageing of amounts past due but not impaired:

	2025 R	2024 R
Rates	8 932 644	7 922 906
Availability charges	749 159	977 100
Fines	1 381 637	1 218 748
	11 063 439	**10 118 753**

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

	2025 R	2024 R
Cash At Bank	33 920 107	31 236 856
Call Deposits and Investments	143 747 874	112 614 648
Cash On-hand	37 550	37 550
Total Cash and Cash Equivalents - Assets	**177 705 531**	**143 889 055**

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 R143 747 874 are held to fund the Unspent Conditional Grants of R3 448 961

	2025 R	2024 R
The municipality has the following bank accounts:		
Current Accounts		
FNB 63047161615	3 500 000	1 261 332
FNB 63047161607	30 308 881	29 975 525
FNB 63047161623	57 230	-
FNB 63047161631	53 996	-
	33 920 107	**31 236 856**

	2025 R	2024 R
Call Deposits and Investments		
ABSA Account no 20-8127-3737		27 253 486
ABSA Account no 20-8142-4075		20 770 792
ABSA Account no 93-9671-5744	15 516 204	-
ABSA Account no 20-8171-4890	23 613 583	-
Nedbank Account no 03/7881019344/29	147 461	136 595
Nedbank Account no 03/7881001143/130	698 490	647 021
Nedbank Account no 03/7881001143/131	3 826 922	3 544 930
Nedbank Account no 03/7881001143/137	3 701 059	3 428 341
Nedbank Account no 03/7881001143/175	6 423 784	5 950 439
Nedbank Account no 03/7881001143/250		-
Nedbank Account no 03/7881001143/261	21 571 804	-
Nedbank Account no 03/7881001143/252	1 039 699	963 088
Nedbank Account no 03/7881001143/258	7 212 840	6 681 354
Standard Account no 288835379048	2 323 181	2 147 760
Standard Account no 288835379053	4 376 984	4 046 484
Standard Account no 288835379056		21 690 917
Standard Account no 288835379057	3 588 893	
Standard Account no 288835379064	15 848 472	
Standard Account no 288835379067	22 630 271	
Investec Account no 1400-171058-500	802 929	5 681 939
Investec Account no 1400-171058 501	10 425 296	9 671 501
	143 747 873	**112 614 648**

Details of current accounts are as follow:

	2025 R	2024 R
FNB 63047161615 (Primary bank Account)		
Cash book balance at beginning of year	1 261 332	3 543 012
Cash book balance at end of year	3 500 000	1 261 332
Bank statement balance at beginning of year	1 261 332	3 545 369
Bank statement balance at end of year	3 500 000	1 261 332
FNB 63047161607 (Primary bank Account)		
Cash book balance at beginning of year	29 975 525	13 744 857
Cash book balance at end of year	30 308 881	29 975 525
Bank statement balance at beginning of year	27 523 433	12 412 276
Bank statement balance at end of year	27 997 278	27 523 433
FNB 63047161631 (Traffic Account)		
Cash book balance at beginning of year	-	31 251
Cash book balance at end of year	53 861	-
Bank statement balance at beginning of year	-	31 251
Bank statement balance at end of year	-	-
FNB 63047161623 (Cango Caves account)		
Cash book balance at beginning of year	-	33 037
Cash book balance at end of year	57 230	
Bank statement balance at beginning of year	-	33 037
Bank statement balance at end of year	-	

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11. LONG-TERM BORROWINGS

		2025 R	2024 R
Annuity Loans - At amortised cost		98 130 046	82 249 095
Capitalised Lease Liability - At amortised cost		45 681 360	-
		143 811 406	**82 249 095**
Less:	Current Portion transferred to Current Liabilities	**(22 990 461)**	**(7 659 173)**
	Annuity Loans - At amortised cost	(8 569 323)	(7 659 173)
	Capitalised Lease Liability - At amortised cost	(14 421 137)	-
		120 820 945	**74 589 922**
Total Long-term Borrowings		**120 820 945**	**74 589 922**

11.1 The obligations under annuity loans are scheduled below:

		Minimum payments	
Amounts payable under annuity loans:			
Payable within one year		16 992 125	14 598 823
Payable within two to five years		59 427 043	50 845 006
Payable after five years		84 108 368	66 746 777
		160 527 535	132 190 606
Less:	Future finance obligations	(62 397 589)	(49 941 611)
Present value of annuity loans obligations		**98 129 946**	**82 248 996**

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		26 274 213	-
Payable within two to five years		38 118 939	-
		64 393 151	-
Less:	Future finance obligations	(18 711 792)	
Present value of finance lease obligations		**45 681 360**	**-**

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	40 942 700	31 859 295
Total Non-current Provisions	**40 942 700**	**31 859 295**

12.1 ***Landfill Sites***

Balance 1 July	31 859 295	35 555 265
Expenditure for the year	(643 422)	-
Increase/(Decrease) due to discounting	2 462 223	2 911 811
Change in Provision for Rehabilitation Cost	7 264 604	(6 607 780)
Total provision 30 June	**40 942 700**	**31 859 295**
Balance 30 June	**40 942 700**	**31 859 295**

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	649 973	792 732	351 680	1 097 887	9 977 282
Site Clearance and Preparation	7 939	13 007	3 425	14 958	181 055
Storm water Control Measures	642 051	463 478	453 633	1 029 998	4 796 338
Capping	2 371 708	4 020 264	1 040 842	4 545 556	55 724 757
Gas Management	-	-	-	-	-
Leachate Management	273 371	496 887	187 404	343 641	2 311 385
Fencing	810 888	14 146	536 299	1 001 329	14 146
Other:					
Environmental Authorisation (Closure License)	460 688	460 688	460 688	460 688	460 688
Technical ROD	236 794	236 794	236 794	236 794	236 794
Install Groundwater Monitoring Boreholes with lockable caps(includes drilling contractor site establishment)	78 350	174 350	171 695	171 695	-
Landscape Architects	173 595	173 595	172 954	172 954	196 856
Water use license	39 000	39 000	39 000	39 000	39 000
Topographical Survey	8 350	8 350	8 350	8 350	15 821
Contingencies (10% of total construction costs)	475 593	580 051	257 328	803 337	7 300 496
Engineering (ECSA Fees scale)	727 441	871 071	427 326	1 178 088	7 547 937
Site Supervision (Engineers Representation)	244 043	317 036	218 842	310 633	1 812 360
Site Supervision (Environmental Control Officer & OHS Agent)	160 770	176 847	134 928	164 912	589 760
Total (Excl. VAT)	**7 360 555**	**8 838 296**	**4 701 186**	**11 579 819**	**91 204 676**
Cost per rehab(m2)	1 409	1 033	2 087	1 177	766
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:

Location	**Estimated decommission date**	**2025 R**	**2024 R**
De Rust (Closed)	2014	7 717 542	6 878 728
De Rust(Operational)	2039	17 152 468	21 082 221
Dysselsdorp(Closed)	2013	4 929 193	4 206 317
Dysselsdorp(Operational)	2037	20 441 982	20 839 025
Oudtshoorn	2054	360 165 171	374 914 994
		410 406 357	**427 921 284**

13. NON-CURRENT EMPLOYEE BENEFITS

	2025	2024
Provision for Post Retirement Health Care Benefits	120 587 000	105 075 081
Provision for Long Service Awards	12 901 000	11 152 000
Total net defined benefit liability	**133 488 000**	**116 227 081**

Post Retirement Health Care Benefits

	2025	2024
Balance 1 July	111 589 081	103 778 001
Contribution for the year	3 763 919	3 412 000
Interest Cost	13 174 000	12 574 000
Expenditure for the year	(6 388 241)	(5 976 920)
Actuarial Loss/(Gain)	5 009 241	(2 198 000)
Net defined benefit liability 30 June	**127 148 000**	**111 589 081**
Less: Transfer of Current Portion to Current Provisions - Note 15	(6 561 000)	(6 514 000)
Non-Current Portion : Net defined benefit liability	**120 587 000**	**105 075 081**

Long Service Awards

	2025	2024
Balance 1 July	12 720 000	12 352 000
Contribution for the year	1 053 000	993 000
Interest Cost	1 350 000	1 300 000
Expenditure for the year	(1 760 137)	(2 239 365)
Actuarial Loss/(Gain)	818 137	314 365
Total net defined benefit liability	**14 181 000**	**12 720 000**
Less: Transfer of Current Portion to Current Provisions - Note 15	(1 280 000)	(1 568 000)
Non-Current Portion : Net defined benefit liability	**12 901 000**	**11 152 000**

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;

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.

	2025 R	2024 R
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	343	325
In-service (employee) non-members	389	371
Continuation members (e.g. Retirees, widows, orphans)	98	98
Total Members	**830**	**794**

The liability in respect of past service has been estimated to be as follows:

In-service members	47 760 000	38 163 000
In-service non-members	8 259 000	6 960 000
Continuation members	71 129 000	66 466 000
Total Liability	**127 148 000**	**111 589 000**

The Current-service Cost for the ensuing year is estimated to be R 4 599 000 , whereas the Interest Cost for the next year is estimated to be R13 616 000

Maturity analysis

	Future year	Expected benefits vesting
2026	1	6 922 000
2027	2	7 786 000
2028	3	8 374 000
2029	4	9 016 000
2030	5	9 757 000
2031-2035	6-10	66 682 000
2036-2040	11-15	100 484 000
2041-2045	16-20	144 241 000
2046-2050	21-25	190 398 000
2051-2055	26-30	239 223 000
2056-2065	31-40	55 210 000
2066-2075	41-50	51 060 000
2076-2085	51-60	33 194 000
2086-2095	61-70	13 577 000
2096-2105	71-80	2 916 000

Key actuarial assumptions used:	2025 %	2024 %

Key Financial assumptions

i) Rate of interest

	2025	2024
Discount rate	11.00%	12.15%
CPI Inflation Rate	5.00%	6.15%
Medical aid contribution inflation rate	6.80%	7.65%
Net Effective Discount rate	3.90%	4.18%

The next contribution increases were assumed to occur at 1 January 2026

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 2025

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%

	2025 R	2024 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	127 148 000	111 589 081
Fair value of plan assets	-	-
	127 148 000	111 589 081
Net defined benefit liability/(asset)	**127 148 000**	**111 589 081**

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 14% (or R15.559 million) since the last valuation. The main reasons for the change in liability:

IN-SERVICE MEMBERS
1. an increase in the average age which means members are closer to retirement (less discounting) and less likely to leave before retirement;
2. a increase in the average past service
3.an increase in the average post employment subsidy ; and
4. a decrease in the net discount rate.

CONTINUATION MEMBERS
1. an increase in the average subsidy and age
2. a decrease in the net discount rate
3. a decrease in the proportion of members with a spouse dependant.

Reconciliation of present value of fund obligation:

	2025 R	2024 R
Present value of fund obligation at the beginning of the year	111 589 081	103 778 001
Total expenses	10 549 678	10 009 080
Current service cost	3 763 919	3 412 000
Interest Cost	13 174 000	12 574 000
Re-measurement of the net defined liability	-	-
Payments to the plan	(6 388 241)	(5 976 920)
Actuarial (gains)/losses	5 009 241	(2 198 000)
Demographic assumptions	-	-
Financial Assumptions	3 882 000	(3 397 000)
Experience of past adjustments	1 127 241	1 199 000
Present value of fund obligation at the end of the year	**127 148 000**	**111 589 081**
Less: Transfer to Current Portion	(6 561 000)	(6 514 000)
Net Defined Benefit Liability	**120 587 000**	**105 075 081**

Sensitivity Analysis on the Defined benefit Obligation on 30 June 2025

	Eligible Employees (Rm)	Continuation members (Rm)	Total liability (Rm)
Assumption			
Central Assumptions	56 019 000	71 129 000	127 148 000

The effect of movements in the assumptions are as follows:

	Change	Eligible Employees (Rm)	Continuation members (Rm)	Total liability (Rm)	% change
Assumption					
Medical aid Contribution Inflation rate	1%	66 837 000	77 578 000	144 415 000	14%
Medical aid Contribution Inflation rate	-1%	47 352 000	65 498 000	112 850 000	-11%
Discount Rate	1%	47 715 000	65 742 000	113 457 000	-11%
Discount Rate	-1%	66 487 000	77 377 000	143 864 000	13%
Post-retirement mortality	-1 year	54 638 000	68 794 000	123 432 000	-3%
Post-retirement mortality	1 year	57 385 000	73 467 000	130 852 000	3%
Average retirement age	-1 year	61 650 000	71 129 000	132 779 000	4%
Membership continuation	-10%	48 907 000	71 129 000	120 036 000	-6%

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2025

	Current Service Cost (R)	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 Service Cost (R)	Interest Cost (R)	Total (R)	% change
Assumption					
Medical aid Contribution Inflation rate	1%	4 558 000	14 939 000	19 497 000	15%
Medical aid Contribution Inflation rate	-1%	3 130 000	11 704 000	14 834 000	-12%
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%

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 2025.

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2026

	Current	Interest Cost (R)	Total (R)
Assumption	4 599 000	13 616 000	18 215 000
Central Assumptions			-

The effect of movements in the assumptions are as follows:

	Change	Current	Interest Cost (R)	Total (R)	% change
Assumption					
Medical aid Contribution Inflation rate	1%	5 581 000	15 513 000	21 094 000	16%
Medical aid Contribution Inflation rate	-1%	3 823 000	12 045 000	15 868 000	-13%
Discount rate	1%	3 888 000	13 211 000	17 099 000	-6%
Discount rate	-1%	5 497 000	14 048 000	19 545 000	7%
Post-retirement mortality	1%	4 483 000	13 207 000	17 690 000	-3%
Post-retirement mortality	-1%	4 709 000	14 022 000	18 731 000	3%
Average retirement age	-1 year	4 812 000	14 225 000	19 037 000	5%
Membership continuation	-10%	4 020 000	12 835 000	16 855 000	-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, 732 employees were eligible for Long Service Bonuses.

The Current-service Cost for the ensuing year is estimated to be R1 171 000 whereas the Interest Cost for the next year is estimated to be R1 352 000.

Maturity analysis

	Future year	Expected benefits vesting (R)
2026	1	1 355 000.00
2027	2	1 333 000.00
2028	3	3 389 000.00
2029	4	2 989 000.00
2030	5	1 915 000.00
2031-2035	6-10	13 208 000.00
2036-2040	11-15	13 436 000.00
2041-2045	16-20	12 660 000.00
2046-2055	21-30	16 757 000.00
2056-2065	31-40	2 749 000.00

Key actuarial assumptions used:	2025 %	2024 %
Key Financial assumptions		
i) Rate of interest		
Discount rate	10.00%	11.29%
CPI Inflation Rate	4.00%	5.42%
General Earnings inflation rate	5.00%	6.42%
Net discount rate	4.80%	4.58%

The next general earnings increase was assumed to take place on 1 July 2026

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 2025

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%

	2025 R	2024 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	14 181 000	12 720 000
Fair value of plan assets	-	-
	14 181 000	12 720 000
Net defined benefit liability	**14 181 000**	**12 720 000**

There are currently no long-term assets set aside off-balance sheet in respect of the DBO, thus plan assets is zero.
As there is not plan asset, the net defined benefit liability is equal to the defined benefit obligation

Change in liability

The total DBO has increased by 11% (or R1 461 000) due to the above being more than offset by the fact that there are more eligible employees than at the last valuation.

Reconciliation of present value of fund obligation:

	2025 R	2024 R
Present value of fund obligation at the beginning of the year	12 720 000	12 352 000
Total expenses	642 863	53 635
Current service cost	1 053 000	993 000
Interest Cost	1 350 000	1 300 000
Remeasurement of net defined liability		
Benefits Paid	(1 760 137)	(2 239 365)
Actuarial (gains)/losses	818 137	314 365
Demographic assumptions	-	-
Financial assumptions	(76 000)	(146 000)
Experience adjustments	894 137	460 365
Present value of fund obligation at the end of the year	**14 181 000**	**12 720 000**
Less: Transfer of Current Portion	(1 280 000)	(1 568 000)
Net defined benefit liability	**12 901 000**	**11 152 000**

Sensitivity Analysis on the Defined Benefit Obligation at 30 June 2025

	Change	Liability (Rm)	% change
Assumption		14 181 000	
Central assumptions			
General salary inflation	1%	15 033 000	6%
General salary inflation	-1%	13 405 000	-5%
Discount rate	1%	13 389 000	-6%
Discount rate	-1%	15 064 000	6%
Average retirement age	-2 yrs.	16 549 000	17%
Average retirement age	2 yrs.	12 366 000	-13%
Withdrawal rates	x2	11 740 000	-17%
Withdrawal rates	x0.5	15 826 000	12%

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2025

	Current Service Cost (R)	Interest Cost (R)	Total (R)
Assumption	1 053 000	1 350 000	2 403 000
Central Assumptions			-

The effect of movements in the assumptions are as follows:

	Change	Current Service Cost (R)	Interest Cost (R)	Total (R)	% change
Assumption					
General earnings inflation rate	+1%	1 137 000	1 437 000	2 574 000	7%
General earnings inflation rate	-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%
Rates of termination of service	x2	788 000	1 098 000	1 886 000	-22%
Rates of termination of service	x0.5	1 247 000	1 521 000	2 768 000	15%

Sensitivity Analysis on Current-Service and Interest Cost for the year ending 30 June 2026

	Current Service Cost (R)	Interest Cost (R)	Total (R)
Assumption			
Central Assumptions	1 171 000	1 352 000	2 523 000

The effect of movements in the assumptions are as follows:

	Change	Current Service Cost (R)	Interest Cost (R)	Total (R)	% change
Assumption					
General earnings inflation rate	+1%	1 264 000	1 437 000	2 701 000	7%
General earnings inflation rate	-1%	1 088 000	1 274 000	2 362 000	-6%
Discount rate	+1%	1 098 000	1 400 000	2 498 000	-1%
Discount rate	-1%	1 254 000	1 296 000	2 550 000	1%
Average retirement age	2 yrs.	1 327 000	1 588 000	2 915 000	16%
Average retirement age	-2 yrs.	1 044 000	1 174 000	2 218 000	-12%
Rates of termination of service	x2	881 000	1 108 000	1 989 000	-21%
Rates of termination of service	x0.5	1 384 000	1 516 000	2 900 000	15%

The method used to prepare the sensitivity analysis remained unchanged from the previous period. The assumptions are based on market conditions and demographic inputs as at 30 June 2025

	2025 R	2024 R

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 2024 revealed that the fund is in a sound financial position with a funding level of 117.3% (30 June 2023 -120.1%).

	2025 R	2024 R
Contributions paid recognised in the Statement of Financial Performance	33 319 905	30 325 487
Contributions paid to be recognised in the Statement of Financial Performance for the next financial period	39 615 400	35 224 300

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

	2025 R	2024 R
Electricity	4 784 669	4 456 185
Rental Properties	45 329	87 903
Water	5 484 521	5 378 401
Building Plans	2 550 787	2 245 396
Hiring of Decorative Items	4 430	4 430
Total Consumer Deposits	**12 869 736**	**12 172 315**

15. CURRENT EMPLOYEE BENEFITS

	2025 R	2024 R
Performance Bonuses	478 046	912 274
Staff Bonuses	8 445 656	7 463 201
Staff Leave	20 352 289	17 885 532
Other	1 045	1 045
Current Portion of Non-Current Employee Benefits	7 841 000	8 082 000
Current Portion of Post Retirement Benefits - Note 13	6 561 000	6 514 000
Current Portion of Long-Service Provisions - Note 13	1 280 000	1 568 000
Total Provisions	**37 118 036**	**34 344 052**

The movement in current provisions are reconciled as follows:

15.1 *Performance Bonuses*

	2025 R	2024 R
Balance at beginning of year	912 274	1 049 027
Reversal of provision	(190 639)	167 375
Expenditure incurred	(243 589)	(304 128)
Balance at end of year	**478 046**	**912 274**

Performance bonuses are being paid to the Municipal Manager and Directors after an evaluation of performance by the council.

15.2 *Staff Bonuses*

	2025 R	2024 R
Balance at beginning of year	7 463 201	7 726 743
Contribution to current portion	15 405 078	13 312 509
Expenditure incurred	(14 422 623)	(13 576 051)
Balance at end of year	**8 445 656**	**7 463 201**

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*

	2025 R	2024 R
Balance at beginning of year	17 885 531	15 929 427
Contribution to current portion	3 720 714	3 962 982
Expenditure incurred	(1 253 957)	(2 006 877)
Balance at end of year	**20 352 289**	**17 885 531**

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.

16. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

	2025	2024
Trade Payables	45 720 382	37 692 787
Pre-paid electricity	1 023 987	775 015
Unallocated funds debtors	187 962	182 972
Payments received in advance	2 887 046	5 909 854
Control, Clearing and Interface Accounts	505 091	731 321
Sundry Deposits	8 730	8 730
Retentions	5 726 824	8 171 084
Correction of Error note 41.1(j)	-	117 492
Correction of error note 41.1(k)	-	2 373 052
Correction of error note 41.1(l)	-	11 824
Correction of error note 41.1(m)	-	214 201
Correction of error note 41.1(o)		414 067
Correction of error note 41.1(o)		1 687 384
Total Trade Payables	**56 060 022**	**58 289 783**

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.

16.1 CURRENT PROVISIONS

VAT Libraries

	2025	2024
Balance at beginning of year	-	5 591 348
Contribution to current portion	-	1 092 000
Correction of error note 41.1(p)		(6 683 348)
Balance at end of year	**-**	**-**

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 function has not been assigned to Oudtshoorn Municipality as at 30 June 2025. Library services is a provincial government function performed by DCAS. The process of assigning the function has started and will be done via a Memorandum of Agreement in 2024-25. The Western Cape Public Library Act assented into law by the Premier, as per Gazette 9085 dated 12 June 2025.

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 addressing 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. Although SARS issued a Binding General ruling on the treatment of VAT on all allocations received in return for service rendered, no clarity was provided on the period which the municipality will be liable to pay VAT on payments received. The municipality took a conservative approach and calculated the provision for a period of (5) years.

No Clarity was provided whether any interest will be levied by SARS, but the possibility is disclosed under contingent liabilities note 54.

		2025 R	2024 R
17.	**UNSPENT TRANSFERS AND SUBSIDIES**		
	Unspent Transfers and Subsidies	3 448 961	1 974 808
	National Government Grants	3 358 157	1 233 880
	Provincial Government Grants	74 097	2 169 139
	Other Sources	16 707	267 426
	Correction of error note 41.1(i)	-	(1 695 636)
	Total Unspent Transfers and Subsidies	**3 448 961**	**1 974 808**

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.

			2025	2024
18.	**TAXES**			
18.1	VAT Payable	Libraries	(7 729 304)	
	VAT Output in Suspense		(20 987 418)	(16 799 226)
	Correction of error note 41.1(p)			(6 683 348)
	Total VAT Payable		**(28 716 723)**	**(23 482 574)**
18.2	VAT Receivable		2 882 981	661 267
	VAT Input in Suspense		9 153 584	8 137 846
	Correction of error note 41.1(h)		-	(2 796 386)
	Total VAT Receivable		**12 036 565**	**6 002 727**
18.3	**Net VAT (Payable)**		**(16 680 158)**	**(17 479 847)**

VAT is payable on the receipts basis. VAT is paid over to SARS only once payment is received from debtors.

			2025 R	2024 R
19.	**PROPERTY RATES**			
	Actual			
	Rateable Land and Buildings		173 132 564	137 335 245
	Business and Commercial Property		28 472 376	28 135 187
	Farm Holdings		8 074 882	5 285 361
	Mining Properties		89 961	107 378
	Public Benefit Organisations		349 520	350 943
	Public Service Infrastructure Properties		23 978	23 372
	Residential Properties		120 368 869	88 564 773
	State-owned Properties		15 752 977	14 868 231
	Less:	**Revenue Forgone**	(11 417 247)	(8 440 155)
	Total Property Rates		**161 715 317**	**128 895 090**
	Valuations - 30 June 2025			
	Rateable Land and Buildings		16 249 771 000	10 641 940 700
	Business and Commercial Property		1 847 285 000	1 330 136 000
	Churches		271 217 000	231 990 000
	Pensioners		381 596 000	245 619 000
	Mining Properties		4 997 000	5 070 000
	Municipal Properties		451 025 000	359 215 000
	Protected Areas		93 101 000	47 510 000
	Public Benefit Organisations		108 289 000	88 955 000
	Public Service Infrastructure Properties		14 745 000	9 950 500
	Residential Properties		8 650 098 000	5 644 258 200
	State-owned Properties		888 319 000	718 626 000
	Agricultural Property		3 539 099 000	1 960 611 000
	Less:	**Rebates**	(237 045 000)	(233 250 000)
	Total Assessment Rates		**16 012 726 000**	**10 408 690 700**
	Basic Rate			
	Residential		1.309c/R	1.540c/R
	Government		1.759c/R	2.069c/R
	Commercial		1,800c/R	2.118c/R
	Agricultural		0.229c/R	0.270c/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.

20. GOVERNMENT GRANTS AND SUBSIDIES

	2025 R	2024 R
Unconditional	102 781 000	96 434 419
Equitable Share	102 781 000	96 434 419
Conditional	48 029 164	77 588 055
Local Government Financial Management Grant (FMG)	2 800 000	2 802 000
Integrated National Electrification Programm	-	-
Municipal Infrastructure Grant	21 310 844	23 559 000
Extended Public Works Program	1 492 000	1 672 000
CDW operational support grant	57 000	57 000
Library Services	6 973 043	6 805 187
Library Services Replacement Funding	-	474 813
Integrating Housing Settlement Grant	57 654	-
Emergency Housing Program	-	633 765
Development of Sport & Recreation Facilities	-	201 190
Thusong Centre Operational Grant	117 377	140 000
Fire Service Capacity Building Grant	-	1 911 000
Western Cape Financial Management Capability Grant	675 000	2 000 000
Water Services Infrastructure Grant	9 520 000	8 060 000
Western Cape Government Infrastructure Grant		
Municipal Water Resilliance Grant	2 000 000	3 000 000
Western Cape Municipal Interventions Grant	1 000 000	-
Municipal Energy Resilliance Grant	544 655	-
Municipal Disaster Relief Grant	-	-
Municipal Disaster Recovery Grant	-	25 602 100
Waste Management Compliance Grant	240 872	-
Municipal Service Delivery and Capacity Building grant	-	500 000
Maintenance Main Road Subsidy	990 000	170 000
Regional Bulk Infrastructure Grant - Department of Water Affairs and Forestry	-	-
Water Macro Planning	-	-
ASLA Rosevalley Library Contribution	250 720	-
Local Government Public Employment Support Grant	-	-
Upgrading of SMME Infrastructure Booster Fund	-	-
Total Government Grants and Subsidies	**150 810 164**	**174 022 474**
Government Grants and Subsidies - Operating	117 748 849	137 928 719
Government Grants and Subsidies - Capital	33 061 316	36 093 755
Total Government Grants and Subsidies	**150 810 164**	**174 022 474**

Revenue recognised per vote as required by Section 123 (c) of the MFMA:

	2025 R	2024 R
Equitable share	102 781 000	96 434 419
Corporate Services	57 000	57 000
Community and Public Safety	7 464 635	9 392 190
Financial Services	3 475 000	4 802 000
Infrastructure Services	35 857 499	62 063 100
Technical Services	-	-
Planning & Development	1 175 031	1 273 765
Municipal Manager	-	
Strategic Services	-	-
Total Government Grants and Subsidies	**150 810 164**	**174 022 474**

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

	2025 R	2024 R
Grants received	102 781 000	96 434 419
Conditions met - Operating	(102 781 000)	(96 434 419)
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.

20.2 Local Government Financial Management Grant (FMG)

	2025 R	2024 R
Opening balance	-	-
Grants received	2 800 000	2 802 000
Conditions met - Operating	(2 800 000)	(2 802 000)
Conditions met - Capital	-	-
Conditions still to be met	0	-

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 Municipal Energy Resilience Grant

	2025 R	2024 R
Opening balance	-	
Grants received	600 000	
Conditions met - Operating	(544 655)	
Conditions still to be met	55 345	-

Energy Resillience grant was received for the updating and compilation of the Electricity Master Plan

20.4 Municipal Infrastructure Grant (MIG)

	2025 R	2024 R
Opening balance	0	67 393
Grants received	24 669 000	23 559 000
Repaid to National Revenue Fund	-	(67 393)
Conditions met - Operating	(1 236 700)	(1 147 900)
Conditions met - Capital	(20 074 144)	(22 411 100)
Conditions still to be met	**3 358 157**	**0**

The Municipal Infrastructure Grant was used to upgrade infrastructure in previously disadvantaged areas.

20.5 Integrated National Electrification Grant

	2025 R	2024 R
Opening balance	1 233 878	1 233 879
Repaid to National Revenue Fund	(1 233 880)	-
Conditions still to be met	**(2)**	**1 233 878**

The National Electrification Grant was used for electrical connections in previously disadvantaged areas.

20.6 Extended Public Works Program

	2025 R	2024 R
Opening balance	0	0
Grants received	1 492 000	1 672 000
Conditions met - Operating	(1 492 000)	(1 672 000)
Conditions still to be met	**0**	**0**

Job creation projects in previous disadvantage areas.

20.7 Western Cape Financial Management Capability Grant

	2025 R	2024 R
Opening balance	200 000	-
Grants received	675 000	2 200 000
Repaid to National Revenue Fund	(200 000)	-
Conditions met - Operating	(675 000)	(2 000 000)
Conditions still to be met	**-**	**200 000**

Western Cape Financial Management Capability Grant is received for the financial system development in accordance with the mSCOA regulations and then for external bursaries.

		2025 R	2024 R
20.8	**Library Services**		
	Opening balance	0	0
	Grants received	6 973 043	6 732 000
	Conditions met - Operating	(6 973 043)	(6 732 000)
	Conditions met - Capital	-	-
	Conditions still to be met	**0**	**0**

Library conditional grant utilised for operating expenditure of the Library.

		2025 R	2024 R
20.9	**Municipal Water Resilience Grant**		
	Opening balance	-	-
	Grants received	2 000 000	3 000 000
	Conditions met - Capital	(2 000 000)	(3 000 000)
	Conditions still to be met	**-**	**-**

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.

		2025 R	2024 R
20.10	**Water Service Infrastructure Grant**		
	Opening balance	-	-
	Grants received	9 520 000	8 060 000
	Conditions met - Capital	(9 520 000)	(8 060 000)
	Conditions still to be met	**0**	-

Water Service Infrastructure Grant is received from National Government to assist the municipality in refurbishment of its water infrastructure

		2025 R	2024 R
20.11	**Waste Management Compliance Grant**		
	Opening balance	-	-
	Grants received	257 000	-
	Conditions met - Capital	(240 872)	-
	Conditions still to be met	**16 128**	**-**

This grant was received from Provincial government for exploration boreholes at the landfill site which is a compulsory legal requirement

		2025 R	2024 R
20.13	**Municipal Disaster Recovery Grant**		
	Opening balance	-	25 602 123
	Grants received	-	-
	Conditions met - Operating	-	(25 602 123)
	Conditions still to be met	**-**	**-**

This grant was received for repair of roads and stormwater infrastructure caused by the flooding

		2025 R	2024 R
20.14	**Other Grants**		
	Opening balance	540 930	417 434
	Grants received	2 104 654	4 284 450
	Repaid to National Revenue Fund	(153 495)	-
	Conditions met - Operating	(1 246 450)	(1 536 730)
	Conditions met - Capital	(1 226 300)	(2 624 225)
	Conditions still to be met	**19 339**	**540 930**

		2025 R	2024 R
20.15	**Total Grants**		
	Opening balance	1 974 808	27 320 829
	Grants received	153 871 697	148 743 869
	Repaid to National Revenue Fund	(1 587 375)	(67 393)
	Conditions met - Operating	(117 748 849)	(137 927 172)
	Conditions met - Capital	(33 061 315)	(36 095 325)
	Conditions still to be met/(Grant expenditure to be recovered)	**3 448 967**	**1 974 808**

		2025 R	2024 R
21.	**CONTRIBUTED PROPERTY, PLANT AND EQUIPMENT**		
	Donated infrastructure assets	123 424	10 876 060
	Total Contributed Property, Plant and Equipment	**123 424**	**10 876 060**
22.	**AVAILABILITY CHARGES**		
	Electricity	1 811 113	1 620 595
	Water	1 118 456	1 021 400
	Waste Water Management	1 230 807	1 149 827
	Total Availability Charges	**4 160 376**	**3 791 822**
23.	**LICENCES AND PERMITS**		
	Road and Transport	449 346	454 113
	Total Licences and Permits	**449 346**	**454 113**
	Disclosed as follows:		
	Revenue from Exchange Transactions	449 346	454 113
	Total Licences and Permits	**449 346**	**454 113**
24.	**SERVICE CHARGES**		
	Electricity	**355 011 741**	**299 961 622**
	Service Charges	369 246 378	312 214 266
	Less: Revenue Foregone	(14 234 636)	(12 252 644)
	Water	**68 531 550**	**66 761 987**
	Service Charges	88 636 115	85 274 991
	Less: Revenue Foregone	(20 104 565)	(18 513 004)
	Water Klein Karoo Rural Scheme	**6 574 260**	**5 929 040**
	Service Charges	6 574 260	5 929 040
	Less: Revenue Foregone	-	-
	Waste Management	**41 071 994**	**41 708 424**
	Service Charges	68 981 062	66 074 360
	Less: Revenue Foregone	(27 909 067)	(24 365 936)
	Waste Water Management	**48 538 283**	**44 159 300**
	Service Charges	75 724 580	69 149 605
	Less: Revenue Foregone	(27 186 297)	(24 990 305)
	Total Service Charges	**519 727 829**	**458 520 374**

Revenue Forgone 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.

25. SALES OF GOODS AND RENDERING OF SERVICES

	2025 R	2024 R
Academic Services	1 198	43
Advertisements	432 702	366 469
Application Fees for Land Usage	68 000	95 368
Building Plan Approval	1 450 296	1 342 338
Camping Fees	232 604	174 924
Cemetery and Burial	1 677 187	1 731 922
Computer Services	473 715	359 543
Encroachment Fees	200 617	205 999
Fire Services	198 303	105 740
Library Fees	811	1 240
Parking Fees	435	-
Pest Control	26 168	8 783
Photocopies and Faxes	30 465	36 338
Sale of Goods	21 399	9 139
Streets/Street Markets (Informal Traders)	96 687	72 370
Tender documents	59 606	22 589
Valuation Services	366 046	305 173
Total Sales of Goods and Rendering of Services	**5 336 240**	**4 837 976**

26. RENTAL FROM FIXED ASSETS

Investment Property	202 699	190 625
Property, Plant and Equipment	4 365 712	3 481 138
Total Rental from Fixed Assets	**4 568 411**	**3 671 763**

27. INTEREST EARNED - EXTERNAL INVESTMENTS

Bank	2 620 792	2 521 359
Investments	12 804 923	12 478 101
Total Interest Earned - External Investments	**15 425 715**	**14 999 460**

28. INTEREST EARNED - EXCHANGE TRANSACTIONS

Trade Receivables	6 457 520	6 771 203
Total Interest Earned - Outstanding Receivables	**6 457 520**	**6 771 203**

29. OPERATIONAL REVENUE

Administrative Handling Fees	-	
Bad debts Recovery	1 506 791	773 509
Collection Charges	135 340	-
Commission	506 138	409 073
Development Charges	417 556	1 328 485
Incidental Cash Surpluses	214 444	-
Insurance Refund	261 107	385 123
Merchandising, Jobbing and Contracts	131 110	106 469
Registration Fees	512	4 905
Request for Information	11 095	1 435
Staff Recoveries	37 573	44 507
Total Operational Revenue	**3 221 666**	**3 053 507**

30. EMPLOYEE RELATED COST

	2025 R	2024 R
Acting Allowance	1 209 602	971 001
Contributions to Group Insurance	5 364 532	4 989 075
Housing Benefits and Allowance	1 411 067	1 382 134
Leave payments	3 720 714	3 962 982
Standby Allowance	6 986 977	6 529 760
Shift Allowance	760 326	698 704
Basic Salaries and Wages	194 575 070	176 351 144
Pension and UIF Contributions	34 147 214	31 168 849
Medical Aid Contributions	13 926 424	13 265 816
Overtime	19 987 992	17 573 512
Bonuses	15 214 440	13 626 148
Motor Vehicle Allowance	5 236 330	5 272 593
Cellphone Allowance	1 491 384	1 496 888
Other benefits and allowances	174 538	162 764
Contribution to Long Service awards	2 403 000	2 293 000
Contribution to Post Employment Medical	16 937 919	15 986 000
Total Employee Related Costs	**323 547 528**	**295 730 370**

KEY MANAGEMENT PERSONNEL

Key Management personnel are permanent except for the Municipal Manager that has a fixed term contract ending with the next municipal election

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Remuneration of the Municipal Manager - Mr W Hendricks (Terminated: 31/12/2024)

	2025 R	2024 R
Basic Salary	877 009	1 322 556
Pension and UIF Contributions	131 312	177 068
Performance Bonus		67 387
Cell Phone Allowance	36 502	73 004
Other Benefits and Allowances	23 416	115 292
Total	**1 068 240**	**1 755 308**

Remuneration of the Municipal Manager - Mr M Yekani (Contract: 17/09/2024-31/03/2025, Appointed 01/04/2025)

	2025 R	2024 R
Basic Salary	1 153 573	-
Pension and UIF Contributions	22 719	-
Cell Phone Allowance	63 672	-
Other Benefits and Allowances	35 001	-
Total	**1 274 965**	**-**

Remuneration of the Chief Financial Officer - GP De Jager

	2025 R	2024 R
Basic Salary	1 030 507	781 887
Pension and UIF Contributions	187 617	135 971
Housing allowance	118 416	118 416
Medical Aid Contributions	52 492	45 934
Performance Bonus	149 431	110 167
Motor Vehicle Allowance	144 000	144 000
Cell Phone Allowance	80 325	80 325
Payments in lieu of leave	68 751	-
Other Benefits and Allowances	70 691	102 401
Total	**1 902 230**	**1 519 102**

Remuneration of Director : Corporate Services - Mr Smit

	2025 R	2024 R
Basic Salary	1 272 112	1 042 826
Pension and UIF Contributions	231 106	183 382
Performance Bonus	-	67 325
Motor Vehicle Allowance	24 000	-
Cell Phone Allowance	80 325	80 325
Other Benefits and Allowances	208 838	218 190
Total	**1 816 381**	**1 592 049**

	2025 R	2024 R
Remuneration of Director : Community Services - N van Stade (Terminated: 16/10/2024)		
Basic Salary	477 530	1 042 826
Acting Allowance	11 809	14 574
Pension and UIF Contributions	86 841	183 382
Cell Phone Allowance	23 268	79 411
Other Benefits and Allowances	5 259	99 518
Payments in lieu of leave	4 149	-
Total	**608 857**	**1 419 711**

Remuneration of Director : Community Services - Mr IH Avontuur (Appointed 1 November 2024)		
Basic Salary	660 216	-
Pension and UIF Contributions	41 652	-
Cell Phone Allowance	53 091	-
Other Benefits and Allowances	9 198	-
Payments in lieu of leave	17 857	-
Total	**782 014**	**-**

Remuneration of Director : Technical Services - Mr JW Lesch		
Basic Salary	924 091	556 309
Pension and UIF Contributions	168 285	96 536
Performance Bonus	94 158	59 249
Motor Vehicle Allowance	110 000	80 000
Cell Phone Allowance	73 632	48 011
Payments in lieu of leave	-	170 463
Other Benefits and Allowances	83 583	86 836
Total	**1 453 748**	**1 097 404**

Remuneration of Acting Director : Corporate Services - Mr EJ Jantjies (Acting: from 29 April 2025)		
Basic Salary	187 116	-
Pension and UIF Contributions	26 631	-
Cell Phone Allowance	1 990	-
Housing Subsidy	2 229	-
Motor Vehicle Allowance	20 495	-
Other Benefits and Allowances	7 839	-
Total	**246 300**	**-**

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

	2025 R	2024 R
Basic Salaries And Wages	11 360 232	9 785 338
Pension	717 438	646 054
Travelling Allowance	758 698	1 059 804
Telephone Allowance	812 791	945 206
Medical Scheme	168 472	139 221
Total Councillors' Remuneration	**13 817 631**	**12 575 623**

Remuneration paid to Councillors can be summarised as follow:

2025 Financial year:	**Salary**	**Travel Allowance**	**Telephone Allowance**	**Pension and Medical Contributions**	**Total**
Executive Mayor	970 364	-	47 004	72 889	1 090 257
Executive Deputy-Mayor	730 320	-	8 376	56 401	795 097
Speaker	775 726	-	19 116	10 994	805 837
Executive Committee Members	3 233 138	160 945	129 379	290 153	3 813 616
Section 79 (Full-time & Part-time)	974 817	99 025	56 712	73 688	1 204 243
Councillors	4 675 866	498 728	552 203	381 784	6 108 582
Total Councillors' Remuneration	**11 360 232**	**758 698**	**812 791**	**885 910**	**13 817 631**

2024 Financial year:	**Salary**	**Travel Allowance**	**Other Allowances**	**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**

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.

32. CONTRACTED SERVICES

Outsourced Services		
Business and Advisory	2 586 702	1 855 591
Security Services	8 966 228	10 099 294
Catering services	165 590	143 184
Legal Cost Collection	639 425	340 092
Printing Services	1 136 678	1 272 221
Swimming Supervision	1 886 162	-
Traffic Management	-	288 930
Transport Services	6 500	7 109
Cleaning Services	539 651	252 515
Refuse Removal	4 621 921	4 435 800
Veterinary Services	82 622	
Consultants and Professional Services		
Business and Advisory	4 279 968	2 645 799
Engineering	473 613	970 017
Valuer and Assessors	1 149 048	2 864 144
Communications	166 645	40 196
Legal Services	3 682 431	3 673 951
Contractors		
Fire Services	721 754	665 851
Maintenance of Buildings and Facilities	6 500 731	226 963
Maintenance of Equipment	8 948 745	819 774
Stream Cleaning and Ditching	477 094	79 477
Employee Wellness	492 196	641 539
Total Contracted Services	**47 523 701**	**31 322 447**

33. DEPRECIATION AND AMORTISATION

Property, Plant and Equipment	63 278 752	53 990 864
Intangible Assets	53 718	118 196
Investment Property	159 561	159 561
Total Depreciation and Amortisation	**63 492 030**	**54 268 621**

		2025 R	2024 R
34.	**FINANCE CHARGES**		
	Long-term Borrowings	8 342 413	7 746 360
	Non-current Provisions	2 462 223	2 911 811
	Payables	14 974	202 655
	Finance leases	12 132 760	519 362
	Total Finance Costs	**22 952 371**	**11 380 189**
35.	**BULK PURCHASES**		
	Electricity	289 499 437	245 605 593
	Total Bulk Purchases	**289 499 437**	**245 605 593**
36.	**TRANSFERS AND SUBSIDIES**		
	Operational	2 967 132	3 303 057
	Monetary Allocations	2 967 132	3 303 057
	Households	542 898	558 143
	Non-profit Institutions	1 575 924	1 755 129
	Provincial Government	-	551 100
	Bursaries Non Employee	848 310	438 686
	Total Transfers and Subsidies	**2 967 132**	**3 303 057**
37.	**OPERATIONAL COST**		
	Advertising, Publicity and Marketing	1 290 152	1 395 850
	Assets less than the Capitalisation Threshold	207 536	176 928
	Bank Charges, Facility and Card Fees	1 974 941	1 613 401
	Bursaries (Employees)	353 136	111 352
	Cleaning Services	145 293	87 060
	Commission	2 217 062	2 222 217
	Courier and Delivery Services	17 431	15 111
	Communication	5 157 270	3 976 543
	Deeds	1 520 605	1 374 470
	Entrance Fees	11 267	9 180
	Entertainment	60 123	27 614
	External Audit Fees	6 016 100	4 643 685
	External Computer Service	6 127 709	7 542 941
	Full Time Union Representative	207 381	153 389
	Hire Charges	3 359 332	5 996 669
	Indigent Relief	941 482	1 124 517
	Insurance Underwriting	3 781 055	4 259 318
	Learnerships and Internships	665 504	435 303
	Levies Paid - Water Resource Management Charges	381 719	578 751
	Licences	701 145	426 551
	Membership fees SALGA	3 410 165	3 048 725
	Printing, Publications and Books	915 143	806 418
	Professional Bodies, Membership and Subscription	109 934	78 782
	Registration Fees	865 910	361 738
	Remuneration to Section 79 Committee Members	16 188	14 569
	Resettlement Cost	1 769 307	1 358 604
	Samples and Specimens	1 232 847	127 881
	Skills Development Fund Levy	2 607 931	2 392 818
	Travel and Subsistence	2 022 947	2 921 982
	Uniform and Protective Clothing	2 281 530	1 366 882
	Vehicle Tracking	894 562	-
	Ward Committees	264 750	201 000
	Wet Fuel	10 681 786	12 777 938
	Workmens Compensation Fund	2 547 999	2 369 567
	Total Operational Costs	**64 757 240**	**63 997 754**

		2025 R	2024 R
38.	**REVERSAL OF IMPAIRMENT LOSS/ (IMPAIRMENT LOSS) ON RECEIVABLES**		
	Receivables from Exchange Transactions and Non-Exchange	(31 929 043)	(8 062 683)
	Total Reversal of Impairment Loss/ (Impairment Loss) on Receivables	**(31 929 043)**	**(8 062 683)**
39.	**GAINS/ (LOSS) ON SALE OF FIXED ASSETS**		
	Property, Plant and Equipment	1 188 094	(6 994 498)
	Total Gains/ (Loss) on Sale of Fixed Assets	**1 188 094**	**(6 994 498)**
40.	**REVERSAL OF IMPAIRMENT LOSS/ (IMPAIRMENT LOSS) ON FIXED ASSETS**		
	Investment Property	-	-
	Property, Plant and Equipment	(283 335)	2 778 823
	Total Reversal of Impairment Loss/ (Impairment Loss) on Fixed Assets	**(283 335)**	**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 Property Plant and Equipment - Othe Assets at Cost. During the annual asset verification there were movable assets identified for the first time that was not on the fixed asset register. This is now corrected with the following entries. Dt Movable Assets at Cost R330 329, (Ct) Accumulated Surplus Opening balance R330 329. Dt Accumulated Surplus 2023/24 (Depreciation) R59648 and (Ct) Accumulated Depreciation 2023/24 R59 648

(b) Correction of Property Plant and Equipment Other Assets and Community Assets at Cost. During the reconciliation of the new general valuation roll to the fixed asset register, properties was identified that is no longer an asset to the municipality. This is now corrected with the following entries.Dt Accumulated Surplus Opening balance R2 732 000, (Ct) Property Plant and Equipment Land Opening balance R2 732 000. Dt Accumulated Impairment Land Opening balance R1 240 000 and (Ct) Accumulated Surplus Opening balance R1 240 000. Dt Accumulated Surplus Opening balance R48 815 and (Ct) Property Plant and Equipment Community Assets Opening balance R48 815

(c) Correction of Property Plant and Equipment Other Assets and Community Assets Opening Balance. During the reconciliation of the new general valuation roll, properties (land and building) was identified that belongs to the municipality by means of the GRAP17 and iGRAP18 test that was performed. This is now corrected with the following entries. Dt Property Plant and Equipment Land Opening balance R7 137 000, (Ct) Accumulated Surplus Opening balance R7 137 000. Dt Property Plant and Equipment Community Assets Opening balance R690 000, (Ct) Accumulated Surplus Opening balance R690 000. Dt Accumulated Surplus 2023/24(Depreciation) R11 111 and (Ct) Accumulated Depreciation Community Assets R11 111

(d) Correction of Investment Property Opening balance. During the reconciliation of the new general valuation roll, properties (land) was identified that belongs to the municipality by means of the GRAP17 and iGRAP18 test that was performed. This is now corrected with the following entries Dt Investment Property at Cost Opening balance R2 523 000 and (Ct) Accumulated Surplus Opening balance R2 523 000

(e) Correction of Property Plant and Equipment Infrastructure Water and Sanitation WIP. During the unbundling of the work in progress register, it was seen items that was relating to operational maintenance was incorrectly classified in the previous years as WIP. This has now resulted in the overstatement of Property Plant and Equipment Infrastructure and is corrected with the following entries. Dt Accumulated Surplus 2023/24 (Contracted Services) R278 209, Ct Infrastructure Water at Cost R278 209. Dt Accumulated Surplus Opening balance with R504 529 and (Ct) Infrastructure Water Opening balance WIP Cost R504 529. Dt Accumulated Surplus Opening balance R393 307.45 and (Ct) Infrastructure Sanitation Opening balance WIP Cost R393 307.

(f) Correction of Property Plant and Equipment Infrastructure at Cost. During the physical verification of infrastructure assets in the current year, it was identified that Rosevalley Phase 4 construction of serviced erwen were completed in the prior year. The payments was done directly to the contracted by the provincial government, and the infrastructure assets that were constructed is under the control of the municipality and needs to reflect in the fixed asset register. This is now corrected with the following entries. Dt Infrastructure Roads Opening balance R7 809 749, Water Infrastructure Opening balance R1 145 723, Sanitation Infrastructure Opening balance R1 920 588. (Ct) Accumulated Surplus Opening balance R10 876 060

(g) Correction of Property Plant and Equipment Infrastructure WIP Opening balance. During the unbundling of the WIP infrastructure Opening balance it was identified that certain assets were ready for use and already utilised during the prior year. This has resulted in the accumulated depreciation being understated for the previous financial year, and is now corrected with the following entries. Dt Accumulated Surplus 2023-24(Depreciation) R 502 555. Ct Accumulated Depreciation Roads R349 044, Ct Accumulated Depreciation Water R52 295, Ct Accumulated Depreciation Sanitation R98 688 and Ct Accumulated Depreciation Electricity Infrastructure R2 529.

(h) Correction of Taxes Opening balance. During the annual reconciliation of VAT Input it was realised the provision that was raised towards the financial leases in 2022 was not reversed as prescribed. VAT was claimed on invoice basis correctly with the monthly debit orders, and the provision needed to be reversed. This is now corrected with the following entries, Dt Accumulated Surplus Opening balance R2 796 386, Ct Taxes Input Suspense Opening balance R2 796 386.

(i) Correction of Unspent Conditional Grants Opening balance. Re-imbursements received towards Emergency Housing Fire Kits, was incorrectly classified as a conditional grant. Upon investigation with Provincial Treasury it was realised the memorandum of agreement was for re-imbursements and should have been recognized in the prior year as other revenue and not a conditional grant. This is now corrected with the following entries. Dt Unspent Grants Opening balance R1 695 636, Ct Accumulated Surplus Opening balance R1 695 636

(j) Correction of Trade Payables from Exchange Transactions Opening balance. During the year there was a labour dispute settled with regards to employees who claimed overtime in the prior periods. The ruling was in their favour, that lead to the employee related cost in the prior periods being understated. This is now corrected with the following entries in the opening balance, Dt Accumulated Surplus Opening balance R117 492, (Ct) Trade Payables from Exchange Transactions Opening balance R117 492

(k) Correction of Trade Payables from Exchange Transactions 2023/24 Invoices relating Operational Cost in the previous year was only paid during the current 2024-25 financial year, and needs to be corrected with the following entries. Dt Accumulated Surplus 2023-24 (Operational Cost) R2 373 052 and (Ct) Trade Payables from Exchange Transactions 2023-24 R2 373 052.

(l) Correction of Trade Payables from Exchange Transactions Opening balance. Invoices relating Operational Cost in the prior year was only paid during the current 2024-25 financial year, and needs to be corrected with the following entries. Dt Accumulated Surplus Opening balance R11 824 and (Ct) Trade Payables from Exchange Transactions Opening balance R11 824

(m) Correction of Trade Payables from Exchange Transactions 2023-24. Invoices relating to Contracted Services in the previous year was only paid during the current 2024-25 financial year, and needs to be corrected with the following entries. Dt Accumulated Surplus (Contracted Services) R214 201 and (Ct) Trade Payables from Exchange 2023-24 R214 201

(n) Correction of Receivables from Exchange Transactions. During the annual reconciliation of rentals, it was realised that billing for the rental of buildings occupied by the Aeroclub and Department of Public Works was incorrect in the prior years. This is now corrected with the following entries. Dt Accumulated Surplus Opening balance R100 416, (Ct) Receivables from Exchange Transactions Opening balance R100 416. Dt Accumulated Surplus 2023-24 (Rental of Facilities) R728 and (Ct) Receivables from Exchange Transactions Sundry Debtors R728

(o) Correction of Trade Payables from Exchange Transactions. During the annual reconciliation of suspense accounts, it was identified that the Pre-Paid auxiliary charges that were collected that relates to outstanding debtors were incorrectly allocated to a suspense account this should have been posted to Pre-Paid electricity. This is now corrected with the following entries, Dt Accumulated Surplus Opening balance R414 067, (Ct) Trade Payables from Exchange Opening balance R414 067. Dt Accumulated Surplus 2023-24(Service Charges) R1 687 384, (Ct) Trade Payables from Exchange transactions 2023/24 R1 687 384

(p) Correction of Current Liabilities - Provisions. During the annual audit the Auditor General identified an error in the classification of the VAT on the library subsidy received from DCAS, and have requested the municipality in changing this to VAT Payable and not a VAT Provision based on the BGR74 that was issued by SARS to all municipalities. This is now corrected retrospectively with the following entries Dt Current Liabilities Provisions 2023/24 R6 683 347.76, (Ct) Taxes VAT Payable 2023/24 R6 683 347.76

(q) Correction of Receivables from Exchange - Opening balance. During the annual audit the Auditor General have identified an error in the classification of a contingent asset that was disclosed relating to a high court ruling that was in favour of the municipality. The municipality must raise the debtor as it adheres to the defnition of an asset in terms of GRAP 19 retrospectively. This is now corrected with the following entries, Dt Receivables From Exchange Opening Balance R9 065 244 and (Ct) Accumulated Surplus Opening balance R9 065 244.

41.2 Accumulated Surplus/(Deficit)

	2023 R	2022 R
Balance previously reported	1 060 135 690.00	1 024 552 923.00
Correction of Property Plant and Equipment Movable Assets at Cost Opening balance note 41.1(a)	330 329	330 329
Correction of Property Plant and Equipment - Movable Assets Accumulated Depreciation as per note 41.1(a)	(59 648)	-
Correction of Property Plant and Equipment Land at Cost Opening balance note 41.1(b)	(2 732 000)	(2 732 000)
Correction of Property Plant and Equipment - Community Assets at Cost as per note 41.1(b)	(48 815)	(48 815)
Correction of Property Plant and Equipment - Land Accumulated Impairment Opening balance as per note 41.1(b)	1 240 000	1 240 000
Correction of Property Plant and Equipment - Land at Cost Opening balance as per note 41.1(c)	7 137 000	7 137 000
Correction of Property Plant and Equipment - Community at Cost Opening balance as per note 41.1(c)	690 000	690 000
Correction of Community Assets Accumulated Depreciation as per note 41.1(c)	(11 111)	-
Correction of Investment Property - Opening balance as per note 41.1 (d)	2 523 000	2 523 000
Correction of Infrastructure Water WIP 2023/24 as per note 41.1(e)	(278 209)	-
Correction of Infrastructure Water WIP Opening balance as per note 41.1(e)	(177 678)	(177 678)
Correction of Infrastructure Water WIP Opening balance as per note 41.1(e)	(326 851)	(326 851)
Correction of Infrastructure Sanitation Opening balance WIP as per note 41.1 (e)	(272 690)	(272 690)
Correction of Infrastructure Sanitation Opening balance WIP as per note 41.1 (e)	(120 618)	(120 618)
Correction of Infrastructure Roads Cost 2023/24 - as per note 41.1(f)	7 809 749	-
Correction of Infrastructure Water Cost 2023/24 - as per note 41.1(f)	1 145 723	-
Correction of Infrastructure Sanitation Cost 2023/24 - as per note 41.1(f)	1 920 588	-
Correction of Infrastructure Accumulated Depreciation Roads 2023-24 as per note 41.1(g)	(349 044)	-
Correction of Infrastructure Accumulated Depreciation Water 2023-24 as per note 41.1(g)	(52 295)	-
Correction of Infrastructure Accumulated Depreciation Sanitation 2023-24 as per note 41.1(g)	(98 688)	-
Correction of Infrastructure Accumulated Depreciation Electricity 2023-24 as per note 41.1(g)	(2 529)	-
Correction of Taxes Opening balance as per note 41.1(h)	(2 796 386)	(2 796 386)
Correction of Unspent Grants Opening balance as per note 41.1(i)	1 695 636	1 695 636
Correction of Trade Payables Opening balance as per note 41.1(j)	(117 492)	(117 492)
Correction of Trade Payables 2023/24 as per note 41.1(k)	(2 373 052)	
Correction of Trade Payables Opening balance as per note 41.1(l)	(11 824)	(11 824)
Correction of Trade Payables 2023-24 as per note 41.1(m)	(214 201)	
Correction of Receivables from Exchange Transactions Opening balance as per note 41.1(n)	(100.416)	(100.416)
Correction of Receivables from Exchange Transactions 2023/24 as per note 41.1(n)	(728)	
Correction of Trade Payables opening balance as per note 41.1(o)	(414 067)	(414.067)
Correction of Trade Payables 2023-24 as per note 41.1.(o)	(1 687 384)	
Correction of Receivables from Exchange Transactions Opening balance as per note 41.1(q)	9 065 244	9 065.244
	1 081 447 234.58	**1 040 115 295.87**

		2023 R	2022 R
41.3	**Property, Plant and Equipment**		
	Balance previously reported	**1 114 997 207**	**1 123 140 041**
	Cost	15 076 529	4 478 678
	Correction of Property Plant and Equipment Movable Assets at Cost Opening balance note 41.1(a)	330 329	330 329
	Correction of Property Plant and Equipment Land at Cost Opening balance note 41.1(b)	(2 732 000)	(2 732 000)
	Correction of Property Plant and Equipment - Community Assets at Cost as per note 41.1(b)	(48 815)	(48 815)
	Correction of Property Plant and Equipment - Land at Cost Opening balance as per note 41.1(c)	7 137 000	7 137 000
	Correction of Property Plant and Equipment - Community at Cost Opening balance as per note 41.1(c)	690 000	690 000
	Correction of Infrastructure Water WIP 2023/24 as per note 41.1(e)	(278 209)	
	Correction of Infrastructure Water WIP Opening balance as per note 41.1(e)	(177 678)	(177 678)
	Correction of Infrastructure Water WIP Opening balance as per note 41.1(e)	(326 851)	(326 851)
	Correction of Infrastructure Sanitation Opening balance WIP as per note 41.1 (e)	(272 690)	(272 690)
	Correction of Infrastructure Sanitation Opening balance WIP as per note 41.1 (e)	(120 618)	(120 618)
	Correction of Infrastructure Roads Cost 2023/24 - as per note 41.1(f)	7 809 749	-
	Correction of Infrastructure Water Cost 2023/24 - as per note 41.1(f)	1 145 723	-
	Correction of Infrastructure Sanitation Cost 2023/24 - as per note 41.1(f)	1 920 588	-
	Accumulated Depreciation	666 686	1 240 000
	Correction of Property Plant and Equipment - Movable Assets Accumulated Depreciation as per note 41.1(a)	59 648	-
	Correction of Property Plant and Equipment - Land Accumulated Impairment Opening balance as per note 41.1(b)	(1 240 000)	(1 240 000)
	Correction of Community Assets Accumulated Depreciation as per note 41.1(c)	11 111	-
	Correction of Infrastructure Accumulated Depreciation Roads 2023-24 as per note 41.1(g)	349 044	-
	Correction of Infrastructure Accumulated Depreciation Water 2023-24 as per note 41.1(g)	52 295	-
	Correction of Infrastructure Accumulated Depreciation Sanitation 2023-24 as per note 41.1(g)	98 688	-
	Correction of Infrastructure Accumulated Depreciation Electricity 2023-24 as per note 41.1(g)	2 529	-
	Restated Balance	**1 130 740 421**	**1 128 858 719**
41.4	**Investment Property**		
	Balance previously reported		
	Cost	**18 056 897**	**16 610 077**
	Correction of Investment Property - Opening balance as per note 41.1 (d)	2 523 000	2 523 000
	Restated Balance	**20 579 897**	**19 133 077**
41.5	**Receivables from Exchange Transactions**		
	Balance previously reported	**91 560 857**	**79 012 186**
	Correction of Receivables from Exchange Transactions Opening balance as per note 41.1(m)	(100 416)	(100 416)
	Correction of Receivables from Exchange Transactions 2023/24 as per note 41.1(n)	(728)	
	Correction of Receivables from Exchange Transactions Opening balance as per note 41.1(q)	9 065 244	9 065 244
	Restated Balance	**100 524 956**	**87 977 014**
41.6	**Taxes**		
	Balance previously reported	**8 000 113**	**4 039 476**
	Correction of Taxes Opening balance as per note 41.1(h)	2 796 386	2 796 386
	Correction of Taxes 2023-24 as per note 41.1(p)	6 683 348	
		17 479 847	**6 835 861**
41.7	**Trade and Other Payables from Exchange Transactions**		
	Balance previously reported	**53 471 763**	**48 876 984**
	Correction of Trade Payables Opening balance as per note 41.1(j)	117 492	117 492
	Correction of Trade Payables 2023/24 as per note 41.1(k)	2 373 052	-
	Correction of Trade Payables Opening balance as per note 41.1(l)	11 824	11 824
	Correction of Trade Payables 2023-24 as per note 41.1(m)	214 201	-
	Correction of Trade Payables opening balance as per note 41.1(o)	414 067	414 067
	Correction of Trade Payables 2023-24 as per note 41.1.(o)	1 687 384	-
	Restated Balance	**58 289 783**	**49 006 301**
41.8	**Unspent Transfers and Subsidies**		
	Balance previously reported	**3 670 445**	**27 320 829**
	Correction of Unspent Grants Opening balance as per note 41.1(i)	(1 695 636)	(1 695 636)
		1 974 808	**25 625 193**
41.9	**Current Provisions**		
	Balance previously reported	**6 683 348**	**5 591 348**
	Correction of Current Liabilities Provisions 2023-24 as per note 41.1(p)	(6 683 348)	(5 591 348)
		-	**-**

42. RECONCILIATION BETWEEN NET SURPLUS/(DEFICIT) FOR THE YEAR AND CASH GENERATED/(ABSORBED) BY OPERATIONS

	2025 R	2024 R
Surplus/(Deficit) for the year	(179 335)	41 331 940
Adjustments for:		
Depreciation and Amortisation	63 492 479	54 268 621
Loss/(Gain) on Sale of Fixed Assets	(1 188 094)	6 994 498
Impairment Loss/(Reversal of Impairment Loss)	31 929 043	8 062 683
Reversal of Impairment Loss/(Impairment Loss) on Fixed Assets	283 335	(2 778 823)
Contributed Property, Plant and Equipment	(123 424)	(10 876 060)
Government Grants and Subsidies received	153 871 697	148 743 450
Government Grants and Subsidies recognised as revenue	(150 810 164)	(174 022 078)
Repaid to Revenue Fund	(1 587 375)	(67 393)
Change in Provision for Rehabilitation Cost	1 818 801	3 038 798
Contribution from/to provisions - Non-Current Employee Benefits	11 433 541	9 749 715
Contribution from/to - Current Employee Benefits	2 773 985	1 868 808
Accrued interest on borrowing	16 481	2 333
Bad Debts written off	34 177 961	21 398 066
Gains/(Loss) on Fair Value Adjustments	5 827 378	(1 883 635)
Operating lease expenses accrued	(158 800)	(38 798)
Operating Surplus/(Deficit) before changes in working capital	151 577 508	105 792 124
Changes in working capital	(63 775 075)	(38 071 479)
Increase/(Decrease) in Consumer Deposits	697 421	390 378
Increase/(Decrease) in Trade and Other Payables	(5 503 345)	(541 472)
Increase/(Decrease) in Current Provisions	-	1 092 000
Increase/(Decrease) in Taxes	4 535 757	8 444 408
(Increase)/Decrease in Inventory	(2 775 164)	(2 210 306)
(Increase)/Decrease in Receivables	(60 729 744)	(45 246 487)
Cash generated/(absorbed) by operations	87 802 434	67 720 644

43. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following:

	2025 R	2024 R
Current Accounts - Note 10	33 920 107	31 236 856
Call Deposits and Investments - Note 10	143 747 874	112 614 648
Cash Floats - Note 10	37 550	37 550
Total cash and cash equivalents	**177 705 531**	**143 889 055**

44. RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES

	2025 R	2024 R
Cash and Cash Equivalents - Note 43	177 705 531	143 889 055
Less:	(20 129 118)	(21 324 805)
Unspent Transfers and Subsidies - Note 17	(3 448 961)	(1 974 808)
Unspent Borrowings	-	(1 870 150)
VAT - Note 18	(16 680 158)	(17 479 847)
Net cash resources available for internal distribution	157 576 412	122 564 250
Resources available for working capital requirements	**157 576 412**	**122 564 250**

45. UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION

	2025 R	2024 R
Long-term Liabilities - Note 11	143 811 406	82 249 095
Used to finance property, plant and equipment - at cost	(143 811 406)	(82 249 095)
	-	-

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

The actual cash balance of the municipality were R31.6 million more than budgeted. This is mainly due to improved cash flow position of the municipality after strict austerity measures have been implemented to curb non-essential expenditure.

Receivables from non-exchange transactions

Receivables from non-exchange is R6 million more than budgeted, and this is because of the increase in the Traffic Fines debtor mainly with regards to the provincial fines that where the payment ratio for the current period was only 9%. This was not anticipated during the budget process and could not be accurately forecasted

Current portion of non-current receivables

Current portion of non-current receivables budgeted relates to the existing operating leases of the municipality and were R158 807 more than budgeted, as there was a new long term lease awarded during August 2024 that was not incorporated into the budget. TFASA was now appointed on a long term lease to operate the Oudtshoorn Airport on the behalf of the municipality

VAT

VAT Receivable and Accruals was not budgeted for separately, as per guidance issued by the ASB Fact sheet 11. This is was only now corrected and separated during the year-end finalisation.

Inventory

Inventory consumables were R2.7 million more than budgeted, because more stock relating to electricity and water consumables were bought during the year. The budget was based on actuals of the prior year.

46.1.2 Current Liabilities

Financial liabilities

Financial liabilities relate to the current portion of the long term liabilities, which were R15.3 million more than budgeted. This is due to the new financial leases that was not budgeted for accordingly, only the annuity loans were budgeted for which was based the prior year actual

Consumer Deposits

Consumer deposits were R1,5 million more than budgeted, which was not forecasted accurately during the budget process. New residential developments and commercial properties were built during the year, for which consumer deposits relating to water and electricity had to be paid for.

Trade and other payables from exchange transactions

Trade Payables from Exchange transactions was R5.6 million more than budgeted. During the year-end procedures it was seen that there was incorrectly included suspense accounts that should have been cleared. This error is now corrected and will be budgeted for accurately in the next financial year. The budget was based on the prior year actual.

Trade and other payables from non-exchange transactions

Trade and other payables from non-exchange relates to unspent grants, and were marginally more than budgeted with R165 561. This item is budgeted based on forecasted figures, and not actual unspent grants.

VAT

VAT payable is R20 million more than budgeted. This item was not budgeted for accurately and included the VAT receivable that should be classified as Current Assets. This is per ASB Fact Sheet 11 issued , and was only corrected during the year-end procedures. Also now included as part of the audit finding issued by the Auditor General is the VAT Payable on the VAT Library Services Grant.

Provisions

Current Provisions were R2.5 more than budgeted, and relates mainly to the post employment benefits current portion that are linked to a discount rate and calculation only performed annually by means of an actuarial report. This item was budgeted based on the prior year actual plus inflationary increases, that can not be accurately forecasted

46.1.3 Non-Current Assets

Investment Property

Investment Property is R4,6 million more than the budgeted amounts, as there erwen identified during the month of June 2025 to be sold. This transfer from Property Plant and Equipment - Land had to take place, and be reclassified in terms of GRAP 16. Land is now held for capital appreciation. This coupled with the new general valuation roll that was implemented on 1 July 2024, identified new properties to be added to the fixed asset register that could not have been forecasted during the budget process

Intangible Assets

Intangible asset were R53 744 less than budgeted, as the annual depreciation was not budgeted for and was incorrectly allocated against computer hardware.

46.1.4 Non-Current Liabilities

Borrowing

Non Current Borrowing portion is R12,4 million less than budgeted, as the current portion of the new financial leases was not taken into consideration and subtracted during the budget process. The full amount was included under non-current liabilities.

Provisions

Non-Current provisions towards Post Employment Benefits and Landfill Site Rehabilitation is aggregated and budgeted against this item as were R18 million more than budgeted. The budget was based on the prior year actual plus inflation, but both the actuary report and landfill site rehabilitation report are based on discounted rates that were lower than in the prior years.

46.2 Statement of Financial Performance

46.2.1 Revenue

Rental Of Facilities And Equipment

Rental of facilities were R269 11 more than budgeted for the year, which can mainly be attributed to the new operating lease for TFASA that was awarded during 2024/25, that was not in the original budget that was compiled.

Agency Services

The municipality earns agency fees on revenue collected for vehicle licencing and registrations on behalf of Provincial Government, and were R2 million less than budgeted originally. This item were budgeted for based on prior year figures, plus growth and inflationary increases. This was inaccurate and could not have been forecasted by the municipality.

Interest earned from Current and Non Current Assets

Interest earned on investments were more than budgeted by R894 015, because of more cash being held and improved financial position of the municipality for the current year. The budget was compiled based on the prior year figure.

Interest earned from Receivables

Interest billed on outstanding service debtors were R3.9 million less than budgeted. This was an error in the budget, where the interest for Property rates was incorrectly also budgeted against this item. mSCOA validation rules and template changes require interest to be split between exchange and non-exchange.

Licences or permits

Licence and permits were less than budgeted, and consists of ad-hoc permits that gets issued as and when the public requires it. This item can not be accurately forecasted, and the budget was based on the prior year actual.

Operational Revenue Exchange

Operational revenue were R1,6 million more than budgeted, which can be attributed to bad debts that were recovered in relation to traffic fines mainly. This item was not budgeted for and can not be accurately forecasted.

Fines, penalties and forfeits

Fines revenue were R1.6 million more than anticipated during the budget process. Budget was compiled based on traffic fines issued for the prior year, which was substantially more during this year with TMT Services the new traffic fines contravention system that was procured as from 1 July 2024. TMT services is mainly responsible for the issuing of municipal fines and assists the municipality in revenue collection initiatives.

Gains on disposal of Assets

Gains on disposal of assets were not budgeted for in the prior year, and could not have been accurately forecasted. The revenue is in relation to the proceeds that was earned by the municipality after the movable asset auction in November 2024.

Operational Revenue Non-Exchange

Operational Revenue from Non-Exchange relates to Government Incentives towards LG Seta that was budgeted incorrectly against Operational Revenue from Exchange. As per the GRAP classification on the Statement of Financial Performance this is a non-exchange revenue.

Other Gains

Budget for this item mainly includes a calculation for water inventory gains/losses that is prescribed by National Treasury to be in line with mSCOA where the municipality must provide in the income statement an amount for gains and losses. This is only for budgeting purposes, and the actual water inventory at year end is calculated in accordance with GRAP 12 and reflects under current assets in the Statement of Financial Position. Also included in this budget is actuarial gains, but during 2024-25 there was an actuarial loss due to the fluxuations in interest rates

Transfers Recognised - Capital

Transfers recognized for Capital is R6.4 million less than budgeted. The actual revenue received towards WSIG was reduced during the year, for which no notice was provided to the municipality by means of amended DORA. This resulted in R3 million more budgeted for this item where the project scope had to be reduced to be in line with the actual transfer. The remainder of the difference relates to the Unspent MIG funds that could not be recognized as revenue for which a roll-over application will be made to National Treasury in 2025/26

Contributed Assets

Contributed assets was not budgeted for, as it could not have been anticipated that the Provincial Government will donate assets to the library services function

46.2.2 Expenditure

Employee Related Costs

Employee cost were R26 million less than budgeted. This is mainly due to critical vacancies that were not filled that were budgeted for, and key positions in senior management level that became vacant during the year. The municipality is in process of filling all critical vacancies needed.

Remuneration of Councillors

Councillor Remuneration were R850 169 less than budgeted, mainly because the municipality budgeted the normal inflationary increase as with other permanent personnel. The councillors increase were published in the government gazette and promulgated by the minister to be less than anticipate during the budget process

Inventory consumed

Inventory consumed were R67 million less than budgeted, and includes a non-financial entry towards water inventory that is prescribed by the National Treasury in the mSCOA budget formats. The actual water inventory calculation is performed at year-end using GRAP 12 and is only presented in the Statement of Financial Position as part of current assets.

Debt Impairment

Debt impairment is R16.9 million more than budgeted, which was compiled to be in line with National Treasury mSCOA validation rules where only the non-payment percentage is used. The actual calculation for debt impairment is performed at year-end based on assumptions as per accounting policy. The increase for the current financial year can be attributed to the upwards trend in long outstanding debt older than 150 days which needs to be 100% provided for and the increase in arrear agreements and indigent debt.

Depreciation and Asset Impairment

Depreciation and Asset Impairment is R9.2 million more than budgeted and can be attributed to the depreciation on new financial leases on vehicles that was not provided for during the budget process.

Interest

Interest paid on external borrowings was R1.9 million less than budgeted. The budget was compiled using the estimated tender amounts that was based on floating interest rates. The prime lending have decreased during the year, that could not have been anticipated during the budget process.

Contracted Services

Contracted services were R7 million more than budgeted. This is due to the incorrect classification of contracted services as part of inventory consumed. During the year-end reconciliation process, payments was identified that needed to be reclassified in terms of the mSCOA definition of a contracted services.

Transfers and subsidies

Transfers and subsidies to households and organizations were R444 768 less than budgeted. This item is spent in line with the approved Grants-in-Aid policy of council, and can not be accurately forecasted during budget process. Fewer institutions applied for a grant-in aid than wat was anticipated during the budget process.

Irrecoverable debts written off

Irrecoverable debt written-off was R5 million more than budgeted, for which the majority relates to outstanding traffic fines that have prescribed in terms of the National Prosecuting Authority. The recoverability of provincial traffic fines have decreased and the fines are to be written off after 24 months, if not paid in full.

Operational costs

Operational cost is R9,9 million less than budgeted, because the municipality have implemented strict authority measures to curb non-essential spending through the approval of the Cost Containment Policy. This is also evident in the improvement of the cash position of the municipality. The budget was compiled using the prior year actual, plus inflationary increases which was an overestimate.

Losses on Disposal of Fixed Assets

Loss on disposal of assets were not budgeted for. During the annual asset count, movable and immovable assets are identified that does not meet the definition in terms of GRAP 17 and GRAP 16, and needs to be derecognized to give a true and accurate reflection fixed assets of the municipality.

Other Losses

Other losses are R8.9 million less than budgeted. The majority of this budget item relates to actuarial losses on post employment benefits that were budgeted. This can only be accurately determined at year-end after the actuarial reports are prepared. This is dependant on market conditions and interest rate fulgurations as well as the number of employees eligible for the benefits at year-end.

46.3 Cash Flow Statement

46.3.1 Net Cash from Operating Activities

Property rates

Property rates actually collected was R36 million less than budgeted. This budget item was determined using a estimated 95% payment percentage. The actual payment percentage was only 93% majority of the financial year, that is dependant on the economic climate of the town and the ability of the consumer to repay its debt after the implementation of a new general valuation roll with average increases of above 50% on property valuations.

Service Charges

Service Charges actually collected was R139 million less than budgeted. This budget item was determined using a estimated 95% payment percentage. The actual payment percentage was only 93% majority of the financial year, that is dependant on the economic climate of the town and the ability of the consumer to repay its debt. The budget was compiled using the tariff increases as base line, and did not take into consideration a decrease in the payment ratio.

Other Revenue

Other revenue were R30 million less than budgeted. This item includes sundry related revenues billed and municipal traffic fines revenue that was much lower than anticipated during the budget process. The budget was compiled based on prior year actuals plus a forecasted growth factor.

Government - Capital

Capital grant revenue were R6.2 million less than budgeted. The main reason being the WSIG grant that was reduced during the year, for which no notice was provided to the municipality by means of amended DORA. This resulted in R3 million more budgeted for this item where the project scope had to be reduced to be in line with the actual transfer.

Interest

Interest Earned was R10.8 million more than budgeted during this period, this is because of the National Treasury validation rules where interest relating to debtors must be included with the service it relates to for budgeted purposes on the cash flow. For presentation purposes at year-end the interest earned on outstanding debtors and cash are aggregated against this item and showed separate from Property Rates and Service Charges

Suppliers and Employees

Suppliers and Employees are R200 million less than budgeted. This is because on the validation for National Treasury the budget template includes 100% of all budgeted expenditure to be spent. This assumption is not accurate and the municipalities have requested revision of the cashflow and balance sheet budgeting principles that National Treasury have published for mSCOA. The main contributor to the underspending relates to Employee Related cost where critical vacancies was not filled and non-cash entries such as water inventory and gains/losses budgeted that was also included in the budgeted cashflow template of National Treasury.

Finance Costs

Finance charges were R2 million lower than budgeted. Budget was compiled based on the interest rates upon award of tender to the new annuity loan and financial leases. The prime lending rate was lowered by the Reserve Bank of South Africa during the past financial year, and thus leading to a saving in interest repayment.

Transfers and Grants

Transfers and subsidies to households and organizations were R860 368 less than budgeted. This item is spent in line with the approved Grants-in-Aid policy of council, and can not be accurately forecasted during budget process. Fewer institutions applied for a grant-in aid than wat was anticipated during the budget process.

46.3.2 Net Cash from Investing Activities

Proceeds on disposal of PPE

Revenue on disposal of PPE was not budgeted for. The proceeds was from the municipal auction on movable assets that was held during November 2024.

Capital Assets

Capital assets were R22 million less than budgeted, which was incorrect formula populating the payments in the mSCOA template utilised for budget purposes. The actual budgeted capital expenditure should have been R74 million, and the majority of the unspent capital project expenditure that relates to the MIG grant for which roll-over application to National Treasury will be submitted. Retentions to value of R3 million was also included int he budget but is not cash payments

46.3.3 Net Cash From Financing Activities

Repayment of Borrowing

Repayment of Borrowing on annuity loans and financial leases were R2.8 million less than budgeted. This is because the original budget for financial leases was compiled on more vehicles being procured than actually the need. The tender was awarded based on estimated quantities, but after thorough needs analysis was performed, fewer vehicles was needed which lead to a saving in redemption payable.

47. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

47.1 Unauthorised expenditure

	2025 R	2024 R
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	-	-

Unauthorised expenditure current year - operating	2025 Actual R	2025 Final Budget R	2025 Variance R	2025 Unauthorised R
Municipal Manager	89 708 026	91 822 900	2 114 874	-
Corporate Services	31 438 627	31 662 100	223 473	-
Financial Services	72 270 097	79 118 700	6 848 603	-
Community And Public Safety	166 273 838	166 691 800	417 962	-
Infrastructure Services	514 046 243	568 694 900	54 648 657	-
Planning & Development	56 914 201	63 445 300	6 531 099	-
	930 651 032	**1 001 435 700**	**70 784 668**	**-**

Unauthorised expenditure current year - capital	2025 Actual R	2025 Final Budget R	2025 Variance R	2025 Unauthorised R
Municipal Manager	169 970	250 000	80 030	-
Corporate Services	443 993	710 000	266 007	-
Financial Services	1 819 691	1 823 500	3 809	-
Community And Public Safety	11 111 801	12 064 000	952 199	-
Infrastructure Services	50 407 006	57 000 800	6 593 794	-
Planning & Development	1 636 134	2 277 900	641 766	-
	65 588 595	**74 126 200**	**8 537 605**	**-**

47.2 Fruitless and wasteful expenditure

	2025 R	2024 R
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

	2025 R	2024 R
Reconciliation of irregular expenditure:		
Opening balance	20 398 290	2 561 171
Irregular expenditure current year	6 527 579	25 912 113
Expenditure authorised i.t.o. Section 32 of MFMA	(25 335 520)	(8 074 994)
Current Period (July 2024-June 2025)	(4 937 229)	(2 708 145)
Prior Period	(20 398 291)	(5 366 848)
Irregular expenditure awaiting further action	**1 590 349**	**20 398 290**

Irregular expenditure can be summarised as follow:

Incident/Cases identified written-off by council in current year	Disciplinary steps/criminal proceedings	2025 R	2024 R
Non compliance scm reg 19 no competitive bidding process implemented after contract expired	Refer to narrative		2 561 171
Non-Compliance SCM Regulation 36- deviation not justifiable	Refer to narrative	63 597	-
Non Compliance with regulation 12(3)(a) - Splitting of goods and services in lesser values	Refer to narrative	390 799	52 174
Non Compliance with MSA Sec 66 - Appointments made not on organogram	Refer to narrative	455 326	-
Non-Compliance with PPR 2022-23 identified during audit	Refer to narrative		2 805 677
Non-Compliance with MFMA Sec 112 - contract awarding process not fair	Refer to narrative	15 350 742	-
Non-Compliance with PPR 2023-24 identified	Refer to narrative	52 875	2 204 987
Non-Compliance with SCM Regulation 19 - competitive bidding process.	Refer to narrative	9 022 182	450 984
		25 335 520	**8 074 994**

Incident/Cases identified in the current year awaiting action	Disciplinary steps/criminal proceedings	2025 R	2024 R
Non-Compliance with SCM Regulation 2(1)(b) and SCM Policy	None	40 000	
Non-Compliance with Local Government MSA Sec 62(1) and Government Gazette 39991 of 17 May 2016: Upper Limits of Total Remuneration Payable to Municipal Managers and Mangers directly accountable to Municipal Managers	None	1 550 349	
Non Compliance with MSA Sec 66 - Appointments made not on organogram	Refer to narrative	-	455 326
Non-Compliance with PPR 2023-24 identified	Refer to narrative	-	47 055
Non-Compliance SCM Regulation 36- deviation not justifiable	Refer to narrative	-	63 597
Non Compliance with regulation 12(3)(a) - Splitting of goods and services in lesser values	Refer to narrative	-	390 799
Non-Compliance with MFMA Sec 112 - contract awarding process not fair	Refer to narrative	-	12 276 651
Non-Compliance with SCM Regulation 19 - competitive bidding process not followed	Refer to narrative	-	7 164 863
		1 590 349	**20 398 291**

Section Committee 32 investigated and made recommendations on irregular expenditure for the prior and current period up and until 30 June 2025 to council. Council agreed with the recommendations and resolute to write-off all irregular expenditure as per listing below. No fraud or financial loss to council was noted and all services were rendered. Irregular expenditure relates to areas of non-compliance as per table above. No disciplinary steps recommended to any official as no deliberate act or fraud and negligence suspected.

Council Resolution numbers as follows: 63.70/08/24, 63.41/06/25, 63.32/08/25, 63.36/06/25, 63.33/08/25, 63.34/08/25, 63.35/08/25, 63.36/08/25, 63.38/08/25, 63.37/06/2025

48. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

48.1 Contributions to organised local government - [MFMA 125 (1)(b)] - (SALGA CONTRIBUTIONS)

	2025 R	2024 R
Opening balance	-	-
Council subscriptions	3 407 328	3 046 986
Amount paid - current year	(3 407 328)	(3 046 986)
Balance unpaid (included in creditors)	**-**	**-**

48.2 Audit fees - [MFMA 125 (1)(c)]

	2025 R	2024 R
Opening balance	-	-
Current year audit fee	7 093 412	5 496 895
External Audit - Auditor-General	6 918 515	5 340 237
Audit Committee	174 897	156 657
Amount paid - current year	(6 843 709)	(5 496 895)
Balance unpaid (included in creditors)	**249 703**	**-**

48.3 VAT - [MFMA 125 (1)(c)]

	2025 R	2024 R
Opening balance	661 267	2 294 655
Movement	2 221 714	(1 633 388)
Closing balance	**2 882 981**	**661 267**

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)]

	2025 R	2024 R
Opening balance	-	-
Current year payroll deductions	49 228 829	42 570 144
Amount paid - current year	(49 228 829)	(42 570 144)
Balance unpaid (included in creditors)	**-**	**-**

48.5 Pension and Medical Aid Deductions - [MFMA 125 (1)(c)]

	2025 R	2024 R
Opening balance	-	
Current year payroll deductions and Council Contributions	84 394 158	77 997 022
Amount paid - current year	(84 394 158)	(77 997 022)
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 2025:

	Outstanding more than 90 days
None	-

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 2025		Type of Deviation			
	Amount	Single Supplier	Impossible	Impractical	Emergency
July	4 037 422				4 037 422
August	-	-	-	-	-
September	-	-	-		
October	-		-		
November	-	-	-		
December	-	-	-		-
January	-	-	-		-
February	-	-	-		-
March	-	-	-		-
April	-	-	-		-
May	-	-	-		-
June	-	-	-		-
	4 037 422	**-**	**-**	**-**	**4 037 422**

30 June 2024		Type of Deviation			
	Amount	Single Supplier	Impossible	Impractical	Emergency
July	-				
August	-	-	-	-	-
September	-	-	-		-
October	6 574	6 574	-		-
November	-	-	-		-
December	-	-	-		-
January	-	-	-		-
February	-	-	-		-
March	-	-	-		-
April	-	-	-		-
May	-	-	-		-
June	-	-	-		-
	6 574	**6 574**	**-**	**-**	**-**

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.

48.9 Material losses

	2025 R	2024 R
Electricity distribution losses		
Units purchased (Kwh)	136 159 597	128 619 423
Units lost during distribution (Kwh)	10 867 919	8 192 140
Percentage lost during distribution	7.98%	6.37%
Water distribution losses		
Units purchased (ml)	6 599 173	6 284 935
Units lost during distribution (ml)	1 443 304	1 341 878
Percentage lost during distribution	21.87%	21.35%

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

	2025 R	2024 R

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.

The potential impact on the entity's surplus/(deficit) for the year due to changes in interest rates were as follow:

	2025	2024
1% Increase in interest rates	496 969	957 792
0.25% Decrease in interest rates	(124 242)	(239 448)

(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.

	2025 %	2025 R	2024 %	2024 R
Non-exchange Receivables				
Availability charges	100.00%	6 711 319	100.00%	5 844 895
	100.00%	6 711 319	100.00%	5 844 895
Exchange Receivables				
Electricity	16.16%	14 466 572	15.79%	14 006 564
Water	22.88%	20 478 824	26.65%	23 632 724
Property Rentals	0.00%	506	0.00%	506
Waste Management	18.35%	16 428 812	15.45%	13 702 655
Waste Water Management	19.02%	17 030 842	16.74%	14 846 772
Klein Karoo Water Scheme	4.94%	4 419 730	5.82%	5 165 970
Legal Fees Recovery	0.03%	29 216	10.25%	9 094 460
Sundry municipal charges	18.60%	16 647 383	9.27%	8 223 455
Other receivables	0.02%	19 552	0.02%	19 124
	100.00%	89 521 437	100.00%	88 692 230

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.

The provision for bad debts could be allocated between the different classes of receivables as follow:

	2025 %	2025 R	2024 %	2024 R
Non-exchange Receivables				
Availability Charges	10.01%	5 962 160	11.34%	4 867 795
Exchange Receivables				
Services	89.99%	53 599 573	88.66%	38 046 324
	100.00%	59 561 734	100.00%	42 914 119

The provision for bad debts could be allocated between the different categories of receivables as follow:

	2025 %	2025 R	2024 %	2024 R
Government	0.56%	331 632	1.05%	451 548
Business	9.81%	5 840 148	9.79%	4 201 686
Residential	64.92%	38 667 541	60.98%	26 169 551
Indigents	17.62%	10 493 637	18.75%	8 047 942
Other	7.10%	4 228 776	9.42%	4 043 393
	100.00%	59 561 734	100.00%	42 914 120

	2025 %	2025 R	2024 %	2024 R
Balances past due not impaired:				
Non-exchange Receivables				
Availability Charges	100.00%	749 159	100.00%	977 100
	100%	749 159	100.00%	977 100
Exchange Receivables				
Services	100.00%	35 921 863	100.00%	50 820 120
	100.00%	35 921 863	100.00%	50 820 120

	2025 R	2024 R
Financial assets exposed to credit risk at year end are as follows:		
Receivables from exchange transactions	76 476 553	96 485 686
Receivables from non-exchange transactions	1 118 445	1 305 210
Cash and Cash Equivalents	177 667 981	143 851 505
	255 262 979	**241 642 400**

(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.

2025	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	More than 10 years
Long-term Borrowings	43 266 338	97 545 981	84 108 368	-
Trade and Other Payables from Exchange Transactions	51 952 297	-	-	-
Unspent Transfers and Subsidies	3 448 961	-	-	-
	98 667 596	97 545 981	84 108 368	-

2024	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	More than 10 years
Long-term Borrowings	14 598 823	50 845 006	66 746 777	-
Trade and Other Payables from Exchange Transactions	49 311 761	-	-	-
Unspent Transfers and Subsidies	1 974 808	-	-	-
	65 885 392	50 845 006	66 746 777	-

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**	2025 R	2024 R
Receivables from Exchange Transactions			
Electricity	Financial Instruments at amortised cost	34 062 552	29 351 635
Water	Financial Instruments at amortised cost	25 874 630	28 516 488
Property Rentals	Financial Instruments at amortised cost	506	506
Waste Management	Financial Instruments at amortised cost	19 806 986	16 730 938
Waste Water Management	Financial Instruments at amortised cost	20 595 487	18 072 834
Legal Fees Recovery	Financial Instruments at amortised cost	29 216	29 216
Klein Karoo Water Scheme	Financial Instruments at amortised cost	5 093 103	5 695 483
Sundry Municipal Charges	Financial Instruments at amortised cost	5 061 619	4 954 167
Other Receivables	Financial Instruments at amortised cost	19 552	19 124
Receivables from Non- Exchange Transactions			
Availability charges		7 080 606	6 173 005
Cash and Cash Equivalents			
Primary Bank Account	Financial Instruments at amortised cost	33 920 107	31 236 856
Call Deposits	Financial Instruments at amortised cost	143 747 874	112 614 648
Total Financial Assets		**295 292 238**	**253 394 901**

Financial Instruments at amortised cost:			
Receivables from Exchange Transactions	Electricity	34 062 552	29 351 635
Receivables from Exchange Transactions	Water	25 874 630	28 516 488
Receivables from Exchange Transactions	Property Rentals	506	506
Receivables from Exchange Transactions	Waste Management	19 806 986	16 730 938
Receivables from Exchange Transactions	Waste Water Management	20 595 487	18 072 834
Receivables from Exchange Transactions	Legal Fees Recovery	29 216	29 216
Receivables from Exchange Transactions	Klein Karoo Water Scheme	5 093 103	5 695 483
Sundry Municipal Charges	Sundry	5 061 619	4 954 167
Other Receivables	Other	19 552	19 124
Receivables from Non-Exchange Transactions	Availability Charges	7 080 606	6 173 005
Cash and Cash Equivalents	Primary Bank Account	33 920 107	31 236 856
Cash and Cash Equivalents	Call Deposits	143 747 874	112 614 648
Total Financial Assets		**295 292 238**	**253 394 901**

			2025 R	2024 R
50.2	**Financial Liabilities**	**Classification**		
	Long-term Borrowings			
	Annuity Loans	Financial Instruments at amortised cost	98 130 046	82 249 095
	Capitalised Lease Liability	Financial Instruments at amortised cost	45 681 360	-
	Trade and Other Payables from Exchange Transactions			
	Trade Payables	Financial Instruments at amortised cost	45 720 382	40 409 356
	Control, Clearing and Interface Accounts	Financial Instruments at amortised cost	505 091	731 321
	Retentions	Financial Instruments at amortised cost	5 726 824	8 171 084
			195 763 703	**131 560 856**

SUMMARY OF FINANCIAL LIABILITIES

Financial instruments at amortised cost:			
Long-term Borrowings	Annuity Loans	98 130 046	82 249 095
Long-term Borrowings	Capitalised Lease Liability	45 681 360	-
Trade and Other Payables from Exchange Transactions	Trade Payables	45 720 382	40 409 356
Trade and Other Payables from Exchange Transactions	Other Payables	505 091	731 321
Trade and Other Payables from Exchange Transactions	Retentions	5 726 824	8 171 084
		195 763 703	**131 560 856**

51. STATUTORY RECEIVABLES

In accordance with the principles of GRAP 108, Statutory Receivables of the municipality are classified as follows:

Taxes		
VAT Receivable	2 882 981	661 267
Receivables from Non-Exchange Transactions	87 582 507	67 253 836
Rates	53 205 163	41 459 103
Fines	34 377 344	25 794 733
Total Statutory Receivables (before provision)	**90 465 488**	**67 915 103**
Less: Provision for Debt Impairment	(64 674 490)	(49 393 062)
Total Statutory Receivables (after provision)	**25 790 998**	**18 522 042**

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 : Management 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 debtors 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

Reconciliation of Provision for Debt Impairment

Balance at beginning of year	49 393 062	39 642 107
Contribution to provision	15 281 428	9 750 955
Balance at end of year	**64 674 490**	**49 393 062**

Ageing of amounts past due but not impaired:

Non-exchange	10 314 280	9 141 654
	10 314 280	**9 141 654**

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 other 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 present 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.

	2025 R	2024 R
Compensation received for agency activities		
Commission	5 869 915	5 622 069
Total Compensation received	**5 871 940**	**5 624 093**

Reconciliation of Agency Funds and Disbursements

Principal name	2025 R Total Agency funds received	2025 R Amount remitted to the principal	2024 R Total Agency funds received	2024 R Amount remitted to the principal
Western Cape Government- Department of Transport	5 869 915	19 525 145	5 622 069	18 861 612
	5 869 915	**19 525 145**	**5 622 069**	**18 861 612**

Resources under custodianship at year-end

None

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:

		2025 R	2024 R
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 alleged that a balance was still due, and pleadings closed in February 2020. Trial date was awarded. A settlement of R125 000 has been paid in July 2025.		155 040
54.2	**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
54.3	**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
54.4	**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
54.5	**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.	1 101 827	1 076 827
54.6	**S Tarentaal vs Oudtshoorn Municipality** In Supreme court, plaintiff attorneys issued a summoned 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	4 125 000	4 100 000
54.7	**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

		2025 R	2025 R
54.8	**Oudtshoorn Municipalities/SARS**		
	It is unclear if the municipality will be leived 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 there has been no indication from SARS on how they will be treating the VAT on the Library grant after the assignment of the function will take place in 2025-26		
54.9	**Oudtshoorn Municipality vs Pinkster Gemeente and Christus in Suid Afrika**	825 000	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.		
54.10	**Joseph Man vs Oudtshoorn Municipality**		
	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.	825 000	820 000
54.11	**G Du Plessis vs Oudtshoorn Municipality**		
	Mr Du Plessis was appointed as the arbitrator between the municipality and a previous service provider. 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. Matter has been withdrawn in 2025 and fees of R8 078 has been paid.	-	143 000
54.12	**Patrick Le Roux // Oudtshoorn Municipality**	59 909	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.		
54.13	**Le Roux & Others // Oudtshoorn Municipality**		
	Applicants were dismissed after they were found guilty of cable theft .They took the matter to the Bargaining Council on arbitration, but the BC confirmed their dismissal. They are now requesting the LC to review and set aside their dismissal. The parties are busy exchanging pleadings whereafter a date for hearing will be applied for. Opponents have not filed their Supplementary Papers and requested further indulgence as SAMWU requested an opinion on prospects of success. Council is currently busy preparing Answering Affidavit. Prospects of success is excellent.	6 550 000	-
54.14	**Van Antwerp // Oudtshoorn Municipality**		
	Claim for damages. Municipality's alleged failure to maintain a stormwater drainage system. Flood damage to the Plaintiff's property. Plaintiff must apply for court date. Municipality's opposing papers were filled of record, we are awaiting the Applicant's replying affidavit, if any, whereafter the matter may be set down for argument. Prospects of successfully defending the matter is good.	58 926	-
54.15	**Mgqweto // Oudtshoorn Municipality**		
	Application to set aside an arbitration ruling for reinstatement of dismissed employee. Answering Affidavit filed. We are currently awaiting the Labour court trial date. Our prospects to successfully oppose the matter is good.	1 500 000	-
54.16	**Njoko // Oudtshoorn Municipality**		
	Application to set aside an arbitration ruling for reinstatement of dismissed employee. Answering Affidavit filed. We are currently awaiting the Labour	3 050 000	-
54.17	**Douse // Oudtshoorn Municipality**		
	Application to set aside an arbitration ruling for reinstatement of dismissed employee. Answering Affidavit filed. We are currently awaiting the Labour	800 000	-
54.18	**Malgas // Oudtshoorn Municipality**		
	Claim for damages allegedly arising from an electric pole and cable which fell on the plaintiff. Pre-trail date shall soon be established. Discovery is being	2 052 535	-
54.19	**Bredenkamp // Oudtshoorn Municipality**		
	Mr. Bredenkamp issued a summons against the municipality due to water damage suffered. The matter was defended and a special plea and plea over merits was served and filed during October 2024. Since then the plaintiff made no progress as we have learned that plaintiff passed away. We do not foresee that this matter will be taken further by the executor.	105 600	-
		26 498 249	**12 604 319**

	2025 R	2024 R

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 debs written-off or debt impairment provision have been recognised in respect of amounts owed by related parties.

56.1 Compensation of key management personnel

The compensation of key management personnel is set out in note 30 to the Annual Financial Statements.

56.2 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 2025:

Name	Position	Staff Leave Obligations	Performance Bonus
Mr M Yekani	Municipal Manager	33 353	42 292
WF Hendricks	Municipal Manager	-	118 662
GP De Jager	Chief Financial Officer	98 801	190 185
J Lesch	Director: Technical Services	53 860	152 086
N van Stade	Director: Community Services	-	58 048
IA Avontuur	Director: Community Services	25 210	35 436
R Smit	Director: Corporate Services	77 404	190 185
		288 627	**786 893**

The Municipality has the following current employee benefit obligations and made other non-Employee Related Cost payments towards senior management on 30 June 2024:

Key Management Personnel		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	-	
		170 463	**304 128**

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	2025 R	2024 R
Southern Ambition 1085	D. Moos	Councillor	Spouse of the owner	-	146 244
Inzalo UMS (Pty) Ltd	N.T. Mazibuko	Dept: Art and Culture -KZN	A director of Inzalo, is married to NT Mazibuko	47 109	199 999
Actom	T Lubbe	Dannie Lubbe is married to Tanja Lubbe who is employed by the Gauteng Education Department	Wife of owner is employed by Gauteng Education Department	195 739	-
GH Towing	G. Wolmerans	Disaster Management Officers	Disaster Management Officers Brother	970 724	-
Ian Dickie and Company	I. Dickie	Warrant Officer in the Supply Chain of SAPS	Director of Ian Dickie with a spouce 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	661 882	315 850
Keep the Dream 285	Director	WESTERN CAPE EDUCATION	A director of company is working at the Western Cape Department o Education	172 800	-
Black Dinesty	Director	Manager Capital Projects	Wife of the director of Black Dinesty a consultancy firm used by the electrical department	544 655	-
				2 592 909	**1 053 064**

58. FINANCIAL SUSTAINABILITY

The municipality can effectively provide basic services, manage the public resources entrusted to it, and sustain long-term financial stability. This entails maintaining good financial planning, budgeting, and spending limits while producing an adequate and consistent income, mostly from property rates, service fees, and grants. The municipality is not overly reliant on interdepartmental transfers, can generate revenue collection rates that are comparable to the National Treasury norm, and consistently strives for excellent governance. The municipality keeps improving its financial management systems, increasing accountability and transparency, and actively interacting with the community to promote a payment and participation culture to increase its sustainability. The municipality is still making investments to increase its capacity. In addition to infrastructure development and service delivery, ensuring financial sustainability is essential for fostering trust and promoting equitable local economic growth.

The municipality cash position improved from R143 889 055 (2024) to R177 705 530 (2025) indicating a nett cash increase R33 816 476 as at 30 June 2025, 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 it's 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 1.9 which is within the norm of between 1.5 to 2:1 as stated in the National Treasury MFMA circular no. 71.
- This ratio remained stable during the year and measures have been implemented to in an effort to remain within the National Treasury norm.
- Debtors payment ratio remained stable from 93.6% in 2024 to 93.3% in 2025 with a minimal difference year-on-year.
- 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 2025

EXTERNAL LOANS	Rate	Loan Number	Redeemable	Balance at 30 June 2024	Received during the period	Accrued Interest	Redeemed written off during the period	Balance at 30 June 2025
ANNUITY LOANS								
Standard Bank	7.65%	594602	2029/12/31	12 352 026	-		(1 692 185)	10 659 841
Standard Bank	5.80%	654722	2031/12/31	12 503 990	-		(1 491 580)	11 012 410
Standard Bank	6.92%	710574	2027/06/30	2 929 269	-		(910 061)	2 019 208
Standard Bank	7.18%	710625	2037/06/30	14 966 513	-		(723 189)	14 243 324
Standard Bank	10.31%		2038/12/31	17 214 568		(14 568)	(504 404)	16 695 596
					-			
Development Bank of SA				-	-			-
Urban Infrastructure Project 10608/1	14.00%	10608/1'01	2017/06	0	-			0
Multiple Infrastructure 101096/2	10.16%	101096/2	2019/12	355 264	-		(236 842)	118 422
Multiple Infrastructure 101647/3	6.88%	101647/3	2015/06	868 422	-		(578 947)	289 474
Infrastructure 102003/1	6.56%	102003/1	2025/12	606 519	-		(303 260)	303 259
Deep Aquifer Hydrogeological 13774	15.67%	13774	2021/06	650 456	-		(216 819)	433 638
				-				-
Nedbank	8.46%	110548762400001	2038/06	17 874 172			(566 463)	17 307 710
Nedbank	8.46%	110548762400002	2028/06	1 927 796			(411 780)	1 516 016
Nedbank				-	23 500 000	31 049		23 531 049
Total Annuity Loans				82 248 995	23 500 000	16 481	(7 635 530)	98 129 946
LEASE LIABILITY								
Isuzu D-Max 1,9 L 4x2 CG35379	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35380	14.75%		2027/06/30		586 786		(108 792)	477 994
Isuzu D-Max 1,9 L 4x2 CG35401	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35397	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35378	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG33630	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG34142	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG31658	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG35388	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35381	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35386	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35389	14.75%		2027/06/30		586 786		(108 792)	477 994
Isuzu D-Max 1,9 L 4x2 CG32222	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG35392	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35399	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35393	14.75%		2027/06/30		586 786		(108 792)	477 994
Isuzu D-Max 1,9 L 4x2 CG35391	14.75%		2027/06/30		586 786		(108 792)	477 994
Isuzu D-Max 1,9 L 4x2 CG35390	14.75%		2027/06/30		586 786		(107 957)	478 829
Isuzu D-Max 1,9 L 4x2 CG35384	14.75%		2027/06/30		586 786		(106 705)	480 080
Isuzu D-Max 1,9 L 4x2 CG35402	14.75%		2027/06/30		586 786		(106 705)	480 080
Isuzu D-Max 1,9 L 4x2 CG35385	14.75%		2027/06/30		586 786		(106 705)	480 080
Isuzu D-Max 1,9 L 4x2 CG31734	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG27317	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG26364	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG28219	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG26365	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG30623	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG30425	14.75%		2027/06/30		586 786		(109 293)	477 493
Isuzu D-Max 1,9 L 4x2 CG29215	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 L 4x2 CG28295	14.75%		2027/06/30		586 786		(104 208)	482 578
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35383	14.75%		2027/06/30		670 788		(123 449)	547 339
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG10960	14.75%		2027/06/30		670 788		(112 592)	558 196
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35557	14.75%		2027/06/30		670 788		(102 938)	567 850
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35561	14.75%		2027/06/30		670 788		(98 157)	572 630
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35567	14.75%		2027/06/30		670 788		(98 157)	572 630
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35559	14.75%		2027/06/30		670 788		(98 157)	572 630
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35562	14.75%		2027/06/30		670 788		(98 157)	572 630
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35570	14.75%		2027/06/30		670 788		(98 157)	572 630
Isuzu D-Max 1,9 D/Cab HR L 4X2 CG35565	14.75%		2027/06/30		670 788		(98 157)	572 630
Isuzu D-Max 1,9 L 4X4 Auto CG35394	14.75%		2027/06/30		701 418		(129 645)	571 773
Isuzu D-Max 1,9 L 4X4 Auto CG12094	14.75%		2027/06/30		701 418		(124 196)	577 222
Isuzu D-Max 1,9 L 4X4 Auto CG12246	14.75%		2027/06/30		701 418		(124 196)	577 222
Isuzu D-Max 1,9 L 4X4 Auto CG11965	14.75%		2027/06/30		701 418		(124 196)	577 222
Isuzu D-Max 1,9 D/Cab L 4X4 CG34463	14.75%		2027/06/30		764 168		(133 303)	630 865
Hilux DC 2.8 4X4 LGD AT CG26816	14.75%		2027/06/30		888 983		(146 726)	742 257
Hilux 2.8 GD 4X4 LEGEND - SKID UNIT CG35630	14.75%		2027/06/30		1 833 728		(208 998)	1 624 730
NPR 400 Crew Cab AMT - Flatbed CG11674	14.75%		2027/06/30		998 834		(154 503)	844 331
NPR 400 Crew Cab AMT - Flatbed CG35556	14.75%		2027/06/30		998 834		(134 782)	864 052
NPR 400 Crew Cab AMT - Flatbed CG35614	14.75%		2027/06/30		998 834		(134 782)	864 052
NPR 400 Crew Cab AMT - Flatbed CG33949	14.75%		2027/06/30		998 834		(145 090)	853 745
NPR 400 Crew Cab AMT - Cherry Picker CG11907	14.75%		2027/06/30		1 416 011		(208 758)	1 207 253
UD Trucks Croner (H50) - PKE 250 Dump ATM Euro5 CG3552	14.75%		2027/06/30		1 516 576		(207 379)	1 309 197
UD Trucks Croner (H50) - PKE 250 Dump ATM Euro5 CG3308	14.75%		2027/06/30		1 516 576		(207 379)	1 309 197
UD Trucks Croner (H57) - PKE 250 Compactor ATM CG32018	14.75%		2027/06/30		2 225 109		(254 659)	1 970 451
UD Trucks Croner (H57) - PKE 250 Compactor ATM CG23062	14.75%		2027/06/30		2 225 109		(237 142)	1 987 967
UD Trucks Croner (H50) - PKE 250 Vacuum Tanker CG28093	14.75%		2027/06/30		1 629 276		(192 633)	1 436 643
NP 200 1.6 AC Safety Pack P/U S/C LS09PSGP	12.75%		2027/06/30		275 913		(64 670)	211 243
NP 200 1.6 AC Safety Pack P/U S/C LS09PWGP	12.75%		2027/06/30		275 913		(64 670)	211 243
NP 200 1.6 AC Safety Pack P/U S/C LS09MNGP	12.75%		2027/06/30		275 913		(64 670)	211 243
NP 200 1.6 AC Safety Pack P/U S/C LS09VYGP	12.75%		2027/06/30		275 913		(64 670)	211 243
Rumion 1.5 S CG18453	12.75%		2027/06/30		308 841		(59 080)	249 761
Rumion 1.5 S CG6447	12.75%		2027/06/30		308 841		(59 080)	249 761
Rumion 1.5 S CG4690	12.75%		2027/06/30		308 841		(59 080)	249 761
NP 200 1.6 AC Safety Pack P/U S/C CG35368	12.75%		2027/06/30		281 548		(60 698)	220 850
NP 200 1.6 AC Safety Pack P/U S/C CG35369	12.75%		2027/06/30		281 548		(60 698)	220 850
NP 200 1.6 AC Safety Pack P/U S/C CG34363	12.75%		2027/06/30		281 548		(60 698)	220 850
NP 200 1.6 AC Safety Pack P/U S/C CG35357	12.75%		2027/06/30		281 548		(60 698)	220 850
NP 200 1.6 AC Safety Pack P/U S/C CG35356	12.75%		2027/06/30		281 548		(59 712)	221 836
NP 200 1.6 AC Safety Pack P/U S/C CG35358	12.75%		2027/06/30		281 548		(62 428)	219 120

APPENDIX A
OUDTSHOORN LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2025

NP 200 1.6 AC Safety Pack P/U S/C CG35359	12.75%		2027/06/30		281 548		(62 428)	219 120
NP 200 1.6 AC Safety Pack P/U S/C CG35361	12.75%		2027/06/30		281 548		(62 428)	219 120
NP 200 1.6 AC Safety Pack P/U S/C CG35366	12.75%		2027/06/30		281 548		(62 428)	219 120
NP 200 1.6 AC Safety Pack P/U S/C CG35362	12.75%		2027/06/30		281 548		(62 180)	219 368
NP 200 1.6 AC Safety Pack P/U S/C CG35363	12.75%		2027/06/30		281 548		(62 180)	219 368
NP 200 1.6 AC Safety Pack P/U S/C CG35364	12.75%		2027/06/30		281 548		(62 180)	219 368
NP 200 1.6 AC Safety Pack P/U S/C CG35365	12.75%		2027/06/30		281 548		(62 180)	219 368
NP 200 1.6 AC Safety Pack P/U S/C CG35367	12.75%		2027/06/30		281 548		(59 712)	221 836
POLO SEDAN 1.6 MT CG29941	12.75%		2027/06/30		340 671		(92 664)	248 007
POLO SEDAN 1.6 MT CG26322	12.75%		2027/06/30		340 671		(92 664)	248 007
POLO SEDAN 1.6 MT CG30091	12.75%		2027/06/30		340 671		(92 664)	248 007
POLO SEDAN 1.6 MT CG28697	12.75%		2027/06/30		340 671		(92 664)	248 007
POLO SEDAN 1.6 MT CG25301	12.75%		2027/06/30		376 521		(94 158)	282 363
POLO SEDAN 1.6 MT CG26321	12.75%		2027/06/30		376 521		(94 158)	282 363
POLO SEDAN 1.6 MT CG35447	12.75%		2027/06/30		376 521		(92 159)	284 362
POLO SEDAN 1.6 MT CG35446	12.75%		2027/06/30		376 521		(92 159)	284 362
POLO SEDAN 1.6 MT CG35450	12.75%		2027/06/30		376 521		(92 159)	284 362
POLO SEDAN 1.6 MT CG35448	12.75%		2027/06/30		376 521		(92 159)	284 362
POLO SEDAN 1.6 MT CG34430	12.75%		2027/06/30		376 521		(92 159)	284 362
POLO SEDAN 1.6 MT CG34431	12.75%		2027/06/30		376 521		(92 159)	284 362
POLO SEDAN 1.6 MT CG35445	12.75%		2027/06/30		376 521		(92 159)	284 362
Total Lease Liabilities				-	55 180 434		(9 499 074)	45 681 362
TOTAL EXTERNAL LOANS				82 248 995	78 680 434	16 481	(17 134 604)	143 811 308

APPENDIX B
OUDTSHOORN LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 30 June 2024	Correction of Error	Restated Balance 30 June 2024	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 2025	Unspent 30 June 2025 (Creditor)	Unpaid 30 June 2025 (Debtor)
National Government Grants										
Equitable Share	-		-	102 781 000		(102 781 000)		-	-	-
Local Government Financial Management Grant	(0)		(0)	2 800 000		(2 800 000)	-	(0)	-	(0)
Municipal Infrastructure Grant	(0)		(0)	24 669 000		(1 236 700)	(20 074 144)	3 358 156	3 358 156	-
Integrated National Electrification Grant	1 233 880		1 233 880		(1 233 880)			(0)	-	(0)
Extended Public Works Program	0		0	1 492 000		(1 492 000)		0	0	-
Water Service Infrastructure Grant	-		-	9 520 000			(9 520 000)	0	0	
Total National Government Grants	**1 233 880**	**-**	**1 233 880**	**141 262 000**	**(1 233 880)**	**(108 309 700)**	**(29 594 143)**	**3 358 157**	**3 358 157**	**(0)**
Provincial Government Grants										
CDW operational support grant	0		0	57 000		(57 000)		0	0	-
Emergency Housing Program	1 695 636	(1 695 636)	-		F			-	-	-
Library Services	0		0	6 973 043		(6 973 043)		0	0	-
Maintenance Main Road Subsidy	6		-	990 000		(990 000)		-	-	-
WC Municipal Financial Management Capacity Building Grant	-		-					-	-	-
Municipal Service Delivery and Capacity Building grant	-		-					-	-	-
Thusong Service Centre Grant	130 000		130 000		(10 000)	(117 377)		2 623	2 623	-
Western Cape Financial Management Capability Grant	200 000		200 000	675 000	(200 000)	(675 000)		-	-	-
Waste Management Compliance Grant	-		-	257 000			(240 872)	16 128	16 128	-
Western Cape Municipal Interventions Grant				1 000 000			(1 000 000)	-	-	
Municipal Energy Resilience Grant	-		-	600 000		(544 655)		55 345	55 345	-
Municipal Water Resilience Grant	0		0	2 000 000			(2 000 000)	0	0	-
Title Deeds Restoration Grant				57 654		(57 654)		-	-	-
Development of Sport & Recreational Facilities	143 495		143 495		(143 495)		-	-	-	-
Total Provincial Government Grants	**2 169 139**	**(1 695 636)**	**473 496**	**12 609 697**	**(353 495)**	**(9 414 729)**	**(3 240 872)**	**74 097**	**74 097**	**(0)**
Other Grant Providers										
ASLA Rosevalley Library Contribution	267 426		267 426			(24 420)	(226 300)	16 707	16 707	-
Total Other Grant Providers	**267 426**	**-**	**267 426**	**-**	**-**	**(24 420)**	**(226 300)**	**16 707**	**16 707**	**-**
Total Grants	**3 670 445**	**(1 695 636)**	**1 974 802**	**153 871 697**	**(1 587 375)**	**(117 748 849)**	**(33 061 315)**	**3 448 960**	**3 448 961**	**(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	2024/25								2023/24
R thousands	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
Financial Performance									
Property rates	165 700	100	165 800	161 715		(4 084)	97.5%	97.6%	128 895
Service charges	511 863	23 440	535 303	523 888		(11 415)	97.9%	102.3%	462 312
Investment revenue	11 827	2 705	14 532	15 426		894	106.2%	130.4%	14 999
Transfers recognised - operational	116 843	1 752	118 595	117 749		(846)	99.3%	100.8%	137 929
Other own revenue	132 121	8 960	141 081	78 632		(62 448)	55.7%	59.5%	78 678
Total Revenue (excluding capital transfers and contributions)	**938 353**	**36 957**	**975 310**	**897 410**		**(77 899)**	**92.0%**	**95.6%**	**822 814**
Employee costs	345 441	4 238	349 679	323 548	–	(26 131)	92.5%	93.7%	295 730
Remuneration of councillors	13 234	1 434	14 668	13 818	–	(850)	94.2%	104.4%	12 576
Depreciation & asset impairment	54 514	–	54 514	63 776	–	9 262	117.0%	117.0%	57 047
Finance charges	7 782	14 052	21 834	22 952	–	1 119	105.1%	295.0%	11 380
Materials and bulk purchases	352 392	19 562	371 954	289 499	–	(82 454)	77.8%	82.2%	57 867
Transfers and grants	3 643	–	3 643	2 967	–	(676)	81.5%	81.5%	3 303
Other expenditure	179 296	5 849	185 144	214 091	–	28 947	115.6%	119.4%	379 672
Total Expenditure	**956 301**	**45 135**	**1 001 436**	**930 651**	**–**	**(70 785)**	**92.9%**	**97.3%**	**817 575**
Surplus/(Deficit)	**(17 948)**	**(8 178)**	**(26 126)**	**(33 241)**		**(7 115)**	**127.2%**	**185.2%**	**5 238**
Transfers recognised - capital	38 096	1 203	39 299	33 061		(6 238)	84.1%	**86.8%**	36 094
Surplus/(Deficit) after capital transfers & contributions	**20 148**	**(6 975)**	**13 173**	**(179)**		**(13 353)**	**-1.4%**	**-0.9%**	**41 332**
Share of surplus/ (deficit) of associate	–	–	–	–		–	-	-	–
Surplus/(Deficit) for the year	**20 148**	**(6 975)**	**13 173**	**(179)**		**(13 353)**	**-1.4%**	**-0.9%**	**41 332**
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised - capital	33 127	1 238	34 365	28 510		(5 855)	83.0%	**86.1%**	31 384
Public contributions & donations		–		197		197			–
Borrowing	23 500	1 875	25 375	25 639		264	101.0%	**109.1%**	15 887
Internally generated funds	11 000	3 387	14 387	11 243		(3 144)	78.1%	**102.2%**	13 683
Total sources of capital funds	**67 627**	6 499	**74 126**	**65 589**		**(8 538)**	88.5%	**97.0%**	**60 954**
Cash flows									
Net cash from (used) operating	90 127	(6 227)	83 900	87 802		3 903	104.7%	97.4%	67 325
Net cash from (used) investing	(77 771)	(7 474)	(85 245)	(60 351)		24 894	70.8%	77.6%	(54 150)
Net cash from (used) financing	5 000	(1 500)	3 500	6 365		2 865	181.9%	127.3%	1 584
Cash/cash equivalents at the year end	**111 432**	34 612	**146 044**	**177 706**		**31 662**	**121.7%**	**159.5%**	**143 889**

Oudtshoorn Municipality - Reconciliation of Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Description R thousand	2025/26 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	2023/24 Restated Audited Outcome
	1	2	3	4	5	6	7	8	12
Revenue - Standard									
Governance and administration	**285 273**	**4 624**	**289 897**	**282 498**		**(7 399)**	**97.4%**	**99.0%**	**240 706**
Executive and council	115 935	3 949	119 885	116 792		(3 092)	97.4%	100.7%	106 446
Finance and administration	169 337	675	170 012	165 705		(4 307)	97.5%	97.9%	134 260
Internal audit	–	–	–	–		–	0.0%	**0.0%**	–
Community and public safety	**32 379**	**6 310**	**38 689**	**38 945**		**256**	**100.7%**	**120.3%**	**45 023**
Community and social services	8 058	267	8 325	7 781		(544)	93.5%	96.6%	7 914
Sport and recreation	1 366	180	1 546	1 598		51	103.3%	116.9%	1 366
Public safety	22 787	5 363	28 150	29 566		1 415	105.0%	129.7%	35 742
Housing	167	500	667	–		(667)	0.0%	0.0%	–
Health		–		–		–	0.0%	**0.0%**	–
Economic and environmental services	**26 415**	**1 356**	**27 771**	**24 410**		**(3 361)**	**87.9%**	**92.4%**	**26 041**
Planning and development		620	620	617		(3)	99.6%	100.0%	640
Road transport	26 415	736	27 151	23 793		(3 358)	87.6%	90.1%	25 401
Environmental protection		–		–		–	0.0%	**0.0%**	–
Trading services	**632 383**	**25 870**	**658 252**	**584 619**		**(73 633)**	**88.8%**	**92.4%**	**544 686**
Energy Sources	354 509	27 950	382 459	368 579		(13 880)	96.4%	104.0%	311 813
Water Management	169 424	(5 127)	164 297	102 120		(62 177)	62.2%	60.3%	124 500
Waste water management	61 389	(2 460)	58 929	61 204		2 275	103.9%	99.7%	56 026
Waste management	47 061	5 507	52 568	52 716		149	100.3%	112.0%	52 348
Other		–		–		–	0.0%	**0.0%**	–
Total Revenue - Standard	**976 449**	**38 160**	**1 014 609**	**930 472**		**(84 137)**	**91.7%**	**95.3%**	**856 456**
Expenditure - Standard									
Governance and administration	**227 531**	**8 019**	**235 550**	**219 926**	**–**	(15 624)	93.4%	**96.7%**	**192 086**
Executive and council	96 903	(2 070)	94 833	99 194	–	4 361	104.6%	102.4%	94 976
Finance and administration	127 628	9 993	137 621	117 566	–	(20 055)	85.4%	92.1%	94 282
Internal audit	3 000	96	3 096	3 166	–	70	102.2%	105.5%	2 827
Community and public safety	**139 629**	**6 968**	**146 596**	**137 006**	**–**	**(9 591)**	**93.5%**	**98.1%**	**133 467**
Community and social services	24 999	2 683	27 682	52 154	–	24 472	188.4%	208.6%	53 905
Sport and recreation	50 410	170	50 580	31 127	–	(19 453)	61.5%	61.7%	28 290
Public safety	48 792	4 116	52 909	53 724	–	816	101.5%	110.1%	51 272
Housing	15 427	(2)	15 425	–	–	(15 425)	0.0%	0.0%	–
Health		–		–	–	–	0.0%	**0.0%**	–
Economic and environmental services	**73 234**	**2 885**	**76 119**	**67 614**	**–**	**(8 505)**	**88.8%**	**92.3%**	**84 209**
Planning and development	20 165	504	20 670	19 316	–	(1 353)	93.5%	95.8%	18 400
Road transport	53 068	2 381	55 449	48 298	–	(7 151)	87.1%	91.0%	65 808
Environmental protection		–		–	–	–	0.0%	**0.0%**	–
Trading services	**515 908**	**27 263**	**543 171**	**506 106**	**–**	**(37 065)**	**93.2%**	**98.1%**	**405 362**
Energy Sources	325 892	18 138	344 030	347 894	–	3 864	101.1%	106.8%	283 791
Water Management	118 458	3 395	121 853	76 476	–	(45 377)	62.8%	64.6%	60 459
Waste water management	33 038	1 218	34 256	33 548	–	(708)	97.9%	101.5%	29 266
Waste management	38 520	4 512	43 032	48 189	–	5 156	112.0%	125.1%	31 846
Other		–		–	**–**	–	0.0%	0.0%	–
Total Expenditure - Standard	**956 301**	**45 135**	**1 001 436**	**930 651**	**–**	**(70 785)**	**92.9%**	**97.3%**	**815 124**
Surplus/(Deficit) for the year	**20 148**	**(6 975)**	**13 173**	**(179)**	**–**	**(13 353)**	**-1.4%**	**-0.9%**	**41 332**

Oudtshoorn Municipality - Reconciliation of Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	2024/25								2023/24
	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%	–
Municipal Manager	93 785	3 969	97 755	92 047		(5 708)	94.2%	98.1%	87 235
Corporate Services	738	–	738	515		(223)	69.8%	69.8%	563
Financial Services	168 600	675	169 275	165 190		(4 084)	97.6%	98.0%	133 697
Community and Public Safety	77 906	11 137	89 043	89 601		558	100.6%	115.0%	95 645
Infrastructure Services	611 737	21 099	632 836	555 696		(77 140)	87.8%	90.8%	517 739
Planning & Development	23 683	1 280	24 963	27 423		2 459	109.9%	100.0%	21 576
Total Revenue by Vote	**976 449**	**38 160**	**1 014 609**	**930 472**		**(84 137)**	**91.7%**	**95.3%**	**856 456**
Expenditure by Vote									
Executive & Council		–		–	–	–	#DIV/0!	#DIV/0!	–
Municipal Manager	92 739	(916)	91 823	89 708	–	(2 115)	97.7%	96.7%	85 840
Corporate Services	31 154	508	31 662	31 439	–	(223)	99.3%	100.9%	28 699
Financial Services	74 447	4 672	79 119	72 270	–	(6 849)	91.3%	97.1%	53 215
Community and Public Safety	155 398	11 294	166 692	166 274	–	(418)	99.7%	107.0%	147 717
Infrastructure Services	539 956	28 739	568 695	514 046	–	(54 649)	90.4%	95.2%	446 370
Planning & Development	62 608	837	63 445	56 914	–	(6 531)	89.7%	90.9%	53 284
Total Expenditure by Vote	**956 301**	**45 135**	**1 001 436**	**930 651**	**–**	**(70 785)**	**92.9%**	**97.3%**	**815 124**
Surplus/(Deficit) for the year	**20 148**	**(6 975)**	**13 173**	**(179)**		**(13 353)**	**-1.4%**	**-0.9%**	**41 332**

Oudtshoorn Municipality - Reconciliation of Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	2024/25 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	2023/24 Restated Audited Outcome
Revenue By Source								
Exchange Revenue	**575 708**	**27 864**	**603 573**	**590 228**	**(13 345)**	**97.8%**	**102.5%**	**517 021**
Service charges - Electricity	342 449	27 900	370 349	356 823	(13 526)	96.3%	104.2%	299 962
Service charges - Water	83 268	(7 000)	76 268	76 224	(44)	99.9%	91.5%	72 691
Service charges - Waste Water Management	50 210	(2 460)	47 750	49 769	2 019	104.2%	99.1%	44 159
Service charges - Waste Management	35 936	5 000	40 936	41 072	136	100.3%	114.3%	41 708
Sale of Goods and Rendering of Services	29 572	(532)	29 040	29 889	849	102.9%	101.1%	23 847
Agency services	7 901	–	7 901	5 870	(2 031)	74.3%	74.3%	5 622
Interest	–	–	–		–			
Interest earned from Receivables	9 801	650	10 451	6 458	(3 994)	61.8%	65.9%	6 771
Interest earned from Current and Non Current Assets	11 827	2 705	14 532	15 426	894	106.2%	130.4%	14 999
Dividends	–	–	–		–			
Rent on Land	–	–	–		–			
Rental from Fixed Assets	2 860	1 439	4 299	4 568	269	106.3%	159.7%	3 672
Licence and permits	471	50	521	449	(72)	86.2%	95.3%	454
Operational Revenue	1 413	112	1 525	3 680	2 155	241.3%	260.5%	3 136
Non-Exchange Revenue	**362 645**	**9 093**	**371 737**	**307 059**	**(64 678)**	**82.6%**	**84.7%**	**294 916**
Property rates	165 700	100	165 800	165 343	(457)	99.7%	99.8%	131 881
Fines, penalties and forfeits	14 955	5 368	20 323	22 004	1 681	108.3%	147.1%	16 228
Transfer and subsidies - Operational	116 843	1 752	118 595	117 749	(846)	99.3%	100.8%	137 929
Gains on disposal of Assets	–	–	–	1 964	1 964	100.0%	100.0%	6 994
Other Gains	65 147	1 873	67 020		(67 020)	0.0%	0.0%	1 884
Total Revenue (excluding capital transfers and contributions)	**938 353**	**36 957**	**975 310**	**897 287**	**(78 023)**	**92.0%**	**95.6%**	**811 938**
Expenditure By Type								
Employee related costs	345 441	4 238	349 679	323 548	(26 131)	92.5%	93.7%	295 730
Remuneration of councillors	13 234	1 434	14 668	13 818	(850)	94.2%	104.4%	12 576
Bulk purchases - electricity	267 218	16 000	283 218	289 499	6 282	102.2%	108.3%	245 606
Inventory consumed	85 175	3 562	88 736	22 442	(66 295)	25.3%	26.3%	57 867
Debt impairment	14 881	141	15 022	31 929	16 907	212.6%	214.6%	8 063
Depreciation and amortisation	54 514	–	54 514	63 776	9 262	117.0%	117.0%	57 047
Finance Charges	7 782	14 052	21 834	22 952	1 119	105.1%	295.0%	11 380
Contracted services	42 985	1 428	44 413	47 524	3 110	107.0%	110.6%	31 322
Transfers and subsidies	3 643	–	3 643	2 967	(676)	81.5%	81.5%	3 303
Irrecoverable debts written off	25 285	3 890	29 174	34 178	5 004	117.2%	135.2%	21 398
Operational costs	81 227	163	81 390	71 012	(10 378)	87.2%	87.4%	66 768
Losses on disposal of Assets	–	–	–	776	776			
Other Losses	14 919	227	15 145	6 231	(8 914)	41.1%	41.8%	6 515
Total Expenditure	**956 301**	**45 135**	**1 001 436**	**930 651**	**(70 785)**	**92.9%**	**97.3%**	**817 575**
		–						
Surplus/(Deficit)	**(17 948)**	**(8 178)**	**(26 126)**	**(33 364)**	**(7 238)**	**127.7%**	**185.9%**	**(5 638)**
Transfers and subsidies - capital (monetary allocations)	38 096	1 203	39 299	33 061	(6 238)	84.1%	86.8%	36 094
Contributed Assets	0	–	0	123	123	100.0%	100.0%	10 876
Surplus/(Deficit) before taxation	**20 148**	**(6 975)**	**13 173**	**(179)**	**(13 353)**	**312%**	**373%**	**41 332**
Surplus/ (Deficit) for the year	**20 148**	**(6 975)**	**13 173**	**(179)**	**(13 353)**	**312%**	**373%**	**41 332**

Oudtshoorn Municipality - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2024/25							2023/24
R thousand	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
Capital expenditure - Vote								
Multi-year expenditure								
Community And Public Safety	1 895	1 649	3 545	3 282	(262)	93%	173%	8 043
Infrastructure Services	27 386	200	27 586	23 998	(3 589)	87%	88%	24 950
Planning & Development	800	918	1 718	1 126	(592)	66%	141%	–
Capital multi-year expenditure	**30 082**	**2 768**	**32 849**	**28 406**	**–**	86%	94%	**–**
			–			-	-	
Single-year expenditure								
Executive & Council		–		–	–			
Municipal Manager	250	–	250	170	(80)	68%	68%	43
Corporate Services	710	–	710	444	(266)	63%	63%	764
Financial Services	1 750	74	1 824	1 820	(4)	100%	104%	1 297
Community And Public Safety	5 490	3 029	8 519	7 830	(690)	92%	143%	4 450
Infrastructure Services	29 346	69	29 414	26 409	(3 005)	90%	90%	20 902
Planning & Development		–	560	510	–	91%	#DIV/0!	744
Capital single-year expenditure	**37 546**	**3 172**	**41 277**	**37 183**	**(4 045)**	90%	99%	**28 199**
Total Capital Expenditure - Vote	**67 627**	**5 940**	**74 126**	**65 589**	**(4 045)**	88%	97%	**28 199**
						-	-	
Capital Expenditure - Standard								
Governance and administration	**3 510**	**557**	**4 067**	**3 125**	**–**	77%	89%	**2 143**
Executive and council	1 050	484	1 534	861	(672)	0%	82%	83
Finance and administration	2 460	74	2 534	2 264	(270)	89%	92%	2 060
Internal audit		–		–	–	0%	#DIV/0!	
Community and public safety	**5 385**	**4 890**	**10 275**	**10 012**	(264)	97%	186%	**12 588**
Community and social services	1 990	80	2 070	2 025	(45)	98%	100%	12
Sport and recreation	3 395	1 769	5 165	5 414	249	105%	159%	9 313
Public safety		2 606	2 606	2 138	(468)	82%	#DIV/0!	3 263
Housing		435	435	435	–			
Health		–		–	–	0%	0%	
Economic and environmental services	**13 339**	**560**	**13 899**	**13 060**	(839)	94%	98%	**18 513**
Planning and development		560	560	510	(49)	91%	#DIV/0!	649
Road transport	13 339	–	13 339	12 550	(789)	94%	94%	17 864
Environmental protection		–		–	–	0%	0%	–
Trading services	**45 393**	**492**	**45 885**	**39 392**	(6 493)	86%	87%	**27 710**
Energy Sources	12 522	69	12 591	11 780	(811)	94%	94%	3 089
Water Management	30 371	200	30 571	25 832	(4 739)	84%	85%	24 048
Waste water management	500	–	500	246	(254)	49%	49%	572
Waste management	2 000	224	2 224	1 535	(689)	0%	0%	
Other		–		–	–			
Total Capital Expenditure - Standard	**67 627**	**6 499**	**74 126**	**65 589**	**(7 595)**	**88%**	**0%**	**60 954**
						-	-	
Funded by:								
National Government	30 866	(56)	30 811	25 901	(4 910)	84%	84%	26 497
Provincial Government	2 261	1 093	3 354	2 609	(745)	78%	115%	4 887
Transfers recognised - capital	**33 127**	**1 038**	**34 165**	**28 510**	**(5 655)**	83%	86%	**31 384**
Public contributions & donations		200	200	197	(3)	100%	100%	
Borrowing	**23 500**	1 875	**25 375**	25 639	264	101%	109%	15 887
Internally generated funds	11 000	3 387	14 387	11 243	(3 144)	78%	102%	13 683
Total Capital Funding	**67 627**	**6 499**	**74 126**	**65 589**	**(8 538)**	**88%**	**97%**	**60 954**

Oudtshoorn Municipality - Reconciliation of Table A7 Budgeted Cash Flows

Description	2024/25							2023/24
R thousand	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	157 415	95	157 510	120 999	(36 510)	76.8%	76.9%	116 835
Service charges	575 334	26 628	601 962	462 428	(139 534)	76.8%	80.4%	444 796
Other revenue	124 323	7 573	131 896	101 323	(30 573)	76.8%	81.5%	40 783
Transfers and Subsidies - Operational	116 843	1 375	118 218	120 810	2 593	102.2%	103.4%	114 344
Transfers and Subsidies - Capital	38 096	1 193	39 289	33 061	(6 228)	84.1%	86.8%	36 095
Interest	11 827	2 705	14 532	25 377	10 845	174.6%	214.6%	23 597
Payments								
Suppliers and employees	(922 908)	(30 038)	(952 945)	(752 739)	200 206	79.0%	81.6%	(697 353)
Finance charges	(6 983)	(15 751)	(22 734)	(20 490)	2 244	90.1%	293.4%	(8 468)
Transfers and Grants	(3 820)	(8)	(3 828)	(2 967)	860	77.5%	77.7%	(3 303)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**90 127**	**(6 227)**	**83 900**	**87 802**	**3 903**	104.7%	97.4%	**67 325**
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	–	–	–	1 964	1 964	100.0%	100.0%	13
Payments								
Capital assets	(77 771)	(7 474)	(85 245)	(62 315)	22 930	73.1%	80.1%	(54 163)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(77 771)**	**(7 474)**	**(85 245)**	**(60 351)**	**24 894**	70.8%	77.6%	**(54 150)**
						-	-	
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Borrowing long term/refinancing	23 500	–	23 500	23 500	–	100.0%	100.0%	17 200
Payments								
Repayment of borrowing	(18 500)	(1 500)	(20 000)	(17 135)	–	85.7%	92.6%	(15 616)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**5 000**	**(1 500)**	**3 500**	**6 365**	**–**	181.9%	127.3%	**1 584**
NET INCREASE/ (DECREASE) IN CASH HELD	17 355	(15 201)	2 155	33 816				14 758
Cash/cash equivalents at the year begin:	94 077	49 812	143 889	143 889				129 131
Cash/cash equivalents at the year end:	111 432	34 612	146 044	177 706	31 662	121.7%	159.5%	143 889

Annexure B

Report of the Auditor General

Report of the auditor-general to the Western Cape Provincial Parliament and the council on 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 111, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, the 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 Local Municipality as at 30 June 2025, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement corresponding figures

7. As disclosed in note 41 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Material impairments

8. As disclosed in note 8 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions of R53,6 million (2023-24: R38,0 million).

9. As disclosed in note 9 to the financial statements, the municipality provided for the impairment of receivables from non-exchange transactions of R70,6 million (2023-24: R54,3 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 112 to 120 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 the Standards of GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

14. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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 7, forms part of my auditor's report.

Report on 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 information 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 material performance indicators related to provide basic services to all residents in an environmentally sustainable manner presented in the annual performance report for the year ended 30 June 2025. I selected those indicators that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- TL 1 – Provide subsidies for free basic water to indigent households as at 30 June 2025
- TL 2 – Provide subsidies for free basic electricity to indigent households (excluding ESKOM supply area) as at 30 June 2025
- TL 3 – Provide subsidies for free basic sanitation to indigent households as at 30 June 2025
- TL 4 – Provide subsidies for free basic refuse removal to indigent households as at 30 June 2025
- TL 10 – Provide refuse services to residential properties for which refuse is removed and billed for the services as at 30 June 2025
- TL 14 – 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
- TL 15 – Provide electricity to residential properties connected to the municipal electrical infrastructure network and billed for the service as well prepaid electrical metering as at 30 June 2025

- TL 16 – Provide sanitation services to residential properties which are connected to the municipal wastewater (sanitation/sewerage) network and are billed for sewerage service, irrespective of the number of closets (toilets) as at 30 June 2025
- TL 27 – Maintenance on sports grounds measured in terms of the percentage of the maintenance budget spent
- TL 29 – Spent 90% of the Library Services Capital budget by 30 June 2025

19. I evaluated the reported performance information for the selected material performance indicators 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 measures taken to improve performance.

21. I performed the procedures to report 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 indicators.

Other matter

23. I draw attention to the matter below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

25. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 12 to 14.

Strategic objective 5 – To provide basic services to all residents in an environmentally sustainable manner

Targets achieved: 80% *Budget spent: 100%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Provide subsidies for free basic sanitation to indigent households as at 30 June 2025	7 500	7 436
Provide subsidies for free basic refuse removal to indigent households as at 30 June 2025 (TL04)	7 500	7 439

Report on compliance with legislation

26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

29. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

30. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in objective presented in the annual performance report that have been specifically reported on in this auditor's report.

31. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

32. 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 material indicators in the scoped-in core function presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

33. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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. I did not identify any significant deficiencies in internal control.

Auditor-General

Cape Town

12 December 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators 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 requirement

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	Sections 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Division of Revenue Act 24 of 2024	Sections 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Municipal Systems Act 32 of 2000 (MSA)	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)

Legislation	Sections or regulations
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Municipal Staff Regulations, 2021	Regulations 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2),11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

Annexure C

Audit and Performance Audit

Committee Report

REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE OUDTSHOORN MUNICIPALITY FOR THE YEAR ENDING 30 JUNE 2025

The Audit Committee presents its report for the financial year ending 30 June 2025 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 May 2025, 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 2025, 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 4 times for formal meetings during the financial year ended 30 June 2025 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 the Council on performance management and performance information.
6. Reviewing the annual financial statements on 30 June 2024, 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. 28 August 2024,
2. 25 September 2024,
3. 26 November 2024, and
4. 26 March 2025

The meeting planned for the end of June 2025 was postponed until 3 July 2025.

The Audit Committee had the following additional meetings during the financial year:

1. 17 February 2025 – Meeting with management regarding performance management matters.

2. 20 March 2025 – Local Government Audit Committee Forum for the provincial government. Attended by the Audit Committee Chairperson.

3. 15 April 2025 – Meeting regarding the new Global IIA Standards impact on Audit Committee.

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

2023/24 EXTERNAL AUDIT PROCESS

The municipality received an unqualified with findings audit opinion for the 2023/24 financial year. An unqualified audit outcome with findings means that the financial statements did contain a material misstatement, a material issue on compliance but none on performance management. The previous financial year (2022/23) the municipality received an unqualified audit outcome without findings. A clean audit

The Committee can report that recommendations made by the Auditor General have been successfully rectified or implemented. At the committee meeting scheduled for 27 June 2025 the progress as reported was **90.91%.** The outstanding matters at year end relates to actions that take longer to address.

The result achieved in receiving an unqualified audit with a finding indicates that all matters were successfully addressed.

FINANCIAL POSITION OF THE MUNICIPALITY

The financial position of the municipality as at June 2025 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) Organizational 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 is 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.

Two sessions were conducted to evaluate the performance of top management:

1. 8 April 2025; and

2. 26 June 2025.

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 issued a report in this financial on action plan implementation on risk management activities and submitted quarterly 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.

Since the appointment of the Chief Risk Officer the Audit Committee received regular feedback on the risk related issues. The following is an extract from the Audit Committee agenda at the last meeting for 2025 regarding risk management:

The Chief Risk Officer provided reports and memos for the attention of the Audit Committee for oversight purposes. Attached to this agenda find.

- ***Minutes of a meeting held on 12 February 2025.***
- ***Feedback of the FARMCO meeting held 28 May 2025.***
- ***Strategic risk universe***
- ***Quarterly risk assessment summary dated 24 April 2025; and***
- ***Key risk indicator report dated 9 May 2025***

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	Code of Conduct for Councillors
2	Councillor disclosures and declarations
3	Disclosure of business interests in terms of section 13(e) of the Supply Chain Management Policy
4	Grievance, suspensions and disciplinary cases
5	Ineffective induction of newly appointed staff
6	Municipal employees rental housing governance
7	Municipal housing contracts and properties.
8	Schedule 2 Code of Conduct for Municipal staff, section 5A Declaration of interests

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.

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 2026/27 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.

pp

LOUIS FOURIE - CHAIRPERSON

4/12/2025.

DATE