

2022/2023 ANNUAL REPORT



JANUARY 2024

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1. MAYOR’S FOREWORD



1.1 MAYOR’S FOREWORD

It is my distinct honour to present the 2022/2023 Annual Report of Swartland Municipality, a testament to our unwavering commitment to excellence even in the face of challenging economic conditions and the intricacies of the contemporary social landscape within which local governance operates.

Swartland Municipality continues to make remarkable strides toward realizing its vision of a brighter, more dignified life for all its residents. We firmly believe in the power of community involvement, and we have actively engaged with our local citizens through various platforms, including ward committee meetings, the Swartland Municipal Advisory Forum, and direct one-on-one engagements with stakeholders. We are dedicated to enhancing our policy performance and delivery by forging stronger partnerships with our valued citizens, communities, civil society organizations, interest groups, businesses, and other stakeholders.

Our journey has not been without challenges, particularly as municipalities often bear the brunt of public frustration, even in cases where we lack direct control over certain issues, such as insufficient National Government funding for vital human settlement projects. Swartland Municipality witnessed a substantial in-migration between 2011 and 2016, with a yearly increase of 3.3%. By 2022, we had become the second-largest municipality in the West Coast District with a population of 148 331.

During the 2022/2023 financial year, we diligently executed the previous Integrated Development Plan (IDP) and concentrated our efforts on five strategic goals:

- PEOPLE: Improved quality of life for citizens.

- **ECONOMY:** Inclusive economic growth.
- **ENVIRONMENT:** Quality and sustainable living environment.
- **INSTITUTIONS:** Building caring, competent, and responsive institutions, organizations, and businesses.
- **SERVICES:** Ensuring the provision of sufficient, affordable, and well-managed services.

Each of these strategic goals were carefully mapped with key performance indicators and targets, leading to significant improvements in service delivery across the Swartland area. These indicators were closely monitored on a monthly basis throughout the year and were meticulously recorded in an electronic performance management system.

We take pride in our financial stability, as underscored by Ratings Afrika's assessment, which shows Swartland's unwavering financial strength. We've continued to align our strategic documents with Provincial and National Government policies and directives, including the National Development Plan, the Medium-Term Strategic Framework, the Integrated Urban Development Framework, the Western Cape Provincial Strategic Plan, and the Western Cape Provincial Spatial Development Framework.

Our commitment to sound financial management remains unwavering, and in the 2022/2023 fiscal year, we maintained healthy liquidity levels, ending with a cash surplus of R56.9 million, excluding non-cash transactions. Basic service delivery remains a top priority, with 100% of registered urban residential properties enjoying access to minimum service delivery levels or better. While challenges persist for some informal settlements and backyard dwellers, we continue to support registered indigent and impoverished households through monthly subsidies covering sewerage (R262.82 pm), refuse removal (R149.73 pm), water (R126.20 pm), and electricity (R76.72) fees. Indigent households receive 50 kWh of free electricity, 6 kl of water monthly, free refuse removal, free access to sanitation, and exemption from rates if the property value is less than R105,000 (R15 000 impermissible tax excluded).

In our commitment to job creation, we've excelled in generating opportunities. The Municipality's registered Expanded Public Works Programme (EPWP) projects created 395 jobs in the 2022/2023 financial year, and an additional 159 jobs were realized through our own capital projects (contracts exceeding R200,000).

I extend my heartfelt gratitude to my fellow councillors, as well as our dedicated management team, for their tireless efforts in upholding Swartland Municipality's reputation for excellence in service delivery and management. I also express my sincere appreciation for the unwavering support and optimism of our community members. Thank you for putting your trust in us.

Alderman Harold Cleophas

EXECUTIVE MAYOR

1.2 EXECUTIVE SUMMARY

1.2.1 MUNICIPAL MANAGER'S OVERVIEW



MUNICIPAL MANAGER'S OVERVIEW

Navigating the intricate landscape of municipal governance has presented its share of challenges in recent years, and the 2022/2023 financial year proved to be no exception. Yet, as we reflect on the year gone by, we find ourselves celebrating another year of achievements and milestones. The Swartland Municipality has once again showcased its resilience and commitment to excellence. While a comprehensive account of our performance is detailed elsewhere in this annual report, I wish to emphasize a few key highlights:

AUDIT

The Municipality has achieved up to the 2021/2022 financial year ten clean audits. For the 2022/2023 financial year the Municipality again received a clean audit, which confirms its reputation as one of the best managed municipalities in South Africa. This in itself speaks to and is proof of the dedication of management and personnel to meet and maintain high standards of performance at all times.

FINANCIAL STRENGTH

The Swartland Municipality has successfully concluded another year of enhanced service delivery without jeopardizing our financial stability. We have not only managed to fund our ongoing operations but have also fortified our reserves to support future capital expansion and refurbishment. Our financial sustainability led to a cash surplus of R56.9 million for the 2022/2023 fiscal year, demonstrating our commitment to effective and sustainable service delivery.

Our sustainable financial management is further underscored by an outstanding current ratio of 6.08:1 for the year under review, surpassing the already

impressive 5.25:1 ratio achieved in 2021/2022. This reflects our ability to implement sound financial and governance principles effectively.

A noteworthy accomplishment is the debtors' collection rate for 2022/2023, which reached an impressive 97.09%, outperforming the four-year average of 95.97%. This achievement, taking into account written-off bad debts, serves as testament to a strong culture of payment among Swartland’s ratepayers. It highlights the effectiveness of our diligent revenue management system and consistent adherence to the Debt Collection Policy.

The Municipality's Capital Replacement Reserve, a critical cash-backed reserve for future capital expenditures, stood at R259.3 million as of June 2023. This substantial figure demonstrates our unwavering commitment to securing the future of our community. Our approach in terms of sustainable financial management is further evident in the reduction of outstanding external loans, which declined to R90.9 million by the close of the 2022/2023 financial year compared to R99.5 million at 30 June 2022 and R107.9 million at 30 June 2021.

Personnel costs remained well within the national norm, amounting to 32.01% of total expenditure for 2022/2023, a slight increase from 31.62% in 2021/2022. This demonstrates our ability to manage personnel costs effectively. However, the challenge remains to sustain this balance as we meet rising expectations for improved service delivery.

Total operating income witnessed a notable increase of 7.73%, reaching R1.064 billion by June 2023, compared to R987.2 million in 2021/2022. Importantly, operating expenditure remained under control, rising by just 5.61% to R925.2 million during the same period, excluding Gains and Losses. These figures illustrate our commitment to responsible financial management.

LOCAL ECONOMIC DEVELOPMENT

Swartland’s economic growth faced several hurdles, including the 2020 recession, load shedding, and drought, which impacted the average growth rate. However, there is a positive outlook from the year 2021, with an estimated recovery of 6.6% from the pandemic-related restrictions in 2020.

The three key sectors influencing Swartland's economy in 2020 were Manufacturing (22.4%), Wholesale and Retail Trade (16.2%), and Agriculture, Forestry, and Fishing (15.3%) (SEP, 2022). These sectors continue to play a pivotal role in our economic landscape.

The three largest sectors in the Swartland area according to the employment contribution, 2020 (SEP, 2022) were as follows:

1. Agriculture, forestry and fishing
2. Wholesale and retail trade
3. Community, social and personal services

SERVICES

Our commitment to essential services led to several significant capital projects in 2022/2023, including road resealing, water system improvements, housing development, new road construction, and recreational node development.

In terms of efficiency, electricity losses decreased to 5.28%, and water losses reduced to 16.51% during the rolling 12 months of 2022/2023. Moreover,

19.05 km of roads were resealed during the fiscal year, accompanied by the successful repair of 1800 potholes. Our projected spending on road resealing reflects our commitment to maintaining infrastructure to a high standard.

PLANNING AND DEVELOPMENT

In 2022/2023, the Municipality approved 1047 building plan applications, totalling R608 million in building costs. While this represents a 12% decrease in total value compared to the previous year, it reflects changing dynamics in our community.

IMPROVING ORGANIZATIONAL MANAGEMENT AND PERFORMANCE

Swartland Municipality demonstrated its commitment to results-oriented governance by excelling in its Performance Management System and Service Delivery and Budget Implementation Plan (SDBIP). We meticulously measured 261 indicators for the Municipal Manager and Directors throughout the year, reflecting our dedication to achieving our strategic objectives.

TOP TEN RISKS

Our proactive approach to risk management is evident in our identification of the top ten risks, for which we have developed management action plans. These include challenges such as

1. Failed State (External Risk)
2. Potential developers not investing in Swartland
3. Ageing Infrastructure
4. Expansion in waste, pollution, road congestion and increasing pressure on existing infrastructure
5. Global warming
6. In-migration, land invasion and population growth
7. Lack of capacity in respect of infrastructure - (Strategic Risk)
8. Insufficient access to water resources
9. Inadequate management and IT systems, business continuity and disaster recovery processes
10. Capacity limitations to increase electricity supply (Yzerfontein)

CHALLENGES OF THE 2022/2023 FINANCIAL YEAR

The most significant challenge of the year was maintaining the high standards of service delivery for which the Municipality is renowned while ensuring affordability for our ratepayers and service users within a challenging economic environment. Our success in achieving planned targets for providing basic services to low-income households reflects our diligent budget management.

There has been growing discontent concerning housing matters, particularly considering new directives from the Department of Human Settlements. We are committed to enhancing our community's understanding of the responsibilities of various government spheres related to housing and basic

services. Ward councillors and ward committee members play a vital role in this effort.

CONCLUSION

I take great pleasure in reporting that the management team of Swartland Municipality is firmly established. The unwavering commitment and hard work of our personnel throughout the year have significantly contributed to the success of 2022/2023.

I extend my heartfelt appreciation to Council, and particularly to the Executive Mayor, the Executive Deputy Mayor, the Speaker, the Mayoral Committee, the chairpersons of the Portfolio Committees, and all Councillors, for their enduring support and positive leadership. Their contributions have created an environment in which my team and I have been able to maintain our focus on service delivery and overcome the challenges that came our way. We look forward to another year of progress and achievement.

Joggie Scholtz

MUNICIPAL MANAGER

1.2.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

(a) Population Details (2016 Community Survey)

Age Category	Male	Female	Total
Age: 00 - 04	6 095	6 349	12 444
Age: 05 - 09	5 714	5 828	11 542
Age: 10 - 19	11 062	11 141	22 203
Age: 20 - 29	11 792	11 483	23 275
Age: 30 - 39	10 165	10 455	20 620
Age: 40 - 49	9 359	8 629	17 988
Age: 50 - 59	6 838	6 707	13 545
Age: 60 - 69	3 817	4 094	7 911
Age: 70 +	1 601	2 634	4 235

(b) Households and poor households (2016 Community Survey and own 2021 figure)

Total Number Of Households	Households Earning Less than 2X State Pension Grant +10%
39 139	9 205

(c) Socio Economic Status

Year	Housing backlog as proportion of current demand	Unemployment Rate	Proportion of households with no income	Proportion of formally employed in low-skilled employment	Total registered patients receiving ART treatment	Illiterate people older than 14 years
2016 (CS)	14 607	10.40%	10.40%	49.97%	2 337	22.00%

(d) Economic Performance

Swartland contributed 27.3% to the West Coast District's GDP in 2018. The GDP growth of Swartland averaged 1.8% per annum over the period 2014 to 2018. This is marginally above the average of the District (2.7%). In 2018 the local economy in the Swartland municipal area was dominated by the manufacturing sector (24.9%), followed by wholesale and retail trade, catering and accommodation (17.8%) and agriculture, forestry and fishing sector (14.7%).

GDPR contribution per sector - 2018

Sector	%
Finance, insurance; real estate and business services	9.2
Manufacturing	24.9
Agriculture, forestry and fishing	14.7
Wholesale and retail trade, catering and accommodation	17.8
General government	11.5
Construction	5.4
Transport, storage and communication	7.3
Community, social and personal services	6.8
Electricity, gas and water	2.3
Mining and quarrying	0.2
Total	100.0

Source: Swartland Socio-economic Profile, 2020

(e) Overview of Neighbourhoods within Swartland (2016 Community Survey)

Town	Households	Population
Abbotsdale	1 510	6 240
Chatsworth	1 380	5 980
Darling	3 000	12 370
Ilinge Lethu and Saamstaan	4 700	22 210
Kalbaskraal	790	3 470
Koringberg	320	1 810
Malmesbury	3 160	11 139
Moorreesburg	4 600	18 643
Other Urban Settlements	150	604
Riebeek Kasteel and Esterhof	1 810	8 465
Riebeek West and Ongegund	1 470	7 830
Riverlands	540	2 300
Swartland NU	11 879	16 471
Wesbank	2 880	14 060
Yzerfontein	950	2 170
TOTAL	39 139	133 762

(f) Comment on background data

None

1.2.3 SERVICE DELIVERY OVERVIEW

(a) Introduction

Basic Services were delivered as follows at 30 June 2023:

- Water - 21 942
- Electricity - 19 283
- Sanitation - 24 665
- Refuse removal - 22 265

Out of these free basic services were delivered to indigent household in the following manner:

- Electricity - 50 kWh free
- Water - 6 kl free
- Sanitation - R 262.82 per month levy (VAT excl)
- Refuse removal - R 149.73 per month levy for one removal per week (VAT excl)

(b) Proportion of poor households with access to basic services (current year)

Service	Access To Free Services	Free Access Percentage
Electricity Distribution	8 422	91.49%
Rates Services	8 207	89.16%
Refuse Removal	9 205	100.00%
Sewerage Services	8 856	96.21%
Water Services	9 189	99.83%

1.2.4 FINANCIAL HEALTH OVERVIEW

(a) Introduction

The municipality is currently still in a healthy financial position but good financial management practices and the effect of cost pressures on financial resources requires a continuous evaluation of the financial position of the municipality. These cost pressures include the maintenance of the ageing infrastructure, as well as items beyond the control of the municipality, such as the effect of Eskom increases of 8.61% as well as the collective agreements on employee related costs of 4.9%. Total revenue for the year amounts to R1 072.7m while operating expenditure amounts to R 934.5m, with the budgeted surplus being R 138.2m.

The Municipal Finance Management Act 2003, together with the implementation of Generally Recognised Accounting Practices (GRAP) in local government, shifted the focus from the traditional "short-term balanced Income and Expenditure budgets" to sustainability over at least the medium term with emphasis on cash-funding. The municipality closed the financial year with more cash than the previous financial year and must still put controls in place to ensure that cash resources do not deplete. The demand for infrastructure investment, and especially the replacement of ageing infrastructure, requires a significant amount of cash, and the municipality identified the preservation of its cash resources while also attending to the investment requirements, as a critical strategic area to be addressed in each future budget.

The population growth in the municipal area is amongst the highest in the Western Cape, standing on 148 331 according to the 2022 census. Naturally that requires additional capital infrastructure, as well as an increased demand for services. In terms of the Constitution, local government is entitled to its fair share of revenue raised nationally. This is being distributed in the form of an Equitable Share to all municipalities. With the population growth and increased unemployment, Swartland's Equitable Share households also increases.

A benchmarking tool was developed for Municipalities, which they can use to measure itself against set benchmarks and against its peers, in order to continuously improve and to ensure financial viability. Below is a summary of the key benchmarks and the municipality's results for the financial year.

(b) Ratios

Viability Information	Indicative Benchmark	2023	2022	2021
Current Ratio	2 : 1	6,08 : 1	5.25 : 1	5.55 : 1
Collection Rate	>95%	97.09%	96.89%	96.88%
Cash Generated from operations	20%	22.78%	24.13%	26.04%
Cost Coverage	>4 months	9 months	9 months	10 months
Debtors Turnover Days	<75 Days	54 days	52 days	57 days
Long Term Debt as % Revenue	<45%	8.93%	10.55%	12.31%
Capital Cost	5%	2.02%	2.21%	2.87%
Creditors Payment Period	<30 Days	24 days	35 days	41 days
Cash Funded Budget	100%	100%	100%	100%

From the above it is clear that the municipality equals or exceeds the benchmarks in nearly all areas and is on the right track in managing its financial resources. Some areas, however, indicate a decline against the previous year and will be continuously monitored and strategies developed to ensure acceptable levels.

(c) **Financial Overview - 2022/2023**

Description	Original Budget	Adjustment Budget	Actual
Grants	R249 005 611	R257 441 997	R232 626 658
Taxes, Levies and tariffs	R713 057 993	R699 368 094	R686 097 034
Other	R131 920 362	R141 207 488	R154 019 540
Income	R1 093 983 966	R1 098 017 579	R1 072 743 232
Less Expenditure	R1 029 331 855	R1 025 575 991	R934 531 189
Net Total	R64 652 111	R72 441 588	R138 212 043

(d) **Operating Ratios**

Expenditure Type	Ratio
1 Employees	32.01%
2 Contracted Services	9.74%
3 Other	58.25%

(e) **Comment on operating ratios**

Total revenue is 2.3% under budget, mainly due to the following:

- **Rental of facilities and equipment:** Additional rental income expected during the adjustment's budget phase did not materialise.
- **Interest earned - outstanding debtors:** Property rates debtors growth exceeded the budget expectation resulting in more interest on outstanding receivables than expected.
Interest rates for the year also increased by a higher margin than expected.
- **Fines, penalties and forfeits:** The fines revenue for the last two months of the year exceeded the expected fines issued.
- **Gains:** The budget for gains on vesting of properties did not materialise.

Total expenditure is 8.9% under budget, mainly due to the following:

- **Debt impairment:** The court procedures to obtain summonses for outstanding amounts have been increased resulting in an overall longer period for collection which negatively affected the debt impairment.
- **Depreciation & asset impairment:** Certain capital projects which were expected to complete during the year expanded resulting in less finalised projects and accordingly less depreciation in comparison to the budget. The projects are not delayed, but rather were expanded on as additional multi-year funding was made available.
- **Contracted Services:** The De Hoop housing project was aligned to Province's 2022/23 budget, however only R17 million was received in the current year as the remainder was already recognised as a prior year accrual (budget was R33.5 million). 45.8 Other Expenditure: Good fiscal control allowed significant savings on the overall expenditure of this line item.
- **Losses:** This item cannot be budgeted for accurately due to the nature and timing of these amounts. The most significant budget saving pertains to actuarial gain of R7 million which was budgeted to be a loss of R8.25 million There was also a R3 million saving on the water losses as the cost per KL of water was significantly lower than the revised estimates of the District during the adjustment's budget phase.

Employee costs (including Councillors Remuneration) represent 32.01% of total operating expenditure, which is in line with expected norms set by the National Treasury. Should depreciation and bulk purchases be excluded from expenses, the employee cost as a percentage of operating expenditure is 54.50%, which is above the benchmark.

Repairs and Maintenance costs represents 6.97% of total operating expenditure. This is in line with National Treasury’s expected norm of 8%. Should depreciation and bulk purchases be excluded from expenses, the repairs and maintenance as a percentage of operating expenditure is 11.82% which is above the National Treasury’s expected norm.

Depreciation charges are well above the average as a result of the deemed cost approach as described in the financial overview above. Various discussions were held in this regard and it was decided to stay on the current method of calculating for only that portion that is affordable by the community to contribute to the CRR in cash.

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. It also improves understand ability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from "Ratepayers and other" to be provide for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue, and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Swartland’s cash coverage remained at 9 months as the previous financial year , which is well above the benchmark of between 1 to 3 months, keeping in mind that Unspent conditional grants, Depreciation and Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets are excluded.

(f) Total Capital Expenditure

Original Budget	Adjustment Budget	Actual Expenditure
R191 095 805	R178 839 804	R168 646 538

(g) Comment on capital expenditure

Expenditure on the capital budget was underspent by **5.7%**. The main reason were the following:

- The loadshedding relief grant was only made available after a March special adjustments budget. The shortfall is the unspent grants for the period

Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions): The Donated property, plant and equipment could not be anticipated during the budget phase.

(h) Cost containment measures

Cost Containment In-Year Report Measures	2022/2023 Total Budget	2022/2023 YTD Budget	Actual Expenditure Q1	Actual Expenditure Q2	Actual Expenditure Q3	Actual Expenditure Q4	2022/2023 Total Expenditure	Savings
<u>Use of professional services</u>	R 16 848 533	R 16 848 533	R 1 868 190	R 2 397 927	R 1 886 908	R 5 815 933	R 11 968 958	R 4 879 575
Travel and Subsistence	R 616 356	R 616 356	R 89 761	R 114 396	R 75 302	R 139 857	R 419 316	R 197 040
Domestic accommodation	R 163 078	R 163 078	R 28 444	R 28 580	R 5 265	R 17 591	R 79 879	R 83 199
Sponsorships, events and catering	R 1 071 187	R 1 071 187	R 107 648	R 384 624	R 154 317	R 212 220	R 858 809	R 212 378
Overtime Pay	R 16 280 681	R 16 280 681	R 2 815 364	R 4 599 889	R 5 087 513	R 6 028 087	R 18 530 854	-R 2 250 173
Communication	R 4 158 567	R 4 158 567	R 689 884	R 975 001	R 723 167	R 1 021 178	R 3 409 230	R 749 337
Telephone cost	R 792 288	R 792 288	R 113 929	R 114 411	R 289 726	R 163 568	R 681 635	R 110 653
Vehicles used for political office -bearers	R 652 924	R 652 924	R -	R -	R -	R 652 924	R 652 924	R -
Number of Credit Cards	None	None	None	None	None	None	None	n/a
Grand Total	R 40 583 614	R 40 583 614	R 5 713 219	R 8 614 829	R 8 222 197	R 14 051 360	R 36 601 605	R 3 982 009

1.2.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

Swartland Municipality aims to ensure service delivery of the best possible quality for all the inhabitants of the Municipality. To achieve this, a prime goal of the Municipality's Human Resource Strategy is: **To create a flexible organisation that enables optimal performance by developing and retaining a properly skilled and representative workforce.** Swartland Municipality considers its human resources as one of its most critical assets.

1.2.6 AUDITOR GENERAL REPORT

Follows on the next page. The report was issued on 30 November 2023 in accordance with the requirements set in the MFMA section 126(3)(b).

Report of the auditor-general to the Western Cape Provincial Parliament and the council on Swartland Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Swartland Municipality set out on pages 1 to 116, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets and 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 Swartland Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 59 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2023.

Material impairment

8. As disclosed in note 3 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions of R11 896 680 (2021-22: R9 858 141).
9. As disclosed in note 4 to the financial statements, the municipality provided for the impairment of receivables from non-exchange transactions of R35 290 310 (2021-22: R42 561 609).

Other matters

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

Unaudited supplementary schedules

11. The supplementary information set out on pages 117 of 121 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 particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

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 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.

Report on the audit of the annual performance report

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected strategic goal presented in the annual performance report. The municipality is responsible for the preparation of the annual performance report.

18. I selected the following strategic goal presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a strategic goal that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Strategic goal	Page numbers	Purpose
Strategic goal 5: Sufficient, affordable and well-run services	44 – 45	The strategic goal contains service delivery indicators (percentage of households with access to basic level of water, sanitation, electricity and solid waste removal) and this is the core functions that the municipality is primarily responsible for in terms of its mandate

19. I evaluated the reported performance information for the selected strategic goal 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
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

21. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

22. I did not identify any material findings on the reported performance information for the selected strategic goal.

Other matters

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.

Report on compliance with legislation

25. 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.

26. 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.

27. 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.

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

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report

and the selected strategic goal presented in the annual performance report that has been specifically reported on in this auditor's report.

30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected strategic goal presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. 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

33. 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.
34. I did not identify any significant deficiencies in internal control.

Auditor – General

Cape Town

30 November 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected strategic goal and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	<p>Section 1 – paragraph (a), (b) & (d) of the definition: irregular expenditure,</p> <p>Section 1 – definition: service delivery and budget implementation plan,</p> <p>Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1),</p> <p>Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b),</p> <p>Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i),</p> <p>Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(2)(a), 63(2)(c), 64(2)(b),</p> <p>Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e),</p> <p>Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1),</p> <p>Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii),</p> <p>Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170,</p> <p>Sections 171(4)(a), 171(4)(b)</p>
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2005	<p>Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a),</p> <p>Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a),</p> <p>Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b),</p> <p>Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c),</p> <p>Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43,</p> <p>Regulations 44, 46(2)(e), 46(2)(f)</p>

Legislation	Sections or regulations
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

1.2.7 STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Municipality submits draft Annual Performance Report including consolidated annual financial statements to Auditor General	October
5	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
6	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	February
7	Municipalities receive and start to address the Auditor General's comments	March-April
8	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
9	Audited Annual Report is made public and representation is invited	
10	MPAC assesses Annual Report to compile Oversight Report	April-May
11	Council adopts Oversight report	
12	Oversight report is made public	
13	Oversight report is submitted to relevant provincial councils	
14	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	

CHAPTER 2 – GOVERNANCE

2.1 INTRODUCTION

Governance is seen by Swartland Municipality as the exercise of economic, political and administrative authority to manage the municipality's affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. To ensure good governance, which is – among other things – participatory, transparent and accountable – the Municipality views the four components dealt with in this Chapter as interrelated and mutually reinforcing.

2.2 POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.2.1 INTRODUCTION

Section 151(3) of the Constitution states that the council of a municipality has the right to govern, on its own initiative, the local government affairs of the local community. Political governance is the process of decision-making to formulate policy, whereas administrative governance is the system of policy implementation.

Swartland Municipality strives towards achieving the following characteristics of efficient government in both the above legs of governance: •Participation; •Rule of law; •Transparency; •Responsiveness; •Consensus orientation; •Equity; •Effectiveness and efficiency; •Accountability; and •Strategic vision.

2.2.2 POLITICAL GOVERNANCE

(a) Introduction

Swartland Municipality has a mayoral executive system combined with a ward participatory system, whereby executive leadership vests in the executive mayor who is assisted by a mayoral committee. In terms of delegation, all legislative powers vest in the executive mayor, except for those listed by law for exclusive decision-making by the full council.

Recommendations on their respective portfolios are made for consideration to the executive mayor by three committees, appointed in terms of section 80 of the Structures Act, 1998, i.e. committees dealing with matters relating to (1) Municipal Manager and Finance, (2) Technical (Civil and Electrical) Services and (3) Administration, Development and Protection Services. During January 2019 it was resolved by Council to restructure the portfolio committee in terms of section 79 of the Structures Act to establish four committees, i.e. (1) Municipal Manager, Administration and Finance, (2) Technical (Civil and Electrical) Services, (3) Development Services and (4) Protection Services.

Ward committees for each of the twelve wards within the municipal area contribute by advising the municipality on matters affecting the respective wards.

The Performance and Risk Audit Committee provides opinions and recommendations on the overall control environment, financial processes and performance to Council, and also provides comments to the Municipal Public Accounts Committee (MPAC) on the Annual Report.

Swartland Municipality has established a Municipal Public Accounts Committee (MPAC) as an oversight committee, comprised of non-executive councillors, with the specific purpose of providing the Council with comments and recommendations on the Annual Report. The Municipal Public Accounts Committee's (MPAC) report will be published separately in accordance with MFMA guidance.

(b) Political structure

MAYOR



Ald H Cleophas

DEPUTY MAYOR



Clr A de Beer

SPEAKER



Clr M Rangasamy

MAYORAL COMMITTEE MEMBERS



Clr A Warnick



Clr D Bess



Clr N Smit



Ald T van Essen

(c) Councillors

The Municipal Council of the Municipality has twenty three councillors, as determined by the Provincial Minister, of which twelve are ward councillors and eleven are proportionally elected councillors. Refer to Appendix A where a full list of councillors can be found. Also refer to Appendix B which sets out committees and committee purposes.

(d) Political decision-taking

Section 53 of the Municipal Systems Act (Act 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the municipal manager must be defined. The section below is based on the Section 53 role clarification that was approved at the council meeting of May 2016.

▪ **Municipal Council**

- governs by making and administering laws, raising taxes and taking decisions that affect people's rights;
- is a tax authority that may raise property taxes and service levies;
- is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political office bearers or officials;
- can delegate responsibilities and duties for the purposes of fast and effective decision making;
- must strive towards the constitutional objects of local government;
- must consult the community with respect to local government matters; and
- is the only decision maker on non-delegated matters such as the approval of the IDP and budget.

▪ **Executive Mayor**

- is the executive and political leader of the Municipality and is in this capacity supported by the mayoral committee;
- is the ceremonial head of the Municipality;
- must identify the needs of the Municipality and must evaluate progress against key performance indicators;
- is the defender of the public's right to be heard;
- has many responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters; and
- performs the duties and exercise the responsibilities that were delegated to him by the council.

▪ **Mayoral Committee**

- its members are elected by the Executive Mayor from the ranks of councillors, with the exception of the Deputy Executive Mayor who is elected by the council and is an ex officio member of the mayoral committee;
- its functional responsibility area is linked to that of the Executive Mayor to the extent that he must operate together with the members of the mayoral committee;
- its primary task is to assist the Executive Mayor in the execution of his powers - it is in fact an "extension of the office of Executive Mayor"; and
- the committee has no powers of its own – decision making remains that of the Executive Mayor.

2.2.3 ADMINISTRATIVE GOVERNANCE

(a) **Introduction**

By law, the Municipal Manager automatically is the head of administration as well as the accounting officer. The Municipal Manager has extensive statutory and delegated powers and duties, as well as powers and duties that can be inferred from such statutory and delegated powers and duties.

The Municipal Manager is, amongst others, responsible –

- for the formation and development of an economical, effective, efficient and accountable administration;
- to ensure that the municipal "machine" operates efficiently, that the organizational structure is able to perform the various tasks and exercise the necessary controls;
- to fulfil a leadership role in the administration; this is of utmost importance to influence the actions of staff and to inspire and persuade them to work together to realize the municipality's goals;
- for the implementation of the municipality's integrated development plan, and the monitoring of progress with implementation of the plan;
- for the financial responsibilities as accounting officer as determined by the MFMA.

Annual Report for 2022/2023

The Municipal Manager is the chief adviser of the municipality and must advise the political structures and political office-bearers of the municipality. The Municipal Manager must see to the carrying out of the decisions of the political structures and political office-bearers of the municipality. The Municipal Manager must facilitate participation by the local community in the affairs of the municipality and must also develop and maintain a system whereby community satisfaction with municipal services is assessed.

The Swartland Municipality adopted an Integrated Development Plan for 2017-2022 with the following five strategic goals:

- PEOPLE - Improved quality of life for citizens;
- ECONOMY - Inclusive economic growth;
- ENVIRONMENT - Quality and sustainable living environment;
- INSTITUTIONS - Caring, competent and responsive institutions, organisations and business; and
- SERVICES - Sufficient, affordable and well-run services.

The IDP strategic goals, objectives, initiatives, key performance indicators and annual targets are clearly linked with the annual budget and the Municipality's performance system. These linkages make it possible for the management team to work towards achieving the objectives and outcomes of the Municipality.

The Municipal Manager of a municipality is the accounting officer of the municipality and must provide guidance to political structures; political office bearers, and officials of the municipality.

(b) Top administrative structure

MUNICIPAL MANAGER



Joggie Scholtz

DIRECTORS

FINANCIAL SERVICES



Mark Bolton

CORPORATE SERVICES



Madelaine Terblanche

CIVIL ENGINEERING SERVICES



Louis Zikmann

ELECTRICAL ENGINEERING SERVICES



Thys Möller

DEVELOPMENT SERVICES



Jo-Ann Krieger

PROTECTION SERVICES



Philip Humphreys

2.3 INTERGOVERNMENTAL RELATIONS

2.3.1 NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on National level:

- SALGA meetings

2.3.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on Provincial level:

- SALGA meetings
- MinMayTech
- MinMay
- Premiers Coordinating Forum
- Municipal Managers Forum

2.3.3 DISTRICT INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on District level:

- DCFtech
- DCF

2.4 PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1 PUBLIC MEETINGS

(a) Communication, participation and forums

Public participation in Swartland is done in a **structured** way. The directive from national government on how community participation should be structured is the ward committee system. Most of the liaison with communities is done through ward committee meetings.

Although ward committees provide for representation of communities on a geographical basis, there are also a number of sector interests not covered by ward committees that play a major role within the municipal area, such as education, business and agriculture. Liaison with and involvement of such sector groups is therefore also crucial in order to get a full picture of the current reality in our area. Liaison with sector groups is done mainly through the Swartland Municipal Advisory Forum (SMAF).

The Municipality also communicates through a well-structured website www.swartland.gov.za as well as its Facebook Page www.facebook.com/SwartlandMunicipality.

Public Meetings					
Nature and purpose of meeting	Date of meeting	Number of participating municipal councillors	Number of participating municipal administrators	Number of community members attending	Dates and manner of feedback given to the community
IDP Engagement	8 September 2022	2	5	12	Meeting, 4 May 2023
IDP Engagement	13 September 2022	3	4	17	Meeting, 4 May 2023
IDP Engagement	14 September 2022	5	4	28	Meeting, 4 May 2023
IDP Engagement	19 September 2022	3	4	27	Meeting, 4 May 2023
IDP Engagement	20 September 2022	2	4	17	Meeting, 4 May 2023
IDP Engagement	28 September 2022	2	4	5	Meeting, 4 May 2023
IDP Engagement	28 September 2022	1	4	3	Meeting, 4 May 2023
IDP Engagement	11 October 2022	1	4	9	Meeting, 4 May 2023
IDP Engagement	10 October 2022	2	4	14	Meeting, 4 May 2023
IDP Engagement	13 October 2022	1	4	4	Meeting, 4 May 2023
IDP Engagement	13 October 2022	1	4	6	Meeting, 4 May 2023
IDP Engagement	19 October 2022	1	11	14	Meeting, 4 May 2023
Darling RSEP COS Meeting	25 July 2022	1	3	5	<ul style="list-style-type: none"> • Project Implementation • Amphitheatre guidelines • Public participation • COS structure
ECD Forum Meeting with SCORE and West Coast College	4 August 2022	0	1	36	<ul style="list-style-type: none"> • Partnerships relationships with potential ECD facilities • Implementation services from West Coast College • Roll out of the Level training programmes
SSDF Exco Meeting	7 September 2022	0	4	11	<ul style="list-style-type: none"> • Implementation of new programmes • Review and monitoring of programmes (Successes)
Darling GBVF Stakeholders meeting	19 April 2023	0	1	17	Stakeholders' strategic intervention for GBVF
Moorreesburg GBVF Stakeholders Meeting	03 May 2023		1	5	Services available for collective implementation for example (GBVF, child protection, substance abuse, group sessions relating to trauma counselling)
Riebeek Valley GBVF Stakeholders Meeting	03 May 2023	1	1	7	Services available for collective implementation for example (GBVF, child protection, substance abuse, group sessions relating to trauma counselling)

Abbotsdale GBVF Stakeholders Meeting	04 May 2023	0	1	5	Outreaches on farms on GBVF, Substance abuse and the effects, group sessions in relation to counselling services
Chatsworth and Riverlands GBVF Stakeholders Meeting	09 May 2023	0	1	11	<ul style="list-style-type: none"> • GBVF Support sessions • Child Abuse and child neglect sessions on the rights of children • Sessions on the rights for Elderly persons • Care and Protect sessions to be hosted for children and parents
Darling GBVF Stakeholders Meeting	17 May 2023	0	1	15	Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection)
Malmesbury GBVF Stakeholders Meeting	18 May 2023	0	0	6	Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection)
Moorreesburg GBVF Stakeholders Meeting	18 May 2023	0	1	8	Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection)
Swartland GBVF Ambassadors Meeting	15 June 2023	0	4	7	<ul style="list-style-type: none"> • Awareness raising • Support to victims through the referral pathway • Role Clarification- Terms of reference • Safety aspects of GBVF Ambassadors
SSDF Meeting	21 June 2023	3	5	20	Facilitate, monitor and review programmes according to the following focus areas namely: Child protection/ECD; Substance Abuse/ LDAC; Victim Empowerment/ GBVF and Trauma Rooms and School Drop Outs
Small Farmers meeting with Stakeholders	15 March 2023	3	4	10	Meeting in person which highlights dates and times for relocation.
Swartland LDAC monthly meeting (facilitation of substance abuse external role-players)	27 July 2022	2	5	25	31 August 2022 in a follow up meeting
Swartland LDAC monthly meeting (facilitation of substance abuse external role-players)	22 February 2023	3	6	26	23-24 May 2023: Mapping and referral pathway training as requested by the committee

(b) Ward committees

Section 152(1)(e) of the Constitution of the Republic of South Africa, read with sections 72 to 78 of the Structures Act, gives a direct mandate to municipalities to encourage the involvement of communities and community organisations in matters of local government and to establish community participatory systems.

Sections 8(g and h), 9(f) and 72 of the Structures Act, authorise municipalities to establish ward participatory systems as mechanisms to enhance participatory democracy in local government.

A ward committee is an advisory body of the community. A ward committee serves as the official public participatory structure of the Municipality and must as such –

- (a) assist the ward councillor in identifying challenges and needs of residents;
- (b) disseminate information in the ward concerning municipal affairs such as the budget, the integrated development plan (IDP) and service delivery options;
- (c) obtain inputs from residents regarding municipal affairs such as the budget, the integrated development planning and service delivery options;
- (d) receive queries and complaints from residents concerning municipal service delivery; and
- (e) interact with other forums and organisations on matters affecting the ward.

It was important to establish a ward committee for each of the twelve wards as soon as possible after the August 2016 elections. Thereafter much time was spent on induction, specifically on the Rules and Procedures for ward committees, the IDP and budget process. Ward committee members had the opportunity to participate in the development of Area Plans for each ward, containing, amongst others, the five most important service delivery priorities for each ward.

2.4.2 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

2.5 CORPORATE GOVERNANCE

2.5.1 OVERVIEW

The King-report listed discipline, transparency, independence, accountability, responsibility, fairness and social responsibility as primary characteristics of good governance. These traits have to be evident in municipal operations from the municipal council at the top to departmental staff at the bottom.

Corporate governance is the system by which municipalities/companies are directed and controlled and is essentially for effective leadership. Leaders need to define strategy, provide direction and establish the ethics and values that will influence and guide practices and behaviour with regard to sustainability performance. The framework of rules and practices ensures accountability, fairness, and transparency in a municipality's relationship with its stakeholders (financiers, customers, suppliers, management, employees, government, and the community).

2.5.2 INTERNAL AUDIT

An Internal Audit Activity (IAA) exists within Swartland Municipality under the control and direction of the Performance and Risk Audit Committee. The purpose of Internal Audit is to provide an independent, objective assurance and consulting services designed to add value and improve the municipality's operations. The IAA helps Swartland Municipality accomplish its objectives by bringing a systematic, risk-based, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. Furthermore, the IAA reports on matters relating to:

- Safeguarding of assets
- Internal Control
- Compliance with laws, regulations, policies, accounting practices and contractual obligations
- Reliability and integrity of information
- Risk and risk management
- Performance Management.

The Manager Internal Audit follows a risk based audit approach whereby an annual audit plan is compiled and approved by the Performance and Risk Audit Committee. Included in the plan are special tasks or projects requested by Management and the Audit Committee. Reporting is done on a monthly basis to the Municipal Manager regarding the activities of the unit such as audits and investigations performed, audit findings not yet implemented and any other concerns. Quarterly Performance and Risk Audit Committee meetings are held where risk management, performance management, audit reports issued and performance against the audit plan are discussed.

2.5.3 RISK MANAGEMENT

Risk Management is one of management's core responsibilities according to section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality. It is a systematic and formalised process to identify, assess, manage, monitor, report and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of the Swartland Municipality. When properly executed risk management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

Risk Assessments are conducted bi-annually by Internal Audit, as part of their consulting service to Management, through facilitating the process of identifying and assessing risk per Directorate to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives. The identified risks are prioritised which enables Management to focus more time, effort and resources on higher risk areas. Management informs Internal Audit immediately when business processes change and/or when the severity of a risk area change due the increase or decrease in the likelihood rating for them to update the risk registers accordingly.

To mitigate the risks it is confronted with, Management implements control activities by establishing policies and appropriate procedures such as approvals, authorisations, segregation of duties, reconciliations and physical safeguards.

In addition, Internal Audit reports quarterly to the Performance and Risk Audit Committee on work performed and other operating measures that are of interest to the Audit Committee.

The following top five risks of the municipality have been identified for which management action plans are indicated in the IDP:

1. In-migration, population growth and land invasion
2. Community safety and law compliance
3. Lack of capacity in respect of infrastructure
4. Insufficient preparation for disasters
5. Potential developers not investing in the Swartland

2.5.4 ANTI-CORRUPTION AND FRAUD

Swartland Municipality subscribes to the principles of good corporate governance, which requires the conducting of business in an honest and transparent fashion. Consequently Swartland Municipality is committed to fight fraudulent behaviour at all levels within the organisation.

The Strategy is premised on the organisations core ethical values driving the business of Swartland, the development of its systems, policies and procedures, interactions with ratepayers, the public and other stakeholders, and even decision-making by individual managers representing the organisation. This means that in practice all departments and business units of Swartland and even external stakeholders must be guided by the Strategy as the point of reference for their conduct in relation to Swartland.

The policy of Swartland is zero tolerance to fraud and corruption. In addition, all fraud and corruption will be investigated and followed up by the application of all remedies available within the full extent of the law and the implementation of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies and procedures of Swartland.

It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their immediate manager. All managers are responsible for the detection, prevention and investigation of fraud and corruption and must report all incidents and allegations of fraud and corruption to the Municipal Manager. The Municipal Manager will initiate an investigation into the matter. Should employees or any member of the public wish to report allegations of fraud and corruption anonymously, they can contact the Municipal Manager and/or the Internal Audit Unit directly or the Public Service Corruption Hotline on 0800 701 701.

Any fraud or corruption committed by an employee or any other person will be pursued by thorough investigation and to the full extent of the law, including (where appropriate) consideration of:

- In case of employees, taking disciplinary action within a reasonable period of time after the incident;
- Instituting civil action to recover losses;
- Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
- Any other appropriate and legal remedy available.

Managers are required to ensure that losses or damages suffered by Swartland as a result of all reported acts committed or omitted by an employee, ratepayer or any other person are recovered from such an employee, ratepayer or other person if he or she is found to be liable for such losses.

Fraudulent and corruption awareness are done annually by means of newsletters, information notices with pay sheets and presentations by guest/specialist speakers. Policies, processes and systems are implemented by which the Municipality is directed, controlled and held to account with the trend towards greater corporate responsibility and the conduct of business within acceptable ethical standards. Transparency, accountability and openness are embedded in reporting and disclosure of information, both operational and financial to all stakeholders. Councillors' and Employees' work are governed by the municipality's rules, regulations and procedures and the Codes of Conduct for employees and Councillors to which they are expected to abide by, which includes guidelines on gifts, professional and personal behaviour and conflicts of interest. Segregation of duties exists within the procurement function and politicians are excluded from procurement and tender processes.

2.5.5 PERFORMANCE AND RISK AUDIT COMMITTEE

A combined Performance and Risk Audit Committee has been established and is functional. The overall responsibility of the committee is to assist Council members of Swartland Municipality in discharging their responsibilities relating to the safeguarding of assets, the operation of adequate and effective systems and control processes, the preparation of fairly presented financial statements in compliance with all applicable legal and regulatory requirements and accounting standards, and the oversight of the external and internal audit functions, as well as Performance- and Risk Management. The Performance and Risk Audit Committee is an advisory committee and not an executive committee and as such it must not perform any managerial functions or assume any management responsibilities. The Performance and Risk Audit Committee operates in accordance with their Charter which is approved by Council and is an independent function that excludes politicians and excludes officials as voting members.

2.5.6 SUPPLY CHAIN MANAGEMENT

The Supply Chain Policy of Swartland Municipality complies with the prescribed framework as set out in section 110-119 of the Municipal Finance Management Act, 2003. No shortfalls were identified regarding long term contracts.

2.5.7 BY-LAWS

(a) By-laws Introduced during financial year - NONE

Name	Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-law?	Public Participation Date	By-law Gazetted?	Date Of Publication
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(b) Comment on by-laws

By-laws are passed by the Council to regulate the affairs and the services it provides within its area of jurisdiction. A municipality derives the powers to pass a by-law from the Constitution of the Republic of South Africa, which gives certain specified powers and competencies to local government as set out in Part B of Schedule 4 and Part B of Schedule 5 to the Constitution.

2.5.8 MUNICIPAL WEBSITE - CURRENT YEAR

Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous year's annual report	Yes	
The annual report published/to be published	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes	
All service delivery agreements	Yes	
All long-term borrowing contracts	Yes	
All supply chain management contracts above a prescribed value (R100 000)	Yes	Various dates during year
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during fin year	N/a	N/a: Not prescribed by legislation
Contracts agreed in to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/a	N/a
Public-private partnership agreements referred to in section 120	N/a	N/a
All quarterly reports tabled in the council in terms of section 52 (d)	Yes	-

2.5.9 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Client Satisfaction Survey - February 2017:

Question	Result
01. Electricity provision - general	3.75 (75.08%)
02. Speed with which new connections are done, meters are replaced	3.85 (77.00%)
03. Speed with which outages are repaired, notices regarding power outages are given, etc.	3.84 (76.80%)
04. Street lights	3.81 (76.11%)
05. Water provision - general	3.86 (77.26%)
06. Speed with which new connections are done	3.87 (77.40%)
07. Speed with which meters are replaced, damage to pipelines are repaired, etc.	3.86 (77.29%)
08. Sewerage - general	3.85 (77.02%)
09. Speed with which new connections are done	3.82 (76.39%)
10. Speed with which obstructions are cleared	3.82 (76.32%)
11. Speed with which conservancy tanks are drained	3.82 (76.36%)
12. Removal of domestic refuse, garden refuse	3.95 (78.93%)
13. Street refuse bins, cleaning of streets	3.81 (76.12%)
14. Reparation of potholes, tarring and resealing - streets and sidewalks	3.42 (68.43%)
15. Maintenance of gravel roads	3.42 (68.37%)
16. Weeding of sidewalks, spraying of insecticides	3.36 (67.18%)
17. Storm water	3.69 (73.88%)
18. Municipal cemeteries	3.55 (71.07%)
19. Sports fields - Preparation and maintenance	3.64 (72.88%)
20. Municipal swimming pools	3.90 (78.03%)
21. Parks and gardens	3.42 (68.40%)
22. Fire fighting and emergency services	3.51 (70.17%)
23. Traffic and law enforcement services	3.50 (70.05%)
24. Motor vehicle registrations and licences	3.87 (77.42%)
25. Libraries	3.96 (79.22%)
26. Approval of building plans	3.93 (78.62%)

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27. Execution of building inspections	3.95 (78.99%)
28. Municipal accounts	3.96 (79.21%)
29. Do you know who your ward councillor is?	Yes: 41.0%, No: 59.0%
30. Do you know who serves on your ward committee?	Yes: 32.1%, No: 66.3%, Partially: 1.6%
31. Effectiveness and functioning of your ward committee	2.69 (53.89%)
32. How was the service at the local office in respect of the handling of general enquiries?	3.93 (78.63%)
33. How was the service at the local office in respect of telephone etiquette?	3.94 (78.85%)
34. How was the service at the local office in respect of friendliness and helpfulness of staff?	3.97 (79.36%)
35. How was the service at the local office in respect of knowledge and expertise of staff?	3.96 (79.17%)
36. How was the service at the Malmesbury office in respect of the handling of general enquiries?	3.92 (78.31%)
37. How was the service at the Malmesbury office in respect of telephone etiquette?	3.92 (78.41%)
38. How was the service at the Malmesbury office in respect of friendliness and helpfulness of staff	3.93 (78.65%)
39. How was the service at the Malmesbury office in respect of knowledge and expertise of staff?	3.92 (78.44%)
40. How do you rate the Municipality's communication with rate payers?	3.86 (77.20%)

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

3.1 TOP LEVEL REPORTING

3.1.1 KPI'S AND TARGETS FROM THE IDP FOR 2022/2023

Because Chapter 3 of the Annual Report is divided according to service and not according to IDP goals, the following table is added. It is taken from the Municipality's Integrated Development Plan (IDP) that was approved by Council on 26 May 2022 displays the top level indicators and targets according to the five strategic goals in Chapter 7 of the IDP. It also displays the general key performance indicators as prescribed in the Municipal Planning and Performance Management Regulations, 2001. The last column of the table refers to the sections in this chapter where the indicators are found under the relevant service.

(a) Strategic Goal 1: Improved quality of life for citizens

<i>Strategic Objective</i>	<i>Strategic Initiative</i>	<i>Key Performance Indicator</i>	<i>Target</i>	<i>Actual</i>	<i>Notes</i>	<i>Reference</i>
1.1 Facilitate access to the economy	Support local economic development through skills and enterprise development	Number of SMME training sessions	1 per quarter	6 for the year		3.9.3(a)
	Engagement with formal business on SMME support	Annual engagement held	Yes (annually by June)	Yes		3.9.3(a)
1.6 Coordinate social development internally and externally with partners.	Promote the coordination of social development through partnerships:					3.9.3(a)
	<ul style="list-style-type: none"> Internally: Internal Social Development Committee to identify additional action plans in each department that contributes to social development 	Agreement reached on additional action plans in each department	Yes (annually by June)	Yes		3.9.3(a)
1.8 Increase the effectiveness of the municipal traffic & law enforcement service	Effective traffic and law enforcement execution by using our own Automated Number Plate Recognition (ANPR) Bus	Number of reports on progress submitted to the portfolio committee	10 per annum	12 for the year		3.9.7(a)
1.9 Integrated Crime Prevention / Safety stakeholder collaboration	Effective safety partnerships in terms of the Integrated Safety Strategy through an MOU with all role-players, especially SAPS	Report on progress submitted to the Mayoral Committee	Yes (annually by June)	Yes		3.9.7(a)
1.10 Prevent and manage land invasion. Monitor informal settlements.	Effective operation and monitoring by Traffic and Law Enforcement Division	Number of reports on progress submitted to the Portfolio Committee	10 per annum	12 for the year		3.9.7(a)
1.11 Ensure that infrastructure development, resources and equipment are	An effective operational Protection Service	Lobby budget to expand the current Firefighting and Emergency resources	Yes (annually by November)	Yes		3.9.7(a)
		Lobby budget to expand the	Yes (annually by	Yes		3.9.7(a)

Strategic Objective	Strategic Initiative	Key Performance Indicator	Target	Actual	Notes	Reference
available to deliver an effective Protection Service to all communities in the Swartland		current Law Enforcement resources	November)			
1.12 Extension of service delivery of Protection Services	Extension of learners licence centres for Darling and Riebeeck Valley	Learners licence centres operational in Darling and Riebeeck Valley subject to a budget allocation and approval from the National Department of Transport	Yes Riebeeck Valley: July 2022	No	Reason: No budget allocated, project will be determined after financial process. Intervention: Target to be moved to 2023/2024	3.9.7(a)
1.13 Swartland Safety Initiative	An effective Swartland Community Safety Forum	Reports submitted to the Mayoral Committee	Yes (annually by June)	Yes		3.9.7(a)
	Support the four Community Police Forums	Attend CPF meetings and activities	Yes (quarterly)	Yes		3.9.7(a)

(b) Strategic Goal 2: Inclusive economic growth

Strategic Objective	Strategic Initiative	Key Performance Indicator	Target	Actual	Notes	Reference
2.1 Relevant stakeholders systematically improve local competitive advantages	Gain commitment from key stakeholders to collaborate systematically to strengthen local competitive advantages	Number of key stakeholder groups actively contributing to improved competitive advantage	15 by end of Dec 2022	15		3.9.6 (a)
2.2 Well located, serviced sites and premises available for commercial and industrial investors	Ensure adequate supply of land and services for commercial and industrial premises.	Number of well located, serviced industrial sites available	20 by end of Dec 2022	28		3.9.6 (a)
2.4 Local markets work better to increase opportunity for small businesses	Establish a local business opportunity network incl. a local business directory	Number of opportunities advertised / shared with Swartland businesses	100 by end of Dec 2022	200 (cumulative since July 2021)		3.9.6 (a)
2.5 Easier for farmers to add and grow new/promising business models	New (more enabling) Spatial Development Framework	Number of key constraints to growth removed	3 by end of Dec 2022	5		3.9.6 (a)
2.6 Easier for local citizens to access economic opportunity	Establish an information portal pointing to best information sources including local support services	Number of unique visitors (local, with more than 1 page view)	400 by end of Dec 2022	2 146		3.9.6 (a)

General KPI's linked to Strategic Goal 2

Performance objective	Key Performance Indicator	Targets	Actual	Notes	Reference
Jobs created through municipality's LED initiatives including capital projects	Number of jobs created through Municipality's capital projects (contracts > R200 000)	150 for the year	159 for the year		3.4.2(d)
% of capital budget spent on capital projects identified for a particular financial year in terms of the municipality's IDP	% of capital budget spent	Between 90% and 105%	94.3% for the year		3.9.6(a)

(c) Strategic Goal 3: Quality and sustainable living environment

Strategic Objective	Strategic Initiative	Key Performance Indicator	Target	Actual	Notes	Reference
3.9 Maintain a balance between non-paying and paying households through the increased provision of affordable housing, Finance Linked Individual Subsidy Programme (FLISP) housing, Gap housing and social housing	Obtain land use rights and secure funding for FLISP housing, affordable housing and social housing	Funding application to DHS submitted	By June 2023	100%		3.9.3 (a)

(d) Strategic Goal 4: Caring, competent and responsive institutions, organisations and business

Strategic Objective	Strategic Initiative	Key Performance Indicator	Target	Actual	Notes	Reference
4.6 Identify risks and implement preventative and corrective controls	Assign Disciplinary Committee responsibilities to four newly appointed members	Appointment of new members for the Disciplinary Committee over a period of six months for continuity	By December 2022	Yes		3.9.6(a)
	Risk Management responsibilities assigned to Internal Audit as part of their consulting service to management	Updated Internal Audit Charter which include risk management facilitation role	By June 2023	Yes		3.9.6(a)
	Maintain an effective	Appointment of new	Annually by June	N/a		3.9.6(a)

Strategic Objective	Strategic Initiative	Key Performance Indicator	Target	Actual	Notes	Reference
	independent Performance, and Risk Audit Committee as per legislation (Appoint for three years, but can extend for six years)	members for the PRA Committee over a period of three years for continuity				
4.7 Sound long-term financial planning including making the right investment decisions	Review budget related policies for purposes of insuring relevance and alignment to Budget Circular	Review completed	Annually by March	Yes		3.9.5(a)
4.10 Accomplish effective and efficient HR management	Implement data analysis procedure for future municipal needs to identify corrective and preventative actions and to improve HR management function's effectiveness and efficiency as well as external benchmarking to identify continuous improvement opportunities	Data analysis implemented subject to funding	Yes (by June 2023)	Yes		3.9.2(a)
4.11 Improve integrity of staff administration by streamlining HR processes	Implement Payday Employee Self Services & Time & Attendance Biometric system (pending budget)	Implementation completed	By June 2023	0	Reason: Cannot be implemented due to lack of funding Intervention: Project to be implemented in 2025/26 budget	3.9.2(a)
4.12 Maximising administrative and operational efficiency i.t.o. legislative prescripts	4.12 Automation of System of Delegation linked to organogram	Automated system implemented	By June 2023	0	Reason: The meeting of the target/outcome became increasingly challenging due to system and program compatibility issues beyond the control of ICT and Corporate Services that could not reasonable have been anticipated at the time of SDBIP compilation. Intervention: The MM was kept abreast of the challenges. KPI to be removed	

General KPI's linked to Strategic Goal 4

Performance Objective	Key Performance Indicator	Targets	Actual	Notes	Reference
Indigent households (qualifying households earning equal or less than R4515 per month or as per the CFO's discretionary powers) with access to free basic services	% of indigent households with access to free basic services	100%	100%		3.9.5(a)
People from employment equity target groups employed	% of people from employment equity target groups appointed for the month in terms of the Municipality's approved Employment Equity plan	100%	41.2% (14/34 employees for the year)	Reason: The vacancies of Snr Clerk: Indigent Audit (Financial Services) were filled through an internal appointment made in terms of par 5.2.3(f) of the recruitment and Selection Policy. The vacancies of Snr Clerk: Indigent Audit (Financial Services) and Principal Clerk: Community Services (Development Services) were filled through an internal appointment made in terms of par 5.2.3(f) of the Recruitment and Selection Policy. Intervention: None required	3.9.2(a)
Budget spent on implementing the workplace skills plan	% of the municipality's training budget actually spent on implementing its workplace skills plan (cumulative)	At least 90%	90% for the year		3.9.2(a)
Ensure general financial viability	% Debt coverage <i>((Total operating revenue received - operating grants) ÷ debt service payments due within fin year)</i>	Norm = 45%	10.55%	Better than the norm	3.9.5(a)
	% Outstanding service debtors to revenue <i>(Total outstanding service debtors ÷ annual revenue actually received for services)</i>	Norm = 20%	7.25%	Better than the norm	3.9.5(a)
	Cost coverage <i>((All available cash at a particular time + investments) ÷ monthly fixed operating expenditure)</i>	Norm = 1-3 months	9 months	Better than the norm	3.9.5(a)

(e) Strategic Goal 5: Sufficient, affordable and well-run services

Strategic Objective	Strategic Initiative	Key Performance Indicator	Targets	Actual	Notes	Reference
5.2 Maintenance and upgrading that sustain and improve the current condition of surfaced roads	Investigate and report to council annually on the status quo condition of surfaced roads	Report submitted to the Portfolio Committee	Yes (annually by end of Sep)	Yes		3.9.1(a)
	Inform budgetary processes of funding requirement for maintenance and upgrading of surfaced roads.	Budget requirements calculated and budget informed	Yes (annually by end of Nov)	Yes		3.9.1(a)
5.3 Ensure sufficient civil services capacity for planned developments	Review and maintain master plans in accordance with the most recent growth model information	Master plans reviewed and maintained	Yes (annually by end of March)	Yes		3.9.1(a)
5.4 Maintenance, upgrading and extension that sustain and improve the current condition of civil infrastructure	Inform budgetary processes of funding requirement for maintenance, renewal, upgrading, extension and refurbishment of civil infrastructure	Budget requirements calculated and budget informed	Yes (annually by end of November)	Yes		3.9.1(a)
5.5 Ensure that a budget is submitted to provide sufficient electricity capacity for planned developments (built environment) that are feasible	Review and maintain master plans and facilitate budget approval	Master plans reviewed and maintained	Yes (annually by end of June)	Yes		3.9.4(a)
5.6 Maintenance, upgrading and extension that sustain and improve the current condition of electrical infrastructure	Inform budgetary processes of funding requirement for maintenance, renewal, upgrading, extension and refurbishment of electrical infrastructure	Budget and motivation submitted to budget office (minimum 6% of annual electricity revenue allocation is a Nersa license condition)	Yes (annually by end of November)	Yes		3.9.4(a)
5.7 Provide electricity cost effectively	Provide competitive tariffs for industrial consumers in support of economic growth	Approval of tariffs by Nersa	Annually before end of June	No	Reason: NERSA non-compliant with the MFMA return approval dates which does not allow the municipality to include the late approvals in the final budget Intervention: KPI changed in the new IDP to read: Tariff	3.9.4(a)

<i>Strategic Objective</i>	<i>Strategic Initiative</i>	<i>Key Performance Indicator</i>	<i>Targets</i>	<i>Actual</i>	<i>Notes</i>	<i>Reference</i>
					application/motivation to be submitted in line with the MTREF process plan prior to final budget approval	
	Maintain energy losses at an acceptable level	% total energy losses (technical + non-technical)	Maintain the annual average below 8%	5.28%		3.9.4(a)

General KPI's linked to Strategic Goal 5

<i>Performance Objective</i>	<i>Key Performance Indicator</i>	<i>Targets</i>	<i>Actual</i>	<i>Notes</i>	<i>Reference</i>
Access to water, sanitation and refuse removal	Number of formal residential properties with piped water connections	22 602	21 942 for the year	Note: The target was not achieved due to other consumers codes being included erroneously. Intervention: The report utilized will be reviewed by a senior manager within Finance to ensure accuracy and completeness prior to formulating	3.9.1(a)
	Number of formal residential properties with access to sewerage services	20 409	24 665 for the year		3.9.1(a)
	Number of formal residential properties receiving refuse removal service at least once a week	22 112	22 265 for the year		3.9.1(a)
Access to electricity	Number of formal residential properties that has access to electricity (excluding Eskom areas)	19 127	19 283 for the year		3.9.4(a)

3.1.2 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

In terms of Section 13G of the Broad-Based Black Economic Empowerment Act 53 of 2003 as amended by Act 46 of 2013 ("the B-BBEE Act"), read with regulation 12 of the B-BBEE Regulations, all spheres of government, public entities and organs of state must report on their compliance with broad-based black economic empowerment in their audited annual financial statements and annual reports.

A compliance report required to be included annually in terms of section 13G(1) of the Act from a sphere of government, public entity or an organ of state must reflect the state of compliance in respect of (i) ownership where applicable; (ii) management control; (iii) skills development; (iv) enterprise and supplier development; (v) socio-economic development; and (vi) any other sector specific element. The following tables contain the required information applicable to Swartland Municipality:

(a) Management Control

Categories	Number for each category	Race classification (indicate number in terms of Africans, Coloureds & Indians)	Gender (indicate number in terms of Female & Male)	Age (provide number in chronological order)	Location (indicate number in each Province)	Disability (indicate number in terms of Female & Male)
Municipal Manager and Directors	3	A=0, C=3, I=0	CF=1, CM=2	57, 58, 63	Western Cape	0
Senior Management	11	A=0, C=11, I=0	CF=4, CM=7	59, 50, 47, 44, 44, 39, 39, 35, 33, 52, 54	Western Cape	1

(b) Skills Development

Total Leviabe Amount:							
Categories	Number for each category	Race classification (indicate number in terms of Africans, Coloureds & Indians)	Gender (indicate number in terms of Female & Male)	Age (provide number in chronological order)	Location (indicate number in each Province)	Disability (indicate number in terms of Female & Male)	Total Amount Spent
Black employees	184	A=29 C=155	AF=4, AM=25 CF=45, CM=110	<35=50 35-55=127 >55=7	Western Cape	F=9, M=25	R1 515 058
Black non-employees	9	9	WF=3, WM=6				
Black People on - Internships	11	A=1, C=10	AF=1, AM=0 CF=3, CM=7	<35=11 35-55=0	Western Cape	0	Included in the figure above
Apprenticeship	5	A=1, C=4	CM=4, AM=1	<35=1 35-55=4	Western Cape	0	
Learnership	21	A=0, C=21	AM=0, CM=21	<35=5 35-55=16	Western Cape	3	
Adult Education and Training (AET)	37	A=11, C=26	AF=1, AM=10 CF=1, CM=25	<35=6 35-55=30, >55=1	Western Cape	F=1, M=3	
Unemployed black people on any programme under the learning programme matrix	50	A=10, C=40	AF=4, AM=6 CF=20, CM=20	35=45 35-55=5	Western Cape	0	R13 388
Black people absorbed at end of learnership, internship and apprenticeship	0						

(c) Enterprise and Supplier Development

Total Procurement Spent:				
Supplier	Total Number	Total Value Spend		
TOTAL			% Black Ownership	% Black women ownership
EME				
QSE				
Large Suppliers				

Total Value of 2% NPAT or 0.2% of allocated Budget:						
Supplier	Total Number	Total Value Spend	% Black Ownership	% Black women ownership	Location	Sector
EMEs						
QSEs						

Total Value of 1% NPAT or 0.1% of allocated Budget:						
Supplier	Total Number	Total Value Spend	% Black Ownership	% Black women ownership	Location	Sector
EMEs						
QSEs						

(d) Socio-Economic Development

Total Value of 1% NPAT or 0.1% of allocated Budget:			
Number of participants	Race classification (indicate number in terms of Africans, Coloureds & Indians)	Gender (indicate number in terms of Female & Male)	Geographical indication (indicate nr in each Province)
0			
Total Value Spend: R0			

3.2 BASIC SERVICES

3.2.1 WATER SERVICES

(a) Introduction

Swartland Municipality is the Water Services Authority for its service area. Water is abstracted from two bulk sources, i.e. Voëlvlei Dam and the Misverstand Dam. The West Coast District Municipality provides bulk water as well as water purification and treatment services to Swartland Municipality through the Withoogte and Swartland bulk supply schemes. The West Coast DM was also appointed by Swartland Municipality as a Water Services Provider in terms of the Water Services Act following a section 78 investigation which was concluded in 2018/2019.

All residents in urban areas in the service area of Swartland Municipality have access to water services and free basic water is provided to indigent households.

Ageing infrastructure remains one of the key focus areas for the Municipality and therefore a pipe replacement programme was developed and is in the process of implementation. The amount of R3 357 712 was allocated for the upgrading of reticulation infrastructure while an amount of R26 120 000 was allocated for the upgrading of the bulk water supply system.

It is estimated that Swartland Municipality would require access to an increased allocation from the Western Cape Water Supply System by around 2032. The Municipality has therefore expressed interest to partake in the so-called BRVAS scheme. The scheme will augment yield of Voelvlei dam by about 23 million cubic meters per annum and will be implemented by the Department of Water Affairs. The initial allocation for Swartland Municipality was 0.66 million cubic meters per annum. The Municipality has consequently applied for a revision of the allocation given its limited access to alternative resources. The Department of Water Affairs favourably considered the application and the final allocation from the BRVAS for Swartland Municipality is 1.66 million cubic meters per annum.

(b) Total Use of Water by Sector (cubic meters)

Agriculture	Forestry	Industrial	Domestic	Unaccountable Water Losses	Total
115 894	201 948	1 134 574	3 658 970	817 821	4 550 757

(c) Comment on water use by sector

Swartland Municipality continues to implement its Water Conservation and Water Demand Management strategy through the continued implementation of, amongst others, pressure control in distribution networks, leak detection and repairs. Through these measures it was possible to maintain water losses below 17%.

(d) Households - Water Service Delivery Levels**Above minimum level**

Description	Non-Urban (2011 Census)	Urban (2011 Census)	Total (2011 Census)	Current Year Non- Urban	Current Year Urban	Current Year Total
Piped (tap) water inside dwelling/institution	5 221	18 405	23 626	2 995	29 876	32 871
Piped (tap) water inside yard	1 518	3 438	4 956	325	2 906	3 231
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	335	132	467	0	213	213
TOTAL	7 074	21 975	29 049	3 320	32 995	36 315

Below minimum level

Description	Non-Urban (2011 Census)	Urban (2011 Census)	Total (2011 Census)	Current Year Non- Urban	Current Year Urban	Current Year Total
No access to piped (tap) water	75	72	147	0	0	0
Piped (tap) water more than 200m from dwelling	82	44	126	297	4	301
Unspecified - Not applicable	0	0	0	2 396	127	2 523
TOTAL	157	116	273	2 693	131	2 824

(e) Households - Water Service Delivery Levels below the minimum service level

Service	Criteria	Census 2011				Current Year			
		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Water Services	Available within 200 m from dwelling	244	0.62%	29	0.00%	513	1.31%	0	0.00%

(f) Water Service performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Improved quality of water services	4/19-0058-1	% of new water connections completed within 10 working days	100%	100%	3	100%	100%	3	100%	
Improved quality of water services	4/19-0058-2	Number of burst water mains not repaired within 10 hours after the incident has been reported	1 maximum per month	0	3	1 maximum per month	0	3	1 maximum per month	
Improved quality of water services	4/19-0058-3	Number of interruptions in continuous service to consumers, where interruptions for a single incident was greater than 48 hrs (KPI 17 - DWA)	0 maximum	0	3	0 maximum	0	3	0 maximum	
Improved quality of water	4/19-0059	Number of failures i.r.o. SANS 241	4 maximum per quarter	1 in Qtr 2	3	4 maximum per quarter	0	3	4 maximum per quarter	

(g) Employees: Water Services

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	12	12	12	0	0.00%
04 - 06	10	11	12	1	8.33%
07 - 09	6	5	5	0	0.00%
10 - 12	6	6	6	0	0.00%
13 - 15	2	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	36	35	36	1	

(h) Financial Performance: Water Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R20 928 890	R21 989 559	R22 182 944	R22 657 749	103.04%
2 Contracted Services	R3 510 577	R3 591 225	R4 614 399	R4 428 491	123.31%
3 Other	R54 682 290	R65 510 553	R69 270 133	R58 783 351	89.73%
TOTAL	R79 121 757	R91 091 337	R96 067 476	R85 869 591	

(i) Capital Expenditure: Water Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 22-0018 Water: Electrofusion Welding machine (replacement)	R60 000	R91 895	R88 952	148.25%
22/23 22-0021 Water: Generator Installation: Wesbank Water Tower & Boosters	R1 000 000	R1 585 749	R0	0.00%
22/23 18-0072 Water: Connections: Water Meters (New/Replacements)	R664 089	R664 089	R538 229	81.05%
22/23 11-0062 Equipment Water	R49 000	R49 000	R48 999	100.00%
22/23 21-0034 Water: De Hoop Supply SMW1.1	R4 500 000	R2 984 000	R2 758 148	61.29%
22/23 22-0111 Water: Generator Installation: Rustfontein Water Pumpstation	R0	R1 758 237	R531 508	0.00%
22/23 22-0021 Water: Generator Installation: Wesbank Water Tower & Boosters	R0	R0	R0	0.00%
22/23 21-0013 Water: Swartland System S3.3 & S3.4 Panorama to Wesbank I1/4	R8 650 000	R20 181 500	R19 516 072	225.62%
22/23 22-0109 Water: Generator Installation: Riverlands Water Pumpstation	R0	R1 338 488	R0	0.00%
22/23 12-0013 Water networks: Upgrades and replacement	R3 337 712	R3 357 712	R3 356 995	100.58%
22/23 22-0112 Water: Emergency Power Supply: Water & Sanitation	R0	R285 225	R285 225	0.00%
22/23 22-0110 Water: Generator Installation: Kalbaskraal Water Pumpstation	R0	R1 468 956	R0	0.00%

22/23 17-0082 Water: Upgrading of water reticulation network: PRV's, flow control, zone metering	R100 000	R80 000	-R4 280	-4.28%
22/23 21-0015 Water: Riebeek Kasteel supply S2.4	R1 000 000	R938 000	R938 000	93.80%
22/23 22-0119 Year-end Water Meters: Gains	R0	R0	R14 951	0.00%
22/23 19-0011 Water: Bulk water infrastructure (emergency spending)	R500 000	R450 000	R519 976	104.00%
22/23 19-0012 Water: Wesbank I1/4 to Wesbank Reservoir supply SMW.B6	R7 368 226	R2 006 500	R1 947 687	26.43%
TOTAL	R27 229 027	R37 239 351	R30 540 462	

(j) Comment on water services performance overall

The IDP has five strategic goals and water provision are aligned to strategic goal five: Sufficient, affordable and well-run services.

Various actions have been developed to ensure that the strategic outcomes are achieved. These include the minimisation of distribution losses, the increase on maintenance spending and the implementation of water conservation and demand management measures.

Sustained high levels of load shedding caused a near catastrophic failure of the bulk water supply system. It was possible however to avert tfailure through an intervention with ESCOM and the reduction in water use by consumers. A project to install back up power generation at critical water supply pump stations, waste water treatment works and critical sewer pump stations was initiated and is in process of implemenattion. The project is funded from a Provincial Government allocation to the amount of R10 945 000 and own funding to the amount of R3 700 000.

The Master Plan for bulk water system and the reticulation system was updated. The need to upgrade certain sections of the bulk supply system was identified by the Master Plan and the following sections were upgraded at a cost of R26 120 000:

1. Bulk water supply to the the Riebeek Kasteel Reservoir.
2. Bulk water supply pipes between the Panorama take off and the Wesbank Reservoir.
3. N7 crossing with a new bulk water pipe.

A project to address the problems associated with ageing water pipes such as frequent pipe bursts, high water losses and service interruptions continued. This entails the implementation of a water pipe replacement programme that directs the spending of capital. The eighth construction phase of this multi-year project was implemented. The value of the construction work amounted to R3 357 712 and was funded from the municipalities Capital Replacement Reserve (CRR) and MIG allocation.

3.2.2 SEWERAGE SERVICES

(a) Introduction

Swartland Municipality operates four activated sludge waste water treatment works and three oxidation pond systems. Sewer is conveyed to the treatment works and oxidation pond systems by either a water borne collector system or a vacuum tanker service.

All residents in urban areas in the service area of Swartland Municipality have access to sewerage services above minimum level. It must be noted that recipients of below minimum level sewerage services, do exist. However, these consumers reside outside urban areas on farms.

Ensuring that sufficient treatment capacity is available for present and future demand remains a key focus area for the municipality. The upgrading of the Darling and Moorreesburg waste water treatment were completed following an implementation period of three financial year. The Darling works were equipped with a new sludge handling facility while the Moorreesburg works were completely upgraded and now has a treatment capacity of two megaliters per day.

Wet industries are monitored continuously to ensure that industrial effluent charges can be raised according to the loading of the effluent.

The Municipality participated in the Green Drop audit of the Department of Water Affairs and achieved a score of 89% which is third in the Western Cape.

The Riebeek Valley and Malmesbury works received awards for the best run works in the Western Cape from the Department of Water Affairs while an operator at the Malmesbury works received an award for the best process controller.

(b) Households - Sewerage services delivery levels

Above minimum level

Description	Non-Urban (2011 Census)	Urban (2011 Census)	Total (2011 Census)	Current Year Non- Urban	Current Year Urban	Current Year Total
Flush toilet (connected to sewerage system)	2 581	20 096	22 677	2 360	31 384	33 744
Other - Not applicable	380	243	623	0	0	0
Chemical toilet	54	12	66	29	0	29
Pit toilet with ventilation (VIP)	211	19	230	0	0	0
Flush toilet (with septic tank)	2 794	1 142	3 936	3 237	650	3 887
TOTAL	6 020	21 512	27 532	5 626	32 034	37 660

Below minimum level

Description	Non-Urban (2011 Census)	Urban (2011 Census)	Total (2011 Census)	Current Year Non- Urban	Current Year Urban	Current Year Total
Pit toilet without ventilation	401	52	453	16	26	42
Other - Not applicable	0	0	0	25	74	99
None	507	224	731	173	137	310
Pit toilet with ventilation (VIP)	0	0	0	20	17	37
Bucket toilet	303	303	606	153	838	991
TOTAL	1 211	579	1 790	387	1 092	1 479

(c) Households - Sewerage services delivery levels below the minimum

Service	Criteria	Census 2011				Current Year			
		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Sewerage Services	Households with at least VIP service	2 059	5.26%	354	0.00%	1 416	3.62%	0	0.00%

(d) Sewerage Services performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Improved quality of waste water	4/19-0055	% compliance with DWA general limits for the discharge of treated waste water	80.0% pm	87.9% pm average for the year	3.4	80.0% pm	89.7% pm average for the year	3.4	80.0% pm	

(e) Employees: Sewerage Services

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies as Percentage
00 - 03	7	5	5	0	0.00%
04 - 06	9	12	12	0	0.00%
07 - 09	10	11	11	0	0.00%
10 - 12	3	3	3	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	30	32	32	0	

(f) Financial Performance: Sewerage Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R11 183 864	R11 641 462	R11 982 847	R12 736 349	109.41%
2 Contracted Services	R6 613 068	R6 981 745	R6 632 966	R5 729 402	82.06%
3 Other	R38 236 651	R42 437 279	R41 815 394	R36 702 263	86.49%
TOTAL	R56 033 583	R61 060 486	R60 431 207	R55 168 014	

(g) Capital Expenditure: Sewerage Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 09-0003 Equipment Sewerage: Telemetry	R36 000	R55 359	R55 358	153.77%
22/23 10-0114 Equipment Sewerage	R30 000	R25 556	R25 556	85.19%
22/23 11-0086 Vehicles Sewerage: CK14612 (Nissan UD290)	R0	R0	R0	0.00%
22/23 13-0008 Sewerage Works: Moorreesburg	R16 187 000	R7 835 203	R7 733 233	47.77%
22/23 17-0001 Vehicles Sewerage: CK31209 UD330	R1 995 000	R1 640 906	R1 640 906	82.25%
22/23 18-0004 Sewerage Works: Darling	R806 350	R423 500	R423 500	52.52%
22/23 21-0032 Sewerage: New Vacuum Tanker extend	R1 995 000	R1 640 906	R1 640 906	82.25%

capacity				
22/23 22-0005 Sewerage Malmesbury: Security Fencing - Irrigation Pump Station	R800 000	R550 720	R536 025	67.00%
22/23 22-0059 Sewerage: Schoonspruit: Pipe Replacement	R0	R1 362 000	R1 362 000	0.00%
22/23 22-0106 Sewerage: Generator Installation: Abbotsdale Sewer Pumpstation	R0	R1 207 596	R0	0.00%
22/23 22-0107 Sewerage: Generator Installation: Moorreesburg WWTW	R0	R1 596 611	R1 534 990	0.00%
22/23 22-0108 Sewerage: Generator Installation: Darling WWTW & Pumpstation	R0	R2 204 138	R0	0.00%
22/23 22-0113 Year-end Equipment Insurance (Sewerage) Office Equipment	R0	R0	R1 296	0.00%
22/23 22-0114 Year-end Equipment Insurance (Sewerage) Machinery	R0	R0	R12 282	0.00%
TOTAL	R21 849 350	R18 542 495	R14 966 050	

(h) Comment on sewerage services performance overall

The IDP has five strategic goals and the provision of sewerage services are aligned to strategic goal five: Sufficient, affordable and well-run services.

Various actions have been developed to ensure that the strategic outcomes are achieved. These include the increase on maintenance spending and the implementation of an asset management plan.

3.2.3 ELECTRICITY DISTRIBUTION

(a) Introduction

All formal and informal households within the licensed area of electricity supply of Swartland Municipality occupying a proclaimed plot has access to electricity and no service backlogs exist in this respect.

Top three service delivery priorities

(1) Upgrading of obsolete electrical networks

The annual projects for the renewal, upgrading and refurbishment of obsolete electrical networks and associated infrastructure remained in place and for the 2022/23 financial year R8.53m was allocated in the capital budget. Major improvement of the electricity networks enhancing safety and reliability was effected including the upgrading of obsolete

and operationally hazardous minisubstations and switchgear. Upgrading of obsolete low voltage networks in Malmesbury, Moorreesburg and Darling and Ongegund was undertaken. At this stage significant progress has been made with the departmental replacement of overhead low voltage networks in Moorreesburg and Darling in as much more than 90% is completed.

(2) Completion of capital projects

For the 2022/23 financial year at least 98% expenditure of the capital budget was achieved. The phased construction of the De Hoop 132/11kV 20MVA substation has proceeded and phase 2, which entailed the finalisation of the platform and earthmat, Retaining Walls, Fence, paving and commissioning of the MV switchgear was completed. Only a portion of the security fence could not be completed by the end of June 2023 and was subsequently done in July. This substation will ultimately provide electricity capacity for the south western areas of Malmesbury to allow for the planned development of low cost residential settlements and major commercial developments to proceed.

(3) Compliance with service delivery performance indicators and targets

All performance targets regarding service delivery with respect to availability and reliability of electricity supply were complied with and in certain instances the required targets were exceeded. Whilst in terms of the NERSA license conditions Quality of Service (QoS) specification, 30% of all power failure complaints must be attended to within 1.5 hours, the municipality sets the target at 80% and for 2022/23 the actual achievement was 90.4%.

Improvement of performance and efficiencies

As a result of the allocation of experienced, technically skilled personnel and resources towards revenue protection incorporating data analysis skills, engineering and technical expertise, law enforcement certification as well as negotiation and mediation capabilities, the total of technical and non-technical electrical energy losses was maintained at nominal levels below 6% for 2022/23.

The municipality took over the maintenance and installation of additional streetlights in the Eskom areas of supply (Chatsworth, Riverlands, Kalbaskraal, Abbotsdale, Koringberg, Riebeek Wes and Riebeek Kasteel) from Eskom. This has proved to be a challenging job due to the condition of the network and existing infrastructure that Eskom "handed over" to the municipality. Based on available resources and budget it will take quite a long time to normalise the network to acceptable levels. The team are however very committed to attend to requests within the means available.

The municipality awarded a tender for the construction of a 1 MVA Solar plant at Darling. Once construction is completed the municipality will buy excess energy generated from the developer at a rate that is lower than the Eskom purchase price. This will over time assist in reducing the purchase cost of bulk electricity and have a positive impact on future tariff increases.

During the financial year under review the Municipal Council Approved Export Tariffs for Small Scale Embedded Generators (Typically Solar Roof Top installation) for residential as well as Commercial and Industrial customers to be implemented in the 2023/24 financial year. This paves the way for non residential customer that have solar PV installation to export excess energy generated to the municipal grid and get compensated for it via a credit on their municipal energy purchases. This follows on the back of the approval of an SSEG Policy and the amendment of the Electricity Supply by-law to make provision for SSEG and Wheeling of Energy through the municipal network by customers and generators connected at 11kV to the municipal network.

Through negotiations with Eskom the Sasko Mill (Pepsico) in Malesbury now participates in the Eskom Load curtailment program. The advantage of this program is that the Mill is not subject to load shedding on a daily basis like other customers, but in turn they have to reduce their load by between 10% and 20% for extended hours when requested by Eskom. Fortunately the Malmesbury Waste Water Treatment works is on the same network resulting in reduced risk of sewage spillage due to load shedding.

The municipality also managed to negotiate with Eskom, and approval was given, for the exclusion from load shedding of the Voëlvlei dam water treatment plant. This is a mayor achievement as it will prevent the municipality from running out of potable water for as long as there is enough water in the Voëlvlei dam.

Major successes achieved and challenges

The decrease in annual total technical and non-technical energy losses since inception of the departmental revenue protection initiatives in 2010 from 9.7% to 5.28% in 2022/23 represents a major improvement in efficiency.

At least 98% expenditure of the capital budget was achieved despite the severe rain that we experienced during the latter part of the year.

In 2022/23 an average of 90.4% of unplanned electricity disruptions were attended to, the supply was reinstated within 1.5 hours. The NERSA electricity distribution license requirement in this regard is that 30% of reported electricity disruptions shall be attended to within 1.5 hours.

The following capital projects were successfully implemented and commissioned:

Transfer of electricity capacity from the Klipfontein substation in Malmesbury to Westbank pending the development of the De Hoop 132/11kV substation.

Electrification of new housing units in the De Hoop development in Malmesbury was completed and all 395 houses now have access to electricity .

The electrification of houses in the informal area of Illinge Lethu Block A & B was started in the latter part of the financial year and a total of 315 structures were electrified. There are still a few structures that needs to be completed and this will be done during the next financial year.

The electrification of 36 stands for the Darling Gap housing project was successfully completed.

Phase 3 of the upgrading of the municipal radio network was started but could not be completed due to the delay in the importation of some radios by the service provider.

The municipality developed, processes, guidelines, application forms, policy documents and tariffs for the implementation of Small Scale Embedded Generators (SSEG) to all customer categories which will enable customer to export excess energy generated to the municipal grid.

Service provision by municipal entities

None additional

(b) Households - Electricity Distribution Delivery Levels (2016 Census)

Description	Non-Urban (2011 Census)	Urban (2011 Census)	Total (2011 Census)	Current Year Non-Urban	Current Year Urban	Current Year Total
Electricity	6 950	21 723	28 673	5 551	32 698	38 249
Other	280	368	648	462	429	891

(c) Households - Electricity Distribution Delivery Levels below the minimum

Service	Criteria	Census 2011				Current Year			
		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Electricity Distribution	Service connections	519	1.33%	130	0.00%	890	2.27%	0	0.00%

(d) Electricity Distribution performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Continuously do master planning (MJ)	4/09-0167	Master plans reviewed	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Properly set and operate electrical protection systems (MJ)	4/09-0168	% of MV trip incidents investigated with report	100%	100%	3	100%	100%	3	100%	
Meet reporting requirements (MJ)	4/09-0174	NERSA Quality of Supply Report submitted	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	
Properly maintain the electricity network	4/09-0180	% of maintenance budget spent	95% for the year	99.8% for the year	3.2	95% for the year	130.40%	4.1	95% for the year	
Ensure that disruptions are in line with standards	4/09-0190	% average compliance of planned disruptions (monthly) (<8 hrs per incident)	100%	100%	3	100%	100%	3	100%	
Properly manage departmental construction projects	4/09-0191	% of total actual completion and quality control of departmental construction projects according to schedule	90%	96.4%	3.2	90%	95.8%	3.2	90%	

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Appropriately monitor and maintain network infrastructure	4/09-0193	% of main substations inspected	100% for the year	100% for the year	3	100% for the year	100% for the year	3	100% for the year	
Ensure sound safety practices in the provision of electrical service	4/09-0196	Number of reportable safety incidents in terms of legislation	2 maximum for the year	0 for the year	3	2 maximum for the year	1 for the year	3	2 maximum for the year	
Ensure proper monitoring of the Client Service Charter	4/10-0008	% of unforeseen power outages (electrical faults, malfunctioning equipment, etc.) repaired within 1,5 hours	80%	88% average pm for the year	3.3	80%	90.4% average pm for the year	3.4	80%	
Update risk assessment (Tom)	4/17-0132	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Update risk assessment (MJ)	4/17-0151	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Assessment of infrastructure (MJ)	4/17-0152	Electrical infrastructure needs for budgeting purposes prepared	Yes (annually by Oct)	Yes	3	Yes (annually by Oct)	Yes	3	Yes (annually by Oct)	
Comply with distribution license (MJ)	4/17-0154	Number of months that compliance of bulk and net metering was evaluated and procedures to ensure compliance were set up	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Productive workforce (MJ)	4/17-0184	% of person days lost per month due to sick leave	4% pm maximum	0% average pm for the year	4	4% pm maximum	0 pm maximum	4	4% pm maximum	
Productive workforce (Tom)	4/17-0191	% of person days lost per month due to sick leave	4% pm maximum	3.9% pm average	3	4% pm maximum	2.4% pm maximum	3.4	4% pm maximum	

				for the year			m			
Inform staff (Tom)	4/19-0044	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	11 for the year	3	4 for the year	
Inform staff (MJ)	4/19-0048	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(e) Employees: Electricity Distribution

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	19	19	19	0	0.00%
07 - 09	6	5	6	1	16.67%
10 - 12	10	9	10	1	10.00%
13 - 15	4	4	4	0	0.00%
16 - 18	2	2	2	0	0.00%
19 - 20	1	0	0	0	0.00%
TOTAL	42	39	41	2	

(f) Financial Performance: Electricity Distribution

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R20 075 254	R21 773 890	R22 006 775	R21 937 390	100.75%
2 Contracted Services	R2 252 006	R2 876 568	R3 321 947	R3 235 809	112.49%
3 Other	R305 749 024	R348 788 979	R329 067 908	R301 793 539	86.53%
TOTAL	328 076 284	R373 439 437	R354 396 630	R326 966 738	

(g) Capital Expenditure: Electricity Distribution

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 17-0044 Electricity: De Hoop project - 395 plot housing development	R18 600 000	R18 500 000	R18 109 655	97.36%
22/23 19-0023 Electricity: Malmesbury Security Operational Centre	R700 000	R780 000	R264 042	37.72%
22/23 19-0030 Electricity: LV Upgrading Swartland	R750 000	R750 000	R693 672	92.49%
22/23 19-0031 Electricity: Substation fencing	R200 000	R200 000	R151 173	75.59%
22/23 19-0044 Electricity: Connections: Electricity Meters (New/Replacements)	R800 000	R1 065 000	R962 731	120.34%
22/23 20-0020 Electricity: MV upgrading Swartland	R1 000 000	R850 000	R555 297	55.53%
22/23 20-0021 Electricity: Replace obsolete air conditioners	R100 000	R200 000	R207 875	207.88%
22/23 21-0033 Electricity: 132/11kV Eskom Schoonspruit substation, 132kV transmission line and servi	R10 000 000	R10 000 000	R9 178 412	91.78%
22/23 22-0029 Electricity: Replace oil insulated switchgear and equipment	R4 500 000	R4 850 000	R4 838 903	107.53%
22/23 22-0030 Electricity: Streetlight, kiosk and polebox replacement: Swartland	R500 000	R800 000	R348 701	69.74%
22/23 22-0031 Electricity: Protection and Scada Upgrading: Swartland	R300 000	R300 000	R289 750	96.58%
22/23 22-0033 Electricity: Wesbank Sports Fields: Repair of vandalised flood lighting	R200 000	R120 000	R	0.00%
22/23 22-0034 Electricity: Darling GAP 36 serviced erven development. Electrical bulk supply, infras	R2 000 000	R2 000 000	R1 733 967	86.70%
22/23 22-0036 Electricity: Mby Illinge Lethu. Formalisation of 220 erven for Blocks A & B Inf. Areas	R3 000 000	R5 500 000	R3 588 469	119.62%
22/23 22-0065 Electricity: Emergency Power Supply	R	R513 386	R478 627	0.00%
TOTAL	R42 650 000	R46 428 386	R41 401 275	

(h) Comment on electricity distribution performance overall**PRIORITY OF 4 LARGEST CAPITAL PROJECTS****New 132/11kV De Hoop substation**

The largest capital project with the highest priority is the establishment of the 132/11kV De Hoop substation to allow planned developments south west of Malmesbury to proceed. The project is undertaken by means of multiple phases and is incorporated into the municipal multiyear budget as from 2021/22. Electricity capacity cannot be made available for any

additional new developments in Malmesbury west of the N7 after completion of the 395 erf De Hoop Saamstaan housing project that was completed in 2022/23. Phase 1 of the De Hoop substation project was undertaken in 2021/22 and Phase 2 was done in 2022/23. Phase 3 of the project will commence in 2023/24.

Upgrading of electrical infrastructure

One of the largest in-house capital projects is the on-going annual replacement, upgrading and refurbishment of obsolete electrical network components and infrastructure. Sections of the electrical networks have exceeded their design lifespan of 40-50 years and in terms of NERSA license conditions all municipalities are required to allocate at least 6% of electricity revenue towards this end. The priority is to first replace network components such as obsolete switchgear where operator safety is at risk and subsequently medium voltage and low voltage networks.

The following large projects in this regard were completed in 2022/23:

- (1) 11kV switchgear of the De Hoop 132/11kV substation.
- (2) Finalisation of cable networks to increase capacity to the Phola Park and De Hoop developments.
- (3) Replacement of obsolete miniature substations and switchgear.
- (4) Upgrading of LV network in Ongegund to provide additional capacity and to prevent low voltages.
- (5) Upgrading of the ICT Infrastructure to provide a back-up solution and a new Servers to the municipality which is essential for service delivery across all departments in the municipality.
- (6) To ensure continued service delivery by other departments provision was made for back-up generator at the Malmesbury Traffic Department and the Services Centres in Darling and Yzerfontein.

VARIANCES BETWEEN BUDGET AND ACTUAL

The variances between capital budget and actual expenditure achieved is 2.0%. The year 5 targets as set out in the IDP can be attained provided that the projected budget provisions are maintained.

PERFORMANCE RELATED TO ESKOM AGREEMENTS

As reported in the previous financial year the municipality approached Eskom for a Budget quote for the provision of a 132 kV infeed point to the new 132/11kV substation in the De Hoop Area. A Cost Estimate Letter was received which the municipality accepted and paid the necessary fees to Eskom to proceed with the Budget Quote which is still awaited.

The municipality also applied to Eskom for an increase in Notified Maximum Demand at Yzerfontein and at Darling as well as at Klipfontein in Malmesbury. Once the additional Capacity is made available it will allow growth and expansion in the towns of Yzerfontein where there is a lot of potential for additional housing and commercial developments. The

increase in capacity at Darling will allow for additional municipal housing projects and commercial developments while the increased capacity at Klipfontein in Malmesbury will cater for the growth in the northern parts of Malmesbury where the new shopping centre and hospital is being built. The municipality has also had a number of engagements with developers regarding new housing developments in the Klipfontein area that will take up the available capacity.

Some of the "growth" that the municipality has seen on the maximum demand as recorded by Eskom can be ascribed to the impact that Load shedding has on the network. When the power is switched back after load shedding there is a high demand for electricity, especially around the peak times (18h00 and 20h30) in the evening. This causes the load to spike with a resultant impact on the purchase price for bulk electricity.

Apart from the impact that load shedding has on the maximum demand the energy sales as recorded by the municipality has seen a drop of around 15% as measured against the budget. This in turn has a negative impact on the revenue from electricity sales.

The poor condition of the streetlight circuits that Eskom "handed" to the municipality makes it difficult to provide a much needed service in the Eskom areas of supply.

3.2.4 REFUSE REMOVAL

(a) Introduction

A weekly household refuse removal service is available for all urban households in the Swartland and a limited service is provided outside urban areas. Households outside urban areas have access to various landfill sites in the Swartland as well as several waste transfer stations and skip bins.

Illegal dumping remains a concern for Swartland Municipality. The clearing of illegal dumping consumes valuable resources. It's been noted that the volume of illegal dumping waste removed is substantial and originates from both business and household sources. An illegal dumping campaign was rolled out in 2022/2023 and remains active.

The recycling at the Highlands Landfill remains successful and a saving of 25% air space was achieved. The site is well managed and continues with its compliance track record of more than 99%.

(b) Households - Refuse Removal Delivery Levels (2016 Census)

Above minimum level

Description	Non-Urban (2011 Census)	Urban (2011 Census)	Total (2011 Census)	Current Year Non- Urban	Current Year Urban	Current Year Total
Removed by local authority/private company at least once a week	750	21 578	22 328	406	32 268	32 674

Below minimum level

Description	Non-Urban (2011 Census)	Urban (2011 Census)	Total (2011 Census)	Current Year Non- Urban	Current Year Urban	Current Year Total
Communal container/central collection point	0	0	0	0	303	303
No rubbish disposal	248	60	308	0	20	20
Other	250	30	280	171	34	205
Own refuse dump	4 656	210	4 866	4 712	151	4 863
Removed by local authority/private company less often	258	63	321	266	213	479
Communal refuse dump	1 068	151	1 219	458	136	594
TOTAL	6 480	514	6 994	5 607	857	6 464

(c) Households - Refuse Removal Delivery Levels below the minimum

Service	Criteria	Census 2011				Current Year			
		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level		Formal Settlements: Households < minimum level		Informal Settlements: Households < minimum level	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Refuse Removal	Kerbside collection once a week	6 796	17.36%	198	0.00%	6 465	16.52%	0	0.00%

(d) Refuse Removal performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Manage waste sites in an environmentally sensitive manner	4/19-0062-1	All sites monitored by external auditors (Highlands excluded - see 19-0063)	Yes (annually by Oct)	Yes	3	Yes (annually by Oct)	Yes	3	Yes (annually by Oct)	
Manage waste sites in an	4/19-0062-2	Proposed actions for	Yes	Yes	3	Yes	Yes	3	Yes	

environmentally sensitive manner		implementation and budgeting reported to Budget Office	(annually by Nov)			(annually by Nov)			(annually by Nov)	
Continuously monitor the Highlands site	4/19-0063	Number of monitoring done by external auditors (Highlands)	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Minimised solid waste	4/19-0064-1	% of collected municipal solid waste diverted and recycled (weight)	5.0% of weight (measured quarterly)	5.7% pm average for the year	3.4	5% of weight (measured quarterly)	8% pm average for the year	4.4	5.0% of weight (measured quarterly)	
Minimised solid waste	4/19-0064-2	% of collected municipal solid waste diverted and recycled (volume)	20% of volume (measured quarterly)	24.2% pm average for the year	3.6	20% of volume (measured quarterly)	25.4% pm average for the year	3.8	20% of volume (measured quarterly)	
Report to Province	4/19-0065	Reporting submitted to Provincial Government in accordance with waste management license and regulatory requirements	2 per quarter	11 for the year	3	8 for the year	11 for the year	4.1	8 for the year	
Productive workforce	4/19-0066	% of person days lost per month due to sick leave	4% pm maximum	2.3% pm average for the year	3.4	4% pm maximum	2.4% pm average for the year	3.4	4% pm maximum	

(e) Employees: Refuse Removal

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	50	50	50	0	0.00%
04 - 06	10	9	10	1	10.00%
07 - 09	14	14	14	0	0.00%
10 - 12	2	2	2	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	2	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	79	77	78	1	

(f) Financial Performance: Refuse Removal

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R20 569 374	R22 554 705	R23 409 897	R21 899 629	97.10%
2 Contracted Services	R17 768 851	R16 079 342	R19 785 852	R19 329 785	120.22%
3 Other	R17 174 783	R13 646 789	R19 964 388	R18 897 407	138.48%
TOTAL	R55 513 008	R52 280 836	R63 160 137	R60 126 821	

(g) Capital Expenditure: Refuse Removal

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 11-0059 Equipment Refuse Removal	R24 000	R24 437	R24 437	101.82%
22/23 19-0016 Equipment Refuse bins, traps, skips (Swartland)	R150 000	R155 496	R155 495	103.66%
22/23 20-0009 Vehicles Refuse: CK27606 Nissan UD40	R628 869	R569 546	R569 546	90.57%
22/23 21-0035 Refuse: Boreholes for Landfill sites	R740 000	R740 000	R657 538	88.86%
22/23 22-0024 Vehicles Refuse: CK43815 Nissan UD330	R3 242 887	R2 772 318	R2 772 318	85.49%
22/23 22-0116 Year-end Transport Asset: Donated	R0	R0	R2 250 000	0.00%
TOTAL	R4 785 756	R4 261 797	R6 429 334	

(h) Comment on refuse removal performance overall

Illegal dumping remains a problem throughout the Municipal area and in some areas there is a notable increase. The present mode of dealing with the problem focus only on reactive clearing. This is not sustainable as it requires an increase in resources with urban expansion.

An Organic Waste Diversion Plan was compiled in order to maximise air space savings at the landfill sites, and will subsequently be implemented as feasible. To this end, a chipper was purchased and put to service. Garden refuse is now chipped and diverted from the landfill

All refuse landfill sites of Swartland Municipality are licensed and externally audited annually, except for the Highlands Landfill site that is audited quarterly.

Detail planning and design for the construction of a new cell at the Highlands landfill has commenced and it is envisaged to call for tenders in the 2023/2024 financial year. It is estimated that the new cell will be required in the 2026/2027 financial year. An application to increase the height of the current cell at the Highlands landfill was prepared and was submitted to the Department.

3.2.5 HOUSING

(a) Introduction

Swartland Municipality's strategy is to promote, facilitate and develop integrated and sustainable human settlements. The Human Settlement Housing Pipeline of the Municipality is of great importance as it allows the Municipality to clearly and concretely present their municipal housing strategy in terms of specific housing projects with accompanying budgets for the short, medium and long term.

The successful completion of some projects is however subject to funding, suitable land and some bulk infrastructure upgrades.

(b) Percentage of households with access to basic housing (2016 Census)

Census Year	Households In Formal Settlements	Households In Informal Settlements	Total Number Of Households
2017	39 139	0	39 139

(c) Housing performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Effectively administer Council resources	4/09-0122	% of flats allocated within one month after being vacated	100%	100%	3	100%	100%	3	100%	
Provide an effective and client orientated housing service	4/09-0123-1	% of available housing funds spent	100%	91.8%	2.7	100%	68.7%	2.1	100%	
Provide an effective and client orientated housing service	4/09-0123-2	% of contractors paid within 30 days from receiving a certified invoice	100%	100%	3	100%	100%	3	100%	
Ensure that housing access is provided in line with planning	4/09-0124-1	Number of top structures in De Hoop completed	200 for the year	200 for the year	3	200 for the year	310 for the year	4.6	200 for the year	
Maintain functional structures to address housing issues	4/09-0127	Number of housing committee and technical meetings held	15 for the year	23 for the year	4	15 for the year	24 for the year	4.8	15 for the year	

Ensure that all new home owners are informed and aware of responsibilities and rights	4/09-0129	Number of training sessions held	10 for the year	31 for the year	4	10 for the year	31 for the year	5	10 for the year	
Annual review of housing pipeline	4/09-0130	Housing pipeline reviewed and submitted to Council	Yes (annually by May)	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Ensure up to date policies	4/17-0001-1	Human Settlement Plan reviewed	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	
Ensure up to date policies	4/17-0001-2	Housing allocation policy reviewed	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	
Update risk assessment	4/17-0003	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Respond to complaints in respect of rental stock	4/17-0004	% of complaints responded to within 7 days	100%	100%	3	100%	100%	3	100%	
Housing Programmes in the Swartland area	4/17-0005-1	Number of engagements with DHS with regards to implementation and evaluation of housing development projects	8 for the year	8 for the year	3	8 for the year	10 for the year	3.8	8 for the year	
Housing Programmes in the Swartland area	4/17-0005-2	Number of transfers of ownership (title deeds) completed	20 (Riebeek Kasteel)	17 for the year	3	395 (De Hoop)	385 for the year	2.9		Reason: The other outstanding cases were people who have passed before housing was allocated. Intervention: Master of high court need to decide who receives

										ownership
Productive workforce	4/17-0173	% of person days lost per month due to sick leave	4% pm maximum	5.5% average for the year	2.7	4% pm maximum	3% average for the year	3.2	4% pm maximum	
Inform staff	4/19-0031	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	5 for the year	3	4 for the year	

(d) Employees: Housing Services

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	1	1	1	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	1	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	3	3	3	0	

(e) Financial Performance: Housing Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R2 386 954	R2 814 594	R2 829 838	R2 407 962	85.55%
2 Contracted Services	R35 733 739	R33 741 000	R33 725 000	R22 485 475	66.64%
3 Other	R1 301 587	R1 902 833	R1 888 724	R1 280 326	67.29%
TOTAL	R39 422 280	R38 458 427	R38 443 562	R26 173 763	

(f) Capital Expenditure: Housing Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 21-0022 Dev Service: Malmesbury De Hoop Serviced Sites (Street & Stormwater)	R9 637 560	R0	R0	0.00%
22/23 22-0064 Dev Services: Moorreesburg Serviced Sites (652) Prof Fees	R0	R900 000	R900 000	0.00%
22/23 21-0020 Dev Service: Malmesbury De Hoop Serviced Sites (Sewerage)	R1 402 400	R0	R0	0.00%
22/23 21-0023 Dev Service: Chatsworth Serviced Sites (Prof fees)	R300 000	R0	R0	0.00%
22/23 22-0060 Dev Services: Darling Serviced Sites (Sewerage)	R0	R613 167	R613 166	0.00%
22/23 21-0019 Dev Service: Malmesbury De Hoop Serviced Sites (Prof Fees)	R841 440	R0	R0	0.00%
22/23 21-0021 Dev Service: Malmesbury De Hoop Serviced Sites (Water)	R2 103 600	R0	R0	0.00%
22/23 22-0054 Dev Services: Phola Park (A,B & C) Basic Services	R800 000	R795 000	R778 415	97.30%
22/23 22-0062 Dev Services: Darling Serviced Sites (Streets & Stormwater)	R0	R1 445 967	R1 445 966	0.00%
22/23 22-0063 Dev Services: Darling Service Sites (187) Prof Fees Phase 1	R0	R245 000	R0	0.00%
22/23 22-0061 Dev Services: Darling Serviced Sites (Water)	R0	R457 945	R457 944	0.00%
22/23 18-0018 Dev Service: Malmesbury De Hoop (Prof Fees)	R2 335 000	R0	R0	0.00%
22/23 21-0042 Dev Service: Malmesbury De Hoop - 395 (Watermeters)	R39 000	R0	R0	0.00%
22/23 22-0051 Dev Services: Darling GAP	R1 000 000	R282 921	R66 149	6.61%
22/23 22-0053 Dev Services: Kalbaskraal: Purchasing of Transnet Land	R2 400 000	R0	R0	0.00%
TOTAL	R20 859 000	R4 740 000	R4 261 641	

(g) Comment on Housing performance overall

Ward 11 : Please be advised that the De Hoop Housing Project (395 Top Structures) was completed end of April 2023. All the houses have been handed over to the approved beneficiaries in the project. Also note that 385 title deeds have been registered and is in the process of being handed over to respective owners of the houses. The project also make provision for 29 disable persons (10 wheelchair & 19 partially/total movement loss).

3.2.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

(a) Introduction

The criteria for assistance to indigent households, in terms of the 2020 Indigent Policy of Swartland Municipality (For the 2022-2023 Financial year), entail the following:

- where the property occupied by such owner is valued at R105 000 or less, or as determined by council annually, provided that the R15 000 exemption as contemplated in section 17(1)(h) of the Act shall be excluded from the R105 000 and the combined income of all the persons residing on the property does not exceed R4 515;
- where the property that is occupied by the owner is valued at more than R105 000, but the combined income of the occupants does not exceed R4515; or
- where the occupier is not the owner of the property and the combined income of the occupants does not exceed R4 515; and where it is found that a state official is resident on a property the indigent subsidy will not be granted or cancelled as the case may be.

None of the persons residing on a property, mentioned above, may own any other immovable property.

Subject to sustainability and affordability, financial assistance to an indigent household shall be appropriated as follows -

- 50 kWh electricity per month, which shall include the basic charge of electricity for the month where a conventional meter is still applicable;
- sanitation fees or the fees payable in respect of the pumping of a suction tank to an amount equal to the tariff determined;
- fees for waste removal;
- 6 kl water per month; which shall include the water network charge for the month; and
- rates payable to a maximum amount calculated at the tariff multiplied by R105 000 or less, provided that the R15 000 exemption as contemplated in section 17(1)(h) of the Act shall be excluded.

Sewerage blockages for indigent households will be subject to a reduced sewerage service fee as determined by the director of finance and subject to the municipality's rates and tariff policies.

(b) Free Basic Services To Low Income Households (current year)

Total Number Of Households	Number Of PoorHouseholds	
39 139	9 205	
Service Name	Households	Percentage
Electricity Distribution	8 422	91.49%
Rates Services	8 207	89.16%
Refuse Removal	9 205	100.00%
Sewerage Services	8 856	96.21%
Water Services	9 189	99.83%

(c) Financial Performance: Cost to Municipality of Free Basic Services Delivered (current year)

Service	Original Budget	Adjustment Budget	Actual
Electricity Distribution	R6 381 133	R6 381 133	R5 950 665
Rates Services	R3 084 044	R3 084 044	R3 097 515
Refuse Removal	R16 702 934	R16 702 934	R16 802 701
Sewerage Services	R28 622 500	R28 622 500	R28 424 509
Water Services	R14 804 997	R14 804 997	R13 889 659

(d) Comment on free basic services and indigent support

The following services are subsidised to indigent households:

- 50 kWh electricity per month, which shall include the basic charge for electricity for the month where a conventional meter is still applicable;
- sanitation fees or the fees payable in respect of the pumping of a suction tank to an amount equal to the tariff determined;
- fees for waste removal;
- 6 kl water per month; which shall include the water network charge for the month;
- rates payable to a maximum amount calculated at the tariff multiplied by R105 000, or less, provided that the R15 000.00 exemption as contemplated in section 17(1)(h) of the Act shall be excluded;
- Sewerage blockages for indigent households will be subject to a reduced sewerage service fee as determined by the director of finance and subject to the municipality's rates and tariff policies.

All the new low-cost housing schemes have immediate access to free basic services. Swartland Municipality also assist indigent households situated in areas where Eskom is the service provider for electricity with free basic electricity in terms of a service agreement entered into between Swartland Municipality and Eskom.

Free Basic Services to indigent households have decreased from 9223 on 30 June 2022 to 9205 on 30 June 2023.

3.3 ROAD TRANSPORT

3.3.1 PROCLAIMED ROADS, STREETS AND STORM WATER

(a) Introduction

ROADS

The urban road network in Swartland Municipality comprises 68km of gravel roads and 333km of permanently surfaced roads.

Securing sufficient funding for the maintenance of roads remain a challenge and therefore the municipality has taken a strategic decision to increase the spending on infrastructure maintenance. To this end, R21 500 788 was spent on the resurfacing of roads.

The roads Master Plan for Malmesbury has been updated and new bulk services charges has been calculated.

STORM WATER

The storm water drainage network in urban areas in the Swartland municipal area comprises a piped system and open drainage channels with a length of approximately 221 km. The drainage system is in a fair condition with some instances of poor conditions. There are still some areas where there are no formal drainage networks and this causes flooding during winter. The upgrading of roads however contributes to the addressing of this backlog as storm water drainage is installed together with the construction of roads.

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

(b) Kilometres Gravel Road Infrastructure

Total Gravel Roads	New Gravel Roads Constructed	Gravel Roads Upgraded To Tar	Gravel Roads Graded / Maintained
68	0	1	68

(c) Kilometres Tarred Road Infrastructure

Total Tarred Roads	New Tar Roads	Existing Tar Roads Retarred	Existing Tar Roads Resheeted	Tar Roads Maintained
333	1	0	19	333

(d) Kilometres Storm water Infrastructure

Total Stormwater Measures	New Stormwater Measures	Stormwater Measures Upgraded	Stormwater Measures Maintained
211	1	0	211

(e) Cost of Construction/Maintenance - Roads

Gravel New	Gravel - Tar	Gravel Maintained	Tar New	Tar Re-Worked	Tar Maintained
0	0	R8 053 111	R7 847 138	R30 615 000	R38 923 371

(f) Cost of Construction/Maintenance – Storm water

New Stormwater Measures	Upgraded Stormwater Measures	Maintained Stormwater Measures
1	0	R20 132 778

(g) Streets and Storm Water performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Implementation of planned road maintenance activities	4/19-0056	% of the operating budget allocated for maintenance spent	90% for the year	97.2% for the year	3.2	90% for the year	97% for the year	3.2	90% for the year	
Ensure client orientated service provision	4/19-0057-1	% of new street accesses completed within 10 working days	100%	100%	3	100%	100%	3	100%	

Ensure client orientated service provision	4/19-0057-2	% of flood incidents reacted on within 3 hours after the incident has been reported	100%	100%	3	100%	100%	3	100%	
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(h) Employees: Streets and Storm Water

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	24	27	27	0	0.00%
04 - 06	21	17	21	4	19.05%
07 - 09	18	18	20	2	10.00%
10 - 12	4	4	4	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	68	67	73	6	

(i) Financial Performance: Streets and Storm Water

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R18 894 006	R21 159 528	R21 101 650	R19 510 827	92.21%
2 Contracted Services	R6 469 920	R5 958 156	R6 624 940	R6 399 892	107.41%
3 Other	R43 296 738	R45 093 978	R48 429 314	R41 198 542	91.36%
TOTAL	R68 660 664	R72 211 662	R76 155 904	R67 109 261	

(j) Capital Expenditure: Streets and Storm Water

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 16-0015 Roads Swartland: New Roads	R9 310 000	R9 010 000	R9 009 156	96.77%
22/23 09-0004 Roads: Resealing of roads - Swartland	R20 250 000	R21 500 788	R21 499 688	106.17%
22/23 21-0040 Roads: Construction: Side walks and Recreational nodes (Ilange Lethu & Wesbank)	R12 173 913	R10 843 025	R10 837 412	89.02%

22/23 22-0011 Vehicles Roads: CK29892 Case Backhoe Loader	R2 047 500	R1 877 566	R1 877 566	91.70%
22/23 11-0060 Equipment Streets and Storm Water	R62 000	R66 690	R65 093	104.99%
22/23 21-0005 Roads: Upgrading of N7/Voortrekker Northern Interchange	R8 000 000	R8 000 000	R8 000 000	100.00%
22/23 09-0009 Storm water network (Swartland)	R250 000	R250 000	R224 948	89.98%
22/23 17-0080 Roads: Ward Committee projects	R1 100 000	R1 307 084	R1 305 779	118.71%
TOTAL	R53 193 413	R52 855 153	R52 819 642	

(k) Comment on the performance of proclaimed roads and streets overall

The amount of R 21 500 788 was spent on the resealing and the rehabilitation of roads.

The amount of R 8 997 371 was spent on the construction of new roads with a length of 1.25km.

A new traffic circle with access roads at the northern N7 interchange in Malmesbury is planned for implementation in the 2022/2023 financial year. This is provide access to a mall developement to the North of Malmesbury.

The IDP has five strategic goals and proclaimed roads, streets and stormwater are aligned to the following strategic goals:

Strategic Goal 5 - Sufficient, affordable and well-run services.

(l) Comment on the performance of storm water overall

The IDP has five strategic goals and proclaimed roads, streets and stromwater are aligned to the following strategic goals:

One: Improved quality of life for citizens

Two: Inclusive economic growth

Five: Sufficient, affordable and well-run services

Various actions have been developed to ensure that the strategic goals are achieved. These include the increase on maintenance spending and the implementation of an asset management plan.

3.4 PLANNING AND ECONOMIC DEVELOPMENT

3.4.1 BUILT ENVIRONMENT

(a) Introduction

This municipality has amended their Land Use Planning By-Law and implemented the new by-law from 25 March 2020.

Swartland Municipality has adopted the 2023-2027 Amendment of the Spatial Development Framework in terms of above By-Law in May 2023.

All land use applications whereby no objections have been received within the public participation are finalised by the authorised employee within 90 days. All other land use applications with comments/objections be dealt with by the Municipal Planning Tribunal.

Since January 2020 all new building plan applications are uploaded to our electronic building control Portal on our web site. Many challenges have been dealt with and progress has been made. The Town Planning Division assists the Building Control Division to such an extent that all town planning matters be clarified before building plans officially be submitted to the Portal.

Our new date of valuation is 1 July 2023 and the new General Valuation Role be implemented on 1 July 2024. Thereafter two Supplementary Valuations Roles to follow annually.

(b) Applications for Built Environment

	Subdivision		Rezoning		Building Plans	
Application Category	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
Applications outstanding at year end	7	5	11	6	0	0
Determination made in following year	2	6	0	482	566	4
Planning application received	71	60	49	1050	1222	38
Determination made in year of receipt	62	49	37	568	656	28
Applications withdrawn	0	0	1	0	0	0

(c) Built Environment performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure implementation of the Spatial Development Framework	4/09-0139-1	SDF reviewed	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	
Ensure that properties are valued correctly	4/09-0143	Supplementary valuation role updated	Yes (bi-annually by December and June)	Yes	3	Yes (bi-annually by December and June)	Yes	3	Yes (bi-annually by December and June)	
Continue the process of data cleansing and to reconcile properties on the financial system (Promun) to that of the Deeds Office, Surveyor-General's office as well as the Valuation Roll	4/13-0007	Reports on process of data cleansing submitted	Yes	Yes	3	Yes (bi-annually)	Yes	3	Yes (bi-annually)	
Update risk assessment	4/17-0169	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Productive workforce	4/17-0174	% of person days lost per month due to sick leave	4% pm maximum	2.6% pm average for the year	3.3	4% pm maximum	0.7% pm average for the year	3.9	4% pm maximum	
Decisions and appeals in terms of MSA and municipal planning by-law	4/17-0199	If a valid appeal (in terms of section 90(1) of the Municipal Land Use Planning By-law) was received, has the authorised employee drafted a report assessing the appeal and	Yes	Yes	3	Yes	Yes	3	Yes	

		submitted it to the municipal manager within the time period in section 90(12)?								
Inform staff	4/19-0052	Number of invocoms held	1 per quarter	4 for the year	3	4 for the year	5 for the year	3	4 for the year	

(d) Employees: Planning, Valuation

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	1	1	1	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	3	3	3	0	0.00%
16 - 18	1	1	1	0	0.00%
19 - 20	1	1	1	0	0.00%
TOTAL	6	6	6	0	

(e) Employees: Building Control

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	1	1	1	0	0.00%
07 - 09	1	1	1	0	0.00%
10 - 12	3	3	3	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	6	6	6	0	

(f) Financial Performance: Planning, Valuation

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R5 501 387	R5 794 133	R5 794 133	R5 883 455	101.54%
2 Contracted Services	R1 493 166	R3 312 788	R3 312 788	R2 436 087	73.54%
3 Other	R906 189	R1 090 207	R1 085 020	R706 057	64.76%
TOTAL	R7 900 742	R10 197 128	R10 191 941	R9 025 599	

(g) Financial Performance: Building Control

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R3 110 569	R3 374 765	R3 316 771	R3 164 480	93.77%
2 Contracted Services	R0	R0	R0	R0	0.00%
3 Other	R68 117	R133 233	R134 488	R39 829	29.89%
TOTAL	R3 178 686	R3 507 998	R3 451 259	R3 204 309	

(h) Capital Expenditure: Built Environment

No capital projects

(i) Comment on Built Environment overall

The three Divisions within the Department: Development Management understand their role towards economic development in the Swartland to enhance job creation as part of the value chain.

The administration processes are streamlined in order to enhance decision-making to promote economic development and job creation in our area.

3.4.2 ECONOMIC DEVELOPMENT

(a) Introduction

The Swartland Economic Development Plan was approved by the Mayoral Committee in May 2023. The plan outlines Swartland Municipality's strategic initiatives and key performance indicators for economic development, aligning with national and provincial policies, including the South African Economic Reconstruction and Recovery Plan and the Western Cape Economic Recovery Plan. It emphasizes collaboration with entities like Wesgro and the Western Cape Department of Agriculture to contribute to local, regional, and national development goals. The strategy is based on three pillars namely (1) Boost industries, (2) Stimulate the Market and (3) Overcome binding constraints and reform.

It provides a basis for the development of implementation commitments by first identifying national and provincial initiatives to which local government can contribute and secondly by listing other initiatives discussed in the document to which local government can contribute.

The Municipality cannot grow the economy or create jobs. Therefore, to implement this plan, a partnership between the public and private sector is inevitable.

The national, provincial and other initiatives identified above provides a framework within Swartland Municipality can develop its own implementation commitments, i.e. how and where the Municipality can become involved or provide support to economic development and recovery initiatives.

(b) Jobs Created by LED Initiatives (Excluding EPWP projects)

Jobs Created:	159
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(c) Job creation through EPWP projects

Number Of Jobs	Notes
395	

(d) Economic Development performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
1 General KPI's										
Jobs created through municipality's LED initiatives including capital projects	1/14-0026	Number of jobs created through Municipality's capital projects (contracts > R200 000)	150 for the year	175 for the year	3.5	150 for the year	159 for the year	3.2	150 for the year	
3 Indicators Directors										

Liaison with business role-players	3/09-0001	Annual event with local business held	Yes (before end of June)	Yes	3	Yes (before end of June)	Yes	3	Yes (before end of June)	
LED fund management	3/09-0012	% of the LED funds actually spent	90% for the year	N/a	0	90% for the year	N/a		90% for the year	Reason: Budget = R0. Funds were moved to IDP vote for public engagement processes Intervention: None required

(e) Comment on Economic Development overall

Monitoring and evaluation of LED progress will be enhanced to speed up learning and skills in LED. The purpose of evaluation is to measure progress, reflect on what worked as planned and what did not. And then to learn from the new insights gained. Working smarter increases the scale of future results. Without evaluation, mistakes are repeated. Evaluation will be integrated with the monitoring system and will focus on the measurement of actual output, outcomes and impact resulting from economic development initiatives. To make the evaluation process easier, the LED performance framework provides a default set of performance indicators.

3.5 COMMUNITY AND SOCIAL SERVICES

3.5.1 COMMUNITY DEVELOPMENT AND THUSONG SERVICE CENTRES

(a) Introduction

The Community Development division consists of a manager, a principal clerk, a community development officer (Youth Focus) who are supported by an administrative assistant, community development officer (ECD) and one Thusong Service Centre Officer who are supported by one administrative assistant, a caretaker. The team worked hard to achieve goals and to work more integrated with the new focus on social regeneration that strengthened the Division to have more effective events/workshops/training. This was demonstrated with collaborative projects like the Thusong outreaches and GBVF Wards Based Awareness programme that have awareness on 36 days of activism campaigns. The Division reached out to the communities together with NGO's and government partners to provide integrated service delivery in the social sector. The division also made a shift towards outcome based programmes and not once off projects. Furthermore, programmes were implemented together with the beneficiaries and were focussed on establishing structures that will make it easier for communities to work in collaboration with service providers. This approach stems from the vision of the Swartland Municipal Social Development Policy and Strategy 2017 and the Social Regeneration strategy to strengthen the social fabric of the community.

(b) Community Development performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Promote the development of child facilities	4/09-0114-1	Number of capacity building sessions with ECD organisations in the Swartland municipal area	10 for the year	13 for the year	3.9	10 for the year	19 for the year	5	10 for the year	
Promote the development of child facilities	4/09-0114-2	Number of quarterly reports on the implementation of capacity building interventions / sessions submitted to the Director	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Promote the development of child facilities	4/09-0114-3	Number of unregistered facilities assisted to register their facilities	20 for the year	47 for the year	4	20 for the year	37 for the year	5	20 for the year	
Promote the development of child facilities	4/09-0114-4	Number of M&E done at childcare facilities in collaboration with DSD	20 for the year	47 for the year	4	20 for the year	36 for the year	5	20 for the year	
Promote the development of child facilities	4/09-0114-5	Number of ECD forum and committee planning meetings	1 per quarter	4 for the year	3	4 for the year	5 for the year	3.5	4 for the year	
Promote the capacity of young adults	4/09-0115-1	Number of people (including youths) assisted with career guidance and information about economic opportunities.	2000 for the year	4866 for the year	4	2000 for the year	7242 for the year	5	2000 for the year	
Promote the capacity of young adults	4/09-0115-2	Number of youths from the Swartland community who entered into job opportunities with assistance from the Youth Office	30 for the year	56 for the year	4	30 for the year	35 for the year	3.5	30 for the year	
Promote the capacity of young adults	4/09-0115-3	Number of training, internships and learnerships opportunities in collaboration with other Departments with assistance from the Youth Office	10 for the year	10 for the year	3	10 for the year	10 for the year	3	10 for the year	
Promote access to social development services for	4/09-0116-1	Government services available at the Ilinge Lethu Thusong centre	Yes	Yes	3	Yes	Yes	3	Yes	

vulnerable people										
Promote access to social development services for vulnerable people	4/09-0116-2	Number of Thusong Mobile Outreaches implemented in the Swartland municipal area	5 for the year	5 for the year	3	5 for the year	9 for the year	5	5 for the year	
Promote access to social development services for vulnerable people	4/09-0116-3	Report to the Director Development Services on the number of referrals from the Community Services Division	Yes (monthly)	Yes	3	Yes (monthly)	Yes	3	Yes (monthly)	
Promote access to social development services for vulnerable people	4/09-0116-4	Number of life skills programmes	30 for the year	41 for the year	4.1	30 for the year	31 for the year	3.1	30 for the year	
Promote access to social development services for vulnerable people	4/09-0116-5	Progress reports and financial statements from organisations benefiting from the municipality's subsidy allocation submitted to the Director	Yes (annually by May)	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Support local economic development through skills development	4/09-0118-1	Number of entrepreneurship training workshops held by referring existing businesses to SEDA and NYDA	2 for the year	17 for the year	4	2 for the year	7 for the year	5	2 for the year	
Support local economic development through skills development	4/09-0118-2	Report on the impact of training workshops which caused an increase in income and quality of life of participants submitted	Yes (annually by August)	Yes	3	Yes (annually by August)	Yes	3	Yes (annually by August)	
Promote the coordination of social development	4/13-0004-1	Number of meetings with Social Development Forum	4 for the year	4 for the year	3	4 for the year	5 for the year	3.8	4 for the year	
Promote the coordination of social development	4/13-0004-2	Report on the implementation and/or progress of goals set by the Swartland Social Development Forum submitted to the Director	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Support the coordination of disaster management	4/16-0001	Number of reports submitted on socio-economic assessments done in the Swartland Municipal area	3 per quarter	19 for the year	3.5	12 for the year		4	12 for the year	

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Ensure up to date policies	4/17-0007	Social development policies and strategies reviewed	Yes (annually by May)	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Update risk assessment	4/17-0009	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Inform staff	4/17-0010	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Partnerships and agreements	4/17-0011	Formal agreements set up with partners for social development, namely Department of Social Development	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Provide community and social development specialist knowledge	4/17-0012	Number of meetings held i.r.o. the coordination of the municipality's internal social development committee	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Productive workforce	4/17-0175	% of person days lost per month due to sick leave	4% pm maximum	4% pm average for the year	2.9	4% pm maximum	1.1% pm maximum	3.7	4% pm maximum	
Implementing educational programmes	4/18-0002	Number of educational programmes implemented	1 for the year	1 for the year	3	1 for the year	3 for the year	5	1 for the year	
Continuously support the fight against gender-based violence (GBV)	4/22-0001-1	Meeting with GBV ambassadors			0	4 for the year	3 for the year	2	4 for the year	Reason: The KPI was added in January 2023. Therefore the actuals in quarters 1 and 2 were not measured Intervention: None required
Continuously support the fight against gender-based violence (GBV)	4/22-0001-2	GBV awareness campaigns held			0	4 for the year	2 for the year	2	4 for the year	Reason: The KPI was added in January 2023. Therefore the

										actuals in quarters 1 and 2 were not measured
										Intervention: None required

(c) Thusong Service Centres performance results

There are no separate indicators and targets for Thusong Service Centres.

(d) Employees: Community Development

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	1	2	2	0	0.00%
10 - 12	2	2	2	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	4	5	5	0	

(e) Employees: Thusong Service Centres

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	1	1	1	0	0.00%
07 - 09	2	1	1	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%

19 - 20	0	0	0	0	0.00%
TOTAL	4	3	3	0	

(f) Financial Performance: Community Development

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
3 Other	R104 260	R179 418	R185 032	R405 674	226.11%
1 Employees	R2 652 211	R2 976 565	R2 977 682	R2 811 925	94.47%
2 Contracted Services	R339 360	R369 500	R362 660	R265 983	71.98%
TOTAL	R3 095 831	R3 525 483	R3 525 374	R3 483 582	

(g) Financial Performance: Thusong Service Centres

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R1 231 580	R1 317 478	R1 322 478	R1 287 243	97.71%
2 Contracted Services	R34 412	R32 100	R41 439	R20 129	62.71%
3 Other	R172 076	R321 857	R332 859	R155 647	48.36%
TOTAL	R1 438 068	R1 671 435	R1 696 776	R1 463 019	

(h) Capital Expenditure: Community Development

No capital projects

(i) Comment on the performance of Community Development and Thusong service centres overall

No comments

3.5.2 LIBRARIES

(a) Introduction

Swartland has 9 libraries in its area. All libraries' opening hours are from Monday to Friday 09:00 until 17:00. The libraries have 33 permanent library personnel. There are also 3 EPWP workers who act as cleaners at three of the libraries. Libraries are financed through the conditional grant and municipal replacement fund from the Department of Cultural Affairs and Sport.

(b) Libraries performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Render a quality library service	4/09-0074	Monthly circulation figures	15 000 per month	13 545 pm average for the year	3	15 000 per month	12820.6 pm average for the year	3	15 000 per month	Reason: Hours lost due to loadshedding and Western Cape Slims system crashed. Intervention: None required
Protect library material through consumer training	4/09-0076	Number of consumer training outreach programmes	90 per annum	410 for the year	5	90 per annum	855 for the year	5	90 per annum	
Report to PGWC on a monthly basis	4/12-0011	Number of reports on expenditure in terms of municipal replacement fund and grant submitted to PGWC	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	3 per quarter	
Ensure up to date policies	4/17-0084	Policies reviewed in terms of pre-determined schedule	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Update risk assessment	4/17-0088	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November)	

									and May)	
Library services	4/17-0089	Business plans compiled and submitted to provincial authorities	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	
Proper Communication	4/17-0090	Consult with directorates and compile integrated communication action plans	Yes (annually by May)	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Inform staff	4/17-0092	Number of invocoms held	1 per quarter	9 for the year	3	4 for the year	10 for the year	3	4 for the year	
Youth Camp	4/17-0093	Evaluation report submitted to Mayoral Committee	Yes (annually by May)	N/a	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Productive workforce	4/17-0195	% of person days lost per month due to sick leave	4% pm maximum	5.4% pm average for the year	2.5	4% pm maximum	3.3% pm average for the year	3.2	4% pm maximum	

(c) Employees: Libraries

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	1	1	1	0	0.00%
04 - 06	21	19	21	2	9.52%
07 - 09	8	8	8	0	0.00%
10 - 12	3	3	3	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	33	31	33	2	

(d) Financial Performance: Libraries

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R9 872 965	R10 537 191	R10 537 900	R10 801 602	102.51%
2 Contracted Services	R119 320	R142 634	R142 034	R89 834	62.98%
3 Other	R1 784 055	R1 462 314	R1 474 400	R1 066 370	72.92%
TOTAL	R11 776 340	R12 142 139	R12 154 334	R11 957 806	

(e) Capital Expenditure: Libraries

No Capital Projects

(f) Comment on the performance of libraries overall

All nine libraries have free internet access available to the public through the ICT project funded by the Department of Cultural Affairs and Sport. Most libraries have young people called "Yeboneers" which are on a programme from Provincial Government where they assist library users with computer usage, CV's etc.

The average monthly circulation of books between the libraries are +- 15 000. For the past two years libraries focused on increasing their outreach programmes. Between the 9 libraries, they do an average of 63 programmes per month. Riebeek Kasteel library offers a programme "Library for the Blind" whereby audio books are available to the visually impaired. Moorreesburg library offers educational games sponsored by the Bill and Melinda Gates Foundation.

There is a partnership between the Swartland Municipality and UNISA where students may use the libraries for certain student activities. The libraries also act as a courier service for study material for the students.

3.5.3 CEMETERIES**(a) Introduction**

Swartland Municipality operates and maintains ten cemeteries. The services provided include the timely and correct preparation of graves for use, maintaining a register of graves and the maintenance of cemeteries to an acceptable level of tidiness. EPWP projects were also implemented for the maintenance of cemeteries. Vandalism of cemeteries and the theft of fences remain a problem throughout the Swartland and the Municipality do not have the resources to effectively deal with this problem. The extension of existing cemeteries and the development of new cemeteries are also problematic due to the tedious public consultation processes and environmental authorisation processes that must be followed.

(b) Service statistics for cemeteries

No employees with respect to cemeteries and crematoriums. Employees are included under Parks and Recreation.

(c) Cemeteries performance results

No Policy Objectives.

(d) Financial Performance: Cemeteries

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R358 588	R295 689	R295 689	R264 737	89.53%
2 Contracted Services	R141 346	R215 273	R216 979	R176 825	82.14%
3 Other	R279 970	R545 628	R400 650	R302 828	55.50%
TOTAL	R779 904	R1 056 590	R913 318	R744 390	

(e) Capital Expenditure: Cemeteries

No Capital Projects

(f) Comment on the performance of cemeteries overall

The IDP has five strategic goals and the provision of cemeteries is aligned to strategic goal five: Sufficient, affordable and well-run services.

3.6 OCCUPATIONAL HEALTH AND SAFETY (INCLUDING POLLUTION CONTROL)

(a) Introduction

Air Quality

The National Environmental Management: Air Quality Act 39 of 2004 (AQA) requires municipalities to introduce the new revised Air Quality Management Plans (AQMP) that set out what will be done to achieve the prescribed air quality standards. Municipalities are required to include an AQMP as part of its Integrated Development Plan.

Swartland Municipality's AQMP was approved by Council and forms part of the IDP, as well as that of the West Coast District Municipality.

Dust and odour control form part of the AQMP.

One appointed Noise Control Officer for Swartland Municipal area.

One designated Environmental Management Inspector (Grade 2)

One Air Quality Officers for Swartland Municipality appointed.

A public participation process took place to inform all people in the Swartland municipal area about the plan.

A Database of Fuel burning processes has been established.

Promote a clean and healthy environment

To address all health complaints and applying the By-Law relating to the prevention and suppression of Nuisances – and ensure that all identified erven in urban areas are compliant.

Pest control – only on municipal premises as well as a Annual Pest Control programme where we deal with crawling insects as well as rodents in the municipal sewerage / storm water drain system.

Application for Authorisation for the Installation of Fuel Burning Equipment relating to Swartland Municipal Air Quality By-Law.

(b) Occupational Health and safety performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Interactions with Provincial Department Re air pollution		Number of interaction with Provincial Department regarding air pollution			0	3 for the year	4 for the year	4	3 for the year	
Ensure that all the required safety representatives are in place	4/09-0150	Identified workstation safety rep's in place (minimum of 25)	Yes (quarterly reported)	Yes	3	Yes (quarterly reported)	Yes	3	Yes (quarterly reported)	
Manage injuries on duty	4/09-0151-2	Was serious incidents in the workplace e.g. death or loss of limbs reported to Department of Labour	Yes	N/a	0	Yes	N/a		Yes	
Ensure the effective administration of claims	4/09-0152	% claims within 14 days from final report from doctor submitted	100%	100%	3	100%	100%	3	100%	
Ensure that health and safety committees are functional	4/09-0153	Number of meetings of Health and Safety committees held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Ensure that all capital projects comply with safety regulations	4/09-0155	% of projects with safety specifications	100%	100%	3	100%	100%	3	100%	

Ensure that all identified erven in urban areas are compliant with standards	4/09-0161	Notifications for all erven that have to be cleaned issued	Yes (annually by end of November)	Yes	3	Yes (annually by end of November)	Yes	3	Yes (annually by end of November)	
Monitor air pollution in the area	4/09-0162	Database of fuel burning processes updated	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	
Provide an effective pest control service for municipal buildings and infrastructure	4/09-0163-1	% requests for pest control responded to within 14 days	100%	100%	3	100%	100%	3	100%	
Provide an effective pest control service for municipal buildings and infrastructure	4/09-0163-2	Pest control programme completed	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	
Ensure up to date policies	4/17-0095	Occupational Health and Safety and Environmental policies reviewed	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	
Update risk assessment	4/17-0097	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Noise control	4/17-0098	Was all noise complaints monitored and evaluated and the necessary action taken	Yes	Yes	3	Yes	Yes	3	Yes	
Air pollution	4/17-0099	Number of interactions with Provincial Department regarding air pollution	3 for the year	4 for the year	4	3 for the year	4 for the year	4	3 for the year	
Proper business licence management	4/17-0101	Was all Business Licenses considered for all applications recieved	Yes	Yes	3	Yes	Yes	3	Yes	

Health and safety awareness campaigns	4/17-0103-1	Awareness campaign on Health and Safety designed and implemented	Yes annually	Yes	3	Yes annually	Yes	3	Yes annually	
Health and safety awareness campaigns	4/17-0103-2	Duties i.t.o. Section 16(1) and Section 16 (2) of the Occupational Health and Safety Act 85 of 1993, assigned	Yes	Yes	3	Yes	Yes	3	Yes	
Productive workforce	4/17-0197	% of person days lost per month due to sick leave	4% pm maximum	2.6% pm average for the year	3.3	4% pm maximum	5.5% pm average for the year	2.8	4% pm maximum	Reason: Due to valid sickleave Intervention: None required
Inform staff	4/19-0040	Number of invocoms held	1 per quarter	6 for the year	3	4 for the year	4 for the year	3	4 for the year	

(c) Employees: Occupational Health and safety

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	2	2	2	0	

(d) Financial Performance: Occupational Health and safety

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R1 839 324	R2 061 781	R1 824 819	R1 802 322	87.42%
2 Contracted Services	R38 896	R77 255	R52 255	R35 736	46.26%
3 Other	R48 055	R79 723	R73 705	R33 324	41.80%
TOTAL	R1 926 275	R2 218 759	R1 950 779	R1 871 382	

(e) Comment on the performance of occupational health and safety overall

Measures taken to improve performance and achievements: Performance objectives – key performance indicators and targets are set. Monthly monitoring is done by the Strategic Manager.

Support is given to those communities that are living in poverty through:

- Properly address all environmental complaints
- Ensuring that all identified erven in urban areas are complaint with standards
- Monitoring air pollution in the area
- Annual pest control programme
- Handling of noise control complaints to adhere to the Noise Control Regulations of June 2013
- Handling of dust control regulations, referring to Air Quality By-law (Swartland Municipality)
- Appointed as Environmental Management Inspector (Grade 2)

3.7 SECURITY AND SAFETY

3.7.1 TRAFFIC AND LAW ENFORCEMENT SERVICES (INCLUDING LICENCING AND REGISTRATION SERVICES)

(a) Introduction

The Swartland Municipal Council decided to restructure the Municipal Police to become a Traffic and Law Enforcement service from 1 July 2013. Ever since 1 July 2013 Swartland Municipality have a functional Traffic & Law Enforcement service. The core functions of the Swartland Traffic and Law Enforcement Service (STLES) are to proactively police the Municipal by-laws and to enforce the National Road Traffic Act and to reduce road accident fatalities within the Swartland. During the financial year 2022/2023 STLES rendered successful services in traffic and by-law enforcement. Performance within the STLES is subject to resources which includes human resources and vehicles. Two specialized units (Dog-unit & LEAP) were established with grant funding from The Western Cape Provincial Government. The Swartland Municipality is divided into 12 wards and the STLES service all these wards. Traffic and by-law campaigns were given at schools and to NGO's.

Road safety programs assist motorists and pedestrians to act proactively and to change negative behaviour towards road safety. The risk of accidents was reduced through visibility and road safety educational programs.

(b) Traffic Policing and By-law Enforcement

Category	Previous Year Actual Number	Actual Number
Number of by-law infringements attended	839	1064
Number of law enforcement officers in the field on an average day	59	58
Number of road traffic accidents during the year	0	0

Number of law enforcement officers on duty on an average day	51	50
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(c) Traffic Policing and By-law Enforcement performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Provide an effective traffic and law enforcement service	4/09-0292-1	Minimum number of K78 roadblocks held	10 per quarter	14.8 pq average for the year	4.4	10 per quarter	13.5 pq average for the year	3.8	10 per quarter	
Provide an effective traffic and law enforcement service	4/09-0292-2	Minimum number of scheduled foot patrols worked	90 per quarter	123 pq average for the year	4.1	90 per quarter	134.2 pq average for the year	4.3	90 per quarter	
Provide an effective traffic and law enforcement service	4/09-0292-3	Number of vehicle check points held	Minimum 70 per quarter	90 pq average for the year	3.8	minimum 70 per quarter	104.8 pq average for the year	4.4	minimum 70 per quarter	
Provide an effective traffic and law enforcement service	4/09-0292-4	Number of by-law operations held	12 per quarter	30.8 pq average for the year	5	12 per quarter	55 pq average for the year	5	12 per quarter	
Effectively manage speeding fines	4/09-0293-1	% of first notifications issued by service providers within 30 days	100%	100%	3	100%	100%	3	100%	
Effectively manage speeding fines	4/09-0293-2	Minimum number of mobile speed camera operational hours	600 hrs per quarter	988.4 hrs average pq for the year	4.1	600 hrs per quarter	1305.6 hrs average pq for the year	4.8	600 hrs per quarter	
Ensure that legal registers are compliant	4/09-0294	Number of months that the maintenance of court and AG registers was done by service	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	

		provider								
Report to council regularly	4/09-0295	Number of monthly reports submitted	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Undertake pro-active programmes and projects	4/09-0297-1	Number of awareness campaigns held	20 per annum	51 for the year	5	20 per annum	65 for the year	5	20 per annum	
Proper execution of reconciliations	4/09-0301	Number of months that all daily reconciliations regarding vehicle registrations and licencing were done timeously	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Increase in law compliance	4/12-0002	Number of interactions with public prosecutors in respect of withdrawal of traffic fines and court sentences held	2 for the year	5 for the year	5	2 for the year	3 for the year	4.5	2 for the year	
Update risk assessment	4/17-0147	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Manage the Traffic and Law Enforcement function	4/17-0148	Inspections of departmental firearms and ammunition done	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Productive workforce	4/17-0187	% of person days lost per month due to sick leave	4% pm maximum	5.0% pm average for the year	2.7	4% pm maximum	3.5% pm average for the year	3.1	4% pm maximum	
Inform staff	4/19-0047	Number of invocoms held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(d) Employees: Traffic Policing and By-law Enforcement

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	30	32	33	1	3.03%
10 - 12	47	46	46	0	0.00%
13 - 15	2	2	2	0	0.00%
16 - 18	1	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	80	81	82	1	

(e) Financial Performance: Traffic Policing and By-law Enforcement

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R33 843 579	R39 253 316	R42 057 114	R43 517 348	110.86%
2 Contracted Services	R3 586 666	R3 143 823	R3 513 094	R4 192 512	133.36%
3 Other	R27 982 661	R30 655 852	R24 670 156	R29 499 403	96.23%
TOTAL	R65 412 906	R73 052 991	R70 240 364	R77 209 263	

(f) Capital Expenditure: Traffic Policing and By-law Enforcement

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 18-0068 Equipment K9 Unit	R30 000	R137 485	R136 615	455.38%
TOTAL	R30 000	R137 485	R136 615	

(g) Comment on the performance of Traffic Policing and By-law Enforcement overall

The Swartland Traffic & Law Enforcement Service (STLES) key performance areas are traffic policing and by-law enforcement and has the following key performance indicators which is measured monthly and quarterly:

- Foot patrols
- Roadblocks

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- By-law enforcement
- Vehicle check points (VCP) & visible blue light patrols
- Issuing of driving and learners licenses and roadworthiness of vehicles

A grant funded K9- Unit and LEAP Officers is also operational in the municipal area supporting the SAPS with crime prevention and addressing the usage and selling of drugs.

3.7.2 FIRE FIGHTING SERVICES

(a) Introduction

Swartland Municipality has a Fire Fighting Service consisting of 6 full-time fire officers and 27 voluntary trained municipal workers. The top service delivery priorities for the year under review were:

- Preventing the outbreak or spread of fires
- The saving of lives and property
- To react rapidly with the available resources to extinguish reported fires.

During the year under review (2022/2023) the Swartland Fire Service reacted to 629 fires and 293 other incidents within the average turnout time especially within urban areas. The service delivery within the rural areas is still challenging due to the lack of resources. People living in informal settlements were given fire prevention tips to help them as a first line of response to the fires. Fire prevention campaigns were also aimed at the poor and a close relationship exists with schools and crèches in the municipal area.

The Fire Fighting Service is also responsible for the disaster management function.

(b) Municipal Fire Service Data

Category	Previous Year Actual Number	Actual Number
Fire fighters in post at year end	33	33
Average number of appliance off the road during the year	2	5
Average turnout time - urban areas	12	12
Total fire appliances at year end	10	8
Average turnout time - rural areas	18	18
Total of other incidents attended in the year	215	293
Total fires attended in the year	751	629

(c) Fire Service Policy performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Provide a quality fire fighting service	4/09-0285-1	Number of vehicles non-operational for more than 5 days during the month	0 maximum	1 pm for Qtr 1	3	0 maximum	0.7 pm average for Qtr 3 - 1 pm average for Qtr 4	3	0 maximum	
Provide a quality fire fighting service	4/09-0285-2	Number of written complaints regarding firefighting services received	5 maximum per annum	2 for the year	3	5 maximum per annum	1 for the year	3	5 maximum per annum	
Provide a quality fire fighting service	4/09-0285-3	Number of monthly inspection of vehicles and equipment done	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Reduce fire risks through continuous public awareness	4/09-0286	Number of educational / awareness campaigns	10 for the year	10 for the year	3	10 for the year	10 for the year	3	10 for the year	
Properly maintain all supporting infrastructure	4/09-0287	Total no of hydrants monitored and repaired	500 for the year	527 for the year	3.2	500 for the year	522 for the year	3.1	500 for the year	
Strengthening of the fire fighting service	4/12-0001	Standard fire fighting by-law reviewed	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Update risk assessment	4/17-0135	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Fire prevention	4/17-0136-1	Number of pre-planning inspections and recommendations on issues related to the bylaws	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	

		and other applicable codes, standards and regulations done								
Fire prevention	4/17-0136-2	Scrutinize and make recommendations for approval of buildings plans	Yes	Yes	3	Yes	Yes	3	Yes	
Communication and liaison	4/17-0137-1	Liaise with other authorities, emergency services, organisations and service providers to ensure well coordinated fire service	Yes	Yes	3	Yes	Yes	3	Yes	
Communication and liaison	4/17-0137-2	Number of times the Swartland Municipality was represented at disaster management forum meetings, both local and district	1 per quarter	3 for the year	3	4 for the year	4 for the year	3	4 for the year	
Productive workforce	4/17-0192	% of person days lost per month due to sick leave	4% pm maximum	5.2% average pm for the year	2.6	4% pm maximum	0.9% average pm for the year	3.8	4% pm maximum	
Inform staff	4/19-0038	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(d) Employees: Fire Services

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	4	4	4	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%

19 - 20	0	0	0	0	0.00%
TOTAL	6	6	6	0	

(e) Financial Performance: Fire Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R6 014 476	R6 427 443	R6 473 996	R6 789 335	105.63%
2 Contracted Services	R665 523	R569 037	R811 564	R801 025	140.77%
3 Other	R1 649 799	R1 723 441	R1 780 186	R1 664 637	96.59%
TOTAL	R8 329 798	R8 719 921	R9 065 746	R9 254 997	

(f) Capital Expenditure: Fire Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 22-0058 Vehicles Fire Services: CK27542 Tata LPTA 713 Replace with Medium Pumper	R3 675 000	R3 674 960	R3 674 147	99.98%
22/23 10-0139 Equipment Fire and Emergency Services	R160 000	R160 040	R160 037	100.02%
TOTAL	R3 835 000	R3 835 000	R3 834 185	

(g) Comment on the performance of fire services overall

The available resources are used to do the best we can to safeguard the community and to respond rapidly to any fire. We are privileged to have the support of **West Coast District Municipal Fire Fighting Service** who are keen to help where they can.

3.7.3 CIVIL PROTECTION (INCLUDING DISASTER MANAGEMENT)

(a) Introduction

Disaster management within the municipality is still a big challenge. There is no dedicated staff responsible for disaster management. The Chief Fire and Disaster Officer is taking the responsibility of disaster management. The top service delivery priorities for the Municipality are: to proactively prevent, mitigate, respond and recover from the effects of all disasters. The municipality depends heavily on the support of the West Coast Disaster Management Centre for any back-up to a disaster.

(b) Civil protection (including disaster management) performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Disaster Management	4/13-0010-1	Exercise of evacuation plans conducted	Yes (bi-annually in the first and second half of the financial year)	Yes	3	Yes (bi-annually in the first and second half of the financial year)	Yes	3	Yes (bi-annually in the first and second half of the financial year)	
Disaster Management	4/13-0010-2	Disaster Management actions coordinated during a disaster	Yes (when disaster occurs)	Yes	3	Yes (when disaster occurs)	N/a		Yes (when disaster occurs)	
Disaster Management	4/13-0010-3	Disaster Management Plan and Disaster Recovery and Business Continuity Plan reviewed	Yes (annually by end of Feb)	Yes	3	Yes (annually by end of Feb)	Yes	3	Yes (annually by end of Feb)	

(c) Financial Performance: Civil protection (including disaster management)

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R0	R0	R0	R0	0.00%
2 Contracted Services	R446 355	R425 000	R392 000	R438 949	103.28%
3 Other	R251 006	R400 000	R18 000	R14 037	3.51%
TOTAL	R697 361	R825 000	R410 000	R452 986	

(d) Comment on the performance of Civil protection (including disaster management) overall:

No capital allocations are made in the budget for disaster management per se. In the operational budget an amount of R320 000 are set aside to help community members who have losses through fires destroying their living places.

Disaster Management is also taken seriously by the Civil and Development Departments as they recognise the linkage between disasters and development. The allocation of funds to address any disaster is still a great challenge.

3.8. SPORT AND RECREATION

3.8.1 SPORT, PARKS AND RECREATIONAL AREAS AND SWIMMING POOLS

(a) Introduction

The following projects were implemented in 2022/23 financial year:

1. The amount of R 434 075.23 was spent on erecting security lighting at Wesbank Sport grounds

(b) Sport, Parks and Recreational Areas and Swimming Pools performance results

Sport

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
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Parks and recreational areas

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Implementation of planned park maintenance activities	4/19-0054	% of the operating budget allocated for maintenance spent	90% for the year	90.7% for the year	3	90% for the year	93% for the year	3.1	90% for the year	

Swimming pools

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
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(c) Employees: Sport, Parks and Recreational Areas and Swimming Pools

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	1	1	1	0	0.00%
07 - 09	4	2	2	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	5	3	3	0	

(d) Financial Performance: Sport, Parks and Recreational Areas and Swimming Pools**Sport**

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R2 688 161	R2 729 722	R3 094 943	R3 424 368	125.45%
2 Contracted Services	R652 133	R911 758	R908 852	R1 182 502	129.69%
3 Other	R2 920 029	R3 549 940	R3 719 773	R3 163 494	89.11%
TOTAL	R6 260 323	R7 191 420	R7 723 568	R7 770 364	

Parks and Recreational Areas

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R15 105 603	R15 779 585	R15 618 700	R15 476 817	98.08%
2 Contracted Services	R1 298 289	R1 160 881	R1 388 011	R1 140 398	98.24%
3 Other	R2 273 903	R3 353 098	R3 440 890	R2 456 167	73.25%
TOTAL	R18 677 795	R20 293 564	R20 447 601	R19 073 382	

Swimming Pools

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
2 Contracted Services	R400 342	R527 888	R532 888	R389 921	73.86%
3 Other	R875 097	R986 780	R1 043 326	R938 764	95.13%
1 Employees	R2 017 034	R1 879 532	R1 879 532	R2 320 012	123.44%
TOTAL	R3 292 473	R3 394 200	R3 455 746	R3 648 697	

(e) Capital Expenditure: Sport, Parks and Recreational Areas and Swimming Pools

Sport

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 22-0013 Sport: Security lighting: Wesbank Sport Grounds	R600 000	R564 199	R434 075	72.35%
TOTAL	R600 000	R564 199	R434 075	

Parks and Recreational Areas

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 11-0058 Equipment Parks	R62 000	R68 075	R67 424	108.75%
22/23 18-0076 Year-end transaction: Equipment Insurance (Parks)	R0	R0	R25 722	0.00%
22/23 17-0079 Parks: Ward Committee projects	R1 100 000	R892 916	R342 759	31.16%
22/23 17-0012 Vehicles Parks: CK41465 John Deere Tractor	R546 000	R532 550	R532 550	97.54%
TOTAL	R1 708 000	R1 493 541	R968 455	

Swimming Pools

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 22-0012 Swimming pool: Wesbank	R700 000	R700 000	R699 993	100.00%
TOTAL				

(f) Comment on the performance of sport, parks and recreational areas and swimming pools overall

The IDP has five strategic goals and the provision of sport facilities, parks and swimming pools are aligned to the following strategic goals:

One: Improved quality of life for citizens

Five: Sufficient, affordable and well-run services

Various actions have been developed to ensure that the strategic goals are achieved.

3.8.2 CARAVAN PARK YZERFONTEIN***(a) Introduction***

The caravan park is situated near the beach and has 121 camping sites which all have braai places and are provided with water and 10 amp electricity supply points. There are 5 ablution blocks, each with bath and shower with hot and cold running water. One of these blocks has a dedicated physically disabled ablution facility. Shops, the post office and restaurants are all within walking distance from the park. There are 4 holiday house units situated in a quiet part of the park and are all six-sleepers. They are fully equipped but bedding, towels and braai grid are not supplied.

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The following amenities are available in or near the park:

1. Children's play park for up to 14 year olds.
2. Laundry with washing machines and a dryer.
3. A large community hall, tennis courts and a bowling green.

(b) Caravan park Yzerfontein performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Manage caravan parks effectively	4/09-0156-1	% of the operating budget for maintenance of caravan parks spent	100% for the year	94.0%	2.8	100% for the year	89.75% for the year	2.7	100% for the year	Reason: Maintenance work were done at the park ,and is the park up to standard. There is a saving on the budget. Intervention: None required
Manage caravan parks effectively	4/09-0156-2	Customer survey undertaken	Yes (annually during December)	Yes	3	Yes (annually during December)	Yes	3	Yes (annually during December)	
Manage caravan parks effectively	4/09-0156-3	% "good" and "fair" ratings out of the total ratings done by guests	90% minimum	88.0%	2.9	90% minimum	92.3%	3.1	90% minimum	
Manage caravan parks effectively	4/09-0156-4	Number of months that the caravan park maintenance checklist was updated	10 for the year	12 for the year	3.6	10 for the year	12 for the year	3.6	10 for the year	

(c) Employees: Caravan Parks

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	4	3	4	1	25.00%
07 - 09	1	1	1	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	6	5	6	1	

(d) Financial Performance: Caravan Parks

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R2 002 563	R2 024 885	R2 019 885	R2 053 555	101.42%
2 Contracted Services	R205 109	R206 970	R206 970	R191 288	92.42%
3 Other	R604 459	R600 950	R620 714	R664 598	110.59%
TOTAL	R2 812 131	R2 832 805	R2 847 569	R2 909 441	

(e) Capital Expenditure: Caravan Parks

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 16-0044 Equipment YZF Caravan Park	R30 000	R29 630	R29 514	98.38%
TOTAL	R30 000	R29 630	R29 514	

(f) Comment on the performance of Caravan Parks overall

The Yzerfontein Caravan Park is a very popular caravan park in the West Coast and is fully booked during December holidays as well as Easter Weekend.

It has a 90% and higher booking rate for weekends of February and March as well as long weekends during the summer.

The caravan park also has a good annual customer rating.

Newly built ablution facility at the Yzerfontein Caravan Park which is a wheelchair friendly facility.

3.8.3 HARBOUR YZERFONTEIN

(a) Introduction

The management of the Harbour has been outsourced since 1 September 2013 and every three years service providers can apply via the Supply Chain Management process to manage the harbour on behalf of the municipality.

(b) Financial Performance: Harbour Yzerfontein

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R0	R0	R0	R0	0.00%
2 Contracted Services	R284 930	R353 872	R346 177	R300 025	84.78%
3 Other	R48 207	R55 787	R68 482	R61 266	109.82%
TOTAL	R333 137	R409 659	R414 659	R361 291	

3.9. CORPORATE MANAGEMENT

3.9.1 MANAGEMENT CIVIL ENGINEERING SERVICES

(a) Civil Engineering Services performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
1 General KPI's										
Access to water, sanitation and refuse removal	1/14-0023-1	Number of formal residential properties with piped water connections	100%	100%	3	22 602	21 942 for the year	3.1	22 602	Note: The target was not achieved due to other consumers codes being included erroneously. Intervention: The report utilized will be reviewed by a senior manager within Finance to ensure accuracy and completeness prior to formulating
Access to water, sanitation and refuse removal	1/14-0023-2	Number of formal residential properties with access to sewerage services	100%	100%	3	20 409	24 665 for the year	3.8	20 409	Note: The KPI was changed in January 2023. Therefore the actuals in quarters 1 and 2 were kept according to the original KPI and target
Access to water, sanitation and refuse removal	1/14-0023-3	Number of formal residential properties receiving refuse removal service at least once a week	100%	100%	3	22 112	22 265 for the year	3.2	22 112	Note: The KPI was changed in January 2023. Therefore the actuals in quarters 1 and 2 were kept according to the original KPI and target
2 Indicators from IDP										
5.2 Investigate and report to council annually on the status quo condition of surfaced roads	2/17-0020	Report submitted to the Portfolio Committee	Yes (annually by end of Sep)	Yes	3	Yes (annually by end of Sep)	Yes	3	Yes (by end of Sep annually)	
5.2 Inform budgetary processes of funding requirement for maintenance and upgrading of surfaced roads.	2/17-0021	Budget requirements calculated and budget informed	Yes (annually by end of November)	Yes	3	Yes (annually by end of Nov)	Yes	3	Yes (by end of November annually)	

5.3 Review and maintain master plans in accordance with the most recent growth model information	2/17-0022	Master plans reviewed and maintained	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	
5.4 Inform budgetary processes of funding requirement for maintenance, renewal, upgrading, extension and refurbishment of civil infrastructure	2/17-0023	Budget requirements calculated and budget informed	Yes (annually by end of November)	Yes	3	Yes (annually by end of November)	Yes	3	Yes (by end of November annually)	

3 Indicators Directors

Capital expenditure in line with budget and time frames	3/09-0013	% of capital budget spent	Between 95% and 105%	100.8% for the year	3	Between 95% and 105%	92.2% for the year	3	Between 95% and 105%	REASONS: The underspending is due to the R10 945 000 award for generators received from Provincial Government that was only received in March. A mayoral committee decision was taken as follows: AANBEVELING / RECOMMENDATION (a) Dat kennis geneem word van die poging wat aangewend is deur die Direktooraat: Siviele Ingenieursdienste om so spoedig moontlik na die rapportering van die befondsing tydens die Raadsvergadering van 31 Maart 2023, op tenders uit te gaan vir rugsteun-generators ten bedrae van R10 945 000; (b) Dat verdere kennis geneem word dat die tender op 18 Mei 2023 toegeken is met 'n voltooiingstydperk van 38 weke; (c) Dat die
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										<p>persentasie kapitaalspandering op kapitaalprojekte vir 2022/2023 finansiële jaar as volg is: • R10 945 000 ingesluit = 91.23% • R10 945 000 uitgesluit = 95.77% (d) Dat, met voormelde in ag genome, goedkeuring verleen word om die befondsing nie in aanmerking te neem vir die berekening van die persentasie kapitaalspandering op kapitaalprojekte Intervention: Generators to be purchased and installed during the next financial year</p>
Capital project implementation	3/09-0014	Average % completion of capital projects	90% for the year	100% for the year	3.3	95% for the year	92.2% for the year	3	95% for the year	<p>REASONS: The underspending is due to the R10 945 000 award for generators received from Provincial Government that was only received in March. A mayoral committee decision was taken as follows: AANBEVELING / RECOMMENDATION (a) Dat kennis geneem word van die poging wat aangewend is deur die Direkoraat: Siviele Ingenieursdienste om so spoedig moontlik na die rapportering van die befondsing tydens die Raadsvergadering van 31 Maart 2023, op tenders uit te gaan vir rugsteun-generators ten bedrae van R10 945 000; (b) Dat verdere kennis</p>

										geneem word dat die tender op 18 Mei 2023 toegeken is met 'n voltooiingstydperk van 38 weke; (c) Dat die persentasie kapitaalspandering op kapitaalprojekte vir 2022/2023 finansiële jaar as volg is: • R10 945 000 ingesluit = 91.23% • R10 945 000 uitgesluit = 95.77% (d) Dat, met voormelde in ag genome, goedkeuring verleen word om die befondsing nie in aanmerking te neem vir die berekening van die persentasie kapitaalspandering op kapitaalprojekte Intervention: Generators to be purchased and installed during the next financial year
Operating expenditure in line with budget and time frames	3/09-0015	% of operating budget spent	Between 90% and 100%	98.0% for the year	3	Between 90% and 100%	91.2% for the year	3	Between 90% and 100%	
Workforce training roll-out	3/09-0016	% of planned training sessions according to the Workplace Skills Plan realised	100%	99.2% pm average	2.98	100%	100%	3	100%	
Council decision implementation	3/09-0017	% of due council decisions initiated	100%	98.8% pm average	2.98	100%	100%	3	100%	
Performance and financial monitoring	3/09-0018	Number of monthly performance assessments and reconciliation of departmental records of expenditure with finance records done	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Annual Report inputs	3/09-0019	Departmental input to the	Yes	Yes	3	Yes	Yes	3	Yes	

provided by departments		annual report submitted by due date								
Budget inputs provided by departments	3/09-0020	Budget requests provided to financial department in accordance with the budget time schedule	Yes	Yes	3	Yes	Yes	3	Yes	
Assignments from the municipal manager completed	3/09-0021	Number of written warnings received from municipal manager	0 maximum	0	3	0 maximum	0	3	0 maximum	
Equal employment opportunity management	3/09-0023	% of employment opportunities applied for appropriate equity appointments	100% cumulative by end of June annually	66.7% (6/9 employees) for the year	3	100% cumulative by end of June annually	80% (8/10 employees) for the year	2.4	100% cumulative by end of June annually	Reason: 1 White Male appointed in the Professionally Qualified Level where White Males are over represented (Senior Manager: Solid Waste & Trade Services). Vacancy was advertised externally and no suitably qualified candidates from the designated groups could be recruited. The vacancy was re-advertised with relaxed requirements and no candidates from the designated groups could be recruited. Scarce Skill. Filling of vacancy was urgent due to service delivery demands. 1 Coloured Male appointed in the Semi-Skilled Level where Coloured Males are over represented (Small Plant Operator). Internal appointment made in terms of par 5.2.3(f) of the Recruitment and Selection Policy. Intervention: None required

Procurement in line with legal process	3/09-0024	% compliance with SCM policy with the exception of approved deviations	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0025-1	% internal audit queries for which an action plan was submitted within 10 working days	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0025-2	% internal actions implemented within agreed time frame	100%	100% by the end of Qtr 4	3	100% annually by June	100%	3	100% annually by June	
Audit issues resolved	3/09-0025-3	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days	100%	N/a	0	100%	N/a		100%	
Audit issues resolved	3/09-0025-4	% of Auditor General's findings implemented within agreed time frame	100%	N/a	0	100% annually by June	N/a		100% annually by June	
Risk identification and control implementation	3/09-0026-1	Confirmation of risk assessment done	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Risk identification and control implementation	3/09-0026-2	% of Risk Action Plans implemented in accordance with the agreed time frame	100% (bi-annually by November and May)	100%	3	100% annually by June	100%	3	100% annually by June	
Risk identification and control implementation	3/09-0026-3	Chief Risk Officer / Internal Audit informed of any newly identified risks	Yes	Yes	3	Yes	Yes	3	Yes	
Risk identification and control implementation	3/09-0026-4	Chief Risk Officer / Internal Audit informed of any changes in work procedures	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and	3/09-0026-5	Chief Risk Officer / Internal	Yes	N/a	0	Yes	N/a		Yes	

control implementation		Audit informed of any incidents where controls have failed (loss control register update)								
Invocoms held	3/09-0028	Number of invocoms held	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Average duration of vacancies reduced	3/10-0017	Average duration of vacancies after decision was taken by management to fill the post	3 months maximum	5.6 months at the end of Qtr 4	3	3 months maximum	2.4 months at the end of Qtr 4	3	3 months maximum	
Productive workforce	3/10-0018	% of person days lost per month due to sick leave	4% pm maximum	2.8% pm average for the year	3.3	4% pm maximum	2.8% pm average for the year	3.3	4% pm maximum	
EPWP monitoring	3/11-0001-1	Number of Full Time Equivalents (FTE's) for the financial year	103 for the whole organisation	160.1 for the organisation	4.7	76 (131 for the whole organisation - 2022 DORA)	219.76 for the whole organisation	5	76 (131 for the whole organisation - 2022 DORA)	
EPWP monitoring	3/11-0001-2	Number of work opportunities created during the financial year	296 for the whole organisation	388 for the organisation	3.9	218 (296 for the whole organisation)	395 for the whole organisation	4	218 (296 for the whole organisation)	
Improved water sustainability	3/12-0086	% total water losses	Maintain the annual average below 17%	23.10%	3	Maintain the annual average below 17%	13.21%	4	Maintain the annual average below 17%	
Asset safeguarding	3/14-0001-1	All moveable assets that became unusable or that were lost or stolen reported immediately in the prescribed manner to the Head: Asset Management	Yes	N/a	0	Yes	Yes	3	Yes	

Asset safeguarding	3/14-0001-2	A condition assessment and a review of the remaining useful life of all assets in the department done and a certification in this regard provided to the Head Asset Management.	Yes (by June annually)	Yes	3	Yes (by June annually)	Yes	3	Yes (by June annually)	
Communication Strategy implementation	3/14-0014-1	Number of reports on all communication activities undertaken by the department submitted to the Director Corporate Services	1 per quarter	4 for the year	3	1 per quarter	4 for the year	3	1 per quarter	
Communication Strategy implementation	3/14-0014-2	All planned communication activities for the next financial year in terms of the Communication Strategy submitted to the Director Corporate Services	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Issuing of safety clothing	3/17-0003	All safety clothing issued	Yes (by end of March)	Yes	3	Yes (by end of March)	Yes	3	Yes (by end of March)	
Spending of grants	3/17-0008	% spending of grants	100% by end of June	97.3% for the year	3	100% by end of June	83.65% for the year	3	100% by end of June	REASONS: The underspending is due to the R10 945 000 award for generators received from Provincial Government that was only received in March. A mayoral committee decision was taken as follows: AANBEVELING / RECOMMENDATION (a) Dat kennis geneem word van die poging wat aangewend is deur die Direktoraat: Siviele Ingenieursdienste om so spoedig moontlik na die rapportering van die

										<p>befondsing tydens die Raadsvergadering van 31 Maart 2023, op tenders uit te gaan vir rugsteun-generators ten bedrae van R10 945 000; (b) Dat verdere kennis geneem word dat die tender op 18 Mei 2023 toegeken is met 'n voltooiingstydperk van 38 weke; (c) Dat die persentasie kapitaalspandering op kapitaalprojekte vir 2022/2023 finansiële jaar as volg is: • R10 945 000 ingesluit = 91.23% • R10 945 000 uitgesluit = 95.77% (d) Dat, met voormelde in ag genome, goedkeuring verleen word om die befondsing nie in aanmerking te neem vir die berekening van die persentasie kapitaalspandering op kapitaalprojekte</p> <p>Intervention: Generators to be purchased and installed during the next financial year</p>
Ensure that accurate revenue estimates are prepared in relation to operating requirements	3/17-0084	Projected tariff increases determined for the budget of the new financial year	Yes (annually by February)	Yes	3	Yes (annually by February)	Yes	3	Yes (annually by February)	
Ensure timeous submission of capital payment invoices and payment certificates to the finance department	3/18-0013	Due date for last capital payment invoices and payment certificates to be submitted to the Finance Department	Annually by 9 July	Yes	3	Annually by 9 July	Yes	3	Annually by 9 July	
Training needs of staff	3/19-0014	Training needs of staff identified and provided to	Yes (annually by	No	3	Yes (annually	Yes	3	Yes (annually	

		HR at meetings held with all departments during November annually	November)			by November)			by November)	
4 Indicators Division Heads										
Update of Risk assessment (Esias de Jager)	4/18-0011	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by Nov and May)	
Continuously do master planning (Esias de Jager)	4/18-0013	Master plans reviewed	Yes (annually by March)	Yes	3	Yes (annually by March)	Yes	3	Yes (annually by March)	
Assessment of Infrastructure (Esias de Jager)	4/18-0014	Priority projects for upgrading, refurbishment and renewal of infrastructure prepared	Yes (annually by April)	Yes	3	Yes (annually by April)	Yes	3	Yes (annually by April)	
Capital Project Implementation (Esias de Jager)	4/18-0015-1	Capital project implementation prepared	Yes (annually by April)	Yes	3	Yes (annually by April)	Yes	3	Yes (annually by April)	
Capital Project Implementation (Esias de Jager)	4/18-0015-2	Capital project implementation schedule updated	Yes	Yes	3	Yes	Yes	3	Yes	
Assessment of Equipment and Vehicle Fleet (Esias de Jager)	4/18-0016	Vehicle and Equipment replacement budget prepared	Yes (by end of October)	Yes	3	Yes (by end of October)	Yes	3	Yes (by end of October)	
Ensure up to date policies (Jonhill Spies)	4/18-0017-2	Maintenance report submitted to Department of Transport	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	
Continuously do master planning (Jonhill Spies)	4/18-0018	Master plan reviewed	Yes (annually by March)	Yes	3	Yes (annually by March)	Yes	3	Yes (annually by March)	
Assessment of Infrastructure (Jonhill Spies)	4/18-0019	Priority projects for upgrading, refurbishment and renewal of	Yes (annually by April)	Yes	3	Yes (annually by April)	Yes	3	Yes (annually by April)	

		infrastructure prepared								
Capital Project Implementation (Jonhill Spies)	4/18-0020-1	Capital project implementation schedule prepared	Yes (annually by April)	Yes	3	Yes (annually by April)	Yes	3	Yes (annually by April)	
Capital Project Implementation (Jonhill Spies)	4/18-0020-2	Capital project implementation schedule updated	Yes	Yes	3	Yes	Yes	3	Yes	
Capital Project Implementation (Jonhill Spies)	4/18-0020-3	MTREF MIG project list prepared	Yes (by end of October)	Yes	3	Yes (by end of October)	Yes	3	Yes (by end of October)	
Update of Risk assessment (John Barlow)	4/19-0002	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by Nov and May)	
Assessment of Equipment and Vehicle Fleet (John Barlow)	4/19-0004	Vehicle and Equipment replacement budget prepared	Yes (by end of Oct)	Yes	3	Yes (by end of Oct)	Yes	3	Yes (by end of Oct)	
Inform staff (John Barlow)	4/19-0032	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Inform staff (Esias de Jager)	4/19-0046	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	3 for the year	2.2	4 for the year	Reason: Incumbent resigned Intervention: Appoint new official
Inform staff (Jonhill Spies)	4/19-0051	Number of invocoms held	4 for the year	7 for the year	3	4 for the year	6 for the year	3	4 for the year	
Productive workforce (John Barlow)	4/19-0053	% of person days lost per month due to sick leave	4% pm maximum	3.0% pm average for the year	3.3	4% pm maximum	2.9% pm average for the year	3.2	4% pm maximum	
Ensure up to date policies (Esias de Jager)	4/19-0060-1	Water Services Audit report reviewed	Yes (annually by Nov)	Yes	3	Yes (annually by Nov)	Yes	3	Yes (annually by Nov)	
Ensure up to date policies (Esias de Jager)	4/19-0060-2	Integrated Waste Management Plan reviewed	Yes (annually by end of May)	Yes	3	Yes (annually by end of	Yes	3	Yes (annually by end of	

						May)			May)	
Reporting (Jonhill Spies)	4/19-0067-1	Monthly reports on the MIG programme submitted	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Reporting (Jonhill Spies)	4/19-0067-2	Annual report on the MIG programme submitted	Yes (by end of October)	Yes	3	Yes (by end of October)	Yes	3	Yes (by end of October)	
Reporting (Jonhill Spies)	4/19-0067-3	DPIP submitted	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	
Update of Risk assessment (Jonhill Spies)	4/19-0068	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by Nov and May)	
Productive workforce (Jonhill Spies)	4/19-0069	% of person days lost per month due to sick leave	4% pm maximum	2.0% pm average for the year	3.5	4% pm maximum	0.1% pm average for the year	3.9	4% pm maximum	

(b) Employees: Civil Engineering Services

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	2	2	2	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	4	3	3	0	0.00%
19 - 20	1	1	1	0	0.00%
TOTAL	7	6	6	0	

(c) Financial Performance: Civil Engineering Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R2 853 473	R2 973 896	R2 973 896	R2 981 846	100.27%
2 Contracted Services	R0	R1 788	R1 094	R261	14.60%
3 Other	R669 315	R760 037	R766 641	R648 564	85.33%
TOTAL	R3 522 788	R3 735 721	R3 741 631	R3 630 671	200.20%

(d) Capital Expenditure: Civil Engineering Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 09-0021ac Equipment Civil Services	R52 000	R37 914	R37 910	72.90%
TOTAL	R52 000	R37 914	R37 910	

3.9.2 MANAGEMENT CORPORATE SERVICES**(a) Corporate Services performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
1 General KPI's										
People from employment equity target groups employed	1/14-0027	% of people from employment equity target groups appointed for the month in terms of the Municipality's approved Employment Equity plan	100%	40.4% (19/47 employees for the year)	3	100%	41.2% (14/34 employees) for the year	3	100% annually by end of June	Reason: The vacancies of Snr Clerk: Indigent Audit (Financial Services) were filled through an internal appointment made in terms of par 5.2.3(f) of the recruitment and Selection Policy. The vacancies of Snr Clerk: Indigent Audit (Financial Services) and Principal Clerk: Community Services (Development Services) were filled through an internal appointment made in terms of

										par 5.2.3(f) of the Recruitment and Selection Policy. Intervention: None required
Budget spent on implementing the workplace skills plan	1/14-0028	% of the municipality's training budget actually spent on implementing its workplace skills plan (cumulative)	At least 90%	97.8% for the year	3.3	At least 90%	90% for the year	3	At least 90%	
2 Indicators from IDP										
4.12 Automation of System of Delegation linked to organogram	<<NoData>>	Automated system implemented			0	By June 2023	0	3	N/a	Reason: The meeting of the target/outcome became increasingly challenging due to system and program compatibility issues beyond the control of ICT and Corporate Services that could not reasonable have been anticipated at the time of SDBIP compilation. Intervention: The MM was kept abreast of the challenges. KPI to be removed
4.10 Implement data analysis procedure for future municipal needs to identify corrective and preventative actions and to improve HR management function's effectiveness and efficiency as well as external benchmarking to identify continuous improvement opportunities	2/20-0003	Data analysis implemented subject to funding	Yes (by June 2022)	Yes	3	Yes (by June 2023)	Yes	3	N/a	
4.11 Implement Payday	2/20-0007	Implementation completed	By June	N/a	0	By June	0	3	N/a	Reason: Cannot be

Employee Self Services & Time & Attendance Biometric system (pending budget)			2022			2023				implemented due to lack of funding Intervention: Project to be implemented in 2025/26 budget
3 Indicators Directors										
Capital expenditure in line with budget and time frames	3/09-0032	% of capital budget spent	Between 95% and 105%	91.6% for the year	3	Between 95% and 105%	100.1% for the year	3.2	Between 95% and 105%	
Capital project implementation	3/09-0033	Average % completion of capital projects	90.0% for the year	97.0% for the year	3.2	95% for the year	99.5% for the year	3.1	95% for the year	
Operating expenditure in line with budget and time frames	3/09-0034	% of operating budget spent	Between 90% and 100%	91.5% for the year	3	Between 90% and 100%	91.8%	3.1	Between 90% and 100%	
Workforce training roll-out	3/09-0035	% of planned training sessions according to the Workplace Skills Plan realised	100%	98.8% pm average	3	100%	100%	3	100%	
Council decision implementation	3/09-0036	% of due council decisions initiated	100%	100%	3	100%	100%	3	100%	
Performance and financial monitoring	3/09-0037	Number of monthly performance assessments and reconciliation of departmental records of expenditure with finance records done	11 for the year	12 for the year	3	11 for the year	11 for the year	3	11 for the year	
Annual Report inputs provided by departments	3/09-0038	Departmental input to the annual report submitted by due date	Yes	Yes	3	Yes	N/a		Yes	
Budget inputs provided by departments	3/09-0039	Budget requests provided to financial department in accordance with the budget time schedule	Yes	Yes	3	Yes	Yes	3	Yes	

Assignments from the municipal manager completed	3/09-0040	Number of written warnings received from municipal manager	0 maximum	0	3	0 maximum	0	3	0 maximum	
Equal employment opportunity management	3/09-0042	% of employment opportunities applied for appropriate equity appointments	100% cumulative by end of June annually	40% (2/5 employees) for the year	3	100% cumulative by end of June annually	25% (1/4 employees) for the year	3	100% cumulative by end of June annually	Reason: The vacancy of Librarian (Darling South) was advertised externally and no suitably qualified candidates from the designated groups met the minimum requirements. Scarce Skill. Filling of vacancy was urgent. The vacancy of Caretaker R/West Club House was advertised on two occasions and no suitably qualified candidates from the designated groups could be recruited. Filling of post was urgent due to service delivery demands. The vacancy of Library Asst (Riebeeck Kasteel) was advertised internally and the internal appointment was made in INTERVENTIONS: None required terms of par 5.2.3 (f) of the Recruitment and Selection Policy.
Procurement in line with legal process	3/09-0043	% compliance with SCM policy with the exception of approved deviations	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0044-1	% internal audit queries for which an action plan was submitted within 10 working days	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0044-2	% internal actions implemented within	100%	96.0% by the end of	3	100%	90%	3	100%	Reason: Internal action's time frame has moved to next

		agreed time frame		Qtr 4						financial year. Intervention: To be completed during next financial year
Audit issues resolved	3/09-0044-3	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days	100%	100%	3	100%	N/a		100%	
Audit issues resolved	3/09-0044-4	% of Auditor General's findings implemented within agreed time frame	100%	100%	3	100%	70%	3	100%	Reason: Compatibility issues between Collaborator and the financial system (Promun) is beyond the control of the Corporate Services directorate. Intervention: The outstanding finding will be moved to Financial Services to be addressed within the 2023/24 financial year
Risk identification and control implementation	3/09-0045-1	Confirmation of risk assessment done	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Risk identification and control implementation	3/09-0045-2	% of Risk Action Plans implemented in accordance with the agreed time frame	100% (bi-annually by November and May)	100%	3	100% annually by June	100%	3	100% annually by June	
Risk identification and control implementation	3/09-0045-3	Chief Risk Officer / Internal Audit informed of any newly identified risks	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and control implementation	3/09-0045-4	Chief Risk Officer / Internal Audit informed of any changes in work procedures	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and control implementation	3/09-0045-5	Chief Risk Officer / Internal Audit informed of any incidents where controls	Yes	N/a	0	Yes	N/a		Yes	

		have failed (loss control register update)								
Invocoms held	3/09-0047	Number of invocoms held	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Average duration of vacancies reduced	3/10-0038	Average duration of vacancies after decision was taken by management team to fill the post	3 months maximum	1 month at the end of qtr 4	3	3 months maximum	4.5 months at the end of qtr 4	3	3 months maximum	Reason: Vacancy of Library Assistant vacant since 31 October 2022. DK confirmed that the vacancy would possibly not be filled due to the fact that the library grants (MRF and CG) for the new financial year were not increased sufficiently and could possibly be cut further in the future. On 5 May 2023 instruction was given for the filling of the vacancy due to service delivery needs. Selection process completed and appointment was made with effect from 1 July 2023 Intervention: None required
Productive workforce	3/10-0039	% of person days lost per month due to sick leave	4% pm maximum	4.1% pm average for the year	2.9	4% pm maximum	2.9% pm average for the year	3.2	4% pm maximum	
EPWP monitoring	3/12-0012-1	Number of Full Time Equivalents (FTE's) for the financial year	103 for the whole organisation	160.1 for the whole organisation	4.7	8 (131 for the whole organisation - 2022 DORA)	219.76 for the whole organisation	5	8 (131 for the whole organisation - 2022 DORA)	
EPWP monitoring	3/12-0012-2	Number of work opportunities created during the financial year	296 for the whole organisation	388 for the whole organisation	3.9	23 (296 for the whole organisation)	395 for the whole organisation	4	23 (296 for the whole organisation)	

Assets safeguarding	3/14-0005-1	A condition assessment and a review of the remaining useful life of all assets in the department done and a certification in this regard provided to the Head Asset Management.	Yes (by June annually)	Yes	3	Yes (by June annually)	Yes	3	Yes (by June annually)	
Assets safeguarding	3/14-0005-2	All moveable assets that became unusable or that were lost or stolen reported immediately in the prescribed manner to the Head: Asset Management	Yes	N/a	0	Yes	N/a		Yes	
Promote employment equity through continuous planning	3/16-0009	Review of employment equity plan as a result of any major event or restructuring that occurred during the financial year	Yes (by end of June)	N/a	0	Yes (by end of June)	No	3	Yes (by end of June)	Reason: Draft EE Plan submitted to LLF for recommendation. SAMWU requested more time for comments. Deadline for comments extended to 29 May 2023. Final Draft EE Plan submitted to EE Forum and LLF for final recommendation. LLF and EE Forum for June 2023 did not take place due to a lack of quorum due to SAMWU's apology. Intervention: To be finalised in July 2023.
Issuing of safety clothing	3/17-0007	All safety clothing issued	Yes (by end of March)	Yes	3	Yes (by end of March)	Yes	3	Yes (by end of March)	
Spending of grants	3/17-0012	% spending of grants	100% by end of June	102.3% for the year	3.1	100% by end of June	98.7%	3	100% by end of June	
Ensure that accurate revenue estimates are	3/17-0083	Projected tariff increases determined for the budget	Yes (annually by	Yes	3	Yes (annually	Yes	3	Yes (annually	

prepared in relation to operating requirements		of the new financial year	February)			by February)			by February)	
Ensure timeous submission of capital payment invoices and payment certificates to the finance department	3/18-0011	Due date for last capital payment invoices and payment certificates to be submitted to the Finance Department	Annually by 9 July	Yes	3	Annually by 9 July	Yes	3	Annually by 9 July	
Training needs of staff	3/19-0013	Training needs of staff identified and provided to HR at meetings held with all departments during November annually	Yes (annually by November)	No	3	Yes (annually by November)	Yes	3	Yes (annually by November)	

(b) Employees: Corporate Services

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	2	2	2	0	0.00%
07 - 09	3	3	3	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	2	2	2	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	1	1	1	0	0.00%
TOTAL	8	8	8	0	

(c) Financial Performance: Corporate Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R8 248 218	R8 744 504	R8 744 504	R8 194 781	93.71%
2 Contracted Services	R1 681 469	R3 481 902	R3 457 402	R1 772 129	50.90%
3 Other	R1 301 775	R2 472 182	R2 352 203	R1 851 995	74.91%
TOTAL	R11 231 462	R14 698 588	R14 554 109	R11 818 905	

(d) Capital Expenditure: Corporate Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 09-0021ad Equipment Corporate	R24 000	R24 000	R23 004	95.85%
22/23 22-0046 Purchase of land parcels: Koringberg	R230 000	R220 671	R220 671	95.94%
22/23 22-0066 Expropriation of splays: Chatsworth	R0	R200 000	R202 560	0.00%
TOTAL	R254 000	R444 671	R446 235	

3.9.3 MANAGEMENT DEVELOPMENT SERVICES**(a) Development Services performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
2 Indicators from IDP										
1.6 Promote the coordination of social development through partnerships: Internally: Internal Social Development Committee to identify additional action plans in each department that contributes to social development	2/17-0046-1	Agreement reached on additional action plans in each department	Yes (by June annually)	Yes	3	Yes (annually by June)	Yes	3	Yes (by June annually)	
3.9 Obtain land use rights and secure funding for FLISP housing, affordable housing and social housing	2/17-0062	Funding application to DHS submitted	By December 2022	N/a	0	By June 2023	100%	3	N/a	
1.1 Support local economic development through skills and enterprise	2/20-0005	Number of SMME training sessions	4 for the year	21 for the year	3	1 per quarter	6 for the year	3.4	4 for the year	

development										
1.1 Engagement with formal business on SMME support	2/20-0006	Annual engagement held	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
3 Indicators Directors										
Capital expenditure in line with budget and time frames	3/09-0048	% of capital budget spent	Between 95% and 105%	79.1% for the year	3	Between 95% and 105%	93.3% for the year	3	Between 95% and 105%	Reason: The De Hoop Housing Project (Top Structures) was budgeted for R33 500 000 but we only claimed R 31 571 767.07 from DHS due to the fact that no houses were build for military veterans and less disability allowances were approved for disable persons in the project. Further note that R 17 806 005.04 of the R 31 571 767.07 was claimed and received in June 2022 and recorded as an expense due to accrual accounting. An amount of R 523 525 is available for retention fees and a possible dispute regarding extra work that has been done by the contractor on the project. Intervention: None required
Capital project implementation	3/09-0049	Average % completion of capital projects	90.0% for the year	95.0% for the year	3.2	95% for the year	95% for the year	3	95% for the year	
Operating expenditure in line with budget and time frames	3/09-0050	% of operating budget spent	Between 90% and 100%	114.7% for the year	3	Between 90% and 100%	78.4%	2.6	Between 90% and 100%	Reason: The De Hoop Housing Project (Top Structures) was budgeted for R33 500 000 but we only claimed R 31 571 767.07

										from DHS due to the fact that no houses were build for military veterans and less disability allowances were approved for disable persons in the project. Further amount of R 523 525 is available for retention fees and a possible dispute regarding extra work that has been done by the contractor on the project. Intervention: None required
Workforce training roll-out	3/09-0051	% of planned training sessions according to the Workplace Skills Plan realised	100%	95.8% pm average	2.9	100%	100%	3	100%	
Council decision implementation	3/09-0052	% of due council decisions initiated	100%	100%	3	100%	100%	3	100%	
Performance and financial monitoring	3/09-0053	Number of monthly performance assessments and reconciliation of departmental records of expenditure with finance records done	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Annual Report inputs provided by departments	3/09-0054	Departmental input to the annual report submitted by due date	Yes	Yes	3	Yes	Yes	3	Yes	
Budget inputs provided by departments	3/09-0055	Budget requests provided to financial department in accordance with the budget time schedule	Yes	Yes	3	Yes	Yes	3	Yes	
Assignments from the municipal manager completed	3/09-0056	Number of written warnings received from municipal manager	0 maximum	0	3	0 maximum	0	3	0 maximum	
Equal employment	3/09-0058	% of employment	100%	100% (1/1	3	100%	0% (0/4	0	100%	Reason: 1 Coloured Female

opportunity management		opportunities applied for appropriate equity appointments	cumulative by end of June annually	employees) for the year		cumulative by end of June annually	employees) for the year		cumulative by end of June annually	appointed in the Semi-Skilled Level where Coloured Females are over represented (Admin Assistant: Thusong Centre). Internal appointment made in terms of par 5.2.3(b) of the Recruitment and Selection Policy. 1 Coloured Male appointed in the Skilled Technical Level where Coloured Males are over represented (Building Inspector). Vacancy was advertised externally. Candidates from the designated groups did not pass the selection process. A candidate from short list 2 based on merit, was appointed. Scarce Skill. Filling of vacancy was urgent. 1 Coloured Male appointed in the Semi-Skilled Level where Coloured Males are over represented (Chief Clerk Capacity Building). Vacancy was advertised externally. Scarce Skill. No suitably qualified candidates from the designated groups could be recruited. Filling of vacancy was urgent due to service delivery demands. Intervention: none required
Procurement in line with legal process	3/09-0059	% compliance with SCM policy with the exception of approved deviations	100%	100%	3	100%	100%	3	100%	

Audit issues resolved	3/09-0060-1	% internal audit queries for which an action plan was submitted within 10 working days	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0060-2	% internal actions implemented within agreed time frame	100%	100.0% by end of Qtr 3	3	100% annually by June	100%	3	100% annually by June	
Audit issues resolved	3/09-0060-3	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days	100%	N/a	0	100%	N/a		100%	
Audit issues resolved	3/09-0060-4	% of Auditor General's findings implemented within agreed time frame	100%	N/a	0	100% annually by June	N/a		100% annually by June	
Risk identification and control implementation	3/09-0061-1	Confirmations of risk assessment done	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Risk identification and control implementation	3/09-0061-2	% of Risk Action Plans implemented in accordance with the agreed time frame	Yes (bi-annually by November and May)	Yes	3	100% annually by June	N/a		100% annually by June	
Risk identification and control implementation	3/09-0061-3	Chief Risk Officer / Internal Audit informed of any newly identified risks	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and control implementation	3/09-0061-4	Chief Risk Officer / Internal Audit informed of any changes in work procedures	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and control implementation	3/09-0061-5	Chief Risk Officer / Internal Audit informed of any incidents where controls have failed (loss control register update)	Yes	N/a	0	Yes	N/a		Yes	

Invocoms held	3/09-0063	Number of invocoms held	11 for the year	12 for the year	3	11 for the year	12 for the year	3	11 for the year	
Average duration of vacancies reduced	3/10-0035	Average duration of vacancies after decision was taken by management team to fill the post	3 months maximum	2 months by the end of qrt 4	3	3 months maximum	2 months by the end of qrt 4	3	3 months maximum	
Productive workforce	3/10-0036	% of person days lost per month due to sick leave	4% pm maximum	2.9% pm average for the year	3.3	4% pm maximum	2.1% pm average for the year	3.4	4% pm maximum	
EPWP monitoring	3/12-0011-1	Number of Full Time Equivalents (FTE's) for the financial year	103 for the whole organisation	160.1 for the organisation	4.7	5 (131 for the whole organisation - 2022 DORA)	219.76 for the whole organisation	5	5 (131 for the whole organisation - 2022 DORA)	
EPWP monitoring	3/12-0011-2	Number of work opportunities created during the financial year	296 for the whole organisation	388 for the organisation	3.9	14 (296 for the whole organisation)	395 for the whole organisation	4	14 (296 for the whole organisation)	
Assets safeguarding	3/14-0004-1	A condition assessment and a review of the remaining useful life of all assets in the department done and a certification in this regard provided to the Head Asset Management.	Yes (by June annually)	Yes	3	Yes (by June annually)	Yes	3	Yes (by June annually)	
Assets safeguarding	3/14-0004-2	All moveable assets that became unusable or that were lost or stolen reported immediately in the prescribed manner to the Head: Asset Management	Yes	Yes	3	Yes	Yes	3	Yes	
Communication Strategy	3/14-0018-1	All planned	Yes	Yes	3	Yes	Yes	3	Yes	

implementation		communication activities for the next financial year in terms of the Communication Strategy submitted to the Director Corporate Services	(annually by end of June)			(annually by end of June)			(annually by end of June)	
Communication Strategy implementation	3/14-0018-2	Number of reports on all communication activities undertaken by the department submitted to the Director Corporate Services	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Issuing of safety clothing	3/17-0006	All safety clothing issued	Yes (by end of March)	Yes	3	Yes (by end of March)	Yes	3	Yes (by end of March)	
Spending of grants	3/17-0011	% spending of grants	100% by end of June	91.9% for the year	3	100% by end of June	69.7%	2.1	100% by end of June	Reason: The De Hoop Housing Project (Top Structures) was budgeted for R33 500 000 but we only claimed R 31 571 767.07 from DHS due to the fact that no houses were build for military veterans and less disability allowances were approved for disable persons in the project. Further note that R 17 806 005.04 of the R 31 571 767.07 was claimed and received in June 2022 and recorded as an expense due to accrual accounting. An amount of R 523 525 is available for retention fees and a possible dispute regarding extra work that has been done by the contractor on the project.

										Intervention: None required
Ensure that accurate revenue estimates are prepared in relation to operating requirements	3/17-0082	Projected tariff increases determined for the budget of the new financial year	Yes (annually by February)	Yes	3	Yes (annually by February)	Yes	3	Yes (annually by February)	
Ensure timeous submission of capital payment invoices and payment certificates to the finance department	3/18-0012	Due date for last capital payment invoices and payment certificates to be submitted to the Finance Department	Annually by 9 July	Yes	3	Annually by 9 July	Yes	3	Annually by 9 July	
Training needs of staff	3/19-0012	Training needs of staff identified and provided to HR at meetings held with all departments during November annually	Yes (annually by November)	No	3	Yes (annually by November)	Yes	3	Yes (annually by November)	

(b) Employees: Development Services

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	1	1	1	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	1	1	1	0	0.00%
TOTAL	2	2	2	0	

(c) Financial Performance: Development Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R2 165 132	R2 260 046	R2 260 046	R2 310 191	102.22%
2 Contracted Services	R0	R1 788	R1 788	R0	0.00%
3 Other	R161 162	R213 371	R216 561	R187 402	87.83%
TOTAL	R2 326 294	R2 475 205	R2 478 395	R2 497 593	

(d) Capital Expenditure: Development Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 11-0097 Equipment Development Services	R42 000	R42 370	R42 019	100.05%
TOTAL	R42 000	R42 370	R42 019	

3.9.4 MANAGEMENT ELECTRICAL ENGINEERING SERVICES**(a) Electrical Engineering Services performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
1 General KPI's										
Access to electricity	1/14-0024	Number of formal residential properties that has access to electricity (excluding Eskom areas)	100%	100%	3	19 127	19 283 for the year	3.3	19 127	Note: The KPI was changed in January 2023. Therefore the actuals in quarters 1 and 2 were kept according to the original KPI and target. Intervention: None required
2 Indicators from IDP										
5.5 Review and maintain master plans and facilitate budget approval	2/17-0025	Master plans reviewed and maintained	Yes (annually by end of June)	Yes	3	Yes (annually by end of	Yes	3	Yes (annually by end of	

						June)			June)	
5.6 Inform budgetary processes of funding requirement for maintenance, renewal, upgrading, extension and refurbishment of electrical infrastructure	2/17-0028	Budget and motivation submitted to budget office (minimum 6% of annual electricity revenue allocation is a Nersa license condition)	Yes (annually by end of November)	Yes	3	Yes (annually by end of November)	Yes	3	Yes (by end of November annually)	
5.7 Provide competitive tariffs for industrial consumers in support of economic growth	2/17-0029	Approval of tariffs by Nersa	Annually before end of June	Yes	3	Annually before end of June	No	3	Annually before end of June	Reason: NERSA non-compliant with the MFMA return approval dates which does not allow the municipality to include the late approvals in the final budget Intervention: KPI changed in the new IDP to read: Tariff application/motivation to be submitted in line with the MTREF process plan prior to final budget approval
5.7 Maintain energy losses at an acceptable level	2/17-0064	% total energy losses (technical + non-technical)	Maintain the annual average below 8%	6.49	3.4	Maintain the annual average below 8%	5.28%	3.8	Maintain the annual average below 8%	
3 Indicators Directors										
Capital expenditure in line with budget and time frames	3/09-0064	% of capital budget spent	Between 95% and 105%	98.3% for the year	3	Between 95% and 105%	98% for the year	3.1	Between 95% and 105%	
Capital project implementation	3/09-0065	Average % completion of capital projects	90.0% for the year	97.9% for the year	3.3	95% for the year	95.9% for the year	3	95% for the year	
Operating expenditure in line with budget and time frames	3/09-0066	% of operating budget spent	Between 90% and 100%	92.5% for the year	3	Between 90% and 100%	92.2% for the year	3	Between 90% and 100%	
Workforce training roll-out	3/09-0067	% of planned training	100%	91.7% pm	2.8	100%	91.7%	3	100%	Reason: Scheduled health and

		sessions according to the Workplace Skills Plan realised		average						safety employee could not attend training due to transport related matter Intervention: None required
Council decision implementation	3/09-0068	% of due council decisions initiated	100%	100%	3	100%	100%	3	100%	
Performance and financial monitoring	3/09-0069	Number of monthly performance assessments and reconciliation of departmental records of expenditure with finance records done	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Annual Report inputs provided by departments	3/09-0070	Departmental input to the annual report submitted by due date	Yes	Yes	3	Yes	Yes	3	Yes	
Budget inputs provided by departments	3/09-0071	Budget requests provided to financial department in accordance with the budget time schedule	Yes	Yes	3	Yes	Yes	3	Yes	
Assignments from the municipal manager completed	3/09-0072	Number of written warnings received from municipal manager	0 maximum	0	3	0 maximum	0	3	0 maximum	
Equal employment opportunity management	3/09-0074	% of employment opportunities applied for appropriate equity appointments	100% cumulative by end of June annually	50% (1/2 employees) for the year	3	100% cumulative by end of June annually	50% (1/2 employees) for the year	1.5	100% cumulative by end of June annually	Reason: 0/1 employees appointed in terms of the EE Plan. One Coloured Male was appointed in the Semi-Skilled Level where Coloured Males are over-represented (Small Plant Operator - Mrb). Internal appointment made in terms of par 5.2.3(f) of the Recruitment and Selection Policy. Intervention: None required
Procurement in line with legal process	3/09-0075	% compliance with SCM policy with the exception of approved deviations	100%	100%	3	100%	100%	3	100%	

Audit issues resolved	3/09-0076-1	% internal audit queries for which an action plan was submitted within 10 working days	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0076-2	% internal actions implemented within agreed time frame	100%	100% by end of Qtr 4	3	100% annually by June	100%	3	100% annually by June	
Audit issues resolved	3/09-0076-3	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days	100%	N/a	0	100%	N/a		100%	
Audit issues resolved	3/09-0076-4	% of Auditor General's findings implemented within agreed time frame	100%	N/a	0	100% annually by June	N/a		100% annually by June	
Risk identification and control implementation	3/09-0077-1	Confirmation of risk assessment done	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Risk identification and control implementation	3/09-0077-2	% of Risk Action Plans implemented in accordance with the agreed time frame	100% (bi-annually by November and May)	100%	3	100% annually by June	100%	3	100% annually by June	
Risk identification and control implementation	3/09-0077-3	Chief Risk Officer / Internal Audit informed of any newly identified risks	Yes	Yes	3	Yes	N//a		Yes	
Risk identification and control implementation	3/09-0077-4	Chief Risk Officer / Internal Audit informed of any changes in work procedures	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and control implementation	3/09-0077-5	Chief Risk Officer / Internal Audit informed of any incidents where controls have failed (loss control	Yes	N/a	0	Yes	N/a		Yes	

		register update)								
Invocoms held	3/09-0079	Number of invocoms held	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Average duration of vacancies reduced	3/10-0029	Average duration of vacancies after decision was taken by management team to fill the post	3 months maximum	2.3 months by the end of Qtr 4	3	3 months maximum	0.5 mths at the end of Qtr 4	3	3 months maximum	
Productive workforce	3/10-0030	% of person days lost per month due to sick leave	4% pm maximum	3.6% pm average for the year	3.1	4% pm maximum	2.2%	3.4	4% pm maximum	
EPWP monitoring	3/12-0009-1	Number of Full Time Equivalents (FTE's) for the financial year	103 for the whole organisation	160.1 for the organisation	4.7	4 (131 for the whole organisation - 2022 DORA)	219.76 for the whole organisation	5	4 (131 for the whole organisation - 2022 DORA)	
EPWP monitoring	3/12-0009-2	Number of work opportunities created during the financial year	296 for the whole organisation	388 for the organisation	3.9	12 (296 for the whole organisation)	395 for the whole organisation	4	12 (296 for the whole organisation)	
Assets safeguarding	3/14-0002-1	A condition assessment and a review of the remaining useful life of all assets in the department done and a certification in this regard provided to the Head Asset Management.	Yes (by June annually)	Yes	3	Yes (by June annually)	Yes	3	Yes (by June annually)	
Assets safeguarding	3/14-0002-2	All moveable assets that became unusable or that were lost or stolen reported immediately in the prescribed manner to the Head: Asset Management	Yes	N/a	0	Yes	N/a		Yes	
Communication Strategy	3/14-0016-1	All planned	Yes	Yes	3	Yes	Yes	3	Yes	

implementation		communication activities for the next financial year in terms of the Communication Strategy submitted to the Director Corporate Services	(annually by end of June)			(annually by end of June)			(annually by end of June)	
Communication Strategy implementation	3/14-0016-2	Number of reports on all communication activities undertaken by the department submitted to the Director Corporate Services	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Issuing of safety clothing	3/17-0004	All safety clothing issued	Yes (by end of March)	Yes	3	Yes (by end of March)	Yes	3	Yes (by end of March)	
Spending of grants	3/17-0009	% spending of grants	100% by end of June	100% for the year	3	100% by end of June	100% for the year	3	100% by end of June	
Ensure that accurate revenue estimates are prepared in relation to operating requirements	3/17-0080	Projected tariff increases determined for the budget of the new financial year	Yes (annually by end of February)	Yes	3	Yes (annually by end of February)	Yes	4	Yes (annually by end of February)	
Ensure timeous submission of capital payment invoices and payment certificates to the finance department	3/18-0009	Due date for last capital payment invoices and payment certificates to be submitted to the Finance Department	Annually by 9 July	Yes	3	Annually by 9 July	Yes	3	Annually by 9 July	
Training needs of staff	3/19-0010	Training needs of staff identified and provided to HR at meetings held with all departments during November annually	Yes (annually by November)	No	3	Yes (annually by November)	Yes	3	Yes (annually by November)	
Minimum competencies attained	3/22-0001	Minimum competencies attained to avoid non-compliance			0	Yes (by June 2024)	N/a		Yes (by June 2024)	

(b) Employees: Electrical Engineering Services

The employees of the Electrical Engineering Services Department are incorporated under paragraph 3.2.3(e) Employees: Electricity Distribution.

(c) Financial Performance: Electrical Engineering Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R1 611 383	R1 820 682	R1 820 682	R1 408 147	77.34%
2 Contracted Services	R0	R0	R0	R0	0.00%
3 Other	R35 474	R68 679	R79 293	R52 886	77.00%
TOTAL	R1 646 857	R1 889 361	R1 899 975	R1 461 033	

(d) Capital Expenditure: Electrical Engineering Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 22-0120 Year-end Electricity Meters: Gains	R0	R0	R373 514	0.00%
22/23 11-0096 Equipment Electricity	R350 000	R325 000	R318 494	91.00%
22/23 22-0117 Year-end Electrical Infrastructure (Donated)	R0	R0	R3 776 952	0.00%

3.9.5 MANAGEMENT FINANCIAL SERVICES**(a) Financial Services performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
1 General KPI's										
Ensure general financial viability	1/09-0096-1	% outstanding service debtors to revenue (Total outstanding service debtors ÷ annual revenue actually received for	Norm = 20%	7.6%	5	Norm = 20%	7.25%	5	Norm = 20%	

		services)								
Ensure general financial viability	1/09-0096-2	Cost coverage ((All available cash at a particular time + investments) ÷ monthly fixed operating expenditure)	Norm = 1-3 months	10 Mths	5	Norm = 1-3 months	9 months	5	Norm = 1-3 months	
Ensure general financial viability	1/09-0096-3	% debt coverage ((Total operating revenue received – operating grants) ÷ debt service payments due within fin year)	Norm = 45%	12.16%	5	Norm = 45%	10.55%	5	Norm = 45%	
Indigent households (qualifying households earning equal or less than R4515 per month or as per the CFO's discretionary powers) with access to free basic services	1/14-0025	% of indigent households with access to free basic services	100%	100%	3	100%	100%	3	100%	
2 Indicators from IDP										
4.7 Review budget related policies for purposes of insuring relevance and alignment to Budget Circular	2/17-0014	Review completed	Annually by March	Yes	3	Annually by March	Yes	3	Annually by March	
3 Indicators Directors										
Capital expenditure in line with budget and time frames	3/09-0080	% of capital budget spent	Between 95% and 105%	100% for the year	3	Between 95% and 105%	211.7% for the year	3	Between 95% and 105%	Note: Non funding transactions included
Capital project implementation	3/09-0081	Average % completion of capital projects	90% for the year	100% for the year	3.3	95% for the year	100% for the year	3.2	95% for the year	

Operating expenditure in line with budget and time frames	3/09-0082	% of operating budget spent	Between 90% and 100%	111.6% for the year	3.3	Between 90% and 100%	77.6% for the year	3	Between 90% and 100%	REASONS: Employee related cost - unavoidable saving of R2 688 419 as a direct result of funded posts in Finance-Senior Manager Treasury and Head Financial Statements which could not be filled due to posts awaiting task results, of which the JD's were submitted. Contracted services - saving of R1 958 327 due to most financial accounting actions having been performed internally to give effect to the Cost Containment Regs Losses - Budgeted as per advisory of Actuarial consultants for a Loss of R5 593 981 for the Post Employee Health Benefits Provision but actual was a Actuarial Gain of R4 676 852 (real effect, an accounting surplus of R10 270 833)-this is a non-cash transaction and therefore not affecting service delivery. INTERVENTIONS: No corrective action as the evaluation falls outside of the municipality's ambit of control.
Workforce training roll-out	3/09-0083	% of planned training sessions according to the Workplace Skills Plan realised	100%	100%	3	100%	100%	3	100%	
Council decision	3/09-0084	% of due council decisions	100%	100%	3	100%	100%	3	100%	

implementation		initiated								
Performance and financial monitoring	3/09-0085	Number of monthly performance assessments and reconciliation of departmental records of expenditure with finance records done	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Annual Report inputs provided by departments	3/09-0086	Departmental input to the annual report submitted by due date	Yes	Yes	3	Yes	Yes	3	Yes	
Budget inputs provided by departments	3/09-0087	Budget requests provided to financial department in accordance with the budget time schedule	Yes	Yes	3	Yes	Yes	3	Yes	
Assignments from the municipal manager completed	3/09-0088	Number of written warnings received from municipal manager	0 maximum	0	3	0 maximum	0	3	0 maximum	
Equal employment opportunity management	3/09-0090	% of employment opportunities applied for appropriate equity appointments	100.0% cumulative by end of June annually	0% (0/1 employees) for the year	3	100.0% cumulative by end of June annually	0% (0/6 employees) for the year	3	100.0% cumulative by end of June annually	Reason: The vacancy of Cashier (Part time 120 hours) was filled through an internal appointment made in terms of par 5.2.3(b) of the Recruitment and Selection Policy. The vacancy of Principal Clerk Services was filled through an internal appointment made in terms of par 5.2.3(f) of the Recruitment and Selection Policy. The vacancies of Snr Clerk: Indigent Audit were filled through an internal appointment made in terms of par 5.2.3(f) of the Recruitment and Selection Policy. Intervention: None required

Procurement in line with legal process	3/09-0091	% compliance with SCM policy with the exception of approved deviations	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0092-1	% internal audit queries for which an action plan was submitted within 10 working days	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0092-2	% internal actions implemented within agreed time frame	100%	100.0% by end of Qtr 4	3	100% annually by June	100%	3	100% annually by June	
Audit issues resolved	3/09-0092-3	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days	100%	N/a	0	100%	100%	3	100%	
Audit issues resolved	3/09-0092-4	% of Auditor General's findings implemented within agreed time frame	100%	100%	3	100% annually by June	100%	3	100% annually by June	
Risk identification and control implementation	3/09-0093-1	Confirmation of risk assessment done	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Risk identification and control implementation	3/09-0093-2	% of Risk Action Plans implemented in accordance with the agreed time frame	100% (bi-annually by November and May)	100%	3	100% annually by June	100%	3	100% annually by June	
Risk identification and control implementation	3/09-0093-3	Chief Risk Officer / Internal Audit informed of any newly identified risks	Yes	Yes	3	Yes	Yes	3	Yes	
Risk identification and control implementation	3/09-0093-4	Chief Risk Officer / Internal Audit informed of any changes in work procedures	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and control implementation	3/09-0093-5	Chief Risk Officer / Internal Audit informed of	Yes	Yes	3	Yes	N/a		Yes	

		any incidents where controls have failed (loss control register update)								
Invocoms held	3/09-0095	Number of invocoms held	11 for the year	11 for the year	3	11 for the year	12 for the year	3	11 for the year	
Average duration of vacancies reduced	3/10-0027	Average duration of vacancies after decision was taken by management team to fill the post	3 months maximum	9 months by the end of Qtr 4	3	3 months maximum	8.5 months at the end of Qtr 4	3	3 months maximum	Reason: Vacancy of Snr Manager: Treasury, Financial Reporting & Fin Systems vacant since 31 March 2021. Job Description submitted for evaluation during March 2023. Awaiting evaluation results. Intervention: Will be advertised in new fin year.
Productive workforce	3/10-0028	% of person days lost per month due to sick leave	4% pm maximum	2.9% pm average for the year	3.3	4% pm maximum	2.5% pm average for the year	3.4	4% pm maximum	
Asset safeguarding	3/13-0004-1	A condition assessment and a review of the remaining useful life of all assets in the department done and a certification in this regard provided to the Head Asset Management.	Yes (by June annually)	Yes	3	Yes (by June annually)	Yes	3	Yes (by June annually)	
Asset safeguarding	3/13-0004-2	All moveable assets that became unusable or that were lost or stolen reported immediately in the prescribed manner to the Head: Asset Management	Yes	Yes	3	Yes	N/a		Yes	
Communication Strategy implementation	3/14-0015-1	All planned communication activities for the next financial year	Yes (annually by end of June)	Yes	3	Yes (annually by end of	Yes	3	Yes (annually by end of	

		in terms of the Communication Strategy submitted to the Director Corporate Services				June)			June)	
Communication Strategy implementation	3/14-0015-2	Number of reports on all communication activities undertaken by the department submitted to the Director Corporate Services	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Issuing of safety clothing	3/17-0001	All safety clothing issued	Yes (by end of March)	Yes	3	Yes (by end of March)	Yes	3	Yes (by end of March)	
Spending of grants	3/17-0002	% spending of grants	100% by end of June	100% for the year	3	100% by end of June	100%	3	100% by end of June	
Ensure that accurate revenue estimates are prepared in relation to operating requirements	3/17-0079	Projected tariff increases determined for the budget of the new financial year annually by end of February	Yes (annually by February)	Yes	3	Yes (annually by end of February)	Yes	4	Yes (annually by end of February)	Note: Revenue expansion
Ensure timeous submission of capital payment invoices and payment certificates to the finance department	3/18-0008	Due date for last capital payment invoices and payment certificates to be submitted to the Finance Department	Annually by 9 July	Yes	3	Annually by 9 July	Yes	3	Annually by 9 July	
Training needs of staff	3/19-0009	Training needs of staff identified and provided to HR at meetings held with all departments during November annually	Yes (annually by November)	No	3	Yes (annually by November)	Yes	3	Yes (annually by November)	

(b) Employees: Financial Services

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	1	1	0	0.00%
19 - 20	1	1	1	0	0.00%
TOTAL	1	2	2	0	

Other employees of Financial Services are incorporated under the separate Financial Services functions.

(c) Financial Performance: Financial Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R24 564 757	R29 463 911	R29 463 911	R27 922 409	94.77%
2 Contracted Services	R1 439 458	R5 307 865	R1 947 992	R1 209 898	22.79%
3 Other	R8 205 905	R15 850 981	R16 341 435	R5 404 049	34.09%
TOTAL	R34 210 120	R50 622 757	R47 753 338	R34 536 356	

(d) Capital Expenditure: Financial Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 09-0021af Equipment Finance	R28 000	R26 680	R26 680	95.29%
22/23 17-0054 Vehicles Finance:CK40701 Toyota Etios	R262 500	R258 113	R258 113	98.33%
22/23 18-0073 Year-end transactions: Deeds	R0	R0	R344 500	0.00%
22/23 22-0118 Year-end Equipment : Financial (Donated)	R0	R0	R6 522	0.00%
TOTAL	R290 500	R284 793	R635 814	

(e) Debt Efficiency

Details	Previous Year Actual Billed	Previous Year Percentage	Billed In Year	Actual Billed	Percentage
Electricity	R369 386 656	99.74%	R 385 969 667	R 364 616 491.76	94.47%
Other	R0	0.00%	R0	R0	0.00%
Property Rates	R141 485 766	100.82%	R 148 224 139	R 152 116 870.87	102.63%
Refuse	R29 734 534	101.34%	R 32 591 414	R 32 770 449.89	100.55%
Sanitation	R48 955 919	104.21%	R 51 796 882	R 52 451 707.00	101.26%
Water	R79 784 379	105.56%	R 80 785 992	R 84 141 513.68	104.15%

3.9.6 MANAGEMENT OFFICE OF THE MUNICIPAL MANAGER**(a) Office of the Municipal Manager performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
1 General KPI's										
% of capital budget spent on capital projects identified for a particular financial year in terms of the municipality's IDP	1/14-0029	% of capital budget spent	Between 90% and 105%	102.1% for the year	3	Between 90% and 105%	94.3% for the year	3.1	Between 90% and 105%	
2 Indicators from IDP										
2.1 Gain commitment from key stakeholders to collaborate systematically to strengthen local competitive advantages	2/17-0033	Number of key stakeholder groups actively contributing to improved competitive advantage	15 by end of Dec 2022	N/a	0	15 by end of Dec 2022	15	3	15 by end of Dec 2022	
2.2 Ensure adequate supply of land and services for	2/17-0034	Number of well located, serviced industrial sites	20 by end of Dec 2022	N/a	0	20 by end of Dec	28	4.2	20 by end of Dec	

commercial and industrial premises.		available				2022			2022	
2.4 Establish a local business opportunity network incl. a local business directory	2/17-0036	Number of opportunities advertised / shared with Swartland businesses	100 by end of Dec 2022	N/a	0	100 by end of Dec 2022	200 (cumulative since July 2021)	5	100 by end of Dec 2022	
2.5 New (more enabling) Spatial Development Framework	2/17-0037	Number of key constraints to growth removed	3 by end of Dec 2022	N/a	0	3 by end of Dec 2022	5	5	3 by end of Dec 2022	
2.6 Establish an information portal pointing to best information sources including local support services	2/17-0038	Number of unique visitors (local, with more than 1 page view)	400 by end of Dec 2022	N/a	0	400 by end of Dec 2022	2146	4	400 by end of Dec 2022	
4.6 Risk Management responsibilities assigned to Internal Audit as part of their consulting service to management	2/17-0065	Updated Internal Audit Charter which include risk management facilitation role	By June 2023	Yes - done in Sep 2021	3	By June 2023	Yes	3	By June 2023	
4.6 Assign Disciplinary Committee responsibilities to four newly appointed members	2/17-0067	Appointment of new members for the Disciplinary Committee over a period of six months for continuity	By December 2022	Yes	3	By December 2022	Yes	3	N/a	
4.6 Maintain an effective independent Performance and Risk Audit Committee as per legislation (Appoint for three years, but can extend for six years)	2/17-0068	Appointment of new members for the PRA Committee over a period of three years for continuity	Annually by June	Yes - done in Oct 2021	3	Annually by June	N/a		Annually by June	
3 Indicators Directors										
Sound management	3/09-0003	Number of monthly management meetings	At least 10 p.a.	11 for the year	3.3	At least 10 p.a.	11 for the	3.3	At least 10 p.a.	

		held					year			
Legally compliant procurement	3/09-0004	Number of appeals against the municipality regarding the awarding of tenders that were upheld	0 maximum	0	3	0 maximum	0	3	0 maximum	
Performance and financial monitoring	3/09-0005	Number of monthly performance and financial assessments done	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Annual report compilation and approval	3/09-0006-1	Annual Report as required by MFMA (121) tabled	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	
Annual report compilation and approval	3/09-0006-2	Annual Report as required by MFMA (121) approved	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	
Council decision implementation	3/09-0007	% of due council decisions initiated	100%	99.4%	3	100%	100%	3	100%	
Monitoring the IDP/Budget process	3/09-0008	Number of months that the IDP / Budget process schedule were checked	At least 10 p.a.	11 for the year	3.3	At least 10 p.a.	11 for the year	3.3	At least 10 p.a.	
Functional macrostructure maintained	3/09-0009	Annual review of the macro structure completed	Yes (before end of June)	Yes	3	Yes (before end of June)	Yes	3	Yes (before end of June)	
MFMA Section 131(1): Ensure that any issues raised by the Auditor-General in an audit report are addressed	3/10-0040	% of issues raised by the Auditor-General in an audit report addressed	100%	100%	3	100%	86%	2.6	100%	
Training needs of staff	3/19-0015	Training needs of staff identified and provided to HR at meetings held with all departments during November annually	Yes (annually by November)	No	3	Yes (annually by Nov)	Yes	3	Yes (annually by November)	

(b) Employees: Office of the Municipal Manager

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	1	0	0	0	0.00%
10 - 12	2	2	2	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	1	1	1	0	0.00%
TOTAL	4	3	3	0	

(c) Financial Performance: Office of the Municipal Manager

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R3 494 004	R4 980 518	R4 980 518	R3 219 226	64.64%
2 Contracted Services	R3 200	R1 788	R1 788	R0	0.00%
3 Other	R136 355	R226 452	R223 982	R43 094	19.03%
TOTAL	R3 633 559	R5 208 758	R5 206 288	R3 262 320	

(d) Capital Expenditure: Office of the Municipal Manager

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 09-0021aa Equipment Council	R10 000	R10 945	R10 945	109.45%
22/23 09-0021ab Equipment Municipal Manager	R10 000	R12 135	R12 135	121.35%
22/23 22-0045 Vehicles Council: CK1	R644 459	R652 924	R652 924	101.31%
TOTAL	R664 459	R676 004	R676 004	

3.9.7 MANAGEMENT PROTECTION SERVICES

(a) Protection Services performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
2 Indicators from IDP										
1.8 Effective traffic and law enforcement execution by using our own Automated Number Plate Recognition (ANPR) Bus	2/17-0030	Number of reports on progress submitted to the portfolio committee	10 per annum	12 for the year	3	10 per annum	12 for the year	3.6	10 per annum	
1.9 Effective safety partnerships in terms of the Integrated Safety Strategy through an MOU with all role-players, especially SAPS	2/17-0031	Report on progress submitted to the Mayoral Committee	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
1.10 Effective operation and monitoring by Traffic and Law Enforcement Division	2/17-0032	Number of reports on progress submitted to the Portfolio Committee	10 per annum	12 for the year	3	10 per annum	12 for the year	3.6	10 per annum	
1.11 An effective operational Protection Service	2/18-0001-1	Lobby budget to expand the current Firefighting and Emergency resources	Yes (annually by November)	Yes	3	Yes (annually by November)	Yes	3	Yes (annually by November)	
1.11 An effective operational Protection Service	2/18-0001-2	Lobby budget to expand the current Law Enforcement resources	Yes (annually by November)	Yes	3	Yes (annually by November)	Yes	3	Yes (annually by November)	
1.12 Extension of learners licence centres for Darling and Riebeek Valley	2/18-0002-2	Learners licence centres operational in Darling and Riebeek Valley subject to a budget allocation and approval from the	Yes (by July 2021)	Yes	3	Yes Riebeek Valley: July 2022	No	3	N/a	Reason: No budget allocated, project will be determined after financial process. Intervention: Target to be moved to 2023/2024

		National Department of Transport								
1.13 An effective Swartland Community Safety Forum	2/18-0003	Reports submitted to the Mayoral Committee	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
1.13 Support the four Community Police Forums	2/18-0004-1	Attend CPF meetings and activities			0	Yes (quarterly)	Yes	3	Yes (quarterly)	
3 Indicators Directors										
Capital expenditure in line with budget and time frames	3/09-0100	% of capital budget spent	Between 95% and 105%	95.5% for the year	3	Between 95% and 105%	99.9%	3.2	Between 95% and 105%	
Capital project implementation	3/09-0101	Average % completion of capital projects	90.0% for the year	100% for the year	3.3	95% for the year	100% for the year	3.2	95% for the year	
Operating expenditure in line with budget and time frames	3/09-0102	% of operating budget spent	Between 90% and 100%	96.3% for the year	3	Between 90% and 100%	106%	3.5	Between 90% and 100%	
Workforce training roll-out	3/09-0103	% of planned training sessions according to the Workplace Skills Plan realised	100%	99.8% pm average	3	100%	100%	3	100%	
Council decision implementation	3/09-0104	% of due council decisions initiated	100%	99.2%	3	100%	100%	3	100%	
Performance and financial monitoring	3/09-0105	Number of monthly performance assessments and reconciliation of departmental records of expenditure with finance records done	11 for the year	11 for the year	3	11 for the year	11 for the year	3	11 for the year	
Annual Report inputs provided by departments	3/09-0106	Departmental input to the annual report submitted by due date	Yes	Yes	3	Yes	Yes	3	Yes	
Budget inputs provided by departments	3/09-0107	Budget requests provided to financial department in	Yes	Yes	3	Yes	Yes	3	Yes	

		accordance with the budget time schedule								
Assignments from the municipal manager completed	3/09-0108	Number of written warnings received from municipal manager	0 maximum	0	3	0 maximum	0	3	0 maximum	
Equal employment opportunity management	3/09-0110	% of employment opportunities applied for appropriate equity appointments	100% cumulative by end of June annually	23.1% (6/26 employees) for the year	3	100% cumulative by end of June annually	60% (3/5 employees) for the year	1.8	100% cumulative by end of June annually	Reason: Two Coloured Males were appointed in the Skilled Technical Level where Coloured Males are over represented. The vacancies of Superintendent (DLTC&VTS&Public Transport) and Examiner of Motor Vehicles (Grade A) were advertised externally and no suitably qualified candidates from the designated groups met the minimum requirements. Scarce Skills. Filling of vacancies was urgent. Intervention: None required
Procurement in line with legal process	3/09-0111	% compliance with SCM policy with the exception of approved deviations	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0112-1	% internal audit queries for which an action plan was submitted within 10 working days	100%	100%	3	100%	100%	3	100%	
Audit issues resolved	3/09-0112-2	% internal actions implemented within agreed time frame	100%	100%	3	100% annually by June	100%	3	100% annually by June	
Audit issues resolved	3/09-0112-3	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days	100%	N/a	0	100%	N/a		100%	

Audit issues resolved	3/09-0112-4	% of Auditor General's findings implemented within agreed time frame	100%	N/a	0	100% annually by June	N/a		100% annually by June	
Risk identification and control implementation	3/09-0113-1	Confirmation of risk assessment done	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Risk identification and control implementation	3/09-0113-2	% of Risk Action Plans implemented in accordance with the agreed time frame	100% (bi-annually by November and May)	100%	3	100% annually by June	100%	3	100% annually by June	
Risk identification and control implementation	3/09-0113-3	Chief Risk Officer / Internal Audit informed of any newly identified risks	Yes	Yes	3	Yes	Yes	3	Yes	
Risk identification and control implementation	3/09-0113-4	Chief Risk Officer / Internal Audit informed of any changes in work procedures	Yes	Yes	3	Yes	N/a		Yes	
Risk identification and control implementation	3/09-0113-5	Chief Risk Officer / Internal Audit informed of any incidents where controls have failed (loss control register update)	Yes	N/a	0	Yes	N/a		Yes	
Invocoms held	3/09-0115	Number of invocoms held	11 for the year	10 for the year	3	11 for the year	11 for the year	3	11 for the year	
Average duration of vacancies reduced	3/10-0032	Average duration of vacancies after decision was taken by management team to fill the post	3 months maximum	1.5 mnths by end of Qtr 4	3	3 months maximum	2 mnths at the end of Qtr 4	3	3 months maximum	
Productive workforce	3/10-0033	% of person days lost per month due to sick leave	4% pm maximum	4.9% pm average for the year	2.6	4% pm maximum	3.2%	3.1	4% pm maximum	
EPWP monitoring	3/12-0010-1	Number of Full Time Equivalents (FTE's) for the	103 for the whole	160.1 for the organisation	4.7	10 (131 for the whole	219.76 for the	5		

		financial year	organisation			organisatio n - 2022 DORA)	whole organis ation			
EPWP monitoring	3/12-0010-2	Number of work opportunities created during the financial year	296 for the whole organisation	388 for organisation	3.9	29 (296 for the whole organisation)	395 for the whole organisation	4		
Assets safeguarding	3/14-0003-1	A condition assessment and a review of the remaining useful life of all assets in the department done and a certification in this regard provided to the Head Asset Management	Yes (by June annually)	Yes	3	Yes (by June annually)	Yes	3	Yes (by June annually)	
Assets safeguarding	3/14-0003-2	All moveable assets that became unusable or that were lost or stolen reported immediately in the prescribed manner to the Head: Asset Management	Yes	Yes	3	Yes	Yes	3	Yes	
Communication Strategy implementation	3/14-0017-1	All planned communication activities for the next financial year in terms of the Communication Strategy submitted to the Director Corporate Services	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Communication Strategy implementation	3/14-0017-2	Number of reports on all communication activities undertaken by the department submitted to the Director Corporate Services	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Effective monitoring of	3/16-0004-1	Report to Portfolio	Yes -	Yes	3	Yes -	Yes	3	Yes -	

informal settlements		Committee on any new informal dwellings / structures erected	monthly			monthly			monthly	
Issuing of safety clothing	3/17-0005	All safety clothing issued	Yes (by end of March)	Yes	3	Yes (by end of March)	Yes	3	Yes (by end of March)	
Spending of grants	3/17-0010	% spending of grants	100% by end of June	82.2% for the year	3	100% by end of June	100%	3	100% by end of June	
Ensure that accurate revenue estimates are prepared in relation to operating requirements	3/17-0081	Projected tariff increases determined for the budget of the new financial year	Yes (annually by February)	Yes	3	Yes (annually by end of February)	Yes	3	Yes (annually by end of February)	
Ensure timeous submission of capital payment invoices and payment certificates to the finance department	3/18-0010	Due date for last capital payment invoices and payment certificates to be submitted to the Finance Department	Annually by 9 July	Yes	3	Annually by 9 July	Yes	3	Annually by 9 July	
Training needs of staff	3/19-0011	Training needs of staff identified and provided to HR at meetings held with all departments during November annually	Yes (annually by November)	No	3	Yes (annually by November)	Yes	3	Yes (annually by November)	

(b) Employees: Protection Services

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	1	1	1	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	1	1	1	0	0.00%

TOTAL	2	2	2	0	
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(c) Financial Performance: Protection Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R2 213 394	R2 346 712	R2 346 712	R2 354 579	100.34%
2 Contracted Services	R20 099	R27 804	R27 804	R18 000	64.74%
3 Other	R86 225	R154 512	R150 712	R75 029	48.56%
TOTAL	R2 319 718	R2 529 028	R2 525 228	R2 447 608	

(d) Capital Expenditure: Protection Services

ProjectName	OriginalBudget	AdjustmentBudget	Actual	OriginalBudgetVariance
22/23 10-0138 Equipment Protection	R50 000	R75 000	R74 436	148.87%

3.10. OTHER SERVICES**3.10.1 ASSET AND FLEET MANAGEMENT****(a) Asset and Fleet Management performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Continuously report on and monitor insurance claims and general control accounts	4/09-0259-1	Number of reports on claims: New claims, outstanding claims, completed / rejected claims	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Continuously report on and monitor insurance claims and general control accounts	4/09-0259-2	Number of accident committee meetings attended to assist chair in determining accountability and recovering of access	Yes	Yes	3	Yes	Yes	3	Yes	

		payments								
Ensure the effective management of assets	4/09-0266-1	Asset verification process completed	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	Yes	3	Yes (annually by end of March)	
Provide support to directors regarding the proper management of vehicle expenditure	4/13-0002-1	Number of meetings held with each director	10 for the year	10 for the year	3	10 for the year	11 for the year	3	10 for the year	
Provide support to directors by reporting on asset and fleet management	4/17-0013	Number of asset and fleet management meetings held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Compile vehicle budget	4/17-0014-1	Directors assisted with identification of vehicles to be replaced	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	
Compile vehicle budget	4/17-0014-2	First draft budgets completed and submitted to CFO	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	
Ensure up to date policies	4/17-0015	Asset management policy and vehicle management policy reviewed	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	
Update risk assessment	4/17-0017	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Ensure effective management of assets	4/17-0018-1	Capture all new assets / disposals monthly on the financial system	12 for the year	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Ensure effective management of assets	4/17-0018-2	List of assets proposed for disposal submitted to MAYCO for approval	Yes (annually by November)	Yes	3	Yes (annually by November)	Yes	3	Yes (annually by November)	

Ensure effective management of assets	4/17-0018-3	Auction process of assets overseen (e.g. that only assets approved by the MAYCO for disposal are submitted for the auction and that all the papers of the assets are in order)	Yes (annually by end of November)	Yes	3	Yes (annually by end of November)	Yes	3	Yes (annually by end of November)	
Ensure effective management of assets	4/17-0018-4	Year end process: Asset register on financial system updated (impairments, residuals, review of useful life, depreciation, disposals, unbundling, new assets and condition assessment)	Yes (annually before 15 August)	Yes	3	Yes (annually before 15 August)	Yes	3	Yes (annually before 15 August)	
Productive workforce	4/17-0177	% of person days lost per month due to sick leave	4% pm maximum	2.5% pm average for the year	3.4	4% pm maximum	1.9%	3.5	4% pm maximum	Reason: With the new Municipal Organogram Asset Mangagment (now Assets, Insurance & Fleet management) moved to Financial StatementS. Sick leave of division is now report under R Alberts Intervention: None required
Inform staff	4/19-0033	Number of invocoms held per quarter	4 for the year	5 for the year	3	4 for the year	6 for the year	3	4 for the year	

(b) Employees: Asset and Fleet Management

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	2	2	2	0	0.00%

10 - 12	1	1	1	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	4	4	4	0	

3.10.2 BUDGET OFFICE AND COSTING

(a) Budget Office and Costing performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure up to date policies	4/17-0104	Virement policy and Budget implementation policy reviewed	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	
Update risk assessment	4/17-0106	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Prepare operating and capital budget	4/17-0108-1	Verification of multi-year draft operating and capital budgets submitted to the CFO	Yes (annually by end of December)	Yes	3	Yes (annually by end of December)	Yes	3	Yes (annually by end of December)	
Prepare operating and capital budget	4/17-0108-2	Adjustment budget requests submitted to the Director Financial services	Yes (annually by December)	Yes	3	Yes (annually by December)	Yes	3	Yes (annually by December)	
Productive workforce	4/17-0198	% of person days lost per month due to sick leave	4% pm maximum	2.4% pm average for the year	3.4	4% pm maximum	1.6% pm average for the	3.7	4% pm maximum	

							year			
Inform staff	4/19-0041	Number of invocoms held per quarter	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(b) Employees: Budget Office and Costing

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	1	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	2	2	2	0	

3.10.3 EXPENDITURE**(a) Expenditure performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Provide support to directors regarding the proper management of expenditure	4/09-0254-1	Number of meetings held to discuss operating budget expenditure with each director	10 for the year	10 for the year	3	10 for the year	11 for the year	3.4	10 for the year	
Properly manage VAT	4/09-0255-1	Number of months SARS Statements were reconciled with municipality's VAT Submission Account	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	

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Properly manage VAT	4/09-0255-2	Calculate the annual VAT apportionment ratio in terms of the VAT Act	Yes (annually by December)	Yes	3	Yes (annually by December)	Yes	3	Yes (annually by December)	
Properly manage salary related transactions	4/09-0256-1	Draft salary budget completed and submitted to CFO	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	
Properly manage salary related transactions	4/09-0256-2	Number of months that calculation and payment of PAYE, UIF and SDL was done	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Properly manage salary related transactions	4/09-0256-3	Feedback from SARS concerning the IRP5's positive	Yes (annually before end of May)	Yes	3	Yes (annually before end of May)	Yes	3	Yes (annually before end of May)	
Pay creditors in a timely fashion	4/09-0257	% creditors paid within 30 days after receipt of statement/invoice	97.0%	98.9% average pm for the year	3	97.0%	98.7% average pm for the year	3.1	97.0%	
Identify Unauthorised, Irregular, Fruitless and Wasteful expenditure	4/16-0002-1	Unauthorised, Irregular, Fruitless and Wasteful Expenditure identified and reported to the Accounting Officer	Yes	N/a	0	Yes	N/a		Yes	
Identify Unauthorised, Irregular, Fruitless and Wasteful expenditure	4/16-0002-2	Unauthorised, Irregular, Fruitless and Wasteful Expenditure identified and reported to the MEC for local government and the Auditor-General after report received from Disciplinary Board	Yes	Yes	3	Yes	Yes	3	Yes	
Ensure up to date policies	4/17-0060-1	Travelling and subsistence policy submitted to CFO			0	Yes (annually by	Yes	3	Yes (annually	

		for annual review				end of January)			by end of January)	
Ensure up to date policies	4/17-0060-2	Review of policies and strategies submitted to CFO: Unauthorised, Irregular and Fruitless and Wasteful Expenditure policy			0	Yes (annually by January)	Yes	3	Yes (annually by January)	
Update risk assessment	4/17-0062	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Manage access to systems	4/17-0063-1	User access to the payroll system reviewed (payroll section)	Yes (quarterly)	Yes	3	Yes (quarterly)	Yes	3	Yes (quarterly)	
Manage access to systems	4/17-0063-2	User access to the e-filing system reviewed (individual tax and VAT)	Yes (quarterly)	Yes	3	Yes (quarterly)	Yes	3	Yes (quarterly)	
Duties as tax representative of the municipality	4/17-0064-1	Dispute resolution in respect of penalties and interest incurred (VAT, PAYE, UIF and SDL)	Yes	N/a	0	Yes	N/a		Yes	
Duties as tax representative of the municipality	4/17-0064-2	Number of months that VAT was correctly declared before / on the end of the following month	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Duties as tax representative of the municipality	4/17-0064-3	Number of months that the PAYE, UIF and SDL were correctly declared before the 7th of the following month	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Manage the current bank accounts	4/17-0065-1	Number of bank reconciliations and related accounts finalised	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	

		within 10 working days after end of month								
Manage the current bank accounts	4/17-0065-2	Number of months that verifications of bank charges and interest received are according to tender	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Productive workforce	4/17-0186	% of person days lost per month due to sick leave	4% pm maximum	2% average pm for the year	3.6	4% pm maximum	1.9%	3.6	4% pm maximum	
Inform staff	4/19-0035	Number of invocoms held per quarter	10 for the year	10 for the year	3	10 for the year	12 for the year	3	10 for the year	

(b) Employees: Expenditure

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	2	2	2	0	0.00%
07 - 09	5	5	5	0	0.00%
10 - 12	3	3	3	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	11	11	11	0	

3.10.4 FINANCIAL STATEMENTS AND CONTROL

(a) Financial Statements and Control performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Completion of financial statements in line with legislation	4/09-0263-1	Council's accounting policies reviewed	Yes (annually before the last week of August)	Yes	3	Yes (annually before the last week of August)	N/a		Yes (annually before the last week of August)	Reason: Policies were reviewed in Jan 22 Intervention: None Required
Completion of financial statements in line with legislation	4/09-0263-2	Draft Financial Statements submitted to the Performance and Risk Audit Committee and inputs attended to prior to submission to Auditor General	Yes (annually before 21 August)	Yes	3	Yes (annually on or before 27 August)	Yes	3	Yes (annually on or before 27 August)	
Completion of financial statements in line with legislation	4/09-0263-3	Accurate and credible Financial Statements submitted to Auditor General	Yes (annually before end of August)	Yes	3	Yes (annually before end of August)	Yes	3	Yes (annually before end of August)	
Completion of financial statements in line with legislation	4/09-0263-4	Auditor General findings timeously responded to	Yes (within 5 days)	Yes	3	Yes (within 5 days)	Yes	3	Yes (within 5 days)	
Monitoring of financial procedures against the approved financial statements	4/17-0072	All control account reconciliation statements and statistical returns timeously compiled and corrections performed in the following month.	Yes	Yes	3	Yes	Yes	3	Yes	
Ensure up to date policies	4/17-0073-1	Cash management policy reviewed	Yes (annually by end of	Yes	3	Yes (annually by end of	Yes	3	Yes (annually by end of	

			January)			January)			January)	
Ensure up to date policies	4/17-0073-2	All other policies of department quality reviewed and reported to CFO	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	Yes	4.5	Yes (annually by end of January)	Note: New policies which included extensive research conducted in the private sector and benchmarking of insurance best-practices.
Update risk assessment	4/17-0075	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Manage Investments and Loans	4/17-0076-1	Record transactions relating to loans in a suitable register	Yes (bi-annually by June and December)	Yes	3	Yes (bi-annually by June and December)	Yes	3	Yes (bi-annually by June and December)	
Manage Investments and Loans	4/17-0076-2	Ensure timeous payments and accuracy of interest raised.	Yes (bi-annually by June and December)	Yes	3	Yes (bi-annually by June and December)	Yes	3	Yes (bi-annually by June and December)	
Manage Investments and Loans	4/17-0076-3	Recommendations of investing of moneys submitted to the Director: Financial Services and Municipal Manager for approval and evidence of completed signed documents from financial institution.	Yes	Yes	3	Yes	Yes	3	Yes	
Manage Investments and Loans	4/17-0076-4	Keep investment register updated and verify correctness of interest received	Yes	Yes	3	Yes	Yes	3	Yes	
Compliance to GRAP Standards	4/17-0079	Implement changes to the financial statements	Yes (annually)	Yes	3	Yes (annually)	Yes	3	Yes (annually)	

		and accounting procedures in accordance with adjustments to government legislation, regulations, policies, procedures and GRAP Standards								
Productive workforce	4/17-0190	% of person days lost per month due to sick leave	4% pm maximum	3.6% average pm for the year	3	4% pm maximum	2.5% pm maximum	3.4	4% pm maximum	
Inform staff	4/19-0037	Number of invocoms held per quarter	4 for the year	5 for the year	3	4 for the year	6 for the year	3	4 for the year	

(b) Employees: Financial Statements and Control

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	0	0	1	1	100.00%
16 - 18	2	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	2	1	2	1	

3.10.5 FINANCIAL SYSTEMS ADMINISTRATION**(a) Financial Systems Administration performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Manage user sessions on the Financial System	4/17-0037	Report on managing of user sessions on the Financial System	Yes (Quarterly)	Yes	3	Yes (Quarterly)	Yes	3	Yes (Quarterly)	
Manage user support: Solve user requests and problems reported on the Financial System	4/17-0038	% of requests for problem solving lodged with Helpdesk resolved within 48 hours	90.0%	97.5%	3.2	90.0%	100%	3.3	90.0%	
Train and support users on the Financial System	4/17-0039-3	Report to CFO on specific training modules according to the various financial functions compiled and reviewed	Yes (annually before the end of June)	N/a	0	Yes (annually before the end of June)	Yes	3	Yes (annually before the end of June)	
Accurate and completeness of electronic payments	4/17-0041	Balance and verify electronic payments (Pay@) from vendors into the Financial Database after the import of the file sent by Pay@ via FTP	3 per quarter	12 for the year	3	3 per quarter	12 for the year	3	3 per quarter	
Accurate and completeness of vehicle costing integration	4/17-0042-1	Standard Bank vehicle costing file downloaded, tested and balanced prior to importing into Financial system	Yes (with exception reported to Head)	Yes	3	Yes (with exception reported to Head)	Yes	3	Yes (with exception reported to Head)	
Accurate and completeness of vehicle costing integration	4/17-0042-2	Number of months that the correctness and integrity of data were tested prior to updating of	3 per quarter	12 for the year	3	3 per quarter	12 for the year	3	3 per quarter	

		data to the Financial System for monitoring by the Head: Assets and Fleet								
Effective execution and monitoring of ACB payment process	4/17-0043-1	Administer ACB applications received from the Head: Credit Control and capture new applications and/or make changes on Financial System accordingly	Yes	Yes	3	Yes	Yes	3	Yes	
Effective execution and monitoring of ACB payment process	4/17-0043-2	Complete reports on Promun on the ACB payments run of the previous month	Yes (latest 4 days before end of month)	Yes	3	Yes (latest 4 days before end of month)	Yes	3	Yes (latest 4 days before end of month)	
Effective completion of month-end procedure	4/17-0044-1	Number of month-end procedures completed successfully within 5 working days from the first working day of the month during which period challenges must be identified proactively and communicated to CFO or applicable functionary Head to prevent incorrect accounts.	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Effective completion of month-end procedure	4/17-0044-3	Number of months that the following procedures were managed: - Creating accounts - Sending of same via email to consumers with email addresses - Sending notices	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Availability of management and Audit information	4/17-0045	Number of months that the audit reports were	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	

		created and placed in month-end folder					year			
Accuracy and completeness of Credit control process	4/17-0046-1	Setup and print of final notices for outstanding debt	Yes (quarter 2)	Yes	3	Yes (quarter 2)	Yes	3	Yes (quarter 2)	
Accuracy and completeness of Credit control process	4/17-0046-2	Handover of outstanding debts	Yes (quarters 3 and 4)	Qtr 3 = N/a, Qtr 4 = Yes	3	Yes (quarters 3 and 4)	Qtr 3 = N/a, Qtr 4 = Yes	3	Yes (quarters 3 and 4)	
Accuracy and completeness of Credit control process	4/17-0046-3	Data flow between Financial System and legal suite; and/or between Financial and Collab systems administered	Yes	Yes	3	Yes	Yes	3	Yes	
Accuracy and completeness of Annual Debit Raising	4/17-0047-1	Completion of annual debit raising procedure	Yes (within the first 10 days of August)	Yes	3	Yes (within the first 10 days of August)	Yes	3	Yes (within the first 10 days of August)	
Accuracy and completeness of Annual Debit Raising	4/17-0047-2	Completion of interim valuation debit raising procedure subject to obtaining the data timeously from the Built Environment Division	Yes (bi-annually by December and June)	Yes	3	Yes (bi-annually by December and June)	Yes	3	Yes (bi-annually by December and June)	
Ensure accuracy of monthly transactions in correct period	4/17-0048-1	Period 13 closed pursuant to regulatory audit	Yes (annually after completion of the AG's audit)	Yes	3	Yes (annually after completion of the AG's audit)	N/a		Yes (annually after completion of the AG's audit)	
Ensure accuracy of monthly transactions in correct period	4/17-0048-2	Monthly end and monthly close processes completed successfully	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Ensure accuracy of monthly transactions in correct period	4/17-0048-3	Periods for the capturing of old year correction transactions for purposes	Yes (July, August and November)	Yes	3	Yes (July, August and November)	Yes	3	Yes (July, August and November)	

		of financial statements opened and then closed after completion	annually)			annually)			annually)	
Effective Setup / Maintenance of system	4/17-0049-1	All setup changes to the Financial system programs provided by the Financial System Provider managed with signed-off report on all new or revised software changes.	Yes	Yes	3	Yes	Yes	3	Yes	
Effective Setup/Maintenance of system	4/17-0049-2	Information from database as required from Management (ODBC) extracted and users assisted with extraction of information from database (ODBC)	Yes (provide reports in practical usable formats)	N/a	0	Yes (provide reports in practical usable formats)	N/a		Yes (provide reports in practical usable formats)	
Update risk assessment	4/17-0050	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Productive workforce	4/17-0183	% of person days lost per month due to sick leave	4% pm maximum	0.4% average pm for the year	3.9	4% pm maximum	0% pm maximum	4	4% pm maximum	

(b) Employees: Financial Systems Administration

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
13 - 15	1	1	1	0	0.00%
07 - 09	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
00 - 03	0	0	0	0	0.00%

16 - 18	0	0	0	0	0.00%
10 - 12	0	0	0	0	0.00%
TOTAL	1	1	1	0	

3.10.6 INCOME

(a) Income performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure that all monies are banked	4/09-0240	Number of months that monies are banked, except the shortages not paid in immediately	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Do proper financial planning	4/09-0242	Draft income budget submitted to CFO	Yes (annually by end of November)	Yes	3	Yes (annually by end of November)	Yes	4	Yes (annually by end of November)	Note: Revenue expansion
Ensure the proper inter-departmental management of income	4/09-0246	Number of meetings held with each director	10 for the year	10 for the year	3	10 for the year	12 for the year	3	10 for the year	
Provide accurate service information	4/09-0251	Number of monthly updates of electricity and water statistics and distribution losses done	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Ensure that electricity tariffs comply with legal requirements	4/09-0253	Electricity tariffs submitted to Council and NERSA	Yes (after 90 day budget approval)	Yes	3	Yes (after 90 day budget approval)	Yes	3	Yes (after 90 day budget approval)	
Ensure the proper management of income	4/09-0265-1	Number of months that the daily reports were in	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	

		balance at the end of the month (excluding cashier shortages)								
Ensure the proper management of income	4/09-0265-2	Number of months that the weekly reconciliations of cash were received	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Update risk assessment	4/17-0163	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Manage, control, monitor and coordinate services and sundries sections	4/17-0164-1	Number of months that the reconciliations of revenue votes to control accounts were certified as correct	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Manage, control, monitor and coordinate services and sundries sections	4/17-0164-2	Tariff adjustments controlled and coordinated for services, sundries and pre-paid meters	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Manage, control, monitor and coordinate services and sundries sections	4/17-0164-3	Financial year-end: Revenue entries finalised (investment properties, payment received in advance and tariff revenue)	Yes (annually by June)	No	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Manage, control, monitor and coordinate services and sundries sections	4/17-0164-4	Number of months that meter readings were completed by the last working day of the month	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Productive workforce	4/17-0176	% of person days lost per month due to sick leave	4% pm maximum	2.8% average pm for the year	3.3	4% pm maximum	2.2% average pm for the year	3.5	4% pm maximum	
Inform staff	4/19-0050	Number of invocoms held	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	

(b) Employees: Income

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
04 - 06	14	12	12	0	0.00%
00 - 03	0	3	3	0	0.00%
19 - 20	0	0	0	0	0.00%
10 - 12	3	3	3	0	0.00%
07 - 09	18	17	18	1	5.56%
16 - 18	0	0	0	0	0.00%
13 - 15	1	1	1	0	0.00%
TOTAL	36	36	37	1	

3.10.7 LEGAL AND CREDIT CONTROL**(a) Legal and Credit Control performance results**

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Appropriately manage debt	4/09-0234-1	% of outstanding debtors handed over prior to year-end as agreed with the CFO	98% in quarter 4	100%	3.1	98% in quarter 4	100%	3.1	98% in quarter 4	
Appropriately manage debt	4/09-0234-2	Credible and accurate bi-annual report containing motivation for the writing off of irrecoverable debt submitted to CFO	Yes (bi-annually by Feb and May)	Feb=Yes; May=No	3	Yes (bi-annually by February and May)	Yes	3	Yes (bi-annually by February and May)	
Ensure up to date policies	4/17-0112	Review of policies and strategies submitted to	Yes (annually by	Yes	3	Yes (annually	Yes	3	Yes (annually	

		CFO: Credit control and debt collection policy and Indigent policy	end of January)			by end of January)			by end of January)	
Update risk assessment	4/17-0114	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Credit Control Management	4/17-0115-1	Report on arrears of municipal personnel and Council members to Municipal Manager and Director: Financial Services and measures taken to adress same	Yes	Yes	3	Yes	Yes	3	Yes	
Credit Control Management	4/17-0115-2	Make sure that cut-off list for termination and reconnection of services are carried out and that same is accurate	Yes	Yes	3	Yes	Yes	3	Yes	
Legal Collections Management	4/17-0117-1	Determine which accounts must be handed over for legal action to collect monies owing to Council	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Legal Collections Management	4/17-0117-2	% of accounts which were handed over, successfully collected	60% (annually by end of June)	91.0% for the year	4.5	60% (annually by end of June)	100%	5	60% (annually by end of June)	
Legal Collections Management	4/17-0117-6	Take responsibility by certifying the correctness of actual write-offs done against debtor's accounts once Council decision is obtained (annually during the year-end period)	Yes (once a year prior to year-end)	Yes	3	Yes (once a year prior to year-end)	Yes	3	Yes (once a year prior to year-end)	
Indigent Subsidy Management	4/17-0118	Verify additions and cancellations in respect of	Yes	Yes	3	Yes	Yes	3	Yes	

		the indigent register of qualifying households in line with the criteria in the policy								
Productive workforce	4/17-0178	% of person days lost per month due to sick leave	4% pm maximum	4.5% pm average for the year	2.8	4% pm maximum	3.7% pm average for the year	3.2	4% pm maximum	
Inform staff	4/19-0045	Number of invocoms held	1 per quarter	12 for the year	3	4 for the year	12 for the year	3	4 for the year	

(b) Employees: Legal and Credit Control

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
10 - 12	1	1	1	0	0.00%
07 - 09	8	8	8	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
13 - 15	1	1	1	0	0.00%
00 - 03	0	0	0	0	0.00%
04 - 06	0	1	1	0	0.00%
TOTAL	10	11	11	0	

3.10.8 SECRETARIAT AND ARCHIVES

(a) Introduction

The Department: Secretariat and Records Services renders a comprehensive and effective administrative support function which entails:

- Secretariat Services to all council meetings, ward committee meetings, municipal planning tribunal, bid committees and internal audit committee;
- Records Services to support the recording, updating, circulation and maintenance of information from, to and within the municipality.

(b) Secretariat and Archives performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure an effective secretariat service to Council, Mayoral Committee and ward committees	4/09-0064-1	Number of council agendas distributed according to policy (i.e. 48 hours in advance)	1 per quarter	11 for the year	4	1 per quarter	8 for the year	5	1 per quarter	
Ensure an effective secretariat service to Council, Mayoral Committee and ward committees	4/09-0064-2	Number of EMC agendas distributed monthly according to policy (i.e. 24 hours in advance)	3 per quarter	12 for the year	3	3 per quarter	12 for the year	3	12 for the year	
Ensure an effective secretariat service to Council, Mayoral Committee and ward committees	4/09-0064-3	Number of ward committee agendas distributed monthly at least 7 working days before the meetings	8 for the year	3 for the year	3	8 for the year	10 for the year	3.8	8 for the year	
Ensure the timely distribution of resolutions to appropriate officials	4/09-0065	Average number of working days to distribute EMC, Council and ward committee resolutions	7 days maximum	4.5 days pm average for the year	3.9	7 days maximum	4.2 days pm average for the	3.9	7 days maximum	

		according to policy					year			
Ensure that ward committees are continually engaged	4/09-0066	Number of ward committee meetings held per annum	At least 48 for the year	27 for the year	3	At least 48 for the year	115 for the year	5	At least 48 for the year	
Appropriately manage the filing system	4/09-0069	Update of master copy completed	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Adequately distribute all incoming correspondence	4/09-0070	% of incoming mail referred within 48 hours	95%	96.6% pm average for the year	3.1	95%	97.4% pm average for the year	3.1	95%	
Manage archives in a legally compliant manner	4/09-0071	Number of inspection reports submitted	1 per quarter	4 for the year	3	1 per quarter	4 for the year	3	1 per quarter	
Improve access to municipal bylaws	4/09-0084	Municipal code and fine schedules updated	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Ensure that council minutes are placed on the Municipality's website	4/11-0001	Council minutes placed on the Municipality's website within 5 working days after the council meeting	Yes	Yes	3	Yes	Yes	3	Yes	
Ensure the disposal of records according to Disposal Authorities issued by the Provincial Archivist	4/11-0002	Disposal of records according to Disposal Authorities done	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Ensure up to date policies	4/17-0021	Policies reviewed in terms of pre-determined schedule	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Guidance and training	4/17-0022	Awareness and induction training regarding records management as and when	Yes	Yes	3	Yes	Yes	3	Yes	

		needed								
Update risk assessment	4/17-0023	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Bid Committee administration	4/17-0024	Notified responsible officials of the expiry of multi year tender contracts by utilising automated systems	Yes	Yes	3	Yes	Yes	3	Yes	
Ward committee administration	4/17-0025	Number of reports submitted to government authorities on ward committee activities	1 per quarter	4 for the year	3	1 per quarter	4 for the year	3	1 per quarter	
Compliance with the Promotion of Access to Information Act (PAIA)	4/17-0027-1	s32 Report submitted to Information Regulator	Yes (annually by end of April)	Yes	3	Yes (annually by end of April)	Yes	3	Yes (annually by end of April)	
Compliance with the Promotion of Access to Information Act (PAIA)	4/17-0027-2	s15 Notice submitted to Information Regulator	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Inform staff	4/17-0030	Number of invocoms held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Productive workforce	4/17-0179	% of person days lost per month due to sick leave	4% pm maximum	2.7% pm average for the year	3.3	4% pm maximum	1.9% pm average for the year	3.6	4% pm maximum	

(c) Employees: Secretariat and Archives

Employees incorporated under Administration Corporate Services.

(d) Financial Performance: Secretariat and Archives

Operational expenditure incorporated under Administration Corporate Services.

(e) Capital Expenditure: Secretariat and Archives

None

(f) Comment on the performance of Secretariat and Archives overall

The division was able to maintain the standard of service required.

3.10.9 MARKETING AND TOURISM

(a) Introduction

Swartland Municipality provides funding to the tourism company named Swartland Tourism NPC in terms of a Service Level Agreement. The company was formed in the previous year after a restructuring process and they will draw up a new Strategy and Marketing plan for the next 5 years. The funding is mainly used for personnel to man the offices and marketing through brochures and attendance of festival and travel markets. In the region there are 4 tourism offices, namely in Malmesbury, Riebeek Valley, Darling and Yzerfontein. The company is headed by a Board of Directors to provide direction. The company is evaluated annually on their KPI's. Their financial statements and Chairman's report are tabled at council.

(b) Marketing and Tourism performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure the Local Tourism Organisation (LTO) complies with the Service Level Agreement	4/09-0085-1	Number of reports submitted by LTO	1 per quarter	4 for the year	3	4 for the year	5 for the year	3.5	4 for the year	
Ensure the Local Tourism Organisation (LTO) complies	4/09-0085-2	Report by Chairperson submitted	Yes (annually by	Yes	3	Yes (annually	Yes	3	Yes (annually by	

with the Service Level Agreement			September)			by September)			September)	
Ensure the Local Tourism Organisation (LTO) complies with the Service Level Agreement	4/09-0085-3	Financial statements submitted	Yes (annually by September)	Yes	3	Yes (annually by September)	Yes	3	Yes (annually by September)	
Ensure the Local Tourism Organisation (LTO) complies with the Service Level Agreement	4/09-0085-4	LTO performance in terms of KPI's assessed	Yes (annually by September)	Yes	3	Yes (annually by September)	Yes	3	Yes (annually by September)	

(c) Employees: Marketing and Tourism

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	1	1	1	0	

(d) Financial Performance: Marketing and Tourism

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R595 768	R636 408	R636 408	R707 607	111.19%
2 Contracted Services	R42 274	R50 826	R50 826	R43 914	86.40%
3 Other	R1 091 449	R1 634 413	R1 635 480	R1 570 170	96.07%
TOTAL	R1 729 491	R2 321 647	R2 322 714	R2 321 691	

(e) Capital Expenditure: Marketing and Tourism

None

(f) Comment on the performance of Marketing and Tourism overall

The Swartland Tourism NPC is assessed annually on certain key performance indicators as provided for in the Service Level Agreement with the municipality. Its financial statements and Chairman's report are tabled in council.

STRATEGIC MANAGEMENT

(a) Introduction

The purpose of Strategic Management is to provide an efficient and pro-active strategic service to the Council, the Municipal Manager and the Organisation which includes -

- Development and management of strategic services
- Community participation as described in chapter 4 of the Municipal Systems Act
- Integrated development planning as described in chapter 5 of the Municipal Systems Act
- Performance management as described in chapter 6 of the Municipal Systems Act
- Programme and project management
- Intergovernmental alignment
- Local economic development

(b) Strategic Management performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure effective performance management	4/09-0015-1	Performance reported to the External Audit Committee and Council as part of the Section 52 report	Yes (bi-annually)	Yes	3	Yes (quarterly)	Yes	3	Yes (quarterly)	
Ensure effective	4/09-0015-2	Number of performance	10 for the	11 for the	3	10 for the	11 for	3.3	10 for the	

performance management		management meetings	year	year		year	the year		year	
Ensure effective performance management	4/09-0015-3	Performance evaluation by panel done	Yes (annually by August)	Yes (by Sept)	3	Yes (annually by September)	Yes	3	Yes (annually by September)	
Ensure effective performance management	4/09-0015-4	Key performance indicators and targets reviewed	Yes (annually by June)	Yes (done in January)	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Proper consultation in reviewing of the IDP	4/17-0066-1	With the compilation of the IDP, were all the stakeholders consulted	Yes (report by May annually)	Yes	3	Report by May annually	Yes	3	Report by May annually	
Proper consultation in reviewing of the IDP	4/17-0066-2	With the compilation and revision of the IDP, was a strategy session held with the Mayoral Committee and top management to revise the strategy	Yes (report by December annually)	No	3	Yes (report by December annually)	Yes	3	Yes (report by December annually)	
Proper Program and project management	4/17-0067	Program, project, budget and performance data captured on the PM system	Yes (annually by June)	Yes	3	Yes (annually by June)	Yes	3	Yes (annually by June)	
Ensure up to date policies	4/17-0068-1	Local economic development (LED) policy and framework reviewed	Yes (annually by May)	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Ensure up to date policies	4/17-0068-2	Performance management policy/framework reviewed	Yes (annually by May)	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Update risk assessment	4/17-0070	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Resolve audit issues	4/17-0071-1	% of Auditor General's	100%	N/a	0	100%	N/a		100%	

		queries (comafs) for which an action plan was submitted within 5 working days								
Resolve audit issues	4/17-0071-2	% of Auditor General's findings implemented within agreed time frame	100%	N/a	0	100% annually by June	100%	3	100% annually by June	
Resolve audit issues	4/17-0071-3	% of outstanding internal audit findings addressed according to scheduled deadlines	100%	100%	3	100% annually by June	100%	3	100% annually by June	
Productive workforce	4/17-0188	% of person days lost per month due to sick leave	4% pm maximum	1.2% pm average for the year	3.7	4% pm maximum	1% pm average for the year	3.8	4% pm maximum	
Inform staff	4/19-0036	Number of invocoms held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(c) Employees: Strategic Management

Included under Administration Municipal Manager

(d) Financial Performance: Strategic Management

Included under Administration Municipal Manager

(e) Capital Expenditure: Strategic Management

None

(f) Comment on the performance of Strategic Management overall

No comments.

3.10.10 INTERNAL AUDIT (INCLUDING RISK MANAGEMENT)

(a) Introduction

Internal Audit

The purpose of the Internal Audit Activity (IAA) is to provide an independent, objective assurance and consulting services designed to add value and improve Swartland Municipality's operations. The IAA helps the organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The scope of work of the IAA is to determine whether the municipality's control processes, as designed and represented by management, are adequate and functioning in a manner to ensure amongst others the:

- i. Safeguarding of assets;
- ii. Compliance with laws, regulations and contractual obligations;
- iii. Reliability and integrity of information; and
- iv. Economic, efficient and effective use of resources.

The Senior Manager, Internal Audit follows a risk based audit approach whereby an annual audit plan is compiled and executed. Included in the plan are special tasks or projects requested by Management and the Performance, Risk and Audit Committee. Reporting to the Municipal Manager regarding the activities of the unit such as audits and investigations performed, audit findings not yet implemented and any other concerns is done on a monthly basis. Quarterly Performance and Risk Audit Committee meetings are held where risk management, performance management, audit reports issued and performance against the audit plan are discussed. Audit findings raised by the Auditor-General are also discussed and the implementation thereof monitored. Minutes of these meetings are submitted to the Executive Mayoral Committee and noted at Council meetings as being received.

Risk Management

A fully functional Enterprise Risk Management unit has not been established within Swartland Municipality and the responsibility to assist management in compiling and updating risk registers assigned to Internal Audit. Risk Management is one of management's core responsibilities and therefore the Internal Audit unit as part of their consulting services, assists management with the implementation of risk management. The performance of risk assessments is done by Internal Audit through facilitating the process of identifying and assessing risks per Directorate.

An External Quality Assessment Review was performed and indicates that the IAA generally conforms with the mandatory elements of the International Professional Practices Framework (IPPF).

Each Directorate in conjunction with Internal Audit has compiled Operational Risk Assessments as well as a Strategic Risk Assessment to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives. These Risk Assessments are reviewed regularly to identify changes in the risk exposure that will result from changes in the organisation as well as external factors. Risk Management has been implemented in a comprehensive and integrated way, throughout the municipality rather than only in selected business areas or disciplines. The identified risks are prioritised which enables management to focus more time, effort and resources on higher risk areas. Identified high risk areas form part of the IDP and the Performance Management system which ensures that it is monitored on a continuous basis. The BarnOwl system is utilised to assess risks and to compile risk registers.

(b) Internal Audit (including Risk Management) performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure that management is aware of all audit related issues	4/09-0002-1	Number of monthly reports regarding internal audit activities submitted to the Municipal Manager	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Ensure that management is aware of all audit related issues	4/09-0002-2	IIA External Quality reviewed	Yes (by November 2024)	N/a	0	Yes (by November 2024)	N/a		Yes (by November 2024)	
Ensure that the Audit Committee is informed of all audit (AG and internal) as well as evaluation reports regarding compliance, controls and risk management	4/09-0003	Number of reports submitted to Audit Committee regarding risks affecting the Municipality to ensure opinion on combined assurance to Council	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Ensure that the Audit Committee functions as per mandate	4/09-0004	Number of AC meetings minutes submitted to the Executive Mayoral Committee with recommendations to be dealt with by Council at their next meeting	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Continuously update the risk profile of the Municipality	4/09-0005-1	Compilation of Risk Based Audit Plan (RBAP) completed	Yes (annually by May for submission to PRAC for approval)	Yes	3	Yes (annually by May for submission to PRAC for approval)	Yes	3	Yes (annually by May for submission to PRAC for approval)	
Continuously update the	4/09-0005-2	Risk Based Audit Plan	Yes	Yes	3	Yes	Yes	3	Yes	

risk profile of the Municipality		(RBAP) approved by the Audit Committee	(annually by end of May)			(annually by end of May)			(annually by end of May)	
Reduce risks through the execution of the appropriate RBAP and recommendation of adequate controls	4/09-0006-1	% execution of the RBAP	80% for the year	77.0% for the year	3	80% annually by June	100% for the year	3.8	80% annually by June	
Reduce risks through the execution of the appropriate RBAP and recommendation of adequate controls	4/09-0006-2	% of outstanding internal audit findings addressed according to scheduled deadlines	100%	89.3% average pm for the year	2.8	100% annually by June	97% average pm for the year	2.9	100% annually by June	Reason: 1 audit recommendation is still in the process of being implemented. It relates to the implementation of a time and attendance process/system which will continue in the 2023/2024 financial year. Intervention: None Required
Ensure proper identification of risks in the Municipality	4/09-0007	Risk assessment of all directorates reviewed and updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
MFMA Section 131(1): Ensure effective liaison with the Auditor-General and coordination of the implementation of the AG's findings	4/09-0008-1	% of Auditor General requests for documents and information effectively obtained and submitted (Audit File) within 2 working days	100%	100%	3	100%	100%	3	100%	
MFMA Section 131(1): Ensure effective liaison with the Auditor-General and coordination of the implementation of the AG's findings	4/09-0008-2	Comments / action plan obtained from responsible manager within 5 days from date of issue for all COMAFS submitted by the AG	Yes	Yes	3	Yes	Yes	3	Yes	
Ensure up to date policies	4/12-0006-1	IA Strategic and Work procedure reviewed	Yes (annually	Yes	3	Yes (annually	Yes	3	Yes (annually	

			by end of June)			by end of June)			by end of June)	
Ensure up to date policies	4/12-0006-2	Internal Audit Charter reviewed	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Ensure up to date policies	4/12-0006-3	Audit Committee Charter reviewed	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Ensure up to date policies	4/12-0006-4	Risk Management Strategic Plan reviewed	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Ensure up to date policies	4/12-0006-5	Fraud and Anti-Corruption Policy reviewed	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Ensure up to date policies	4/12-0006-6	Risk Management Policy reviewed	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
The Strategic objectives of Internal Audit are aligned to that of the municipality and it is in accordance with applicable legislation and standards	4/17-0081	3 Year rolling Risk based audit plan reviewed and updated according to changes in the strategy of the municipality	Yes (annually by May)	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	
Review work of Internal Audit	4/17-0083-1	Number of months that poor performance / skill shortage/ training needs were identified during quality reviews of audits performed	10 for the year	11 for the year	3	10 for the year	13 for the year	3.9	10 for the year	
Review work of Internal Audit	4/17-0083-2	Internal Audit Roadshow	Yes (annually	Yes	3	Yes (annually	Yes	3	Yes (annually	

			before the end of June)			before the end of June)			before the end of June)	
Productive workforce	4/17-0194	% of person days lost per month due to sick leave	4% pm maximum	0,8% average pm for the year	3.8	4% pm maximum	1.9% average pm for the year	3.5	4% pm maximum	
Inform staff	4/19-0039	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(c) Employees: Internal Audit

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	1	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	2	2	2	0	

(d) Financial Performance: Internal Audit

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
2 Contracted Services	R172 435	R277 313	R695 313	R171 850	61.97%
3 Other	R53 190	R115 849	R112 049	R38 309	33.07%
1 Employees	R1 635 709	R1 899 751	R1 899 751	R1 769 137	93.12%
TOTAL	R1 861 334	R2 292 913	R2 707 113	R1 979 296	

(e) Capital Expenditure: Internal Audit

None

(f) Comment on the performance of Internal Audit (including Risk Management) overall

Performance of Internal Audit/ Risk Management

During the financial year, the Internal Audit Unit executed various audits and investigations of which the results were directly reported to the Performance and Risk Audit Committee, Municipal Manager and relevant Directors. Included in the internal audit reports against each audit finding an agreed management action plan, person responsible for implementation as well as a due date are indicated to facilitate the follow-up thereof. The implementation of findings issued by Internal Audit and the Auditor-General are managed by means of a list indicating "Findings not yet implemented" which is updated after the execution of the relevant follow-up audits.

Quarterly Performance and Risk Audit Committee meetings were held and administered by the Senior Manager, Internal Audit. Risk registers and performance against the approved Risk Based Internal Audit Plan and Risk Management Strategic Plan are submitted to the committee and monitored.

3.10.11 HUMAN RESOURCES

(a) Introduction

Human Resources Services consists of five employees providing services to all employees of Swartland Municipality. The services provided include Labour Relations, Recruitment and Selection, Training and Development, Employee Assistance, Employment Equity and all Human Resources Administration with regard to fringe benefits, etc. Human Resources Services performed an excellent and efficient service during the year and were compliant with all legislative and regulatory prescripts.

(b) Human Resources performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure the efficient and timely administration of appointments	4/09-0089	% external appointments made within 3 months after advertising	90% for the year	96.9% (32/33 vacancies for the year)	3.2	90% for the year	94.4% (17/18 vacancies for the year)	3.1	90% for the year	
Keep the organogram up to date	4/09-0092	Review of the organogram completed and submitted to Council	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Keep human resource policies up to date	4/09-0093	Status report on reviewed policies in terms of pre-determined schedule	Yes (annually by end of	Yes	3	Yes (annually by end of	Yes	3	Yes (annually by end of	

		submitted to Director Corporate Services	October)			October)			October)	
Continuously train and develop staff	4/09-0094-1	New Skills Development Plan compilation completed	Yes (annually by end of April)	Yes	3	Yes (annually by end of April)	Yes	3	Yes (annually by end of April)	
Continuously train and develop staff	4/09-0094-2	Reports on bursaries submitted	Yes (annually in February)	Yes	3	Yes (annually in February)	Yes	3	Yes (annually in February)	
Ensure legal compliance regarding employment equity reporting	4/09-0098	Employment Equity Report submitted to Department of Labour	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	
Properly manage disciplinary disputes and processes	4/09-0099-1	Number of unfavourable awards for the employer regarding disputes (CCMA)	0 maximum	0	3	0 maximum	0	3	0 maximum	
Properly manage disciplinary disputes and processes	4/09-0099-2	Report compiled and submitted to Management	Yes (bi-annually in July and January)	Yes	3	Yes (bi-annually in July and January)	Yes	3	Yes (bi-annually in July and January)	
Ensure that the Local Labour Forum complies with legal requirements	4/09-0100	Reports submitted quarterly to SALGBC	Yes (quarterly)	Yes	3	Yes (quarterly)	Yes	3	Yes (quarterly)	
Report on productive workforce	4/09-0102	Number of reports on % of person days lost per month due to sick leave	3 per quarter	12 for the year	3	3 per quarter	12 for the year	3	3 per quarter	
Maintain a safe working environment	4/09-0103-1	Number of reports on % of person days lost per month due to injuries	3 per quarter	12 for the year	3	3 per quarter	12 for the year	3	3 per quarter	
Sufficiently orientate new staff to Swartland values	4/09-0104	% of new personnel receiving induction within three month after employment	100%	100%	3	100%	100%	3	100%	

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Properly manage staff doing private work	4/09-0108	Number of reports submitted to Municipal Manager on private (outside) work done by staff	1 per quarter	4 for the year	3	1 per quarter	4 for the year	3	1 per quarter	
Update risk assessment	4/17-0054	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Inform staff	4/17-0056	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Organisation structure	4/17-0057	Number of vacancy reports compiled for submission to management meeting and other forums	10 for the year	12 for the year	3.6	10 for the year	12 for the year	3.6	10 for the year	
Leave administration	4/17-0059-1	Report annually by July on compulsory annual leave forfeited for previous leave cycle (January-December) as at the end of June	Yes (annually by July)	Yes	3	Yes (annually by July)	Yes	3	Yes (annually by July)	
Leave administration	4/17-0059-2	Report on accumulated leave in excess of 48 days forfeited at the end of June	Yes (annually by July)	Yes	3	Yes (annually by July)	Yes	3	Yes (annually by July)	
Productive workforce	4/17-0200	% of person days lost per month due to sick leave	4% pm maximum	5.3% average pm for the year	2.5	4% pm maximum	5.1% average pm for the year	3.5	4% pm maximum	Reason: Due to valid sick leave Intervention: None required
Implement a succession and talent management programme that links and develops high potential employees with key future roles in the organisation	4/18-0008	Report annually by May to Management Team on talent pool and succession planning for the year	Annually by May	Yes	3	Yes (annually by May)	Yes	3	Yes (annually by May)	

(c) Employees: Human Resources

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	4	4	4	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	1	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	5	5	5	0	

(d) Financial Performance: Human Resources

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
2 Contracted Services	R1 985 873	R2 474 892	R2 474 892	R2 368 880	95.72%
3 Other	R709 658	R570 178	R891 803	R497 721	87.29%
1 Employees	R3 226 656	R3 476 289	R3 476 289	R3 624 631	104.27%
TOTAL	R5 922 187	R6 521 359	R6 842 984	R6 491 232	

(e) Comment on the performance of Human Resources overall

Human Resources Services consists of five employees providing services to all employees of Swartland Municipality. The services provided include Labour Relations, Recruitment and Selection, Training and Development, Employee Assistance, Employment Equity and all Human Resources Administration with regard to fringe benefits, etc. Human Resources Services performed an excellent and efficient service during the year and were compliant with all legislative and regulatory prescripts.

3.10.12 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

(a) Introduction

The ICT Department of Swartland Municipality provides the following services: telephone and e-mail communication, internet access, active directory authentication, file storing services, network connectivity between offices, various applications, for example MS Office, Promun and Collaborator. The Department also implements and gives support on all PC's, servers, printers, copiers, telephones, PABX systems, Access / TA (time and attendance) control, wired, fibre and wireless networks including both hardware and software. The Department consists of 4 full time officials, who support approximately 250 users. Most of the server infrastructure is virtualised and runs on 3 physical servers, connected to a central storage device. Certain of our services was moved to the cloud. The Department is responsible for the backup and restoration of the Municipality's data and also implements and maintains the Municipality's IT Disaster Recovery site.

Furthermore, the Department also limits the Municipality's expenditure by making use of new technology. The Department has installed a number of VoIP PABX systems at the larger satellite offices in order to utilize our wide area network and software-defined wide area network effectively, rather than relying on expensive Telkom lines. The Department e-mails approximately 14 000 accounts to residents instead of posting printed accounts, which further results in savings on both printing and mailing costs. Some of the challenges the Department face are ageing infrastructure, increasing demand for storage space, bandwidth constraints, user training and cyber security.

During the year under review the department upgraded the municipal Servers and provided an update back-up system to ensure we minimise the potential loss of information should we have a data breach or hacking incident. Keep the information save and secure is essential for sustainable service delivery to all departments and divisions in the municipality.

The Department is heading up the updating of all our prepayment electricity meters as part of the TID (Token Identification) project. As at the end of June 2023 more than 4800 of the existing meters has been updated. Considering that the final date for converting all meters is only November 2024 this is indeed a good performance.

(b) ICT Services performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure that all personnel have full time access to the computer network	4/09-0269	% availability of critical IT resources / services	99%	100%	3	99%	100%	3	99%	
Address requests effectively	4/09-0271	% of requests lodged with Helpdesk resolved within 48 hours	90%	97% average pm for the year	3.3	90%	94% average pm for the year	3.1	90%	

Ensure proper management of IT systems	4/09-0275	Number of quarterly IT Committee meetings held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Ensure relevant and efficient IT service and infrastructure	4/12-0007-1	Survey of new strategic IT needs and changes in the organisation done and submitted to Management Team for budget purposes	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	Yes	3	Yes (annually by end of October)	
Ensure relevant and efficient IT service and infrastructure	4/12-0007-2	ICT Strategic Plan reviewed	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	Yes	3	Yes (annually by end of May)	
Update risk assessment	4/17-0122	Risk register updated	Yes (bi-annually by Nov and May)	Yes	0	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Operational management	4/17-0123-1	Ensure that all baseline security settings of IT systems are reviewed as per policy	Yes (annually by March)	Yes	3	Yes (annually by March)	Yes	3	Yes (annually by March)	
Operational management	4/17-0123-2	Number of testings of Disaster Recovery site	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Operational management	4/17-0123-3	Number of consultations to coordinate with ICT Managers Forum	2 for the year	2 for the year	3	2 for the year	2 for the year	3	2 for the year	
Productive workforce	4/17-0196	% of person days lost per month due to sick leave	4% pm maximum	1.9% average pm for the year	3.6	4% pm maximum	2.3% average pm for the year	3.4	4% pm maximum	
Inform staff	4/19-0042	Number of invocoms held	4 for the year	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(c) Employees: ICT Services

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	0	0	0	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	2	2	2	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	4	4	4	0	

(d) Financial Performance: ICT Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R4 126 977	R4 380 140	R4 380 699	R4 441 189	101.39%
2 Contracted Services	R387 323	R517 032	R467 032	R165 779	32.06%
3 Other	R8 096 095	R11 211 889	R11 256 522	R9 743 766	86.91%
TOTAL	R12 610 395	R16 109 061	R16 104 253	R14 350 734	

(e) Capital Expenditure: ICT Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 11-0105 IT: Scanner replacements	R80 000	R79 640	R66 578	83.22%
22/23 11-0106 IT: Equipment	R70 000	R70 000	R68 469	97.81%
22/23 13-0053 IT: Server SM virtual environment	R1 100 000	R1 028 620	R1 028 620	93.51%
22/23 14-0028 IT: Printers	R60 000	R60 000	R16 100	26.83%
22/23 14-0029 IT: Desktops	R225 000	R225 000	R218 079	96.92%
22/23 14-0030 IT: Notebooks	R484 000	R516 775	R509 025	105.17%
22/23 20-0022 IT: Backup solution	R660 000	R547 994	R547 994	83.03%
22/23 20-0023 IT: Monitor replacements	R45 000	R45 360	R45 360	100.80%
22/23 22-0038 IT: Recording of telephone calls	R180 000	R180 000	R171 730	95.41%

22/23 22-0039 IT: Projector: Town hall	R70 000	R70 000	R63 372	90.53%
22/23 22-0040 IT: UPS Replacement	R30 000	R0	R0	0.00%
TOTAL	R3 004 000	R2 823 389	R2 735 326	

(f) Comment on the performance of ICT Services overall

The IT strategy is aligned with the strategic objectives of Swartland Municipality's Integrated Development Plan (IDP). The IDP objectives are set out below:

- Improved quality of life for citizens
- Inclusive economic growth
- Quality and sustainable living environment
- Caring, competent and responsive institutions, organisations and business
- Sufficient, affordable and well-run services

The ICT services aid and assist in achieving the IDP strategic objectives in the following manner.

- A stable technology environment and infrastructure to support business units and departments in achieving their objectives
- Reduced down time of systems
- Increased support and optimized application and infrastructure resulting in increased productivity within Swartland Municipality
- Secure and govern IT assets
- Reduce cost through IT without compromising support and productivity
- Bring innovation through IT when required to support economic growth.

The capital projects for 2022/23 were intended to upgrade aging infrastructure, to bring down operating and maintenance costs by making use of equipment with a longer life cycle.

3.10.13 SUPPLY CHAIN MANAGEMENT

(a) Introduction

Swartland Municipality has a fully functional Supply Chain Division. All the various Bid Committees have been established and are functioning. The municipality is utilising National Treasury's Centralised Supplier Database (CSD) to source suppliers for quotations below R30,000. A monthly deviation report is submitted to the CFO and Management Team with explanations of all awards made during the previous month where the prescribed SCM processes could not be followed due to certain circumstances such as emergencies, sole suppliers, etc. quarterly reports are submitted to the Executive Mayor on the implementation of the Supply Chain Management Policy.

Long outstanding requisitions and orders are monitored by means of available system reports. Delays are communicated to the users.

(b) Supply Chain Management performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Properly manage municipal stores and stationary	4/09-0277-1	Number of stock spot checks done	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Properly manage municipal stores and stationary	4/09-0277-2	Annual stock-taking completed	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Ensure that all service providers comply with tax clearance certification	4/09-0278	Verification that tax clearance certificates are included with all formal and informal tenders	Yes	Yes	3	Yes	Yes	3	Yes	
Ensure up to date policies	4/17-0157	Preferential Procurement and Supply Chain Management policies reviewed	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	Yes	3	Yes (annually by end of January)	
Advertising of tenders	4/17-0158-1	All tenders above R200 000 advertised on National Treasury's e-portal, newspapers and website	Yes	Yes	3	Yes	Yes	3	Yes	
Advertising of tenders	4/17-0158-2	All advertised tenders below R200 000	Yes	Yes	3	Yes	Yes	3	Yes	

		registered on Swartland Municipality's website								
Verification of tenders	4/17-0159-1	Attendance of Bid committee (specification and adjudication) meetings by SCM official to verify compliance to SCM procedures and regulations	3 per quarter	3 for the year	3	12 for the year	19 for the year	4.5	12 for the year	
Verification of tenders	4/17-0159-2	Verification of validity of BEE certificates, declaration of interest, CIDB where applicable for all tenders, quotations awarded	Yes	Yes	3	Yes	Yes	3	Yes	
Update Risk assessment	4/17-0160	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Productive workforce	4/17-0182	% of person days lost per month due to sick leave	4% pm maximum	3.2 pm average for the year	3.2	4% pm maximum	3.4% pm average for the year	3.1	4% pm maximum	
Inform staff	4/19-0049	Number of invocoms held	8 for the year	6 for the year	3	8 for the year	8 for the year	3	8 for the year	

(c) Employees: Supply Chain Management

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	0	0	0	0	0.00%
07 - 09	8	8	8	0	0.00%
10 - 12	2	2	2	0	0.00%
13 - 15	0	0	1	1	100.00%
16 - 18	1	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	11	11	12	1	

(d) Financial Performance: Supply Chain Management

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R5 940 668	R5 871 458	R5 841 969	R5 826 564	99.24%
2 Contracted Services	R358 146	R387 060	R387 060	R398 887	103.06%
3 Other	R1 269 950	R1 361 169	R1 369 637	R1 051 302	77.24%
TOTAL	R7 568 764	R7 619 687	R7 598 666	R7 276 753	

(e) Comment on the performance of Supply Chain Management overall

Swartland Municipality adopted and implemented a Supply Chain Policy on 1 January 2006 in compliance with the guidelines set down by the SCM Regulations 2005. The Supply Chain Policy has to be reviewed annually, and amended if necessary. Amendments to the policy were approved by Council on 30 March 2023. No councillors are members of any committee handling Supply Chain processes. No remarks were made in the Auditor-General's report concerning the quality of Supply Chain Management.

3.10.14 MUNICIPAL PROPERTY MAINTENANCE

(a) Introduction

The Division : Buildings and Structures completed a total of 125 small projects for the 2022/2023 financial year scoring 91% on its overall performance and meeting its annual target of 90%.

Planning of eight major projects were also started within the same year and include :

- Planning: New Malmesbury council committee hall
- Planning: DOCSA trust erf development
- Planning: Asbestos Survey of all Municipal buildings (Phase two)
- Planning: Upgrading of Darling cashiers office
- Planning: Addition to Darling Municipal office
- Planning: Internal renovation to Darling North Library
- Planning: Upgrading of Darling Community hall kitchen
- Planning: Internal renovation and upgrading of Kalbaskraal Kraaltjie building

The division were able to implement all of its planned projects within budget and time frames.

(b) Municipal Property Maintenance performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Ensure that council buildings remain functional	4/09-0060-1	% of the operating budget for maintenance of council houses and council buildings spent	90% for the year	99.3% for the year	3.3	90% for the year	97% for the year	3.2	90% for the year	
Ensure that council buildings remain functional	4/09-0060-2	% legitimate requests / complaints i.r.o. incidents addressed within the previous month	90% pm minimum	94.6% pm average	3.2	90% pm minimum	91% pm average	3.1	90% pm minimum	
Complete road markings on time	4/09-0061-1	% of the operating budget for road markings spent	95% for the year	99.9% for the year	3.2	95% for the year	100% for the year	3.2	95% for the year	

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Complete road markings on time	4/09-0061-2	% of road markings work schedule completed	100% for the year	100% for the year	3	100% for the year	89% for the year	2.7	100% for the year	Reason: The budget depleted due to price increases. Intervention: None required.
Effectively execute maintenance projects	4/10-0007	% of planned and/or unforeseen maintenance projects of council houses and council buildings completed	90% for the year	100.0% for the year	3.3	90% for the year	91% for the year	3	90% for the year	
Update risk assessment	4/17-0125	Risk register updated	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Contract management and building maintenance	4/17-0128-1	Set up, implementation, drafting and management of maintenance schedules	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Contract management and building maintenance	4/17-0128-2	Number of months that the maintenance schedules were reviewed and updated	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Compliance to Health and Safety	4/17-0129	Number of months that safety reports were submitted by supervisors according to projects	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Ensure control over tools	4/17-0130	Number of spot checks done on tools accounted for	3 per quarter	12 for the year	3	12 for the year	12 for the year	3	12 for the year	
Productive workforce	4/17-0193	% of person days lost per month due to sick leave	4% pm maximum	3.3% pm average for the year	3.1	4% pm maximum	4.8% pm average for the year	2.7	4% pm maximum	Reason: Due to valid sick leave Intervention: None required
Inform staff	4/19-0043	Number of invocoms held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	

(c) Employees: Municipal Property Maintenance

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0.00%
04 - 06	5	5	5	0	0.00%
07 - 09	4	4	4	0	0.00%
10 - 12	1	1	1	0	0.00%
13 - 15	0	0	0	0	0.00%
16 - 18	1	1	1	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	11	11	11	0	

(d) Financial Performance: Municipal Property Maintenance

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R4 537 363	R5 172 491	R5 174 698	R5 083 747	98.28%
2 Contracted Services	R4 386 048	R4 369 486	R4 446 201	R4 141 229	94.78%
3 Other	R6 798 456	R10 513 088	R9 370 237	R7 652 461	72.79%
TOTAL	R15 721 867	R20 055 065	R18 991 136	R16 877 437	

(e) Capital Expenditure: Municipal Property Maintenance

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 20-0032 Buildings: Fitting of Council Chambers (Std Bank Building)	R2 000 000	R103 228	R103 213	5.16%
22/23 22-0047 Development of Erf 2737 Malmesbury	R4 000 000	R375 000	R0	0.00%
22/23 16-0006 Equipment Buildings & Maintenance	R26 800	R22 785	R15 131	56.46%
22/23 22-0115 Year-end Land: Donated Property	R0	R0	R110 000	0.00%
TOTAL	R6 026 800	R501 013	R228 343	

(f) Comment on the performance of Municipal Property Maintenance overall

The Division : Buildings and Structures completed a total of 125 small projects for the 2022/2023 financial year scoring 91% on its overall performance and meeting its annual target of 90%.

Planning of eight major projects were also started within the same year and include :

- Planning: New Malmesbury council committee hall
- Planning: DOCSA trust erf development
- Planning: Asbestos Survey of all Municipal buildings (Phase two)
- Planning: Upgrading of Darling cashiers office
- Planning: Addition to Darling Municipal office
- Planning: Internal renovation to Darling North Library
- Planning: Upgrading of Darling Community hall kitchen
- Planning: Internal renovation and upgrading of Kalbaskraal Kraaltjie building

The division were able to implement all of its planned projects within budget and time frames.

3.10.15 TOWN AND COMMUNITY HALLS (INCLUDING PROPERTY AND LEGAL)

(a) Introduction

The Corporate Services Directorate is responsible for the administration of the Municipality's property portfolio, including the sale and lease of immovable properties and all transactions and contracts relating to same, and to ensure that all related actions and documents are legally compliant.

Legal Services are outsourced but the Directorate assists council, executive structures and the various municipal directorates with, inter alia,

- the interpretation and application of national and provincial legislation;
- policy formulation within the applicable legal frameworks;
- the assessment of legal risks and obtaining legal opinions where necessary; and
- the administration of legal actions and claims on behalf of and against the Municipality.

(b) Town and community halls (including property and legal) performance results

Performance Objective	Objective ID	Key Performance Indicator	Previous Year Target	Previous Year Actual	Previous Year Score	Target	Actual	Score	Next Year Target	Notes
4 Indicators Division Heads										
Adequately maintain	4/09-0081-1	Maintenance audit	Yes	Yes	3	Yes	Yes	3	Yes	

facility infrastructure		completed	(annually by December)			(annually by December)			(annually by December)	
Adequately maintain facility infrastructure	4/09-0081-2	Maintenance upgrade needs provided to the building and maintenance division for action	Yes	Yes	3	Yes	Yes	3	Yes	
Ensure up to date policies	4/17-0138	Policies reviewed in terms of pre-determined schedule	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	Yes	3	Yes (annually by end of June)	
Update risk assessment	4/17-0140	Risk register updated	Yes (bi-annually by Nov and May)	Yes	3	Yes (bi-annually by November and May)	Yes	3	Yes (bi-annually by November and May)	
Property administration	4/17-0141	Number of updates of the security register verified	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Contract Management	4/17-0142-1	Number of updates of the automated database of all municipal property-related contracts and reports submitted to Director Corporate Services	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Contract Management	4/17-0142-2	Number of expiry contracts monitored by utilising automated system	10 for the year	12 for the year	3	10 for the year	17 for the year	5	10 for the year	
Inform staff	4/17-0144	Number of invocoms held	1 per quarter	4 for the year	3	4 for the year	4 for the year	3	4 for the year	
Productive workforce	4/17-0189	% of person days lost per month due to sick leave	4% pm maximum	2.2% pm average for the year	3.5	4% pm maximum	2.5% pm average for the year	3.4	4% pm maximum	

(c) Employees: Town and community halls (including property and legal)

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	6	8	8	0	0.00%
04 - 06	10	10	10	0	0.00%
07 - 09	2	2	2	0	0.00%
10 - 12	0	0	0	0	0.00%
13 - 15	1	1	1	0	0.00%
16 - 18	0	0	0	0	0.00%
19 - 20	0	0	0	0	0.00%
TOTAL	19	21	21	0	

(d) Financial Performance: Town and community halls (including property and legal)

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R3 827 140	R4 446 838	R4 442 996	R4 016 904	90.33%
2 Contracted Services	R220 094	R473 853	R279 195	R145 798	30.77%
3 Other	R914 536	R1 046 474	R1 354 182	R1 046 697	100.02%
TOTAL	R4 961 770	R5 967 165	R6 076 373	R5 209 399	

(e) Capital Expenditure: Town and community halls (including property and legal)

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
22/23 09-0024 Equipment Corporate: Buildings and Swartland halls	R100 000	R100 000	R99 530	99.53%
TOTAL	R100 000	R100 000	R99 530	

(f) Comment on the performance of Town and community halls overall

Halls are utilised on a regular basis including standing users of which the WP Blood Transfusion Services and SASSA are examples.

Cleaning of halls is done by municipal cleaning staff, while maintenance of the buildings is the function of the Building Division. Maintenance is being carried out subject to the availability of funds.

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 INTRODUCTION

Swartland Municipality aims to ensure service delivery of the best possible quality for all the inhabitants of the Municipality. To achieve this, a prime goal of the Municipality's Human Resource Strategy is: **To create a flexible organisation that enables optimal performance by developing and retaining a properly skilled and representative workforce.** Swartland Municipality considers its human resources as one of its most critical assets. This chapter will focus on some of the key issues relating to human resources and other organisational management issues. Issues which will be addressed includes the staffing rate of the municipality, personnel cost, the status quo of retirement funds and medical aid schemes, human resource policies and practices, as well as the remuneration of senior officials and councillors.

4.2 MUNICIPAL PERSONNEL

(a) Employees

Service Name	Posts	Employees	Vacancies	Vacancies As Percentage
Asset and Fleet Management	4	4	0	0.00%
Budget Office and Costing	2	2	0	0.00%
Building Control	6	6	0	0.00%
Caravan Park Yzerfontein	6	5	1	16.67%
Cemeteries	0	0	0	0.00%
Civil Protection (including Disaster Management)	0	0	0	0.00%
Community Development	5	5	0	0.00%
Council General Expenses	0	0	0	0.00%
Electricity Distribution	41	39	2	4.88%
Expenditure	11	11	0	0.00%
Financial Statements and Control	2	1	1	50.00%
Financial Systems Administration	1	1	0	0.00%
Fire Fighting Services	6	6	0	0.00%
Grants and subsidies Council	0	0	0	0.00%
Grants and subsidies Financial Services	0	0	0	0.00%
Grants and subsidies FMG	0	0	0	0.00%

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Harbour Yzerfontein	0	0	0	0.00%
Housing	3	3	0	0.00%
Human Resources	5	5	0	0.00%
ICT Services	4	4	0	0.00%
Income	37	36	1	2.70%
Internal Audit (including Risk Management)	2	2	0	0.00%
Legal and Credit Control	14	14	0	0.00%
Libraries	33	31	2	6.06%
Licencing and Registration Services	22	22	0	0.00%
Local Economic Development	0	0	0	0.00%
Management Civil Engineering Services	6	6	0	0.00%
Management Corporate Services	8	8	0	0.00%
Management Development Services	2	2	0	0.00%
Management Electrical Engineering Services	1	1	0	0.00%
Management Financial Services	2	2	0	0.00%
Management Municipal Manager	3	3	0	0.00%
Management Protection Services	2	2	0	0.00%
Marketing and Tourism	1	1	0	0.00%
Municipal Property Maintenance	11	11	0	0.00%
Occupational Health and Safety (including Pollution Control)	2	2	0	0.00%
Parks and Recreational Areas	57	57	0	0.00%
Planning and Valuations	6	6	0	0.00%
Proclaimed Roads	2	2	0	0.00%
Rates Services	3	3	0	0.00%
Refuse Removal	78	77	1	1.28%
Secretariat and Archives	6	6	0	0.00%
Sewerage Services	32	32	0	0.00%
Sports Grounds	3	3	0	0.00%

Strategic Management	2	2	0	0.00%
Streets and Stormwater	73	67	6	8.22%
Supply Chain Management	12	11	1	8.33%
Swimming Pools	5	5	0	0.00%
Thusong Service Centres	3	3	0	0.00%
Town and Community Halls (including Property and Legal)	21	21	0	0.00%
Traffic and Law Enforcement Services	82	81	1	1.22%
Water Services	36	35	1	2.78%
TOTAL	663	646	17	

(b) Vacancy rate

Designation	Total Approved Posts	Vacancies	Vacancy Percentage
a Municipal Manager	1	0	0.00%
b Chief Financial Officer	1	0	0.00%
c Other S56 Managers (excluding Finance Posts)	5	0	0.00%
d Other S56 Managers (Finance Posts)	0	0	0.00%
e Police Officers	0	0	0.00%
f Fire fighters	6	0	0.00%
g Senior Management: Levels 13-18 (excluding Finance Posts)	42	0	0.00%
h Senior Management: Levels 13-18 (Finance Posts)	9	3	33.33%
i Highly skilled supervision: Levels 9-12 (excluding Finance Posts)	125	7	5.60%
j Highly skilled supervision: Levels 9-12 (Finance Posts)	14	0	0.00%

(c) Turn-over Rate

Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-Over Rate
635	23	3.62%

(d) Comment on municipal personnel

The stable environment of Swartland Municipality ensures that employees have stable careers and therefore there is a very low staff turnover of 3.6%.

4.3 MANAGING THE MUNICIPAL WORKFORCE

4.3.1 HR POLICIES AND PLANS

(a) HR policies and plans as on 30 June 2022

Name Of Policy	Completed	Revised	Date Adopted	Comment
Acting Allowance	100.00%	100.00%	2022-10-01	Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Alcohol and Drug Policy & Procedure	100.00%	100.00%	2018-12-01	
Coaching and Mentoring Policy	100.00%	0.00%	2023-07-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Code of Conduct for employees	100.00%	0.00%		Part of Municipal Systems Act
Delegations, Authorisation & Responsibility	100.00%	100.00%	2023-05-25	
Disability	100.00%	0.00%	2018-12-01	
Disciplinary Code and Procedures	100.00%	0.00%		Collective Agreement
Dress Code	100.00%	0.00%	2013-01-01	
Employee Assistance / Wellness	100.00%	0.00%	2018-12-01	
Employment Equity	100.00%	100.00%	2016-04-01	
Essential Services	0.00%	0.00%		

Chapter 4 – Organisational development performance

Exit Management	100.00%	0.00%	2022-10-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
External Bursary Policy	100.00%	100.00%	2017-04-01	
Gift Policy	100.00%	0.00%	2018-12-01	
Grievance Procedures	100.00%	0.00%		Part of Main Collective Agreement
HIV/Aids	100.00%	0.00%	2016-04-01	
Induction	100.00%	0.00%	2022-10-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Information Technology	100.00%	100.00%	2022-06-15	
Internship	100.00%	0.00%	2016-04-01	
Leave	100.00%	100.00%	2016-12-01	
Occupational Health and Safety	0.00%	0.00%		
Official Housing	100.00%	100.00%	2009-11-01	
Official transport to attend Funerals	0.00%	0.00%		
Organisational Rights	100.00%	0.00%		Part of Main Collective Agreement
Other	0.00%	0.00%		
Overtime	100.00%	100.00%	2022-10-01	
Payroll Deductions	100.00%	0.00%		Part of Main Collective Agreement

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Performance Management and Development	100.00%	0.00%	2022-08-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Privacy Policy	100.00%	0.00%	2021-06-28	
Private Work	100.00%	100.00%	2018-12-01	
Probationary Period	100.00%	0.00%	2022-09-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Recruitment and Selection	100.00%	100.00%	2022-09-01	Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Relocation Assistance	100.00%	0.00%	2022-10-01	New policy
Remuneration Scales and Allowances	0.00%	0.00%		Collective Agreement
Retention	100.00%	0.00%	2022-09-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Scarce Skills	100.00%	0.00%	2022-10-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Sexual Harassment	100.00%	0.00%	2018-12-01	
Skills Development	100.00%	100.00%	2023-05-01	Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Smoking	100.00%	100.00%	2018-12-01	
Staff Bursary	100.00%	100.00%	2023-07-01	Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Succession Planning	100.00%	0.00%	2022-10-01	Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
Talent Management	100.00%	0.00%	2022-12-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021
TASK Job Evaluation	100.00%	0.00%	2023-05-01	New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021

Telecommunications	100.00%	0.00%	2016-04-01	
Travel, Accommodation and Subsistence	100.00%	100.00%	2023-05-01	
Uniforms and Protective Clothing	100.00%	100.00%	2022-10-21	
Work Organisation	0.00%	0.00%		

(b) Comment on HR policies and plans

Policies are not static documents and therefore have to be revised regularly. During the 2022/23 period a revision process of all policies involving all stakeholders, namely employer, councillors and unions, commenced in terms of the Local Government: Municipal Staff Regulations that was promulgated on 21 September 2021, in order to ensure that the policies are in line with the new Regulations. Four existing policies were reviewed and ten new policies in terms of the Regulations were developed. The process was still ongoing on 30 June 2023.

4.3.2 INJURIES, SICKNESS AND SUSPENSIONS

(a) Number and cost of injuries on duty

Type Of Injury	Injury Leave Taken	Employees Using Injury Leave	Proportion Employees Using Sick Leave	Injury Leave Per Employee	Estimated Cost
Required basic medical attention only	193	35	18.13%	6	R173 814
Temporary total disablement	0	0	0.00%	0	R0
Fatal	0	0	0.00%	0	R0
Permanent disablement	0	0	0.00%	0	R0
TOTAL	193	35			

(b) Number of days and cost of sick leave (excluding injuries on duty)

Salary Band	Total Days Sick Leave	Proportion Without Medical Certification	Employees Using Sick Leave	Total Employees In Post	Average Days Per Employee	Estimated Cost
a Lower skilled (Levels 1 - 2)	0	0.00%	0	0	0	R0

b Skilled (Levels 3 - 5)	1444	14.20%	177	215	8	R757 398
c Highly skilled production (Levels 6 - 8)	1791	21.90%	187	227	10	R1 492 017
d Highly skilled supervision (Levels 9 - 12)	1311	19.80%	124	145	11	R1 713 280
e Senior management (Levels 13 - 18)	206	19.40%	35	51	6	R510 174
f MM and S56	27	3.70%	4	7	7	R126 462

(c) Comment on injury and sick leave

The percentage of employees absent due to sick leave and injury on duty is monitored on a monthly basis and is also part of the performance management system. Whenever the figure exceeds 3%, measures are put in place to address problem areas. Levels of absenteeism due to these reasons are relatively low with an average absenteeism for the period 2022/23 for sick leave being 2.8% and for injury on duty 0.1%. All injuries are investigated thoroughly and if necessary, the Health and Safety Officer addresses the problem areas through training and counselling. Injuries are examined by the municipality's own doctors, and where long or regular periods of sick leave are taken, prognosis reports are requested in order to determine the employees' fitness for duty.

(d) Comment on suspensions and cases of financial misconduct

There were no suspension of more than 4 months and any cases of financial misconduct within Swartland Municipality.

4.3.3 PERFORMANCE REWARDS

Performance bonuses were paid to the Municipal Manager.

4.4 CAPACITATING THE MUNICIPAL WORKFORCE

4.4.1 INTRODUCTION

MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

Swartland Municipality recognizes the obligations placed on it by the Skills Development Act to train and develop employees. In order to empower its employees and enhance its human capital, the Municipality provides various learning and development opportunities for employees, non-employees and councillors. The Workplace Skills Plan of the Municipality has been submitted to the Local Government SETA and annual implementation reports submitted. During 2022/2023 an amount of R1 686 500.00 was spent on efficiency development.

Swartland Municipality adopted a Succession Plan for the development of employees in order to prepare them for future vacancies through training and exposure to the required experience for the specific succession post. Bursaries are also awarded for succession candidates who need to complete formal qualifications. Currently there are 17 employees on the Succession Plan for various future vacancies.

4.4.2 SKILLS DEVELOPMENT AND TRAINING

(a) Annual Training Report: Number of employees trained as at 30 June 2023

Occupational Category	No of Employees in post at 30 June 2023	Type of Learning Intervention										Total
		Apprenticeship	Bursary	Learnership	RPL	Skills Programme	Short Course: Non-credit	AET1	AET2	AET3	AET4	
Legislators, senior officials and managers	35					2	13					15
Professionals	28						9					9
Techicians and Associate Professionals	60					17	18					35
Clerks	111		1			2	11			3		17
Services and Sales Workers	109	2		5		15	39					61
Skilled agricultural and fishery workers	14			10		9						14
Plant and machine operators and assemblers	96			4		6	13			10	15	48
Elementary occupations	192	3		5		82	15		3		1	114
TOTAL	645	5	1	24	0	133	118	0	3	13	16	313

(b) Financial Competency Development: Progress Report

Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated Total: A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
a Accounting officer	1	0	1	1	1	1
b Chief financial officer	1	0	1	1	1	1
c Senior managers	5	0	5	5	5	5
d Any other financial officials	84	0	84	77	0	0

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e Heads of supply chain management units	2	0	2	2	2	2
f Supply chain management senior managers	1	0	1	1	1	1
TOTAL	94	0	94	87	10	10

(c) Skills Development Expenditure as at 30 June 2023

Type of Learning Intervention	NQF Level	Number trained		Actual Amount Spent
		Female	Male	
Apprenticeship	1-4		5	R17 920
	5-7			
	8-10			
Bursary	1-4			
	5-7	2	4	R87 710
	8-10			
Learnership	1-4	1	18	R201 343
	5-7		5	R148 118
	8-10			
RPL	1-4			
	5-7			
	8-10			
Skills Programme	1-4	31	102	R371 555
	5-7			R249 688
	8-10			
Short Course: Non-credit	1-4	35	83	R40 513
	5-7			
	8-10			
TOTAL		69	217	R1 116 847

(d) Comment on skills development and related expenditure and on the financial competency regulations

Swartland Municipality recognizes the obligations placed on it by the Skills Development Act to train and develop employees. In order to empower its employees and enhance its human capital, the Municipality provides various learning and development opportunities for employees, non-employees and councillors. The Workplace Skills Plan of the Municipality

has been submitted to the Local Government SETA and annual implementation reports submitted. During 2022/2023 an amount of R1 686 500.00 was spent on efficiency development.

Swartland Municipality adopted a Succession Plan for the development of employees in order to prepare them for future vacancies through training and exposure to the required experience for the specific succession post. Bursaries are also awarded for succession candidates who need to complete formal qualifications. Currently there are 17 employees on the Succession Plan for various future vacancies.

4.5 MANAGING THE WORKFORCE EXPENDITURE

4.5.1 INTRODUCTION

Workforce expenditure is managed effectively, through regular (monthly) budget control meetings to discuss expenditure and rectify any overspending. No appointments are made unless the posts are funded and vacant on the post establishment. In order to obtain value for money from workforce expenditure, the mandate for appointment is to appoint the candidate on the minimum notch of the scale unless motivation exists for appointment on a higher notch. The consultation for appointment on a higher notch is done by the Senior Manager: Human Resources and the director concerned. Should consensus not be reached, there should be a cooling-down period of forty-eight (48) hours after which further consultation should take place to reach consensus. Consensus must be reached after the cooling-down period has elapsed.

4.5.2 EMPLOYEE EXPENDITURE

(a) *Workforce Expenditure Trends*

Operational Expenditure Type	Total Operating Expenditure	Actual Workforce Expenditure	Ratio
1 Employees	R929 661 040	R297 603 171	32.01%

(b) *Number of employees whose salaries were increased due to their positions being upgraded*

Through job evaluation 14 employees' salaries were increased due to a higher job grading result.

(c) Employees whose salary levels exceed the grade determined by job evaluation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Cashier and Enquiries Clerk	2	6	7	Implementation of TASK (Contractual to incumbent)
Senior Clerk: Registration	1	6	7	Implementation of TASK (Contractual to incumbent)
Cashier and Enquiries Clerk	2	6	8	Implementation of TASK (Contractual to incumbent)
Operator: Loader	1	6	8	Implementation of TASK (Contractual to incumbent)
Library Assistant	1	6	8	Implementation of TASK (Contractual to incumbent)
Cashier and Enquiries Clerk	1	6	9	Implementation of TASK (Contractual to incumbent)
Assistant Librarian	1	7	8	Implementation of TASK (Contractual to incumbent)
Principal Clerk	3	7	8	Implementation of TASK (Contractual to incumbent)
Chief Clerk: Enquiries	1	8	9	Implementation of TASK (Contractual to incumbent)
Assistant Librarian	2	8	9	Implementation of TASK (Contractual to incumbent)
Chief Clerk	1	8	11	Implementation of TASK (Contractual to incumbent)
Librarian	3	9	10	Implementation of TASK (Contractual to incumbent)
Administrator	1	9	11	Implementation of TASK (Contractual to incumbent)
Administrative Officer	1	9	11	Implementation of TASK (Contractual to incumbent)
Senior Foreman	1	10	11	Implementation of TASK (Contractual to incumbent)
Personal Assistant	1	10	11	Implementation of TASK (Contractual to incumbent)
Management Representative	1	11	13	Implementation of TASK (Contractual to incumbent)
Superintendent	1	12	13	Implementation of TASK (Contractual to incumbent)

(d) Employees appointed to posts not approved

None

(e) Comment on upgraded posts and those that are at variance with normal practice

Through job evaluation 14 posts acquired a higher grading.

CHAPTER 5 – FINANCIAL PERFORMANCE

5.1 INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

The municipality is being subjected to extreme external cost pressures which includes the effect of the tariff increases of Eskom, labour collective agreements which resulted in expenditure increases well above the normal inflation rate, the increased cost of fuel due to the declining currency and higher oil prices etc. The municipality is well aware of the effect of the global economic slowdown and the effect it has on the ability of the consumers to pay for services. The municipality therefore embarked on cost saving measures in its budgeting- and actual processes wherever possible.

GRAP compliance

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The Accounting Standards Board annually issues a directive (Directive 5) indicating the relevant accounting standards which municipalities must comply with. The municipality implemented all the required standards and was able to obtain an unqualified audit report. The municipality did not deviate from any of the standards.

5.2 STATEMENTS OF FINANCIAL PERFORMANCE

5.2.1 INTRODUCTION

The financial statements of the municipality has been audited by the Office of the Auditor-General and the paragraphs below reflects a high level summary of the financial results for the financial year. The complete set of audited Annual Financial Statements is attached to the Annual Report as an appendix (Separate document).

5.2.2 STATEMENTS OF FINANCIAL PERFORMANCE

(a) Financial Summary

Description	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjustment Budget Variance
1a Total Revenue (excluding capital transfers and contributions)	R943 240 307	R1 016 874 961	R1 019 127 069	R 996 623 489	98.00%	97.79%
a Property rates	R141 485 766	R148 224 139	R148 224 139	R152 116 871	102.63%	102.63%
b Service charges	R527 861 285	R564 833 849	R551 143 955	R533 980 163	94.54%	96.89%
c Investment revenue	R35 489 312	R35 666 707	R55 754 389	R58 939 305	165.25%	105.71%
d Transfers recognised - operational	R172 790 473	R186 256 611	R189 754 512	R173 875 460	93.35%	91.63%
e Other own revenue	R65 613 471	R81 893 655	R74 250 074	R 77 711 690	94.89%	104.66%
1b Total Expenditure	-R912 241 183	-R1 029 331 855	-R1 025 575 991	-R934 531 189	90.79%	91.12%
a Employee costs	R265 586 999	R294 029 492	R298 300 411	R291 892 078	99.27%	97.85%
b Remuneration of councillors	R10 929 196	R11 251 379	R11 558 293	R11 239 952	99.90%	97.25%
c Depreciation and asset management	R97 539 875	R106 564 710	R106 564 710	R93 099 959	87.36%	87.36%
d Finance charges	R15 738 250	R12 360 862	R15 564 992	R15 655 387	126.65%	100.58%
e Materials and bulk purchases	R332 319 904	R379 712 898	R365 449 961	R341 217 910	89.86%	93.37%
f Transfers and grants	R3 774 363	R4 368 277	R4 607 204	R4 245 584	97.19%	92.15%
g Other expenditure	R186 352 596	R221 044 237	R223 530 420	R177 180 319	80.16%	79.26%
1c Capital transfers and contributions	R51 351 353	R77 109 000	R78 890 510	R76 119 743	98.72%	96.49%
a Transfers recognised - capital	R46 180 908	R62 749 000	R67 687 485	R58 751 198	93.63%	86.80%
b Contributions recognised - capital and contributed assets	R0	R14 360 000	R11 203 025	R17 368 545	120.95%	155.03%
c Donated property, plant and equipment	-R5 170 445	R0	R0	-R6 143 474	0.00%	0.00%

Decsription	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjustment Budget Variance
2 Total sources of capital funds	-R174 901 664	-R191 095 805	-R178 839 804	-R168 646 538	88.25%	94.30%
a Transfers recognised - capital	R46 905 930	R75 282 913	R78 890 510	R58 631 303	77.88%	74.32%
b Public contributions and donations	R0	R0	R0	R11 209 649	0.00%	0.00%
c Borrowing	R0	R0	R0	R0	0.00%	0.00%
d Internally generated funds	R127 995 734	R115 812 892	R99 949 294	R98 805 586	85.31%	98.86%
3 Financial position						
a Total current assets	R818 706 586	R776 607 139	R817 340 354	R879 602 153	113.26%	107.62%
b Total non-current assets	R2 184 127 909	R2 222 434 380	R2 242 407 166	R2 234 437 195	100.54%	99.64%
c Total current liabilities	R155 986 302	R132 766 476	R137 413 201	R144 679 086	108.97%	105.29%
d Total non-current liabilities	R224 232 063	R211 698 487	R227 606 615	R223 550 521	105.60%	98.22%
4 Cash Flows						
a Net cash from (used) operating	R198 781 563	R157 404 896	R172 559 646	R234 305 886	148.86%	135.78%
b Net cash from (used) investing	R166 584 478	R175 219 090	R167 174 271	R170 142 007	97.10%	101.78%
c Net cash from (used) financing	R7 310 141	R11 500 000	R8 261 333	R7 237 993	62.94%	87.61%
d Cash/Cash Equivalents at the year end	R665 090 949	R612 926 138	R662 214 994	R722 016 835	117.80%	109.03%
5 Cash backing/surplus reconciliation						
a Cash and investments available	R665 090 949	R612 926 138	R662 214 994	R722 016 835	117.80%	109.03%
b Application of cash and investments	R0	R0	R0	R0	0.00%	0.00%
c Balance - Surplus (Shortfall)	R0	R0	R0	R0	0.00%	0.00%
6 Asset Management						
a Asset register summary (WDV)	R2 148 178 663	R2 189 453 530	R2 215 238 316	R2 211 648 412	101.01%	99.84%
b Depreciation & asset impairment	R90 817 410	R106 564 710	R106 564 710	R93 099 959	87.36%	87.36%
c Renewal of existing assets	R35 868 026	R20 250 000	R22 000 788	R22 861 688	112.90%	103.91%
d Repairs and maintenance	R57 556 351	R64 341 973	R66 249 431	R65 134 406	101.23%	98.32%

7 Free Services						
a Cost of free basic services provided	R64 085 407	R69 595 608	R69 595 608	R68 165 049	97.94%	97.94%
b Revenue cost of free services provided	R0	R0	R0	R0	0.00%	0.00%

(b) Financial Performance of Operational Services

Service	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Variance From Original Budget	Variance From Adjustment Budget
Asset and Fleet Management	R2 402 507	R2 705 290	R3 780 290	R3 178 596	117.50%	84.08%
Budget Office and Costing	R3 157 729	R5 292 123	R5 717 123	R3 472 271	65.61%	60.73%
Building Control	R3 178 686	R3 507 998	R3 451 259	R3 204 309	91.34%	92.84%
Caravan Park Yzerfontein	R2 812 131	R2 832 805	R2 847 569	R2 909 441	102.71%	102.17%
Cemeteries	R779 904	R1 056 590	R913 318	R744 390	70.45%	81.50%
Civil Protection (including Disaster Management)	R697 361	R825 000	R410 000	R452 986	54.91%	110.48%
Community Development	R3 095 831	R3 525 483	R3 525 374	R3 483 582	98.81%	98.81%
Council General Expenses	R18 175 437	R19 035 824	R19 645 019	R18 881 370	99.19%	96.11%
Electricity Distribution	R328 076 284	R373 439 437	R354 396 630	R326 965 566	87.56%	92.26%
Expenditure	R0	R0	R0	R0	0.00%	0.00%
Financial Statements and Control	R0	R0	R0	R0	0.00%	0.00%
Financial Systems Administration	R0	R0	R0	R0	0.00%	0.00%
Fire Fighting Services	R8 329 798	R8 719 921	R9 065 746	R9 254 997	106.14%	102.09%
Grants and subsidies Council	R0	R0	R0	R0	0.00%	0.00%
Grants and subsidies Financial Services	R0	R0	R0	R0	0.00%	0.00%
Grants and subsidies FMG	R1 576 209	R1 550 000	R1 550 000	R1 550 000	100.00%	100.00%
Harbour Yzerfontein	R333 137	R409 659	R414 659	R361 291	88.19%	87.13%
Housing	R39 422 280	R38 458 427	R38 443 562	R26 173 763	68.06%	68.08%
Human Resources	R5 922 187	R6 521 359	R6 842 984	R6 491 232	99.54%	94.86%
ICT Services	R12 610 395	R16 109 061	R16 104 253	R14 357 545	89.13%	89.15%
Income	R0	R0	R0	R0	0.00%	0.00%

Internal Audit (including Risk Management)	R1 861 334	R2 292 913	R2 707 113	R1 979 296	86.32%	73.11%
Legal and Credit Control	R0	R0	R0	R0	0.00%	0.00%
Libraries	R11 776 340	R12 142 139	R12 154 334	R11 957 818	98.48%	98.38%
Licencing and Registration Services	R9 429 647	R10 359 263	R10 388 623	R9 714 044	93.77%	93.51%
Local Economic Development	R0	R0	R0	R0	0.00%	0.00%
Management Civil Engineering Services	R3 522 788	R3 735 721	R3 741 631	R3 630 704	97.19%	97.04%
Management Corporate Services	R11 231 462	R14 698 588	R14 554 109	R11 819 424	80.41%	81.21%
Management Development Services	R2 326 294	R2 475 205	R2 478 395	R2 498 348	100.93%	100.81%
Management Electrical Engineering Services	R1 646 857	R1 889 361	R1 899 975	R1 461 033	77.33%	76.90%
Management Financial Services	R34 210 120	R50 622 757	R47 753 338	R34 557 765	68.27%	72.37%
Management Municipal Manager	R3 633 559	R5 208 758	R5 206 288	R3 262 358	62.63%	62.66%
Management Protection Services	R2 319 718	R2 529 028	R2 525 228	R2 448 245	96.81%	96.95%
Marketing and Tourism	R1 729 491	R2 321 647	R2 322 714	R2 321 691	100.00%	99.96%
Municipal Property Maintenance	R15 721 867	R20 055 065	R18 991 136	R16 877 437	84.16%	88.87%
Occupational Health and Safety (including Pollution Control)	R1 926 275	R2 218 759	R1 950 779	R1 871 382	84.34%	95.93%
Parks and Recreational Areas	R18 677 795	R20 293 564	R20 447 601	R19 073 382	93.99%	93.28%
Planning and Valuations	R7 900 742	R10 197 128	R10 191 941	R9 025 599	88.51%	88.56%
Proclaimed Roads	R480 250	R4 782 155	R4 782 155	R4 783 500	100.03%	100.03%
Rates Services	R3 044 496	R1 141 508	R926 528	R2 059 924	180.46%	222.33%
Refuse Removal	R55 513 008	R52 280 836	R63 160 137	R60 150 297	115.05%	95.23%
Secretariat and Archives	R0	R0	R0	R0	0.00%	0.00%
Sewerage Services	R56 033 583	R61 060 486	R60 431 207	R55 692 200	91.21%	92.16%
Sports Grounds	R6 260 323	R7 191 420	R7 723 568	R7 770 364	108.05%	100.61%
Strategic Management	R2 011 831	R2 840 100	R2 840 100	R2 331 350	82.09%	82.09%
Streets and Stormwater	R68 660 664	R72 211 662	R76 155 904	R67 109 261	92.93%	88.12%
Supply Chain Management	R7 568 764	R7 619 687	R7 598 666	R7 276 753	95.50%	95.76%
Swimming Pools	R3 292 473	R3 394 200	R3 455 746	R3 648 697	107.50%	105.58%
Thusong Service Centres	R1 438 068	R1 671 435	R1 696 776	R1 463 019	87.53%	86.22%
Town and Community Halls (including Property and	R4 961 770	R5 967 165	R6 076 373	R5 209 399	87.30%	85.73%

Legal)						
Traffic and Law Enforcement Services	R65 412 906	R73 052 991	R70 240 364	R77 209 263	105.69%	109.92%
Water Services	R79 121 757	R91 091 337	R96 067 476	R85 847 290	94.24%	89.36%
TOTAL	R912 284 058	R1 029 333 855	R1 025 575 991	R934 531 189		

(c) Comment on financial performance

Total operating expenditure amounted to R934 531 189 and 91.12% of the budget was spent. Total operating revenue

amounted to R1 072 743 232 which is equal to 97.70%.

5.2.3 GRANTS

(a) Grants received from the Division of Revenue Act (DoRA)

Description	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjustment Budget Variance
National Government (capital)						
Integrated National Electrification Programme (Municipal) Grant	R8 355 000	R17 600 000	R17 600 000	R17 600 000	100.00%	100.00%
Municipal Infrastructure Grant (MIG)	R26 301 000	R23 810 000	R33 810 000	R33 810 000	142.00%	100.00%
TOTAL	R34 656 000	R41 410 000	R51 410 000	R51 409 956		
National Government (operating)						
Expanded Public Works Programme Integrated Grant	R1 832 000	R1 873 000	R1 873 000	R1 873 000	100.00%	100.00%
Finance Management	R1 550 000	R1 550 000	R1 550 000	R1 550 000	100.00%	100.00%
Local Government Equitable Share Grant	R108 796 000	R126 228 000	R126 228 000	R126 228 000	100.00%	100.00%
TOTAL	R112 178 000	R129 651 000	R129 651 000	R129 651 000		
Provincial Government (capital)						
Emergency Municipal Load-Shedding Relief	R0	R0	R10 945 000	R2 438 483	0.00%	22.28%
Establishment of a K9 Unit (capital)	R246 358	R30 000	R137 485	R136 615	455.38%	99.37%

Human Settlements Development Grant (capital)	R8 915 127	R20 059 000	R3 945 000	R3 515 230	17.52%	89.11%
Library Service: Conditional Grant (capital)	R70 000	R50 000	R50 000	R49 783	99.57%	99.57%
RSEP/VPUU Municipal Projects Grant	R0	R1 200 000	R1 200 000	R1 200 000	100.00%	100.00%
TOTAL	R9 231 485	R21 339 000	R16 277 485	R7 253 351		
Provincial Government (operating)						
Community Development Workers Grant	R38 000	R38 000	R38 000	R35 499	93.42%	93.42%
Establishment of a K9 Unit (operating)	R5 591 520	R2 390 000	R2 390 000	R2 390 000	100.00%	100.00%
Establishment of a Law Enforcement Reaction Unit	R884 861	R4 000 000	R5 329 140	R5 329 140	133.23%	100.00%
Financial Management Support Grant: Student Bursaries	R228 580	R0	R321 420	R160 000	0.00%	49.78%
Human Settlements Development Grant (operating)	R0	R33 546 000	R33 500 000	R0	0.00%	0.00%
LG Public Employment Support Grant	R844 659	R0	R855 341	R855 341	0.00%	100.00%
Library Service: Conditional Grant (operating)	R11 331 000	R11 573 000	R11 573 000	R11 573 000	100.00%	100.00%
Municipal Accreditation Assistance Grant	R252 876	R256 000	R256 000	R196 774	76.86%	76.86%
Municipal Water Resilience Grant	R0	R0	R600 000	R600 000	0.00%	100.00%
Proclaimed Roads Subsidy (operating)	R175 000	R4 470 000	R4 470 000	R4 470 000	100.00%	100.00%
Title Restoration	R0	R0	R20 000	R0	0.00%	0.00%
WC Financial Management Capability Grant	R0	R0	R418 000	R0	0.00%	0.00%
TOTAL	R19 346 496	R56 273 000	R59 770 901	R25 609 754		

(b) Comment on operating transfers and grants received from DoRA

Government grants and subsidies: Operating was underspend by 8.37% and Government grants and subsidies: Capital was underspend by 13.2%.

(c) Grants received from sources other than DoRA

Description	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjusted Budget Variance
Education, Training and Development Practices SETA	R0	R332 611	R332 611	R861 795	259.10%	259.10%
TOTAL	R0	R332 611	R332 611	R861 795		

(d) Comment on conditional grants and grant received from other sources

The municipality adhered to the conditions of all conditional transfers.

The following Grants were applied for roll-over:

- Unspent Western Cape Financial Management Capability Grant (Internal Audit Software) to an amount of R418 031 to be rolled-over.
- Unspent Western Cape Financial Management Capability Grant (Student Bursaries) to an amount of R161 420 to be rolled-over.
- Unspent Community Development Workers (CDW) Operational Support Grant to an amount of R2 501 to be repaid to the Provincial Fiscus.
- Unspent Municipal Accreditation & Capacity Building Grant to an amount of R58 350 to be repaid to the Provincial Fiscus.
- Unspent Human settlements Development Grant (Beneficiaries) to an amount of R79 520 to be rolled-over.

5.2.4 ASSET MANAGEMENT

(a) Introduction

Assets under the control of each department are being managed by the relevant departmental heads. The Chief Financial Officer is responsible for maintaining an asset register for all assets which qualify to be capitalised.

Asset management is guided by the Asset Management Policy of the municipality. The policy is reviewed on an annual basis as part of the budget policies review process to ensure it complies with the latest requirements of GRAP, audit- and treasury directives.

(b) Comment on asset management

The municipality designed and implemented a system whereby each capital project is measured according to the requirements of the MFMA. The Council only approves projects where the full cost of the project, the future operating costs of the project as well as the effect that the costs associated with the project will have on tax and tariffs were considered by the Council.

(c) Repair and maintenance expenditure

Type	Operating Budget	Actual	% of Operating Budget
Repairs & Maintenance	R66 249 431	R65 134 406	98.32%

(d) Comment on repair and maintenance expenditure

Expenditure on repairs and maintenance does not keep track with the increase in asset values as well as the ageing of the infrastructure. A portion of repairs and maintenance is also included in the capital budget. The norm of repairs and maintenance as a % of Property, plant and equipment and investment property (carrying value) is 8%. Swartland Municipality is currently at 2.92%.

5.2.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Financial viability ratio's	Norms	Criteria	2019/2020	2020/2021
Cost coverage	>4 months	Higher than 4 months is better	10	10
Debt coverage	40%	The lower the actual the better the result	14.22%	12.16%

(a) Comment on financial ratios

As indicated in the financial overview in Chapter 1.4 of this report, the Municipality is in a financially healthy position. Management proactively participates in programs to ensure a financially sustainable municipality.

5.3 SPENDING AGAINST CAPITAL BUDGET**5.3.1 INTRODUCTION**

Capital expenditures relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from Grants and Capital Replacement Reserve.

The municipality spent 94.3% of the approved budget on capital projects.

5.3.2 CAPITAL EXPENDITURE

The table below indicates the capital expenditure against the total budget.

Description	Original Budget	Adjustment Budget	Actual
Capital Expenditure	R191 095 805	R178 839 804	R168 646 538

5.3.3 SOURCES OF FINANCE

(a) Capital Expenditure - Funding Sources

Description	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjustment Budget Variance
Capital Replacement Reserve (CRR)	R127 995 734	R115 812 892	R99 949 294	R91 889 849	79.34%	91.94%
Grants and subsidies	R45 930 420	R62 749 000	R67 687 485	R58 631 303	93.44%	86.62%
Other	R0	R0	R0	R3 132 263	0.00%	0.00%
Public contributions and donations	R975 510	R12 533 913	R11 203 025	R14 993 123	119.62%	133.83%

(b) Comment on sources of funding

Capital sources of funding for actual expenditure consist of Transfers recognised - capital which amounted to 32.78%, Other Contributions and Public Donations was 8.38% and Internally generated funds was 51.38%.

5.3.4 CAPITAL SPENDING ON 5 LARGEST PROJECTS

(a) Capital Expenditure of 5 largest projects

Description	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjusted Budget Variance
22/23 09-0004 Roads: Resealing of roads - Swartland	R20 250 000	R21 500 788	R21 499 688	106.17%	99.99%
22/23 17-0044 Electricity: De Hoop project - 395 plot housing development	R18 600 000	R18 500 000	R18 109 655	97.36%	97.89%
22/23 21-0013 Water: Swartland System S3.3 & S3.4 Panorama to Wesbank I1/4	R8 650 000	R20 181 500	R19 516 072	225.62%	96.70%
22/23 21-0033 Electricity: 132/11kV Eskom Schoonspruit substation, 132kV transmission line and servi	R10 000 000	R10 000 000	R9 178 412	91.78%	91.78%
22/23 21-0040 Roads: Construction: Side walks and Recreational nodes (Ilinge Lethu & Wesbank)	R12 173 913	R10 843 025	R10 837 412	89.02%	99.95%

(b) Comment on capital projects

The expenditure on the major projects listed above is according to budget and the projects were all completed within the timeframes set.

5.3.5 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS OVERVIEW**(a) Municipal Infrastructure Grant (MIG)* Expenditure on Service backlogs**

Service	Households Above Minimum Level	Percentage	Households Below Minimum Level	Percentage
Electricity Distribution	38 620	98.35%	649	1.65%
Water Services	38 895	99.30%	273	0.70%
Refuse Removal	32 343	82.22%	6 994	17.78%
Sewerage Services	37 080	93.89%	2 413	6.11%

(b) Municipal Infrastructure Grant (MIG)* Expenditure on Service backlogs

Service	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjustment Budget Variance
	R23 810 000	R33 810 000	R33 810 000	142.00%	100.00%

5.4 CASH FLOW MANAGEMENT AND INVESTMENTS**5.4.1 INTRODUCTION**

The municipality classified a positive cash balance as critical to its operations and future viability and all planning exercises take the effect of decisions on the cash position of the municipality into consideration.

The municipality utilises a Capital Replacement Reserve Fund (CRR), established in terms of the Asset Management Policy, to fund as much of the capital expenditure as possible. The CRRF is being funded by surplus cash which is mainly derived from a recovery from tariffs for depreciation charges.

In order to measure that the municipality has sufficient own cash resources, the municipality deducts any unspent grants as well as unspent loans from the available cash position, with the balance being own funds and which is allocated between the operating account and the CRR.

5.4.2 CASH FLOW

(a) Cash Flow Outcomes

Description	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjustment Budget Variance
1a Receipts	R948 252 894	R1 021 207 916	R1 033 505 776	R1 026 288 390	100.50%	99.30%
a Ratepayers and other	R685 390 333	R722 179 598	R711 779 751	R729 643 533	101.03%	102.51%
b Government - operating	R177 907 597	R186 252 611	R187 548 611	R156 122 548	83.82%	83.24%
c Government - capital	R46 310 204	R77 109 000	R78 423 025	R78 588 952	101.92%	100.21%
d Interest	R38 644 760	R35 666 707	R55 754 389	R61 933 357	173.64%	111.08%
1b Payments	-R759 198 440	-R863 803 020	-R860 946 130	-R791 982 504	91.69%	91.99%
a Suppliers and employees	R744 369 262	R849 254 361	R846 158 544	R777 556 538	91.56%	91.89%
b Finance charges	R11 054 815	R10 180 382	R10 180 382	R10 180 381	100.00%	100.00%
c Transfers and Grants	R3 774 363	R4 368 277	R4 607 204	R4 245 585	97.19%	92.15%
2a Receipts	R7 382 205	R15 876 715	R11 665 533	R2 185 594	13.77%	18.74%
a Proceeds on disposal of PPE	R7 381 315	R15 876 715	R11 665 533	R2 185 594	13.77%	18.74%
b Decrease (Increase) in non-current debtors	R0	R0	R0	R0	0.00%	0.00%
c Decrease (increase) other non-current receivables	R890	R0	R0	R0	0.00%	0.00%
d Decrease (increase) in non-current investments	R0	R0	R0	R0	0.00%	0.00%
2b Payments	-R163 086 552	-R191 095 805	-R178 839 804	-R172 327 601	90.18%	96.36%
a Capital assets	R163 086 552	R191 095 805	R178 839 804	R172 327 601	90.18%	96.36%
3a Receipts	R890	-R500 000	R500 000	R1 396 203	-279.24%	279.24%
a Short term loans	R0	R0	R0	R0	0.00%	0.00%
b Borrowing long term/refinancing	R0	R0	R0	R0	0.00%	0.00%
c Increase (decrease) in consumer deposits	R890	-R500 000	R500 000	R1 396 203	-279.24%	279.24%
3b Payments	-R8 463 163	-R11 000 000	-R8 761 333	-R8 634 196	78.49%	98.55%
a Repayment of borrowing	R8 463 163	R11 000 000	R8 761 333	R8 634 196	78.49%	98.55%

(b) Comment on cash flow outcomes

The net cash position of the municipality, as indicated above, has improved from R665.1m to R722. Unspent grants amounted to R 9 360 378.

The net increase in Cash and cash equivalents amounts to R56.9m compared to the previous year's (2021/2022) increase of R24.8m.

5.4.3 BORROWING AND INVESTMENTS**(a) Introduction**

No new borrowing contracts were taken up for the 2022/2023 financial year. The Municipality does not rely on borrowed funds to fund its capital budget. The main funding source is the Capital Replacement Reserve, to which an annual contribution is made out of the operating surplus.

The Municipality has current investments on hand and review these investments on a monthly basis.

(b) Actual Borrowings

Instrument	Previous Year Amount	Current Year Amount
Financial Leases	R0	R0
Instalment Credit	R0	R0
Long-Term Loans (annuity/reducing balance)	R99 485 174	R90 850 978
Long-Term Loans (non-annuity)	R0	R0
Marketable Bonds	R0	R0
Non-Marketable Bonds	R0	R0
TOTAL	R99 485 174	R90 850 978

(c) Municipal Investments

Investment Type	Previous Year Amount	Current Year Amount
Bankers Acceptance Certificates	R0	R0
Deposits - Bank	R0	R0
Deposits - Corporation for Public Deposits	R0	R0
Deposits - Public Investment Commissioners	R0	R0
Guaranteed Endowment Policies (sinking)	R0	R0
Listed Corporate Bonds	R0	R0
Municipal Bonds	R0	R0
Negotiable Certificates of Deposit - Banks	R0	R0
Other	R665 090 949	R722 016 835
Repurchase Agreements - Banks	R0	R0
Securities - National Government	R0	R0
TOTAL	R665 090 949	R722 016 835

5.4.4 PUBLIC PRIVATE PARTNERSHIPS

N/a

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

6.1 INTRODUCTION

The Constitution section 188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. The responsibility of the Auditor-General is to perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement and to express an opinion based on the audit conducted in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing.

The Municipal System Act section 45 states that the results of performance measurement must be audited annually by the Auditor-General. The reported performance against predetermined objectives is evaluated against the overall criteria of usefulness and reliability. The usefulness of information relates to whether the reported performance is consistent with the planned development priorities or objectives and if indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information.

The Auditor-General did not raise any material findings on the usefulness and reliability of the reported information.

The Annual Financial Statements (AFS) for the year 2022/2023 submitted for auditing were prepared in accordance with the requirements of section 122(1) of the Municipal Finance Management Act. Swartland Municipality has received an unqualified opinion with no findings, i.e. a clean audit report. The Annual Financial Statements (AFS) and performance information were without any material misstatements and Management will continue to improve its internal controls and processes over the preparation and presentation of the financial statements to ensure that it is free from any misstatements.

6.2 AUDITOR-GENERAL OPINION (PREVIOUS YEAR - 2021/22)

6.2.1 AUDITOR GENERAL REPORTS

(a) Auditor-General Report on Financial Performance

Status of Audit Report:	Unqualified - Clean Audit Report with no findings*
Non-Compliance Issues	Remedial Action Taken
There were no material findings. Management's internal controls and processes over the preparation and presentation of the financial statements were adequate to ensure that the financial statements were prepared in accordance with the requirements of section 122(1) of the Municipal Finance Management Act.	None The Chief Financial Officer will apply the principle of continuous improvement to internal controls and processes over the preparation and presentation of the financial statements to ensure that it is free from material misstatements or error. The addressing of GRAP training across departments is a key initiative to ensure that we keep abreast of changes in the accounting framework environment.
<i>Note: * The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worst).</i>	

(b) Auditor-General Report on Service Delivery Performance

Status of Audit Report:	Unqualified - Clean Audit Report
Non-Compliance Issues	Remedial Action Taken
There were no material findings on the usefulness and reliability of the reported performance information for the selected objective in respect of Strategic Goal 5 - Sufficient, affordable and well run services.	None

6.3 AUDITOR-GENERAL OPINION (CURRENT YEAR 2022/2023)

6.3.1 AUDITOR GENERAL REPORTS

(a) Auditor-General Report on Financial Performance

Status of audit report:	Unqualified- Clean Audit Report with no findings*
Non-Compliance Issues	Remedial Action Taken
No material findings were raised. Management's internal controls and processes are adequate to ensure that the financial statements were prepared in accordance with the requirements of section 122(1) of the Municipal Finance Management Act.	None The Chief Financial Officer will continue to improve the control environment to ensure that the financial statements are free from material misstatements, omissions or errors. Training across departments will carry on to ensure staff is aware of changes in the accounting framework environment.
Note: * The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse).	

(b) Auditor-General Report on Service Delivery Performance

Status of audit report:	Unqualified - Clean Audit Report
Non-Compliance Issues	Remedial Action Taken
There are no material findings on the usefulness and reliability of the reported performance information for the selected objective in respect of Strategic Goal 5 - Sufficient, affordable and well run services.	None

(c) Auditor-General Report on the financial statements

See Chapter 1 paragraph 1.2.6

(d) Comments on Auditor-General's opinion

Swartland Municipality once again received a clean audit from the Auditor-General for the past financial year 2022/2023. The Annual Financial Statements (AFS) and performance information were without any material misstatements, which can be attributed to proper record keeping, processing and reconciling controls, and regular reporting that is monitored.

The use of governance structures in key risk areas within the municipality should be continued to ensure that deficiencies identified are adequately responded to and monitored through management's action plan.

Clean administration entails effective teamwork amongst all departments within the municipality, the right attitude of its workforce and keeping staff accountable for their area of responsibility. The Swartland Municipality continues to subscribe to high levels of good governance and clean administration.

The foundations on which Swartland Municipality builds its success are as follows:

- Political stability
- Good leadership
- Effective Oversight – Council/ MPAC/ Performance, Risk and Audit Committee/ Disciplinary Board
- Apply Good Governance at all times
- Managing beyond compliance built into Performance Management system
- All employees' buy-in to doing the right things the first time and to apply control
- Committed and hardworking personnel to meet and maintain high standard at all times
- Investigate and implement best practices
- Support from Provincial Treasury
- Start with the end in mind
- Management oversight responsibility

(e) Comments on MFMA section 71 responsibilities

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer) 31 October 2023

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Goals	A goal is a desired end result or possible outcome that an organisation envisions, plans and commits to achieve, towards which an organisation's programmes or problem solutions are directed. It is a major step in achieving the vision of the organisation. In the strategic planning context a goal is a state where the organisation wants to be, a destination
Objectives	Objectives are more detailed than goals and explain how goals will be accomplished. Objectives detail the activities that must be completed to bring about the achievement of the goal. The attainment of each goal may require a number of objectives to be reached.

Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Council Members	Full Time (FT)/ Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Van Zyl, M	PT	Chairperson: PF-committee (Protection Services); PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); MPAC	Ward 1	80%	100%
Pypers, D C	PT	PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC	Ward 2	100%	N/a
Smit, N	FT	Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); PF- committee (Development Services)	Ward 3	90%	100%
Jooste, R J	PT	Chairperson: PF-committee (Civil and Electrical Services); PF-committee (Protection Services) ; MPAC	Ward 4	80%	90%
Rangasamy, M A	FT	Speaker; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services)	Ward 5	100%	N/a
Warnick, A K	FT	Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); PF- committee (Protection Services)	Ward 6	90%	100%
Stanley, B J	PT	PF-committee (Civil and Electrical Services); PF- committee (Development Services); PF-committee (Protection Services)	Ward 7	50%	100%
De Beer, J M	PT	Executive Deputy Mayor; PF-committee (Development Services); PF-committee (Protection	Ward 8	100%	N/a

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Council Members	Full Time (FT)/ Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
		Services)			
Ngosi, M	PT	PF-committee (Development Services)	Ward 9	100%	N/a
Van Essen, T	FT	Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services)	Ward 10	80%	100%
Daniels, C	PT	PF-committee (Development Services); PF-committee (Protection Services) ; MPAC	Ward 11	90%	90%
Bess, D G	FT	Executive Mayoral Committee; PF-committee (Civil and Electrical Services); PF-committee (Development Services); PF-committee (Protection Services)	Ward 12	100%	N/a
Cleophas, H J	FT	Executive Mayor	Party Representative	100%	N/a
O'Kennedy, E C	PT	Chairperson: MPAC; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services)	Party Representative	90%	100%
Le Minnie, I S	PT	Chairperson: PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services); PF-committee (Protection Services) ; MPAC	Party Representative	80%	100%
Penxa, B J	PT	PF-committee (Municipal Manager, Administration and Finances)	Party Representative	100%	N/a
Pieters, C	PT	PF-committee (Civil and Electrical Services); PF-committee (Protection Services)	Party Representative	100%	N/a
Fortuin, C	PT	PF-committee (Civil and Electrical Services); PF-committee (Protection Services)	Party Representative	80%	100%
Soldaka, P E	PT	PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC	Party Representative	100%	N/a
Vermeulen, G	PT	Chairperson: PF-committee (Development Services);	Party Representative	80%	100%

Council Members	Full Time (FT)/ Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
		PF-committee (Municipal Manager, Administration and Finances)			
Booyesen, A M	PT	PF-committee (Development Services) ; MPAC	Party Representative	90%	90%
Papier, J R	PT	PF-committee (Protection Services)	Party Representative	90%	100%
Duda, A A	PT	PF-committee (Civil and Electrical Services) ; MPAC	Party Representative	100%	N/a
<p><i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them.</i></p> <p><i>Council meetings = 8</i></p> <p><i>EMC meetings = 14</i></p> <p><i>Portfolio meetings = 36</i></p> <p><i>MPAC = 5</i></p> <p><i>Ward Committees = 10/ward</i></p>					

APPENDIX A.2 – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE (9 NOVEMBER 2021 TO 30 JUNE 2022)

Council Members	Full Time (FT)/ Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Van Zyl, M	PT	Chairperson: PF-committee (Protection Services); PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); MPAC	Ward 1	80%	N/a
Pypers, D C	PT	PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC	Ward 2	100%	N/a
Smit, N	FT	Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); PF-committee (Development Services);	Ward 3	100%	N/a
Jooste, R J	PT	Chairperson: PF-committee (Civil and Electrical Services); PF-committee (Protection Services) ; MPAC	Ward 4	100%	N/a
Rangasamy, M A	FT	Speaker; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services);	Ward 5	100%	N/a
Warnick, A K	FT	Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); PF-committee (Protection Services);	Ward 6	100%	N/a
Stanley, B J	PT	PF-committee (Civil and Electrical Services); PF-committee (Development Services); PF-committee (Protection Services);	Ward 7	90%	100%
De Beer, J M	PT	Executive Deputy Mayor; PF-committee (Development Services); PF-committee (Protection Services);	Ward 8	100%	N/a
Ngosi, M	PT	PF-committee (Development Services);	Ward 9	100%	N/a

Council Members	Full Time (FT)/ Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Van Essen, T	FT	Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services);	Ward 10	100%	N/a
Daniels, C	PT	PF-committee (Development Services); PF-committee (Protection Services) ; MPAC	Ward 11	90%	100%
Bess, D G	FT	Executive Mayoral Committee; PF-committee (Civil and Electrical Services); PF-committee (Development Services); PF-committee (Protection Services);	Ward 12	100%	N/a
Cleophas, H J	FT	Executive Mayor	Party Representative	100%	N/a
O’Kennedy, E C	PT	Chairperson: MPAC; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services);	Party Representative	100%	N/a
Le Minnie, I S	PT	Chairperson: PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services); PF-committee (Protection Services) ; MPAC	Party Representative	100%	N/a
Penxa, B J	PT	PF-committee (Municipal Manager, Administration and Finances)	Party Representative	100%	N/a
Pieters, C	PT	PF-committee (Civil and Electrical Services); PF-committee (Protection Services);	Party Representative	100%	N/a
Fortuin, C	PT	PF-committee (Civil and Electrical Services); PF-committee (Protection Services);	Party Representative	100%	N/a
Soldaka, P E	PT	PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC	Party Representative	90%	100%
Vermeulen, G	PT	Chairperson: PF-committee (Development	Party Representative	90%	100%

Council Members	Full Time (FT)/ Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
		Services); PF-committee (Municipal Manager, Administration and Finances)			
Booyesen, A M	PT	PF-committee (Development Services) ; MPAC	Party Representative	100%	N/a
Papier, J R	PT	PF-committee (Protection Services);	Party Representative	90%	100%
Duda, A A	PT	PF-committee (Civil and Electrical Services) ; MPAC	Party Representative	100%	N/a

*Note: * Councillors appointed on a proportional basis do not have wards allocated to them.*

Council meetings = 7

EMC meetings = 12

Portfolio meetings = 20

MPAC = 2

Ward Committees = 104 (9 per ward, except for wards 4 and 7)

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Municipal Committees	Purpose of Committee
Local Labour Forum / Training / Appointment Committee	To regulate HR matters
Swartland Law Enforcement and Traffic Committee	To regulate law enforcement and traffic matters
Landfill Audit Committee	To regulate landfill sites
Occupational Health Committee	To regulate occupational health
Disaster Management Committee	To regulate disaster management
Tourism Organisation	To regulate tourism matters
Assets and Fleet Management Committee	To regulate asset and fleet matters
Development Services Committee	To regulate development services matters
Budget Steering Committee	To perform an oversight function
Municipal Public Accounts Committee (MPAC)	To perform an oversight function
Performance and Risk Audit Committee	To perform an oversight function

Rules Committee	To oversee the conduct of councillors
Municipal Planning Tribunal	To consider land use applications
Swartland Social Development forum	To regulate social development
Appeal Committee	To regulate matters iro of Section 62 appeals
Disciplinary Board	To conduct independent investigations regarding Financial Misconduct and Offences

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Directorate	Director/Manager (State title and name)
Corporate Services	Senior Manager: Human Resources Services, Ms S de Jongh
Corporate Services	Manager: Secretariat & Records Services, Ms N Brand
Corporate Services	Manager: Properties, Contracts and Legal Administration, Mr G Solomons
Corporate Services	Manager: Public Affairs, Library and Tourism Services, Ms IH Look
Financial Services	Senior Manager: Treasury Reporting and Financial Statements, Vacant
Financial Services	Manager: Budget Office and Costing, Ms HT Papier
Financial Services	Manager: Financial Systems Administration, Ms S Cilliers
Financial Services	Manager: Supply Chain, Mr PJ Swart
Protection Services	Chief Fire and Disaster Officer, Mr R Harris
Protection Services	Manager: Traffic and Law Enforcement Services, Mr R Steyn
Electrical Engineering Services	Senior Manager: Information, Communication and Technology, Mr WJ Pienaar
Electrical Engineering Services	Senior Manager: Technical Services, Mr MJ Swanepoel
Electrical Engineering Services	Senior Manager: Operations, Maintenance and Construction, Mr TF Rossouw
Development Services	Senior Manager: Built Environment, Mr AM Zaayman
Development Services	Manager: Community Development, Ms H Balie
Development Services	Manager: Human Settlements, Mr SC Arendse
Development Services	Manager: Environmental and Occupational Health, Mr WSJ Marais
Civil Engineering Services	Manager: Buildings and Structures, Mr NC Quickfall
Civil Engineering Services	Senior Manager: Solid Waste & Trade Services, Mr. E De Jager
Civil Engineering Services	Manager: Civil Operations and Maintenance, Mr JP Barlow
Civil Engineering Services	Manager: Public Services, Mr JMS Spies

APPENDIX D – FUNCTIONS OF MUNICIPALITY

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

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Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
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

APPENDIX E – Functionality of Ward Committees

Note: All ward committees were established by 8 March 2022.

Ward Number	Name of Ward Councillor	Committee established (Yes / No)	*Number of monthly Committee meetings held during the year	Number of quarterly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	M van Zyl	Yes	9	4	2
2	D C Pypers	Yes	9	4	2
3	N Smit	Yes	9	4	2
4	R J Jooste	Yes	6	4	2
5	M A Rangasamy	Yes	9	4	2
6	A K Warnick	Yes	9	4	2
7	B J Staley	Yes	8	4	2
8	J M de Beer	Yes	9	4	2
9	M Ngosi	Yes	9	4	2
10	T van Essen	Yes	9	4	2
11	C Daniels	Yes	9	4	2
12	D G Bess	Yes	9	4	2

APPENDIX F – Largest Capital Projects PER WARD

WARD NUMBER	PROJECT NAME AND DETAILS	TOTAL VALUE
WARDS 1 & 2		
13-0008	Waste water treatment works (WWTW) Moorreesburg	7 835 203
WARDS 3 & 12		
21-0015	Riebeek Kasteel water supply S2.4	938 000
WARD 4		
22-0110	Generator Installation: Kalbaskraal Water Pumpstation	1 468 956
WARDS 5 & 6		
22-0108	Generator Installation: Darling WWTW & Pumpstation	2 204 138
WARD 7		
22-0106	Generator Installation: Abbotsdale Sewer Pumpstation	1 207 596
WARDS 8, 9, 10 & 11		
21-0040	Construction: Sidewalks and Recreational nodes (Ilinge Lethu & Wesbank)	10 843 025

ALL WARDS: THREE LARGEST PROJECTS PER BASIC SERVICE		
Electricity Distribution		
19-0044	Electricity: Connections: Electricity Meters (New/Replacements)	965 000
22-0030	Electricity: Streetlight, kiosk and polebox replacement: Swartland	1 000 000
22-0029	Electricity: Replace oil insulated switchgear and equipment	4 750 000
Refuse removal		

21-0035	Refuse: Boreholes for Landfill sites	740 000
Roads and storm water		
17-0080	Roads: ward committee projects	1 100 000
16-0015	New roads	11 500 000
09-0004	Resealing/upgrading of roads and sidewalks (Swartland)	21 500 788
Sewerage		
21-0032	Sewerage: New Vacuum Tanker extend capacity	1 640 906
Water Distribution		
18-0072	Water: new connections: water meters	664 089
19-0011	Bulk water infrastructure (Emergency Spending)	1 000 000
12-0013	Water: upgrading/replacement water reticulation network	3 337 712

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL PERFORMANCE AND RISK AUDIT COMMITTEE

FINAL REPORT OF THE PERFORMANCE AND RISK AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2023 FOLLOWS ON THE NEXT PAGE

FINAL REPORT OF THE INDEPENDENT PERFORMANCE AND RISK AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2023 TO THE COUNCIL OF THE SWARTLAND MUNICIPALITY

The Performance, Risk and Audit Committee is pleased to present its report for the financial year ended 30 June 2023 as required by Section 166 of the Municipal Finance Management Act, 56 of 2003 (MFMA). This report is provided by the Performance, Risk and Audit Committee in respect of the 2022/2023 financial year of the Swartland Municipality.

AUDIT COMMITTEE RESPONSIBILITY

Section 166 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as amended obliges every municipality to establish an independent Audit Committee, which must advise the Municipal Council, political office-bearers, accounting officer and management staff of the municipality on matters relating to internal financial controls and internal audits, risk management, accounting policies, adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with the MFMA and any other applicable legislation and any other issues referred to it by the municipality.

Municipal Planning and Performance Management Regulations, section 14(2)(c) makes provision for the establishment of a Performance Audit Committee (the role of which can be fulfilled by the audit committee) that must include at least one person who has expertise in performance management. The performance audit committee is required to review the quarterly reports submitted by internal audit on performance management, review the municipality's performance management system and make recommendations in this regard to council. The Performance, Risk and Audit Committee submit audit reports to Council at least twice during a financial year.

The Committee is governed by a formal terms of reference as documented in their Charter, which is regularly reviewed and approved by the Executive Mayoral Committee (last updated 18 October 2021). The document was reviewed by the Committee and the changes accepted at their meeting of 24 August 2021.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Committee currently comprises of three independent members, who have sufficient qualifications and experience, appointed by the Council of Swartland Municipality. During the year under review, 5 Performance, Risk and Audit Committee meetings were held.

The Auditor-General (AG) has a standing invitation to all Audit Committee meetings. Committee members participate in meetings with our commitment as is evidenced from the summary below:

Name of Member	Number of meetings attended
Mr CB de Jager (Chairperson)	5
Ms R Gani	5
Mr BJ Gouws	5

The Performance, Risk and Audit Committee met on the following dates during the financial year 2022/2023:

- 23 August 2022;
- 29 August 2022;
- 22 November 2022;
- 21 February 2023; and
- 23 May 2023.

The tenure and qualifications of the members are as follows:

NAME	QUALIFICATIONS	TENURE PERIOD
Mr. CB de Jager	B.Comm. and B.Comm. (Hons), CA(SA) Practicing as CA (SA) and Registered Auditor	1 November 2021 to 31 October 2024 (2 nd term)
Ms. R Gani	Baccalaureus Commercii Honores with specialization Accounting Sciences CA (SA)	1 August 2023 to 31 July 2026 -2 nd term
Mr. BJ Gouws	Baccalaureus Commercii Honores with specialization in Industrial and Personnel Psychology Master Degree in Industrial Administration (Intro to Business Administration and System Engineering Practice)	1 May 2021 to 30 April 2024-1 st term

DISCHARGE OF AUDIT COMMITTEE RESPONSIBILITY

The Committee is pleased to report that it has complied with its responsibilities arising from its terms of reference, including relevant legislative requirements.

The detailed minutes of each meeting following the approval of the minutes at Committee meetings are presented to Council.

Internal Control

During the year under review the Committee executed the following functions in respect of internal control:

- Considered reports of internal audit and external audit on Council's system of internal control including internal financial controls and maintenance of effective internal control systems.
- Reviewed significant issues raised by internal and external audit on internal control systems and adequacy of corrective actions in response to the findings.

The Performance, Risk and Audit Committee will continue to monitor implementation of corrective action and the enhancement of the control environment in the 2023/2024 financial year.

Internal Audit Effectiveness

During the year under review the Committee executed the following functions in respect of Internal Audit:

- Reviewed and approved the Risk-based Annual Internal Audit Plan.
- Reviewed and approved the Internal Audit Three-year rolling Plan.
- Evaluated the independence and effectiveness and performance of the Internal Audit Function.
- Reviewed the work performed by Internal Audit on a quarterly basis and the implementation of internal audit recommendations.
- Review and monitor the implementation of the recommendations in respect of the 5-yearly External Quality Review of the Internal Audit Activity.

The Internal Audit activities are completed by a two-person in-house department operating in terms of an Internal Audit Charter. There appears to have been no compromise of the independence or objectivity of the function during the year of review. Internal Audit was able successfully execute the Risk-based Internal Audit Plan for the year under review.

Risk Management

Internal audit is responsible for facilitating risk management, as part of its consulting services, and assisted management during the performance of risk assessments. The Enterprise Risk Management Policy was reviewed and approved by the Executive Mayoral Committee on 14 December 2022 and the Risk Management Strategic Plan approved on 23 May 2023 by the Performance, Risk and Audit Committee. During the year under review detail risk assessments were conducted at the different directorates. Management also presented Strategic and Operational Risk registers to the Performance, Risk and Audit Committee for their consideration and input.

The Audit Committee will continue to exercise its advisory and oversight function in respect of risk management. There was a substantial improvement in the quality of the Operational Risk Registers submitted to the Performance, Risk and Audit Committee.

External audit

In respect of external audit, the Performance, Risk and Audit Committee performed the following:

Financial year 2022/2023

- Reviewed and discussed the Auditor-General's Engagement Letter and Audit Strategy on 12 October 2023
- Reviewed and discussed the Draft Management Report on 28 November 2023
- Received and reviewed the Final Management Report on 05 December 2023
- Received the reviewed the Final Audit Report on 05 December 2023

The Committee will endeavor together with the municipality to ensure that all recommendations made by Auditor-General in its Management Report will be implemented.

The audit committee is satisfied with the independence of the external auditors.

Combined assurance

A combined assurance framework has been developed and approved by Council. The Performance, Risk and Audit Committee will continue to monitor the implementation of the combined assurance framework and make recommendations in this regard.

Review and Evaluation of the Annual Financial Statements

The Performance, Risk Audit Committee had the opportunity to review the annual financial statements, including the accounting policies, and made recommendations to management as part of its advisory role. The committee reviewed the 2022/2023 draft annual financial statements on 29 August 2023.

Performance Management

The Performance, Risk and Audit Committee has reviewed the municipality's performance on a quarterly basis and have specifically focused on the indicators showing negative variances. Senior Management of the municipality is required to provide explanations and corrective actions for variances between planned and actual performance. The Audit Committee emphasises the need to maintain appropriate evidence to substantiate performance information.

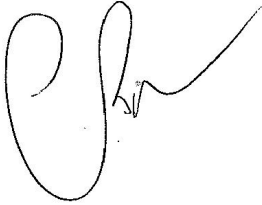
The Performance, Risk and Audit Committee also provided input/comments on the Ignite Performance Management System to be implemented as from 1st July 2023. The committee will continue to monitor management's actions to ensure an effective Municipality Performance Management System.

Financial Management and Performance: Quarterly Section 52 Reports:

The Performance, Risk and Audit Committee reviewed and commented on the Quarterly Section 52 Reports. The purpose of this report is to comply with the requirements of Section 52 (d) of the Municipal Finance Management Act, No. 56 of 2003, which prescribes the general responsibilities of the Mayor to table to council the financial position as well as the financial progress of the municipality, measured against the approved budget for the 1st quarter and at the end of each quarter.

CONCLUSION

The Performance, Risk and Audit Committee wishes to express its appreciation to management, the Auditor-General and Internal Audit who assist the Committee in performing its functions effectively. The Committee would also like to congratulate the municipality for achieving once again a clean audit report for the 2022/2023 financial year, and the Committee is proud to be part of such an institution.

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a series of loops and a long horizontal stroke extending to the right.

CB De Jager
Chairperson of the Performance, Risk and Audit Committee

Date: 18 January 2024

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS**(a) Long Term Contracts (20 Largest Contracts) Entered into**

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
The Standard Bank of South Africa Ltd	Banking Services	July 2022	June 2027	Mr M Dreyden	Tariffs/Charges/Interest rates
Linux Based Systems Design SA (Pty) Ltd	Provision of Internet Services for Swartland Municipality for a 3-year period	July 2021	June 2024	Mr J Pienaar	Tariffs
Riverlands Cleaning & Maintenance	Community Collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal	July 2021	June 2024	Mr P Marais	R4 336 880.00
Tenderers on Panel	Supply Asphaltting Services in the Swartland municipal area	July 2022	June 2025	Mr J Spies	Tariffs
Simply Do Construction (Pty) Ltd	Construction of Top Structures for the development of services for Low Cost Housing Erven, De Hoop, Malmesbury	Aug 2021	Nov 2022	Mr J Spies	Tariffs
Dogs and All CC	The leasing of nine trained Narcotic Dogs for the K9-unit of Swartland Traffic and Law Enforcement Services	July 2022	June 2025	Mr R Steyn	Tariffs
Tenderers on Panel	Term tender for the upgrading of roads in the Swartland municipal area	Feb 2022	June 2024	Mr J Spies	Tariffs
Mubesko Africa (Pty) Ltd	Provision of Accounting Services to Swartland Municipality, to ensure GRAP/Mscoa compliant Annual Financial Statements	July 2022	June 2025	Mr R Alberts	Tariffs
Verso Financial Services	Underwriting of the Municipality's Group Life Insurance Portfolio	July 2022	June 2025	Ms S de Jongh	Tariffs
Umzali Civils	Construction of non-motorised transport facilities (pedestrian sidewalks and walkways) and recreational park in Malmesbury	Aug 2022	May 2023	Mr J Spies	Rates
HCB Valuation and Services (Pty) Ltd	Execution of a General and Supplementary Valuations for all properties in die area of jurisdiction of Swartland Municipality ending June 2025	July 2023	June 2028	Mr A M Zaayman	Tariffs

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JB's Commercial (Pty) Ltd	Supply and Delivery of High Compaction REL Refuse Collection Truck	Aug 2022	Jan 2023	Mr P Marais	R2 772 318
VE Reticulation	New 132/11kV substation in the De Hoop area, Malmesbury (Phase 2)	Sep 2022	June 2023	Mr M J Swanepoel	R21 585 000
JT Maritz Electrical cc	Electrification of Informal Houses in Ilinge Lethu, Malmesbury	Oct 2022	Feb 2023	Mr M J Swanepoel	R4 469 533
Nammic Western Cape (Pty) Ltd	Construction of Skatepark and Ancillary Works at the Darling RSEP Intercultural Park	Jan 2023	Apr 2023	Mr J Spies	R2 058 737
Tshayela Projects cc	Sweeping of streets and cleansing services for the period ending 30 June 2025	Feb 2023	June 2025	Mr P Marais	Rates
CSV Construction	Micro-tunneling construction of a bulk water supply pipeline crossing the N7 national road and associated works, Malmesbury	Feb 2023	June 2023	Mr J Spies	R2 945 841
VE Reticulation (Pty) Ltd	Supply, Delivery and Installation of back-up electrical generators for Water and Sewer Pump Stations in the Swartland municipal area	June 2023	Apr 2024	Mr E de Jager	R13 042 956
Riverlands Cleaning and Maintenance (Pty) Ltd	Community based collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal for the period up to June 2024	July 2023	June 2023	Mr P Marais	R4 336 880
Linux Based Systems Design SA (Pty) Ltd	Provision of Internet Services for Swartland Municipality for a three-year period	July 2021	June 2024	Mr J Pienaar	1946424

(b) Public Private Partnerships Entered into: None

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Did the service provider reach all targets (Yes/No)	If no, provide reasons	Project Manager
The Standard Bank of South Africa Ltd	Banking Services	Yes		Mr M Dreyden
Linux Based Systems Design SA (Pty) Ltd	Provision of Internet Services for Swartland Municipality for a 3-year period	Yes		Mr J Pienaar
Riverlands Cleaning & Maintenance	Community Collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal	Yes		Mr P Marais
Tenderers on Panel	Supply Asphaltting Services in the Swartland municipal area	Yes		Mr J Spies
Simply Do Construction (Pty) Ltd	Construction of Top Structures for the development of services for Low Cost Housing Erven, De Hoop, Malmesbury	Yes		Mr J Spies
Dogs and All CC	The leasing of nine trained Narcotic Dogs for the K9-unit of Swartland Traffic and Law Enforcement Services	Yes		Mr R Steyn
Tenderers on Panel	Term tender for the upgrading of roads in the Swartland municipal area	Yes		Mr J Spies
Mubeko Africa (Pty) Ltd	Provision of Accounting Services to Swartland Municipality, to ensure GRAP/Mscoa compliant Annual Financial Statements	Yes		Mr R Alberts
Verso Financial Services	Underwriting of the Municipality's Group Life Insurance Portfolio	Yes		Ms S de Jongh
Umzali Civils	Construction of non-motorised transport facilities (pedestrian sidewalks and walkways) and recreational park in Malmesbury	Yes		Mr J Spies
HCB Valuation and Services (Pty) Ltd	Execution of a General and Supplementary Valuations for all properties in die area of jurisdiction of Swartland Municipality ending June 2025	Yes		Mr A M Zaayman
JB's Commercial (Pty) Ltd	Supply and Delivery of High Compaction REL Refuse Collection Truck	Yes		Mr P

				Marais
VE Reticulation	New 132/11kV substation in the De Hoop area, Malmesbury (Phase 2)	Yes		Mr M J Swanepoel
JT Maritz Electrical cc	Electrification of Informal Houses in Ilinge Lethu, Malmesbury	Yes		Mr M J Swanepoel
Nammic Western Cape (Pty) Ltd	Construction of Skatepark and Ancillary Works at the Darling RSEP Intercultural Park	Yes		Mr J Spies
Tshayela Projects cc	Sweeping of streets and cleansing services for the period ending 30 June 2025	Yes		Mr P Marais
CSV Construction	Micro-tunneling construction of a bulk water supply pipeline crossing the N7 national road and associated works, Malmesbury	Yes		Mr J Spies
VE Reticulation (Pty) Ltd	Supply, Delivery and Installation of back-up electrical generators for Water and Sewer Pump Stations in the Swartland municipal area	Yes		Mr E de Jager
Riverlands Cleaning and Maintenance (Pty) Ltd	Community based collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal for the period up to June 2024	Yes		Mr P Marais
Linux Based Systems Design SA (Pty) Ltd	Provision of Internet Services for Swartland Municipality for a three-year period	Yes		Mr J Pienaar

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

The Municipal Manager and directors signed a disclosure of financial interest form when the performance agreements were signed in June 2023. The forms are available at the Office of the Municipal Manager. Any changes in the nature of financial interests are declared quarterly at management meetings and reported to the Speaker of the Council as required by law.

APPENDIX K - REVENUE COLLECTION PERFORMANCE

(a) By Vote

Revenue Collection Performance by Vote						
Vote Description	2021/2022	2022/2023			2022/2023 Variances	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Corporate Services	12 491 942	12 358 060	12 798 595	13 416 327	8%	5%
Civil Services	256 272 170	287 762 267	298 253 544	293 035 429	2%	-2%
Council	266 250	299 425	299 425	103 327	-190%	-190%
Electricity Services	384 052 754	424 953 219	410 288 865	393 023 473	-8%	-4%
Financial Services	237 101 104	253 247 772	278 834 792	287 844 206	12%	3%
Development Services	58 805 941	63 074 602	47 587 169	31 971 405	-97%	-49%
Municipal Manager	-	-	418 000	-	#DIV/0!	#DIV/0!
Protection Services	45 617 050	52 288 621	49 537 194	53 349 066	2%	7%
Total Revenue by Vote	994 607 211	1 093 983 966	1 098 017 584	1 072 743 232	-1.98%	-2.36%

(b) By Source

Revenue Collection Performance by Source						
Description	2021/2022	2022/2023			2022/2023	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	141 485 766	148 224 143	148 224 143	152 116 871	2.56%	2.56%
Service Charges - electricity revenue	369 386 656	400 666 525	385 969 668	364 616 492	-9.89%	-5.86%
Service Charges - water revenue	79 784 584	80 785 993	80 785 993	84 141 514	3.99%	3.99%
Service Charges - sanitation revenue	48 955 853	51 389 918	51 796 881	52 451 707	2.02%	1.25%
Service Charges - refuse revenue	29 734 395	31 991 414	32 591 414	32 770 450	2.38%	0.55%
Rentals of facilities and equipment	1 422 243	1 627 037	1 806 867	1 589 980	-2.33%	-13.64%
Interest earned - external investments	35 489 312	35 666 707	55 754 389	58 939 305	39.49%	5.40%
Interest earned - outstanding debtors	2 646 175	3 457 706	3 160 827	4 048 147	14.59%	21.92%
Fines	27 864 002	34 606 572	30 262 572	34 692 158	0.25%	12.77%
Licences and permits	4 686 418	4 777 650	4 901 779	5 087 530	6.09%	3.65%
Agency services	5 264 106	6 040 474	6 040 474	5 511 479	-9.60%	-9.60%
Transfers recognised - operational	172 790 473	186 256 611	189 754 512	173 875 460	-7.12%	-9.13%
Grants and Subsidies Received: Capital	46 180 908	62 749 000	67 687 485	58 751 198	-6.80%	-15.21%
Public contributions and Donations	5 170 445	14 360 000	11 203 025	17 368 545	17.32%	35.50%
Other revenue	15 677 527	15 507 501	16 412 022	16 837 234	7.90%	2.53%
Gains on disposal of PPE	8 068 346	15 876 715	11 665 533	9 945 162	-59.64%	-17.30%
Total Revenue (excluding capital transfers and contributions)	994 607 211	1 093 983 966	1 098 017 584	1 072 743 232	-1.98%	-2.36%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						T K.2

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG					
Description	Original Budget	Adjustments Budget	Actual	Variance Budget	Variance Adj Budget
Neighbourhood Development Partnership Grant					
Public Transport Infrastructure and Systems Grant					
Other Specify:					
Finance Management	1 550 000	1 550 000	1 550 000	0.00%	0.00%
EPWP Incentive	1 873 000	1 873 000	1 873 000	0.00%	0.00%
Community Development: Workers	38 000	38 000	35 499	0.00%	-7.04%
Human Settlements	53 605 000	37 445 000	3 515 230	-43.16%	-965.22%
Municipal Accreditation and Capacity Building Grant	256 000	256 000	196 774	0.00%	-30.10%
Libraries	11 623 000	11 623 000	11 623 000	0.00%	0.00%
Proclaimed Roads Subsidy	4 470 000	4 470 000	4 470 000	0.00%	0.00%
Financial Management Support Grant: Student Bursaries	-	321 420	160 000	100.00%	-100.89%
Establishment of a K9 Unit	2 420 000	2 527 485	2 527 485	4.25%	0.00%
Establishment of a Law Enforcement Reaction Unit	4 000 000	5 329 140	5 329 139	24.94%	0.00%
WC Financial Management Capability Grant	-	418 000	-	100.00%	#DIV/0!
Municipal Water Resilience Grant	-	600 000	600 000	100.00%	0.00%
LG Public Employment Support Grant	-	855 341	855 341	100.00%	0.00%
Integrated National Electrification Programme (municipal)	17 600 000	17 600 000	17 600 000	0.00%	0.00%

RSEP/VPUU Municipal Projects	1 200 000	1 200 000	1 200 000	0.00%	0.00%
Emergency Municipal Load-Shedding Relief	-	10 945 000	2 438 483	100.00%	-348.84%
	98 635 000	97 051 386	53 973 952	-1.63%	-79.81%

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

(a) Capital Expenditure - New assets programme

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Capital expenditure on new assets by Asset Class/Sub-class									
-									
Infrastructure	34 171	80 931	72 301	22 612	72 662	69 702	(2 960)	-4.2%	72 301
Roads Infrastructure	12 979	40 221	33 155	8 391	30 598	30 606	8	0.0%	33 155
<i>Roads</i>	12 979	40 221	33 155	8 391	30 598	30 606	8	0.0%	33 155
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	15 873	33 400	33 815	13 244	37 171	34 015	(3 156)	-9.3%	33 815
<i>MV Substations</i>	133	10 200	10 200	10 706	13 107	10 200	(2 907)	-28.5%	10 200
<i>MV Switching Stations</i>	-	4 800	5 050	-	5 129	5 150	21	0.4%	5 050
<i>MV Networks</i>	14 801	17 600	17 600	2 161	17 600	17 600	(0)	0.0%	17 600
<i>LV Networks</i>	940	800	965	377	1 336	1 065	(271)	-25.5%	965

Water Supply Infrastructure	4 465	4 307	3 573	799	2 965	3 122	157	5.0%	3 573
<i>Boreholes</i>		740	740	568	658	740	82	11.1%	740
<i>Distribution</i>	4 465	3 567	2 833	231	2 307	2 382	75	3.1%	2 833
Sanitation Infrastructure	581	3 002	1 757	178	1 928	1 959	31	1.6%	1 757
<i>Pump Station</i>	526	800	551	130	536	551	15	2.7%	551
<i>Reticulation</i>	55	2 202	1 207	48	1 392	1 408	17	1.2%	1 207
Solid Waste Infrastructure	272	–	–	–	–	–	–		–
<i>Landfill Sites</i>	272	–	–	–	–	–	–		–
<u>Community Assets</u>	5 645	4 200	3 743	130	3 044	3 712	668	18.0%	3 743
Community Facilities	2 877	1 100	893	(26)	343	893	550	61.6%	893
<i>Parks</i>	698	1 100	893	(26)	343	893	550	61.6%	893
Sport and Recreation Facilities	2 769	3 100	2 850	156	2 701	2 819	118	4.2%	2 850
<i>Indoor Facilities</i>	2 028	–	–	–	–	–	–		
<i>Outdoor Facilities</i>	741	3 100	2 850	156	2 701	2 819	118	4.2%	2 850
<i>Capital Spares</i>							–		
							–		
<u>Investment properties</u>	–	–	–	345	345	–	(345)	#DIV/0!	–
Revenue Generating	–	–	–	345	345	–	(345)	#DIV/0!	–
<i>Unimproved Property</i>				345	345	–	(345)	#DIV/0!	
<u>Other assets</u>	18 071	6 476	2 149	1 003	1 069	1 531	462	30.2%	2 149
Operational Buildings	11 275	2 000	475	103	103	103	0	0.0%	475
<i>Municipal Offices</i>	11 275	2 000	100	103	103	103	0	0.0%	100

<i>Yards</i>		–	375	–	–	–	–		375
Housing	6 796	4 476	1 674	900	966	1 428	462	32.3%	1 674
<i>Social Housing</i>	6 796	4 476	1 674	900	966	1 428	462	32.3%	1 674
<u>Biological or Cultivated Assets</u>	–	–	–	–	–	–	–		–
<u>Intangible Assets</u>	–	420	420	30	30	30	–		420
Licences and Rights	–	420	420	30	30	30	–		420
<i>Computer Software and Applications</i>		420	420	30	30	30	–		420
<u>Computer Equipment</u>	1 782	3 704	4 084	609	3 485	4 117	632	15.4%	4 084
Computer Equipment	1 782	3 704	4 084	609	3 485	4 117	632	15.4%	4 084
<u>Furniture and Office Equipment</u>	257	364	463	153	473	466	(7)	-1.5%	463
Furniture and Office Equipment	257	364	463	153	473	466	(7)	-1.5%	463
<u>Machinery and Equipment</u>	2 205	4 219	15 144	2 470	5 571	14 647	9 076	62.0%	15 144
Machinery and Equipment	2 205	4 219	15 144	2 470	5 571	14 647	9 076	62.0%	15 144
<u>Transport Assets</u>	4 369	13 252	11 978	4 285	14 250	12 000	(2 249)	-18.7%	11 978
Transport Assets	4 369	13 252	11 978	4 285	14 250	12 000	(2 249)	-18.7%	11 978
<u>Land</u>	849	6 630	421	93	533	796	262	33.0%	421

Land	849	6 630	421	93	533	796	262	33.0%	421
Total Capital Expenditure on new assets	67 349	120 197	110 703	31 728	101 461	107 001	5 540	5.2%	110 703

(b) Capital Expenditure - Upgrade/renewal programme

WC015 Swartland - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands								
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>								
-								
<u>Infrastructure</u>	35 198	20 250	22 001	1 362	22 862	22 863	1	22 001

Roads Infrastructure	30 932	20 250	21 501	–	21 500	21 501	1	21 501
<i>Roads</i>	30 932	20 250	21 501	–	21 500	21 501	1	21 501
Electrical Infrastructure	4 266	–	–	–	–	–	–	–
<i>MV Substations</i>	3 603	–	–	–	–	–	–	–
<i>LV Networks</i>	663	–	–	–	–	–	–	–
Sanitation Infrastructure	–	–	500	1 362	1 362	1 362	–	500
<i>Pump Station</i>							–	
<i>Reticulation</i>			500	1 362	1 362	1 362	–	500
<u>Other assets</u>	670	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–
Housing	670	–	–	–	–	–	–	–
<i>Staff Housing</i>	670	–	–	–	–	–	–	–

Total Capital Expenditure on renewal of existing assets	35 868	20 250	22 001	1 362	22 862	22 863	1	22 001

WC015 Swartland - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
<u>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</u>									
-									
<u>Infrastructure</u>	69 400	50 649	46 136	8 386	44 324	48 976	4 652	9.5%	46 136
Roads Infrastructure	–	–	–	–	–	–	–		–
Storm water Infrastructure	–	250	250	64	225	250	25	10.0%	250
<i>Storm water Conveyance</i>		250	250	64	225	250	25	10.0%	250
Electrical Infrastructure	2 560	8 450	8 620	902	7 430	10 920	3 490	32.0%	8 620
<i>MV Switching Stations</i>	299	–	–	–	–	–	–		–
<i>MV Networks</i>	–	1 000	750	173	555	850	295	34.7%	750
<i>LV Networks</i>	2 261	7 450	7 870	729	6 874	10 070	3 196	31.7%	7 870
<i>Capital Spares</i>	–	–	–	–	–	–	–		–
Water Supply Infrastructure	4 791	24 956	29 008	2 660	28 513	29 548	1 035	3.5%	29 008

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<i>Pump Stations</i>	991	–		–	–	–	–		–
<i>Distribution</i>	3 800	24 856	28 908	2 664	28 517	29 468	951	3.2%	28 908
<i>PRV Stations</i>	–	100	100	(4)	(4)	80	84	105.3%	100
Sanitation Infrastructure	62 049	16 993	8 259	4 760	8 157	8 259	102	1.2%	8 259
<i>Waste Water Treatment Works</i>	62 049	16 993	8 259	4 760	8 157	8 259	102	1.2%	8 259
<u>Community Assets</u>	2 285	–	–	–	–	–	–		–
Community Facilities	–	–	–	–	–	–	–		–
Sport and Recreation Facilities	2 285	–	–	–	–	–	–		–
<i>Outdoor Facilities</i>	2 285	–		–	–	–	–		–
Total Capital Expenditure on upgrading of existing assets	71 685	50 649	46 136	8 386	44 324	48 976	4 652	9.5%	46 136

APPENDIX N – CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Nr.	Project Description	mSCOA Allocation	Original Budget 2022/23	Final Budget	ACTUAL	Sources of Finance
	<u>CIVIL</u>					
1	Equipment : Civil	9/115-277-749	52 000	37 914	37 910	CRR
	<u>SEWERAGE SERVICE</u>					
2	Sewerage Works: Moorreesburg	9/107-95-87	16 187 000	7 835 203	7 733 233	CRR
3	Sewerage Works: Darling	9/107-90-102	806 350	423 500	423 500	CRR
4	Security Fencing: MBY WWTW Irrigation Pump Station	9/107-533-254	800 000	550 720	536 025	CRR
5	Equipment : Sewerage Telemetry	9/111-278-749	36 000	55 359	55 358	CRR
6	Equipment : Sewerage	9/111-33-749	30 000	25 556	25 556	CRR
7	Sewerage: CK14612 Nissan UD290 Replace ***change name CK31209	9/111-223-763	1 995 000	1 640 906	1 640 906	CRR
8	Sewerage: New Vacuum Tanker extend capacity	9/111-369-54	1 995 000	1 640 906	1 640 906	CRR
9	Schoonspruit: Pipe Replacement	9/111-493-223		1 362 000	1 362 000	CRR
10	Generator Installation: Abbotsdale Sewer Pumpstation	9/111-565-747		1 207 596	-	DLG
11	Generator Installation:	9/111-574-749		1 596 611	1 534 990	DLG

	Moorreesburg WWTW					
12	Generator Installation: Darling WWTW & Pumpstation	9/111-583-753		2 204 138	-	DLG
	Equipment Insurance (Sewerage) Office Equipment	9/107-575-266			1 296	
	Equipment Insurance (Sewerage) Machinery	9/107-579-282			12 282	
		Total	R 21 901 350	R 18 580 409	R 15 003 961	
	<u>Buildings & Maintenance</u>					
13	Equipment : Buildings & Maintenance	9/108-178-749	26 800	22 785	15 131	CRR
14	Fitting of Council Chambers (Std Bank Building)	9/108-636-404	2 000 000	103 228	103 213	CRR
15	Development of Erf 2737 Malmesbury	9/108-656-408	4 000 000	375 000	-	CRR
	Land: Donated Property	9/108-585-333			110 000	
		Total	R 6 026 800	R 501 013	R 228 343	
	<u>Parks</u>					
16	Ward Committee Projects	9/112-206-18	1 100 000	892 916	342 759	CRR

17	Equipment: Parks	9/112-41-749	62 000	68 075	67 424	CRR
18	Parks: CK41465 John Deere Tractor	9/112-233-749	546 000	532 550	532 550	CRR
	Equipment Insurance (Parks)	9/112-425-212			25 722	
		Total	R 1 708 000	R 1 493 541	R 968 455	
	<u>Roads</u>					
19	Roads Swartland: Resealing of Roads	9/110-85-99	20 250 000	20 250 000	20 248 900	CRR
20	Roads Swartland: Resealing of Roads (MIG)	9/110-85-144		1 250 788	1 250 788	MIG
21	Roads Swartland: Construction of New Roads	9/110-175-154	500 000	310 000	309 156	CRR
22	Roads Swartland: Construction of New Roads	9/110-514-306	8 810 000	8 700 000	8 700 000	MIG
23	Upgrading of N7/Voortrekker Northern Interchange	9/110-451-236	8 000 000	8 000 000	8 000 000	CRR
24	Construction of side walks and recreational nodes in Ilinge Lethu and Wesbank	9/110-470-268	12 173 913	10 843 025	10 837 412	Donation
25	Ward Committee Projects	9/110-205-13	1 100 000	1 307 084	1 305 779	CRR
26	Roads: CK29892 Case Backhoe Loader	9/110-237-749	2 047 500	1 877 566	1 877 566	CRR

		Total	R 52 881 413	R 52 538 463	R 52 529 601	
	<u>Swimming Pools</u>					
27	Swimming Pool: Wesbank	9/113-635-403	700 000	700 000	699 993	CRR
		Total	R 700 000	R 700 000	R 699 993	
	<u>Sportgrounds</u>					
28	Security lighting: Wesbank Sport Grounds	9/106-480-269	600 000	564 199	434 075	CRR
		Total	R 600 000	R 564 199	R 434 075	
	<u>Stormwater</u>					
29	Stormwater Network	9/114-98-129	250 000	250 000	224 948	CRR
30	Equipment: Streets and Stormwater	9/114-44-749	62 000	66 690	65 093	CRR
		Total	R 312 000	R 316 690	R 290 041	
	<u>Water</u>					

31	Water networks: Upgrades and Replacement	9/105-582-318	1 120 000	1 140 000	1 139 283	CRR
32	Water networks: Upgrades and Replacement	9/105-373-193	2 217 712	2 217 712	2 217 712	MIG
33	Water: Upgrading water reticulation network: PRV's, flow control, zone metering and water augmentation	9/105-183-126	100 000	80 000	(4 280)	CRR
34	Bulk water infrastructure (emergency spending)	9/105-376-128	500 000	450 000	519 976	CRR
35	Connections: Water Meters (New/Replacements)	9/105-405-23	664 089	664 089	538 229	CRR
36	Equipment : Water	9/105-36-741	49 000	49 000	48 999	CRR
37	Electrofusion Welding machine (replacement)	9/105-606-356	60 000	91 895	88 952	CRR
38	Generator for Wesbank Water Tower and Boosters	9/105-513-364	1 000 000	500 000	-	CRR
39	Swartland Bulk Water System S3.3 & S3.4 Panorama to Wesbank I1/4	9/105-391-184	3 650 000	2 310 500	1 645 116	CRR
40	Swartland Bulk Water System S3.3 & S3.4 Panorama to Wesbank I1/4	9/105-400-199	5 000 000	17 871 000	17 870 956	MIG
41	Wesbank I1/4 to Wesbank Reservoir supply SMW.B6	9/105-415-204	3 585 938	700 000	641 187	CRR
42	Wesbank I1/4 to Wesbank Reservoir supply SMW.B6	9/105-427-213	3 782 288	1 306 500	1 306 500	MIG
43	Riebeek Kasteel supply S2.4	9/105-431-226	1 000 000	938 000	938 000	CRR
44	De Hoop Supply SMW1.1	9/105-449-222	500 000	520 000	294 148	CRR

45	De Hoop Supply SMW1.2	9/105-456-243	4 000 000	2 464 000	2 464 000	MIG
46	Generator Installation: Riverlands Water Pumpstation	9/105-577-763		1 338 488	-	DLG
47	Generator Installation: Kalbaskraal Water Pumpstation	9/105-584-767		1 468 956	-	DLG
48	Generator Installation: Wesbank Water Tower & Boosters	9/105-593-774		1 085 749	-	DLG
49	Generator Installation: Rustfontein Water Pumpstation	9/105-601-731		1 758 237	531 508.14	DLG
50	Emergency Power Supply: Water & Sanitation	9/105-613-554		285 225	285 225.00	DLG
	Water Meters: Gains	9/105-586-341			14 951	
		Total	R 27 229 027	R 37 239 351	R 30 540 462	
	<u>Refuse</u>					
51	Boreholes for Landfill sites	9/104-374-241	740 000	740 000	657 538	CRR
52	Equipment : Refuse bins, traps, skips (Swartland)	9/104-245-749	150 000	155 496	155 495	CRR
53	Equipment : Refuse Removal	9/104-190-749	24 000	24 437	24 437	CRR
54	Refuse: CK43815 Nissan UD330	9/104-77-749	3 242 887	2 772 318	2 772 318	CRR
55	Refuse: CK27606 Nissan UD40	9/104-506-458	628 869	569 546	569 546	CRR

	Transport Asset: Donated	9/104-567-406			2 250 000	
		Total	R 4 785 756	R 4 261 797	R 6 429 334	
	<u>Development Services</u>					
56	Equipment : Development Services	9/123-25-749	42 000	42 370	42 019	CRR
57	Skate Park: Darling (RSEP)	9/123-497-237	600 000	1 200 000	1 200 000	RSEP
58	Skate Park: Darling (CRR)	9/123-498-237	500 000	255 000	255 000	CRR
59	Skate Park: Darling (Donation)	9/123-499-237	100 000	100 000	112 237	Donation
60	Tenstile Netting over seating area of Amfiteater: Darling	9/123-507-253	600 000	-	-	RSEP
61	Irrigation: Darling Amfiteater (Donation)	9/123-511-260	260 000	260 000	260 000	Donation
62	Irrigation: Darling Amfiteater	9/123-564-305	-	550 000	516 087	CRR
63	Equipment: YZF Caravan Park	9/120-47-745	30 000	29 630	29 514	CRR
64	Thusong Centre: CK18244 Nissan Tiida	9/121-98-763	262 500	258 113	258 113	CRR
		Total	R 2 394 500	R 2 695 113	R 2 672 969	
	<u>Housing</u>					

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65	Malmesbury De Hoop (Professional Fees)	9/123-320-145	2 335 000	-	-	DHS
66	Malmesbury De Hoop - 395 (Watermeters)	9/123-477-252	39 000	-	-	DHS
67	Malmesbury De Hoop Serviced Sites (Prof Fees)	9/123-459-210	841 440	-	-	DHS
68	Malmesbury De Hoop Serviced Sites (Sewerage)	9/123-466-224	1 402 400	-	-	DHS
69	Malmesbury De Hoop Serviced Sites (Water)	9/123-475-234	2 103 600	-	-	DHS
70	Malmesbury De Hoop Serviced Sites (Streets & Stormwater)	9/123-481-238	9 637 560	-	-	DHS
71	Phola Park (A,B & C) Basic Services	9/123-440-87	800 000	795 000	778 415	CRR
72	Chatsworth Serviced Sites (Prof Fees)	9/123-485-218	300 000	-	-	DHS
73	Darling GAP	9/123-594-412	1 000 000	282 921	66 149	DHS
74	Darling Serviced Sites (Sewerage)	9/123-596-426		613 167	613 166	DHS
75	Darling Serviced Sites (Water)	9/123-598-434		457 945	457 944	DHS
76	Darling Serviced Sites (Streets & Stormwater)	9/123-588-448		1 445 967	1 445 966	DHS
77	Kalbaskraal: Purchasing of Transnet Land	9/123-543-722	2 400 000	-	-	DHS
78	Darling 187 (Professional Fees)	9/123-529-279		245 000	-	DHS
79	Moorreesburg 652 (Professional Fees)	9/123-535-296		900 000	900 000	DHS

		Total	R 20 859 000	R 4 740 000	R 4 261 641	
	Electrical Services					
80	Malmesbury 132/11kV Schoonspruit substation, 132kV transmission line, servitudes and 132kV Eskom connection	9/117-568-504	17 600 000	17 600 000	17 600 000	INEP
81	Malmesbury Saamstaan/De Hoop: 395 plot housing development: Electrical Bulk supply, Infrastructure and connections	9/117-534-176	1 000 000	900 000	509 655	CRR
82	Malmesbury 132/11kV Schoonspruit substation, 132kV transmission line, servitudes and 132kV Eskom connection	9/117-377-231	10 000 000	10 000 000	9 178 412	CRR
83	Replace oil insulated switchgear and equipment	9/117-605-324	4 500 000	4 850 000	4 838 903	CRR
84	LV Upgrading: Swartland	9/117-382-438	750 000	750 000	693 672	CRR
85	MV Upgrading: Swartland	9/117-547-342	1 000 000	850 000	555 297	CRR
86	Streetlight, kiosk and polebox replacement: Swartland	9/117-551-362	500 000	800 000	348 701	CRR
87	Protection and Scada Upgrading: Swartland	9/117-608-359	300 000	300 000	289 750	CRR
88	Substation Fencing: Swartland	9/117-384-72	200 000	200 000	151 173	CRR

89	Malmesbury Security Operational Centre: Communication, Monitoring and Other infrastructure equipment	9/117-332-318	700 000	780 000	264 042	CRR
90	Malmesbury Wesbank Sports Fields: Repair of vandalised flood lighting	9/117-611-349	200 000	120 000	-	CRR
91	Darling GAP 36 serviced erven development. Electrical bulk supply, infrastructure and connections	9/117-619-353	2 000 000	2 000 000	1 733 967	CRR
92	Malmesbury Illinge Lethu. Formalisation of ~220 erven for Blocks A & B Informal areas. Electrical bulk supply, infrastructure and connections	9/117-559-358	3 000 000	5 500 000	3 588 469	CRR
93	Replacement of obsolete air conditioners	9/117-542-506	100 000	200 000	207 875	CRR
94	Connections: Electricity Meters (New/Replacements)	9/117-442-37	800 000	1 065 000	962 731	CRR
95	Equipment: Electric	9/117-39-749	350 000	325 000	318 494	CRR
96	Emergency Power Supply	9/117-563-405		513 386	478 627	CRR
	Electrical Infrastructure (Donated)	9/117-581-414			3 776 952	
	Electricity Meters: Gains	9/117-595-407			373 514	
		Total	R 43 000 000	R 46 753 386	R 45 870 234	

	<u>Information Technology</u>					
97	Backup Solution	9/118-576-484	660 000	547 994	547 994	CRR
98	Monitor Replacements	9/118-59-729	45 000	45 360	45 360	CRR
99	Scanner Replacements	9/118-87-729	80 000	79 640	66 578	CRR
100	Equipment: Information Technology	9/118-39-731	70 000	70 000	68 469	CRR
101	New Server SM virtual environment	9/118-379-729	1 100 000	1 028 620	1 028 620	CRR
102	Printers	9/118-74-729	60 000	60 000	16 100	CRR
103	DeskTops	9/118-201-729	225 000	225 000	218 079	CRR
104	Notebooks	9/118-64-729	484 000	516 775	509 025	CRR
105	Recording of telephone calls	9/118-612-384	180 000	180 000	171 730	CRR
106	Projector: Town hall	9/118-618-391	70 000	70 000	63 372	CRR
107	UPS Replacement	9/118-614-398	30 000	-	-	CRR
		<i>Total</i>	<i>R 3 004 000</i>	<i>R 2 823 389</i>	<i>R 2 735 326</i>	
	<u>Financial Services</u>					
108	Equipment : Financial	9/119-25-737	28 000	26 680	26 680	CRR
109	Indigent Screening Solution	9/119-616-397	420 000	29 500	29 500	CRR

110	Finance: CK30046 Toyota Etios ***change name to CK40701	9/119-267-763	262 500	258 113	258 113	CRR
	Equipment : Financial (Donated)	9/119-463-215			6 522	
	Deeds	9/119-416-374			344 500	
		Total	R 710 500	R 314 293	R 665 314	
	<u>Protection Services</u>					
111	Equipment: Protection	9/126-44-749	50 000	75 000	74 436	CRR
112	Equipment : K9 Unit	9/126-353-146	30 000	137 485	136 615	Com Safety
113	Equipment : Fire Fighting	9/125-27-749	160 000	160 040	160 037	CRR
114	Fire: CK27542 Tata LPTA 713 (Replace with Medium Pumper)	9/125-486-424	3 675 000	3 674 960	3 674 147	CRR
		Total	R 3 915 000	R 4 047 485	R 4 045 236	
	<u>MM and Council</u>					
115	Equipment : MM	9/124-28-737	10 000	12 135	12 135	CRR
116	Equipment : Council	9/116-22-737	10 000	10 945	10 945	CRR
117	Council: CK1 M/Benz E200	9/116-621-394	644 459	652 924	652 924	CRR

		Total	R 664 459	R 676 004	R 676 004	
	<u>Corporate Services</u>					
118	Equipment : Corporate	9/101-22-737	24 000	24 000	23 004	CRR
119	Equipment: Libraries	9/102-360-739	50 000	50 000	49 783	Dept. CA and Sport
120	Purchase of Land Parcels: Koringberg	9/101-624-402	230 000	220 671	220 671	CRR
121	Equipment Corporate: Buildings & Swartland Halls	9/103-36-735	100 000	100 000	99 530	CRR
122	Expropriation of splays: Chatsworth	9/101-562-323		200 000	202 560	CRR
		Total	R 404 000	R 594 671	R 595 547	
	GRAND TOTAL		R 191 095 805	R 178 839 804	R 168 646 539	

APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD - CURRENT YEAR:

Capital Programme by Project ward: 2022-2023			
Project nr:	Capital Project	Budget	Works Completed (Yes/No)
WARDS 1 & 2			
13-0008	Waste water treatment works (WWTW) Moorreesburg	7 835 203	
22-0046	Purchase of land parcels: Koringberg	220 671	
22-0064	Moorreesburg 652 Project: Professional Fees	900 000	
22-0107	Generator Installation: Moorreesburg WWTW	1 596 611	
WARDS 3 & 12			
21-0015	Riebeek Kasteel water supply S2.4	938 000	
WARD 4			
22-0066	Expropriation of splays: Chatsworth	200 000	
22-0109	Generator Installation: Riverlands Water Pumpstation	1 338 488	
22-0110	Generator Installation: Kalbaskraal Water Pumpstation	1 468 956	
WARDS 5 & 6			
16-0044	Equipment: YZF caravan park	30 000	
18-0004	Sewerage Darling	423 500	
22-0051	Darling GAP housing	529 145	
22-0048	Skate Park: Darling	1 550 000	
22-0050	Irrigation: Darling Amphitheatre	810 000	

22-0034	Darling GAP 36 serviced erven development. Electrical bulk supply, infrastructure and connections	2 000 000	
22-0051	Darling GAP	529 145	
22-0060	Darling Serviced Sites (Sewerage)	406 615	
22-0061	Darling Serviced Sites (Water)	359 268	
22-0062	Darling Serviced Sites (Streets & Stormwater)	1 504 972	
22-0063	Darling 187 (Professional Fees)	245 000	
22-0108	Generator Installation: Darling WWTW & Pumpstation	2 204 138	
WARD 7			
22-0106	Generator Installation: Abbotsdale Sewer Pumpstation	1 207 596	
WARDS 8, 9, 10 & 11			
22-0036	Malmesbury Ilinge Lethu. Formalisation of 220 erven for Blocks A & B Informal areas. Electrical bulk supply, infrastructure and connections	3 000 000	
22-0054	Phola Park (A, B & C) Basic Services	800 000	
21-0040	Construction: Sidewalks and Recreational nodes (Ilinge Lethu & Wesbank)	10 843 025	
19-0012	Wesbank I1/4 to Wesbank water reservoir supply SMW.B6	2 006 500	
22-0013	Security lighting: Wesbank Sport Grounds	600 000	
22-0033	Wesbank Sports Fields: Repair of vandalised flood lighting	120 000	
22-0059	Sewerage: Schoonspruit: Pipe Replacement	500 000	
VARIOUS WARDS			
17-0044	De Hoop project - 395 plot housing development	18 600 000	
19-0023	Malmesbury security operational centre	780 000	

21-0005	Upgrading of N7/Voortrekker Northern Interchange	8 000 000	
21-0013	Swartland Water System S3.3 & S3.4 Panorama to Wesbank	19 641 500	
21-0033	Electricity: 132/11kV Eskom Schoonspruit substation, 132kV transmission line and servitudes	10 000 000	
21-0034	Water: De Hoop Supply SMW1.1	2 984 000	
22-0012	Swimming Pool: Wesbank	700 000	
22-0005	Sewerage Malmesbury: Security Fencing – Irrigation Pump Station	550 720	
22-0021	Generator Installation: Wesbank Water Tower & Boosters	2 085 749	
22-0111	Generator Installation: Rustfontein Water Pumpstation	1 758 237	
ALL WARDS			
Electricity Distribution			
19-0030	Electricity: Swartland LV upgrading	750 000	
20-0020	Electricity: MV upgrading Swartland	750 000	
19-0031	Electricity: substation fencing	200 000	
19-0044	Electricity: Connections: Electricity Meters (New/Replacements)	965 000	
20-0021	Electricity: Replace obsolete air conditioners	200 000	
22-0029	Electricity: Replace oil insulated switchgear and equipment	4 750 000	
22-0030	Electricity: Streetlight, kiosk and polebox replacement: Swartland	1 000 000	
22-0031	Electricity: Protection and Scada Upgrading: Swartland	300 000	
22-0065	Electricity: Emergency Power Supply	300 000	
Refuse removal			
21-0035	Refuse: Boreholes for Landfill sites	740 000	

ICT Services			
11-0105	IT: Scanner replacements	79 640	
11-0106	IT: equipment	70 000	
13-0053	IT: server SM virtual environment	1 100 000	
14-0028	IT: printers	60 000	
14-0029	IT: desktops	225 000	
14-0030	IT: notebooks	484 000	
20-0022	IT: Backup solution	660 000	
20-0023	IT: Monitor replacements	45 360	
22-0038	IT: Recording of telephone calls	180 000	
22-0039	IT: Projector: Town hall	70 000	
22-0040	IT: UPS Replacement	30 000	
Parks and recreation			
17-0079	Parks: ward committee projects	1 100 000	
Roads and storm water			
09-0004	Resealing/upgrading of roads and sidewalks (Swartland)	21 500 788	
09-0009	Storm water network (Swartland)	250 000	
16-0015	New roads	11 500 000	
17-0080	Roads: ward committee projects	1 100 000	
Sewerage			
21-0032	Sewerage: New Vacuum Tanker extend capacity	1 640 906	
Municipal Property			
20-0032	Buildings: Fitting of Council Chambers (Std Bank Building)	100 000	

22-0047	Development of Building: Erf 2737 Malmesbury	375 000	
Water Distribution			
12-0013	Water: upgrading/replacement water reticulation network	3 337 712	
17-0082	Water: upgrading of water reticulation network: PRV's, flow control, zone metering	100 000	
18-0072	Water: new connections: water meters	664 089	
19-0011	Bulk water infrastructure (Emergency Spending)	1 000 000	
22-0018	Water: Electrofusion Welding machine (replacement)	102 295	
22-0112	Emergency Power Supply: Water & Sanitation	285 225	
Financial Services			
22-0041	Finance: Indigent Screening Solution	420 000	
Equipment			
09-0021ac	Equipment Civil Services	27 514	
16-0006	Equipment Buildings & Maintenance	25 748	
11-0058	Equipment Parks	62 000	
19-0016	Equipment: refuse bins, traps, skips (Swartland)	155 496	
11-0059	Equipment Refuse Removal	24 437	
10-0114	Equipment Sewerage	25 556	
09-0003	Equipment Sewerage: Telemetry	55 359	
11-0060	Equipment Streets and Storm Water	66 690	
11-0062	Equipment Water	49 000	
09-0021ad	Equipment Corporate	24 000	
17-0069	Equipment Libraries	50 000	
09-0024	Equipment Corporate: Halls and buildings	100 000	

09-0021aa	Equipment Council	10 000	
09-0021ab	Equipment Municipal Manager	10 000	
11-0097	Equipment Development Services	42 000	
11-0096	Equipment Electricity	350 000	
09-0021af	Equipment Finance	26 680	
10-0138	Equipment Traffic and Law Enforcement	50 000	
10-0139	Equipment Fire and Emergency Services	160 000	
18-0068	Equipment: K9 Unit	137 485	
Vehicles			
-	Vehicles Council	630 818	
-	Vehicles Roads	1 877 566	
-	Vehicles Thusong Centre	258 113	
-	Vehicles Refuse	3 341 864	
-	Vehicles Sewerage	1 640 906	
-	Vehicles Finance	258 113	
-	Vehicles Fire Services	3 675 000	
-	Vehicles Parks	532 550	
TOTAL		178 839 804	

APPENDIX P - SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS:

No backlogs regarding service delivery to provincial facilities in the urban areas. Information on rural areas is not available to the Municipality.

APPENDIX Q - SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION:

The housing backlog in the 2022/2023 financial year was 15 954. The impact of the backlog was that it put a lot of pressure on our infrastructure, suitable land and funding for new housing projects.

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY - CURRENT YEAR

All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of business	Conditions attached to funding	Value	Total Amount committed for 2022/2023
Bergrivier Canoe Marathon	Non-profit institution	Yes		R 30 000
Darling Wildflower Society	Non-profit institution	Yes		R 52 400
National Sea Rescue Institute	Non-profit institution	Yes		R 34 795
SPCA	Non-profit institution	Yes		R 325 795
Yzerfontein Conservancy	Non-profit institution	Yes		R 79 309
Darling	Museums	Yes		R 90 000
Malmesbury	Museums	Yes		R 60 826
Oude Kerk	Museums	Yes		R 60 826
Wheat Industry	Museums	Yes		R 60 826
Swartland and Coastal Area	Tourism	Yes		R 1 500 000
Darling Focus	Social Upliftment	Yes		R 48 805
Elkana Childcare	Social Upliftment	Yes		R 54 907
HUB R27	Social Upliftment	Yes		R 11 272
Huis van Heerde	Social Upliftment	Yes		R 107 727
Jo Dolphin	Social Upliftment	Yes		R 61 006
Multi-Purpose Centre: Moorreesburg	Social Upliftment	Yes		R 73 208
Night Shelter	Social Upliftment	Yes		R 30 504
Old Age Homes	Social Upliftment	Yes		R 1 378 905
Student Bursaries	Social Upliftment	Yes		R 160 000
Top Achievers Award: Grade 12	Social Upliftment	Yes		R 24 475
			R -	R 4 245 586

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

None

APPENDIX T – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

Note: Information is already contained elsewhere in the Annual Report.

APPENDIX U – 2022/2023 CERTIFIED AUDITED ANNUAL FINANCIAL STATEMENTS

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023



Swartland Municipality
Audited
Annual Financial Statements for
the year ended 30 June 2023

* See Note

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

General Information

Nature of business and principal activities

Swartland Municipality (the municipality) is a category B, medium capacity, local government institution in Malmesbury, Western Cape. The addresses of its registered office and principal place of business are disclosed hereunder and in the introduction of the Annual Report. The principal activities of the municipality are disclosed in the Annual Report and are prescribed by the Constitution.

Reporting entity's mandate:

The reporting entity (hereafter 'the Entity') is a medium-capacity, category B local authority established in terms of section 151 of the Constitution of the Republic of South Africa (Act 108 of 1996).

The principal activities of the Entity are to:

- * provide democratic and accountable government to the local communities;
- * ensure sustainable service delivery to communities;
- * promote social and economic development;
- * promote a safe and healthy environment; and
- * encourage the involvement of communities and community organisations in the matters of local government.

The Entity's operations are governed by the Local Government: Municipal Finance Management Act (MFMA) (Act 56 of 2003), Municipal Structures Act (Act 117 of 1998), Municipal Systems Act (Act 32 of 2000) and various other acts and regulations.

Executive Mayor
Deputy Executive Mayor
Speaker

Alderman J H Cleophas
Councillor J M De Beer
Alderman M Rangasamy

Members of Executive Mayorial Committee

Executive Mayor	Alderman J H Cleophas
Deputy Executive Mayor	Councillor J M De Beer
Member	Councillor N Smit
Member	Alderman T van Essen
Member	Councillor A K Warnick
Member	Councillor D G Bess

Chairpersons of Portfolio Committees

Office of the Municipal Manager, Administration and Finances	Councillor I S le Minnie
Civil and Electrical Services	Councillor R J Jooste
Development Services	Councillor G Vermeulen
Protection Services	Alderlady M van Zyl

Members of the Independent Performance and Risk Audit Committee

Chairperson	C B De Jager
Member	R Gani
Member	B Gouws

Auditors

Auditor-General of South Africa

Bankers

Standard Bank of South Africa

Registered office

1 Church Street
MALMESBURY
7300

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

General Information

Business address	1 Church Street MALMESBURY 7300	
Postal address	Private Bag X 52 Malmesbury 7299	
Accounting Officer	J J Scholtz	
Chief Financial Officer	M A C Bolton	
Council members of the Swartland Municipality	Bess D G Booyesen A M Cleophas J H Daniels C De Beer J M Duda A A Fortuin C Jooste R J Le Minnie I S Ngozi M O'Kennedy E C Papier J R	Penxa B J Pieters C Pypers D C Rangasamy M A Smit N Soldaka P E Stanley B J Van Essen T Van Zyl M Vermeulen G Warnick A K

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Swartland Municipality

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Abbreviations

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IGRAP	Interpretation of Generally Accepted Municipal Accounting Practice
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
NEMWA	National Environmental Management: Waste Act, 2008
PAWC	Provincial Administration of Western Cape
WC	Provincial Administration of Western Cape

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

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.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2024 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

In terms of Section 13G of the Broad-Based Black Economic Empowerment Amendment Act (Act 46 of 2013), read with regulation 12 of the B-BBEE Regulations, all spheres of government, public entities and organs of state must report on their compliance with broad-based black economic empowerment in their audited annual financial statements and annual reports. Compliance is disclosed in the annual report.

I certify that salaries, allowances and benefits of councillors as disclosed in note 34 to these annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998, and the Minister of Provincial and Local Government's determination in accordance with this Act.

The annual financial statements set out on pages 7 to 116, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2023 and were signed:


J J Scholtz
Municipal Manager

Thursday, 31 August 2023

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

Figures in Rand	Note(s)	2023	2022 Restated*
Assets			
Current Assets			
Cash and cash equivalents	2	722 016 835	665 090 949
Receivables from exchange transactions	3 and 5	87 080 558	89 084 542
Receivables from non-exchange transactions	4 and 5	38 450 917	28 271 488
Finance lease receivables	7	-	1 003
Inventories	8	23 023 111	21 632 168
Operating lease asset	9	-	3 330
VAT receivable	10	9 030 732	14 623 107
		879 602 153	818 706 587
Non-Current Assets			
Property, plant and equipment	11	2 211 648 413	2 144 429 281
Investment property	12	20 836 982	22 831 121
Intangible assets		606 400	503 678
Heritage assets		1 345 400	1 345 400
		2 234 437 195	2 169 109 480
Total Assets		3 114 039 348	2 987 816 067
Liabilities			
Current Liabilities			
Operating lease liability	9	223 681	67 029
Payables from exchange transactions	14	103 492 343	118 145 940
Consumer deposits	15	17 845 831	16 449 628
Construction contracts payables	6	79 520	4 043 670
Unspent conditional grants and receipts	16	9 360 378	3 211 846
Other financial liabilities	17	8 761 333	8 634 196
Employee benefit obligation	18	4 916 000	5 064 000
Provisions	19	-	370 000
		144 679 086	155 986 309
Non-Current Liabilities			
Other financial liabilities	17	82 089 645	90 850 978
Employee benefit obligation	18	82 974 000	82 225 000
Provisions	19	58 486 876	51 156 085
		223 550 521	224 232 063
Total Liabilities		368 229 607	380 218 372
Net Assets		2 745 809 741	2 607 597 695
Reserves			
Statutory funds	20	-	1 003
Reserves	21	259 260 281	266 156 243
Accumulated surplus	22	2 486 549 460	2 341 440 449
Total Net Assets		2 745 809 741	2 607 597 695

* See Note 59

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Performance

Figures in Rand	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	23	523 090 767	516 509 940
Agency services		5 511 479	5 264 106
Construction contracts	6	17 729 913	40 463 470
Interest received	24	61 748 083	37 302 439
Operational revenue	25	15 130 524	15 677 528
Rental of facilities and equipment	26	1 589 981	1 422 243
Total revenue from exchange transactions		624 800 747	616 639 726
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	28	152 116 870	141 485 766
Interest received on rates receivables	4	1 239 369	833 048
Transfer revenue			
Government grants and subsidies	29	214 873 746	178 507 910
Donated property, plant and equipment		6 143 474	701 201
Fines, Penalties and Forfeits	30	34 692 160	27 864 003
Licences and permits (non-exchange)	31	5 087 529	4 686 418
Public contributions and donations	29	11 248 071	980 250
Vesting of properties and equipment	32	732 965	687 032
Development charges		1 706 706	3 488 994
Availability charges	27	10 889 395	11 351 550
Total revenue from non-exchange transactions		438 730 285	370 586 172
Total revenue		1 063 531 032	987 225 898
Expenditure			
Employee related costs	33	286 378 168	267 878 272
Remuneration of councillors	34	11 225 003	10 929 196
Bad debts written off	3 and 4	43 096 415	25 538 237
Bulk purchases	35	289 451 395	292 404 602
Contracted services	36	87 019 625	91 350 768
Depreciation and amortisation	37	94 180 770	90 960 158
Finance costs	38	15 655 387	15 738 250
Grants and subsidies paid	39	4 245 586	3 774 363
Operational cost	40	38 191 069	34 980 883
Other materials	41	55 778 336	42 516 114
Total expenditure		925 221 754	876 070 843
Operating surplus		138 309 278	111 155 055
Gains on sale of fixed assets		2 185 594	1 484 113
Gains on sale of land		7 026 603	5 897 202
(Reversal) / impairment of assets and receivables	42	5 396 351	(20 576 723)
Inventory losses: Water losses	8	(4 439 286)	(5 539 836)
Loss on disposal of assets	43	(10 266 498)	(10 135 863)
		(97 236)	(28 871 107)
Surplus for the year		138 212 042	82 283 948

* See Note 59

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Changes in Net Assets

	Statutory funds	Capital replacement reserve	Total reserves	Accumulated surplus	Total net assets
Figures in Rand					
Opening balance as previously reported	1 893	210 227 857	210 229 750	2 330 102 429	2 540 332 179
Adjustments					
Correction of errors	-	-	-	(15 018 432)	(15 018 432)
Balance at 01 July 2021 as restated*	1 893	210 227 857	210 229 750	2 315 083 997	2 525 313 747
Changes in net assets					
Surplus for the year	-	-	-	82 283 948	82 283 948
Transfer from Statutory Fund	(890)	-	(890)	890	-
Transfer to Capital Replacement Reserve	-	183 976 399	183 976 399	(183 976 399)	-
Property, plant and equipment purchased	-	(128 048 013)	(128 048 013)	128 048 013	-
Total changes	(890)	55 928 386	55 927 496	26 356 452	82 283 948
Restated* Balance at 01 July 2022	1 003	266 156 243	266 157 246	2 341 440 453	2 607 597 699
Changes in net assets					
Surplus for the year	-	-	-	138 212 042	138 212 042
Transfer from Statutory Fund	(1 003)	-	(1 003)	1 003	-
Transfer to Capital Replacement Reserve	-	91 909 624	91 909 624	(91 909 624)	-
Property, plant and equipment purchased	-	(98 805 586)	(98 805 586)	98 805 586	-
Total changes	(1 003)	(6 895 962)	(6 896 965)	145 109 007	138 212 042
Balance at 30 June 2023	-	259 260 281	259 260 281	2 486 549 460	2 745 809 741
Note(s)	20	21			

Accumulated Surplus has been restated to correctly classify amounts held by the municipality. Refer to Note 59 "Restatement of prior year" for details of the restatements.

* See Note 59

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Interest income		61 933 357	38 644 760
Cash receipts from services and rate payers		729 642 530	693 199 195
Cash receipts from government grants and other grants		234 711 500	224 217 801
		<u>1 026 287 387</u>	<u>956 061 756</u>
Payments			
Finance costs		(10 180 381)	(11 054 815)
Cash paid to suppliers and employees		(780 405 919)	(750 055 285)
		<u>(790 586 300)</u>	<u>(761 110 100)</u>
Net cash flows from operating activities	44	<u>235 701 087</u>	<u>194 951 656</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	44	(172 155 872)	(163 086 552)
Proceeds from sale of property, plant and equipment		2 185 594	1 484 113
Purchase of other intangible assets		(171 730)	-
Net cash flows from investing activities		<u>(170 142 008)</u>	<u>(161 602 439)</u>
Cash flows from financing activities			
Repayment of other financial liabilities		(8 634 196)	(8 463 163)
Finance lease receipts		1 003	890
Net cash flows from financing activities		<u>(8 633 193)</u>	<u>(8 462 273)</u>
Net increase/(decrease) in cash and cash equivalents		56 925 886	24 886 944
Cash and cash equivalents at the beginning of the year		665 090 949	640 204 005
Cash and cash equivalents at the end of the year	2	<u>722 016 835</u>	<u>665 090 949</u>

* See Note 59

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Property Rates	148 224 143	(4)	148 224 139	152 116 871	3 892 732	
Service charges - electricity revenue	400 666 525	(14 696 858)	385 969 667	364 616 492	(21 353 175)	
Service charges - water revenue	80 785 993	(1)	80 785 992	84 141 514	3 355 522	
Service charges - sanitation revenue	51 389 918	406 964	51 796 882	52 451 707	654 825	
Service charges - refuse revenue	31 991 414	600 000	32 591 414	32 770 450	179 036	
Rental of facilities and equipment	1 627 037	179 830	1 806 867	1 589 980	(216 887)	45.1
Interest earned - external investments	35 666 707	20 087 682	55 754 389	58 939 305	3 184 916	
Interest earned - outstanding debtors	3 457 706	(296 879)	3 160 827	4 048 147	887 320	45.2
Fines, penalties and forfeits	34 606 572	(4 344 000)	30 262 572	34 692 158	4 429 586	45.3
Licences and permits	4 777 650	124 129	4 901 779	5 087 530	185 751	
Agency services	6 040 474	-	6 040 474	5 511 479	(528 995)	
Transfers and subsidies	186 256 611	3 497 901	189 754 512	173 875 460	(15 879 052)	45.10
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	62 749 000	4 938 485	67 687 485	58 751 198	(8 936 287)	45.11
Other revenue	15 507 501	904 521	16 412 022	16 837 234	425 212	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	14 360 000	(3 156 975)	11 203 025	17 368 545	6 165 520	
Gains	15 876 715	(4 211 182)	11 665 533	9 945 162	(1 720 371)	45.4
Total revenue	1 093 983 966	4 033 613	1 098 017 579	1 072 743 232	(25 274 347)	
Expenditure						
Employee related costs	(294 029 492)	(4 270 919)	(298 300 411)	(291 892 078)	6 408 333	
Remuneration of councillors	(11 251 379)	(306 914)	(11 558 293)	(11 239 952)	318 341	
Depreciation and asset impairment	(106 564 710)	-	(106 564 710)	(93 099 959)	13 464 751	45.5
Finance charges	(12 360 862)	(3 204 130)	(15 564 992)	(15 655 387)	(90 395)	
Debt impairment	(37 654 193)	6 205 700	(31 448 493)	(37 618 166)	(6 169 673)	45.6
Bulk purchases - electricity	(332 200 000)	19 801 556	(312 398 444)	(289 451 395)	22 947 049	
Contracted services	(105 259 828)	(5 134 289)	(110 394 117)	(90 997 307)	19 396 810	45.7
Transfers and subsidies	(4 368 277)	(238 927)	(4 607 204)	(4 245 584)	361 620	
Inventory consumed	(47 512 898)	(5 538 619)	(53 051 517)	(51 766 515)	1 285 002	
Other expenditure	(51 358 539)	(584 382)	(51 942 921)	(39 690 179)	12 252 742	45.8
Losses	(26 771 677)	(2 973 212)	(29 744 889)	(8 874 667)	20 870 222	45.9
Total expenditure	(1 029 331 855)	3 755 864	(1 025 575 991)	(934 531 189)	91 044 802	
Actual Amount on Comparable Basis	64 652 111	7 789 477	72 441 588	138 212 043	65 770 455	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Position

Assets

Current Assets

Cash	612 926 138	49 288 857	662 214 995	722 016 835	59 801 840	
Consumer debtors	118 543 855	(5 322 221)	113 221 634	106 678 445	(6 543 189)	
Other debtors	25 953 487	(6 381 493)	19 571 994	27 883 762	8 311 768	45.12
Current portion of long-term receivables	70 067	(65 734)	4 333	(139 488)	(143 821)	45.13
Inventory	19 113 592	3 213 806	22 327 398	23 023 111	695 713	
	776 607 139	40 733 215	817 340 354	879 462 665	62 122 311	

Non-Current Assets

Long term receivables	11 319	-	11 319	-	(11 319)	
Investment property	31 245 445	(5 875 376)	25 370 069	20 836 982	(4 533 087)	45.14
Property, plant and equipment	2 189 453 530	25 784 786	2 215 238 316	2 211 648 412	(3 589 904)	
Intangible	604 186	63 376	667 562	606 400	(61 162)	
Other non-current assets	1 119 900	-	1 119 900	1 345 400	225 500	45.14
	2 222 434 380	19 972 786	2 242 407 166	2 234 437 194	(7 969 972)	

Total Assets

2 999 041 519	60 706 001	3 059 747 520	3 113 899 859	54 152 339	
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Liabilities

Current Liabilities

Borrowing	9 059 993	(126 937)	8 933 056	8 761 333	(171 723)	
Consumer deposits	16 547 763	401 865	16 949 628	17 845 831	896 203	
Trade payables from exchange transactions	95 548 189	2 757 552	98 305 741	105 813 444	7 507 703	
Provisions	11 610 531	1 614 245	13 224 776	12 118 987	(1 105 789)	
	132 766 476	4 646 725	137 413 201	144 539 595	7 126 394	

Non-Current Liabilities

Borrowing	79 424 290	2 366 496	81 790 786	82 089 645	298 859	
Provisions	132 274 197	13 541 632	145 815 829	141 460 876	(4 354 953)	
	211 698 487	15 908 128	227 606 615	223 550 521	(4 056 094)	

Total Liabilities

344 464 963	20 554 853	365 019 816	368 090 116	3 070 300	
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Net Assets

2 654 576 556	40 151 148	2 694 727 704	2 745 809 743	51 082 039	
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Net Assets

Reserves

Reserves	257 070 132	(8 069 885)	249 000 247	259 260 281	10 260 034	
Accumulated surplus	2 397 506 424	48 221 033	2 445 727 457	2 486 549 462	40 822 005	
Total Net Assets	2 654 576 556	40 151 148	2 694 727 704	2 745 809 743	51 082 039	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Cash receipts from rate payers, government and other	722 179 598	(10 399 847)	711 779 751	729 643 533	17 863 782	
Grants	263 361 611	2 610 025	265 971 636	234 711 500	(31 260 136)	45.15
Interest	35 666 707	20 087 682	55 754 389	61 933 357	6 178 968	45.16
	1 021 207 916	12 297 860	1 033 505 776	1 026 288 390	(7 217 386)	
Payments						
Finance charges	(10 180 382)	-	(10 180 382)	(10 180 381)	1	
Cash paid to suppliers and employees	(853 622 638)	2 856 890	(850 765 748)	(781 802 123)	68 963 625	
	(863 803 020)	2 856 890	(860 946 130)	(791 982 504)	68 963 626	
Net cash flows from operating activities	157 404 896	15 154 750	172 559 646	234 305 886	61 746 240	
Cash flows from investing activities						
Proceeds on disposal of property, plant and equipment	15 876 715	(4 211 182)	11 665 533	2 185 594	(9 479 939)	45.17
Capital assets (Payments)	(191 095 805)	12 256 001	(178 839 804)	(172 327 601)	6 512 203	
Net cash flows from investing activities	(175 219 090)	8 044 819	(167 174 271)	(170 142 007)	(2 967 736)	
Cash flows from financing activities						
Repayment of borrowing	(11 000 000)	2 238 667	(8 761 333)	(8 634 196)	127 137	
Increase (decrease) in consumer deposits	(500 000)	1 000 000	500 000	1 396 203	896 203	45.18
Net cash flows from financing activities	(11 500 000)	3 238 667	(8 261 333)	(7 237 993)	1 023 340	
Net increase/(decrease) in cash and cash equivalents	(29 314 194)	26 438 236	(2 875 958)	56 925 886	59 801 844	
Cash and cash equivalents at the beginning of the year	642 240 332	22 850 620	665 090 952	665 090 949	(3)	
Cash and cash equivalents at the end of the year	612 926 138	49 288 856	662 214 994	722 016 835	59 801 841	

Budget variances are discussed in Note 45.

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Changes in accounting policies, changes in estimates and errors

Accounting Policies have been consistently applied, except where otherwise indicated. The details of any resulting changes in Accounting Policy and comparative restatements are set out below and in the relevant Notes to the Annual Financial Statements.

Standards that are not yet effective are included in policy 1.2 below. Accounting Standards implemented for the first time are listed in policy 1.3 below.

1.2 Standards, amendments to standards and interpretations issued but not yet effective

The following GRAP standards were issued but are not yet effective and have not been early adopted by the municipality. The ASB Directive 5, paragraph 8, sets out the principles for the application of the GRAP 3 guidelines in the determination of the GRAP Reporting Framework hierarchy as set out in the standard of GRAP 3 on Accounting Policies, Changes in Accounting Estimates and Errors.

- Amendments to GRAP 25: Employee Benefits (effective date 1 April 2023)
- Improvements to the Standards of GRAP (effective date 1 April 2023)
- GRAP 103: Heritage Assets (effective date to be announced by the minister)
- Amendments to GRAP 104: Financial Instruments (effective date 1 April 2025)
- Amendments to IGRAP 1: Applying the Probability Test on Initial Recognition of Revenue (effective date 1 April 2023)
- IGRAP 7 on the limit on a defined benefit asset, minimum funding requirements and their interaction (revised) (effective date 1 April 2023)
- IGRAP 21 on the effect of past decisions on materiality (effective date 1 April 2023)
- Guideline on the Application of Materiality to Financial Statements (no effective date)
- Guideline on Accounting for Landfill sites (effective date 1 April 2023)

The amendments to GRAP 25: Employee Benefits and IGRAP 7 included improvements in terms of how to measure the defined benefit and defined contribution liabilities and plan assets. As the municipality does not hold any plan assets, the amendments are unlikely to have any material impact the Statement of Financial Position or Statement of Financial Performance of the municipality.

The ASB embarked on a project to improve the Standards of GRAP due to some implementation concerns raised by preparers, users, auditors and others. The review resolved to update the wording of selected standards (e.g. GRAP 5 Borrowing Costs, GRAP 13 Leases, etc.). The changes to the standards are not significant and as such will improve management's application of existing policies. No major changes to the accounting policies and application are expected for these amendments.

GRAP 103 on Heritages assets was revisited to enhance the application of the standard. The amendments with significant changes pertain to assets that have a mixed use (e.g. a Heritage Building being used for service delivery) and the fair value accounting for Heritage Assets. In the context of Swartland, given the nature of our assets and the cost model that is applied, the revision of the Standard will not have an impact on the Statement of Financial Position or Statement of Financial Performance.

The amendments to GRAP 104: Financial Instruments will result in significant changes in classification and impairment considerations. In terms of classification, the definitions of each designation has been enhanced which might result in changes in financial instruments at amortised cost. The impairment considerations will also be affected whereby impairment requires an expected future credit loss, rather than the current approach whereby historical data is currently the primary source for impairment methods. Some other changes are also expected and will be presented once more detailed analysis becomes available from consultations with various GRAP stakeholders.

The amendments to IGRAP 1 on Applying the Probability Test on Initial Recognition of Revenue is discussed in Note (59).

Accounting Policies

IGRAP 21 has an impact on how to assess changes in the materiality assessments of the prior period. This interpretation guides the use of materiality in the annual financial statements. The guideline on the Application of Materiality also enhances the ability of preparers and users to apply materiality when assessing appropriateness of presentation and disclosure within the annual financial statements. The guideline is not authoritative and therefore will not have any effective date. In respect of the aspects of materiality, GRAP 1: Presentation of Financial Statements were also amended to ensure the concept of materiality is included in this Standard. Other minor amendments were also made in an effort to enhance the usefulness of general use annual financial statements. Given the municipal accounting policy on materiality, the amendments to GRAP 1 will not have a significant impact on the Annual Financial Statements of Swartland Municipality.

The municipal accounting policies already incorporated the guideline for accounting for landfill sites.

1.3 Consistent and new accounting policies

No new standards or interpretations were implemented during the year.

Transitional provisions that were applied is included in Note .

1.4 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

In assessing whether the going concern assumption is appropriate, management considered a wide range of factors including the current and expected performance of the municipality, the likelihood of continued government funding and, if necessary, potential sources of replacement funding.

1.5 Materiality

Management has applied its judgement in terms of assessing all matters in the annual financial statements with reference to materiality. Items are reported based on aggregation and in some instances, the aggregation would result in some standards of GRAP not being applied as the items affected by these standards were assessed as not being material. Items of dissimilar nature may be aggregated provided that these items are not material and that the aggregation is based on management's procedures to allow the discharge of accountability (when the same manager is responsible for items that meets the requirement of more than one accounting standard).

Both the qualitative and quantitative characteristics of an item are considered when applying materiality. Care is taken to ensure that these annual financial statements provide users with the most suitable information in order to evaluate the performance of the municipality.

Management has applied its judgement in terms of materiality and has determined a trivial threshold of R100 000. This threshold will be used to evaluate variances such as differences in the budget comparison and movements on the impairment of Statutory Receivables. This threshold does not imply that all totals of R100 000 or less would automatically be excluded from the annual financial statements. It merely determines a cut-off value where no further disclosures or corrections would be made. Items where the balance is less than R100 000 would first need to be evaluated in terms of the origin of such an amount. If a balance is less than R100 000, but significant debits and credits are set-off in order to arrive at such a net balance, such balance should still be disclosed due to the significance of the individual items that comprise such a balance. The operating lease asset, operating lease liability and VAT were therefore separately disclosed.

Prior period errors are only corrected when these are found to be material. All immaterial prior period errors are corrected in the current year and the previously reported figures will not be corrected.

Materiality is reviewed annually and only when an error in prior year's judgement is identified based on information that existed at the time of publication of the annual financial statements, would prior period immaterial errors be rolled forward and reassessed in the current year based on the revised materiality considerations.

Accounting Policies

1.6 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results in the future could differ from these estimates which may be material to the annual financial statements. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. If the revision affects future periods as well, the revision will be recognised when the estimate is revised.

The following are the critical judgements, apart from those involving estimations, that management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in the annual financial statements.

Financial Instruments and Statutory Receivables

The classification of Financial Assets and Liabilities as well as Statutory Receivables require judgement. The accounting policy 1.7 on Financial Instruments: Classification as well as the accounting policy 1.8 on Statutory Receivables: Definitions describes the factors considered in applying management's judgement.

In making the above-mentioned judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial Instruments and GRAP 108: Statutory Receivables.

Receivables are considered past due when payment is not received by the due date. If a debtor receives a statement, all amounts in the 30 days and older columns are those considered past due in terms of the municipal by-laws.

A detailed assessment was done in order to determine whether grant related items: Unspent Grants and Construction Contracts, should be classified as a Financial Instrument or not. Specifically, the GRAP FAQ for Statutory Receivables was used whilst being cognisant of the requirements of both AG.29 and AG.29A of GRAP 104. After careful consideration of the specific facts applicable, the requirements of the FAQ were found to reflect the best version of events for Swartland Municipality. The facts and circumstances for municipalities may differ, resulting in different conclusions as to whether unspent grants and construction contracts should be considered a financial instrument. For Swartland Municipality, the majority of revenue is recognised based on the terms agreed rather than the underlying legislation which supports the grant. The majority of grant related funds are firstly based on a contract/arrangement falling within GRAP 104 and in these arrangements reference would be made to the relevant legislated requirements.

Impairment of Trade receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. The recoverability of receivables is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. The impairment allowance is calculated using the effective interest rate (prime +1%). The total increase in estimation of the impairment of Receivables from Exchange Transactions and that of Receivables from Non-exchange Transactions are disclosed in Notes 3, 4 and 5 to the Annual Financial Statements.

Impairment of Statutory receivables

The calculation in respect of the impairment of Statutory Receivables is based on an assessment of the expected recoverability of each individual receivable based on the history of recoverability of such a receivable. Debtors are grouped into appropriate aggregated grouping levels when insufficient information is available to assess individual debtors. Aggregation is based on best practice and receivables are assessed on historic information available. Thereafter the past due (accounts in arrears, i.e. not current), but not impaired debtors are subjected to a further impairment test taking into account the effect of time resulting in a discounting of debtors being included as a further factor for impairment of statutory receivables. Outstanding receivables that are past due are charged interest at prime +1% in terms of the municipal by-laws. This is considered the appropriate discount rate as it is market based. Only those receivables that are not subject to an interest charge would be assessed in terms of discounting as those that are subject to an interest charge would accumulate interest at the same rate as the discount rate.

Accounting Policies

1.6 Significant judgements and sources of estimation uncertainty (continued)

Significant movements on impairments are defined as those movements that exceeds 10% of the gross balance of the relevant statutory receivable type at year end or R100 000, whichever is the greatest. Qualitative factors are considered with reference to exceptions to the normal process for identification of impairment losses. This implies disclosing losses incurred due to circumstances that are unique to the specified period or unique to the municipality in comparison to other municipalities with a similar capacity.

Impairment and useful lives: Write down of Property, Plant and Equipment, Investment property, Intangible assets, Heritage assets and Inventories

As described in the accounting policies 1.13 and 1.14 for these asset types the municipality depreciates / amortises its property, plant and equipment, intangible assets and investment property over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use. The useful lives of assets are based on management's estimation. Management considered the impact of technology, availability of capital funding, service requirements, the type of asset and required return on assets in order to determine the optimum useful life expectation, where appropriate.

The estimation of residual values of assets is based on management's judgement as to whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

The accounting policies 1.16 and 1.17 on Impairment of assets and accounting policy 1.10 on Inventory - Subsequent measurement describe the conditions under which non-financial assets are tested for potential impairment losses by the management of the municipality. Significant estimates and judgements are made relating to impairment testing and write down of Inventories to Net Realisable Values (NRV). Significant estimates and judgements are made relating to impairment testing of Property, Plant and Equipment, impairment testing of Intangible Assets and write-down of Inventories to the lower of Cost and Net Realisable Value.

In making the above-mentioned estimates and judgement, management considered the subsequent measurement criteria and indicators of potential impairment losses as set out in GRAP 21: Impairment of Cash generating Assets and GRAP 26: Impairment of non-Cash generating Assets. In particular, the calculation of the recoverable service amount for Property, plant and equipment, intangible assets and the Net Realisable Value (NRV) for inventories (in terms of GRAP 12) involves significant judgment by management.

Estimated impairments during the year to Inventory, Property, Plant and Equipment, Investment Property, Intangible Assets and Heritage Assets are disclosed in Notes 42 to the annual financial statements, as applicable.

The municipality reviews and tests the carrying value of non-cash generating assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Accounting Policies

1.6 Significant judgements and sources of estimation uncertainty (continued)

Provisions

Management judgement is required when recognising and measuring provisions and when measuring provision, contingent liabilities and contingent assets as set out in notes 19 and 48. Accounting policies pertaining to contingent assets and liabilities are disclosed under policy 1.20.

Staff leave and bonuses

The liability for leave pay is based on the total accrued leave days at year end and is shown as a Payable from exchange transactions in the Statement of Financial Position. The municipality recognises the accrual of a guaranteed 13th cheque benefit only when the municipality has a present legal or contractual obligation to make such payment and a reliable estimate can be made. The estimation is based on the current expected cost at the time of meeting the recognition criteria.

Leave and the guaranteed 13th cheque liabilities are estimates. However the nature of the balance is an accrual of unused benefits arising from past service and therefore this is classified as a payable from exchange transactions (excluded from the financial instruments).

Environmental Rehabilitation Provision

Estimated long-term environmental provisions, comprising rehabilitation and landfill site closure, are based on the municipality's accounting policy (1.19), taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises.

Professional engineers were utilised to determine the cost of rehabilitation of landfill sites as well as the remaining useful life of each specific landfill site. Interest rates linked to national bonds were used to calculate the effect of the time value of money.

In terms of the Minimum Requirements for Waste Disposal by Landfill a period of up to 30 years post-closure monitoring is recommended. This 30 year period is a recommendation and the Minister of the Department of Water and Sanitation needs to instruct the municipality as to what the exact period of post-closure monitoring would be. This instruction would be communicated in terms of each site's license conditions. The period could be shortened or prolonged, depending on specific conditions that will only become known while the actual rehabilitation activities are planned and undertaken. The extent of the monitoring (frequency of monitoring) and the costs involved (whether external experts are required or whether the monitoring be done in-house) can also not yet be determined. No communication has been received from the Department of Water Affairs and Sanitation defining the responsibilities of the municipality regarding the post-closure of any landfill site on the licenses of each site. Therefore, the monitoring and inspection costs post closure of landfill sites are regarded to not exist at the reporting date.

Post-retirement benefits

As described in the accounting policy on Employee Benefits (1.18), the municipality obtains actuarial valuations of its defined benefit plan liabilities. The long term nature of these benefits results in significant judgements regarding the timing and value of the outflow of economic benefits. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in Note 18 to the annual financial statements.

Revenue recognition

The Accounting Policy 1.22 on Revenue from Exchange Transactions and Accounting Policy 1.23 on Revenue from Non-exchange Transactions describe the conditions under which revenue will be recorded by the management of the municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9 (Revenue from Exchange Transactions) and GRAP 23 (Revenue from Non-exchange Transactions). As far as Revenue from Non-exchange Transactions is concerned, and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been rendered or not. Also, of importance is the estimation process involved in initially measuring revenue at the fair value thereof. Management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

Accounting Policies

1.6 Significant judgements and sources of estimation uncertainty (continued)

Water inventory

The estimation of the water stock in the reservoirs is based on the measurement of water via electronic level sensors, where the level indicates the depth of the water in the reservoir, which is then converted into volumes based on the total capacity of the relevant reservoir. Furthermore, the length and width of all pipes are also taken into account in determining the volume of water on hand at year-end.

1.7 Financial instruments

The municipality has various types of Financial Instruments and these can be broadly categorised as Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement. The municipality only recognises a Financial Instrument when it becomes a party to the contractual provisions of the instrument.

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Effective interest rate method

Outstanding receivables that are past due are charged interest at prime +1% in terms of the municipal by-laws. This is considered the appropriate effective interest rate as it is market based. For all other instruments, the contractual rate is compared to the market rate. If the rate is considered reasonable in comparison to the prevailing market rates (i.e. the rate is linked to a market rate such as the prime or repo rate), the contractual rate is considered an appropriate effective interest rate. Where a contractual rate deviates significantly from the market rate, the debtors' rate (prime + 1%) will be used as an effective interest rate.

Fair value method and assumptions

The fair values of Financial Instruments are determined as follows:

- The fair values of quoted investments are based on current bid prices; and
- If the market for a Financial Asset is not active (and for unlisted securities), the municipality establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Classification

A Financial Asset is any asset that is cash, a contractual right to receive cash or another financial asset from another entity.

- *Financial assets (or financial liabilities) at amortised cost* are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They are included in current assets or current liabilities, except for maturities greater than 12 months, which are classified as non-current. Financial assets (or financial liabilities) at amortised cost are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instrument. After initial recognition financial assets are measured at amortised cost, using the effective interest rate method less an allowance for impairment.
- *Financial assets (or financial liabilities) at fair value* are financial instruments that meet either of the following conditions:
 - a. derivatives;
 - b. combined instruments that are designated at fair value;
 - c. instruments held for trading;
 - d. non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
 - e. financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.
- Financial assets (or financial liabilities) at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Accounting Policies

1.7 Financial instruments (continued)

Included under the major classes of financial instruments below, are line items that are separately disclosed in the notes that do not meet the definition of a financial instrument (such as Prepaid expenses, Payments made in advance etc.). The balances are clearly identifiable by the naming of the line items. Such items are excluded from the balances disclosed in Notes 53 and 54. In rare instances, aggregation within a line item of a note might contain both financial instruments and balances that do not meet the definition of a financial instrument. In these cases the individual line items would be assessed with reference to its significance. Where insignificant, non-financial instruments would be included in the aggregated line items that would normally meet the definition of a financial instrument. This disclosure aggregation was specifically selected to ensure comprehensive classification.

The municipality has the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

Class	Category
Cash and cash equivalents (see exception below)	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Finance lease receivables	Financial asset measured at amortised cost
Construction contracts and receivables	Financial asset measured at amortised cost

Cash and cash equivalents include cash on hand (including petty cash) and cash with banks. Cash equivalents are both short-term highly liquid investments, readily convertible into known amounts of cash, and fixed term deposits that are held with registered banking institutions that are not subject to any significant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, cash with banks and call deposits held with banks.

In accordance with GRAP 104 the Financial Assets of the municipality are all classified as financial assets at amortised cost, except for cash floats and petty cash, which are classified as financial assets at fair value.

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

There are three main categories of Financial Liabilities, the classification determining how they are measured. Financial Liabilities may be measured at:

- Financial Liabilities measured at Fair Value;
- Financial Liabilities measured at Amortised Cost; or
- Financial Liabilities measured at Cost.

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other financial liabilities	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Unspent conditional grants and receipts	Financial liability measured at amortised cost
Construction contracts payables	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at fair value

In accordance with GRAP 104 the Financial Liabilities of the municipality are all classified as financial liabilities at amortised cost, except for Consumer deposits, which are classified as financial liabilities at fair value.

Financial liabilities are initially measured at fair value net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Interest income and expenses is recognised in the Statement of Financial Performance by applying the effective interest rate.

Impairment and uncollectibility of financial assets

Financial assets, other than those at fair value, are assessed for indicators of impairment at each reporting date (also refer to 1.6). Financial assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with GRAP 104.

Accounting Policies

1.7 Financial instruments (continued)

An allowance for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance. Cash flows relating to short-term receivables are not discounted where the effect of discounting is immaterial.

Government accounts are not provided for as such accounts are regarded as recoverable.

Annual impairment testing is conducted on all receivable balances. The effects of the annual impairment testing are accounted for against the Provision for Bad Debts Allowance. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance against the Reversal of Impairment Loss/(Impairment Loss) on Receivables. Accounts identified and written-off during the year is recognised against Bad Debts Written Off in the Statement of Financial Performance.

Derecognition

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non-recoverability.

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

1.8 Statutory receivables

Definitions and measurement principles

Statutory Receivables are those receivables (settlement in cash or another financial asset) that arise from legislation as opposed to contractual deliverables. Receivables that arise due to contractual arrangements are accounted for in terms of the accounting policy on Financial Instruments (1.7).

Statutory receivables are classified and recognised as exchange or non-exchange in accordance with the relevant standards on revenue and essentially based on whether there is a supply of goods and services in exchange for economic benefits of similar value.

Initial Measurement

Statutory receivables are measured at their transaction amount in accordance with the relevant standards on revenue based on the classification between exchange and non-exchange (refer accounting policies 1.22 and 1.23 respectively).

Subsequent measurement

Statutory Receivables are measured at cost, plus accrued interest, less any impairment recognised and amounts derecognised.

Interest is calculated using the nominal interest rate as stipulated in legislation and municipal by-laws.

Impairment losses

Impairment is assessed on an annual basis based on objective evidence regarding expected recoverability.

Consumers are assessed based on groupings, risk profiles and payment history profiles.

Government accounts are not provided for as such accounts are regarded as recoverable.

Accounting Policies

1.8 Statutory receivables (continued)

If there is an indication that a statutory receivable may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable shall be reduced directly or through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance.

Refer to the Significant Judgements (refer accounting policy 1.6) for the calculation in respect of the impairment of Statutory Receivables and Note for the transitional provisions applied.

Derecognition

Statutory receivables are derecognised when the asset is extinguished, settled or through transferring of all significant risks and rewards to a third party.

Extinguishing the asset would usually be in terms of legislation or other similar means.

The difference between the consideration received and amount derecognised shall be recognised in the surplus or deficit of the period of transfer.

Transitional provisions

Over time our understanding and insights as to the requirements of a new standard improves. Therefore, the municipality is utilising the transitional provisions contained within Directive 4 which grant the municipality a period of three years in order to finalise the classification and impairment methods for Statutory Receivables. To date, the application of the requirements of this standard has been consistent with prior years.

The transitional period commences from 1 June 2019 and will be utilised until the period ending 30 June 2022. No transitional provisions were applied for the amounts presented as at 30 June 2023.

1.9 Construction contracts and receivables

Construction contracts are those contracts entered between the municipality and a customer (or third party) whereby the municipality delivers a constructed asset in terms of an agreement with such party. The construction can be done by the municipality or through the use of a sub-contractor. The benefit of the constructed item (or group of items) must be received by such party and not the municipality.

Revenue from such contracts shall comprise the agreed value in terms of the contract plus any agreed variations to such contract on the conditions that these variations will result in an inflow of economic resources that can be measured reliably (refer accounting policy 1.22).

Contract costs are costs that directly relate to the contract as well as costs that are attributable to the execution of the construction work and any additional costs as agreed between the municipality and the party obtaining the final goods. Attributable costs are only assigned to the contract costs if these can be assigned on a systematic and rational basis.

All of these contracts of the municipality are fixed price contracts. Revenue and costs are therefore recognised with reference to the stage of completion provided that the conditions for contract revenue and contract costs will flow to the entity and the contract costs can clearly be identified and measured reliably.

An expected deficit on a construction contract shall be recognised as an expense immediately based on the stage of completion. Future losses are only accounted for when these losses are incurred in terms of the stage of completion. This implies that only the proportional loss of a contract would be recognised based on the percentage of completion.

As the percentage or stage of completion is an estimate at year-end, any subsequent changes to the estimate would be accounted for as a change in estimate in terms of the relevant municipal accounting policy.

Accounting Policies

1.9 Construction contracts and receivables (continued)

Classification of Transactions

Various transactions arise from the Housing Arrangements. Some fall within the ambit of GRAP 11: Construction Contracts, others with GRAP 9: Revenue from Exchange Transactions, GRAP 23: Revenue from Non-exchange Transactions and GRAP 109: Principal Agent Arrangements. The information below briefly outlines how transactions are recognised:

- Expenditure pertaining to the planning and civil services of a project is considered to be Grants and subsidies in terms of GRAP 23: Revenue from Non-exchange transactions
- Expenditure on the stand (also known as top structure expenditure) include the physical building, NHRBC fees and other expenses that are directly related to construction of houses that will be transferred to the beneficiary is accounted for as construction contract revenue and construction of low cost housing (contracted service expenses).
- Receipts directly attributable to the administration of beneficiaries are accounted for under Operational Revenue as Housing services rendered in terms of GRAP 9: Revenue from Exchange Transactions.
- Receipts that are received to register the title deed in the name of the beneficiary are regarded as receipts and payments on behalf of the beneficiaries in terms of GRAP 109: Principal Agent Arrangements.
- Land parcels purchased by means of receipts from the Provincial Department are assessed in terms of IGRAP 18: Recognition and Derecognition of Land. The portions of the expenditure that will remain under the control of the municipality is capitalised as Property, Plant and Equipment when the future use is determinable. When such future use cannot be determined, such land will be accounted for as Investment Property based on the municipal policy pertaining to such land. The portion of land expenditure that will be transferred to the beneficiaries are expensed once the contract is signed. The expense and receipts pertaining to land transactions are included under Loss on sale of Property, Plant and Equipment and Gains on Sale of Land respectively.

1.10 Inventories

Inventories comprise of current assets held for sale, current assets for consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

The term ordinary course of operations refers to activities that occur on a frequent basis on terms that are comparable to those of other municipalities. Once-off or occasional transactions are therefore not considered in the ordinary course of operations (such as the sale of a financial instrument).

Subsequent measurement

Consumable stores, raw materials, work-in-progress

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value (net amount that an entity expects to realise from the sale on inventory in the ordinary course of business). In general, the basis of determining cost is the weighted average cost of commodities. If inventories are to be distributed at no charge or for a nominal charge or for consumption in the production process of goods to be distributed at no charge or for a nominal charge, they are measured at the lower of cost and current replacement cost.

Water inventory

Water is regarded as inventory when the municipality purchases water in bulk with the intention to resell it to the consumers or to use it internally, or where the municipality has incurred purification costs on water obtained from natural resources (rain, rivers, springs, boreholes etc.). However, water in dams, that are filled by natural resources and that has not yet been treated, cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the Statement of Financial Position.

The basis of determining the cost of water purchased and not yet sold at reporting date comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to its present location and condition, net of trade discounts and rebates. Water and purified effluent are therefore valued at purified cost insofar as it is stored and controlled in reservoirs at year-end.

Water inventory is being measured by multiplying the cost per kilolitre of purified water by the amount of water in storage.

Unsold properties

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis.

Accounting Policies

1.10 Inventories (continued)

Other arrangements

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values and sold by public auction. Most inventories are distributed at no charge or for a nominal charge rather than sold. Net realisable value is therefore measured in terms of Current Replacement Cost. Differences arising on the measurement of such inventory at the lower of cost and net realisable value are recognised in the Statement of Financial Performance in the year in which they arise. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 Leases

The Municipality as Lessee

Operating leases are those leases that do not fall within the scope of a finance lease receivable. Operating lease rentals are recognised as an expense in the statement of financial performance on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The Municipality as Lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as revenue and the contractual payments received are recognised as an operating lease asset or liability.

Determining whether an Arrangement contains a Lease

At inception of an arrangement, the municipality determines whether such an arrangement is, or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the municipality the right to control the use of the underlying asset.

At inception, or upon reassessment of the arrangement, the municipality separates payments and other considerations required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the municipality concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the municipality's incremental borrowing rate.

1.12 Value-added Tax (VAT)

The municipality is registered with the South African Revenue Services (SARS) for VAT on the payment basis, in accordance with Section 15(2) of the VAT Act No.89 of 1991.

The net amount of VAT recoverable from, or payable to SARS is included as part of receivables or payables in the Statement of Financial Position.

1.13 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for service delivery in terms of the mandated functions of the municipality and are expected to be used during more than one period.

Property, plant and equipment is recognised and measured in terms of GRAP 17: Property, plant and equipment at cost less accumulated depreciation and accumulated impairments.

In terms of the municipal materiality framework, a capitalisation threshold has been developed to ensure that the administrative burden (costs) of reporting assets does not exceed the economic benefits or service potential of the assets.

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1.13 Property, plant and equipment (continued)

Repairs and maintenance

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 46).

Depreciation

Depreciation only commences when the asset is available for use, unless stated otherwise.

Land is not depreciated as it is regarded as having an unlimited life. Depreciation on assets other than land is calculated on cost, using the straight line method, to allocate their cost to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The depreciation rates are initially based on the following originally estimated useful lives and thereafter on the estimated remaining useful lives as at year-end:

Item	Depreciation method	Average useful life
Buildings	Straight-line	10 - 60 years
Infrastructure	Straight-line	
• Electricity		10 - 50 years
• Landfill sites		10 - 50 years
• Sewerage		10 - 100 years
• Stormwater		50 years
• Roads and paving		10 - 100 years
• Water		10 - 100 years
Community	Straight-line	10 - 60 years
Movable assets	Straight-line	
• Furniture and fittings		5 - 20 years
• Machinery and equipment		5 - 15 years
• Machinery and equipment exception: Large Skip Bins		30 years
• Office equipment		3 - 10 years
• Specialised vehicles		5 - 20 years
• Vehicles		5 - 10 years

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate. The residual values and useful lives is deemed to be appropriate unless an event has occurred or conditions of use have changed, which may have an effect on the residual values and remaining useful lives of these assets.

Incomplete Construction Work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use. The municipality assesses at each reporting date if there is an indication of impairment.

Infrastructure Assets

Infrastructure assets are any assets that are part of a network of similar assets. Infrastructure assets are treated similarly to all other assets of the municipality in terms of the asset management policy.

If cost can however not be established, then infrastructure assets will be initially measured and recognised at depreciated replacement cost. Depreciated replacement cost is an accepted fair value calculation for assets where there is no active and liquid market.

Land

The municipality assesses at each reporting date if there is an indication of impairment.

Land is recognised and derecognised based on evidence of control. Control over land is evidenced by legal ownership and/or the ability to direct access to the land and to restrict or deny the access of others to land.

Accounting Policies

1.13 Property, plant and equipment (continued)

In assessing the control criteria, any binding arrangements over properties will be considered. Binding agreements can be in written form, a verbal agreement or the result of best practice.

The loss of control will result in the derecognition of the property, despite legal title, while assets over which the municipality does not hold the legal title may be recognised as an asset if control over the property has been established.

Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal. Disposals can be voluntary or involuntary of nature.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. Gains are not included in revenue.

1.14 Investment property

Initial recognition

Investment property includes fixed property (land or a building, or part of a building, or both land and buildings) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

Based on management's judgement, the following criteria have been applied to distinguish investment properties from owner occupied property or property held for resale:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as Investment Properties;
- Land held for a currently undetermined future use. (If the Municipality has not determined that it will use the land as owner-occupied property or for short-term sale in the ordinary course of business, the land is regarded as held for capital appreciation);
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases (this will include the property portfolio rented out by the Housing Board on a commercial basis on behalf of the municipality);
- A building that is vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties;
- Land held for long-term capital appreciation rather than for short-term sale in the ordinary course of operations;
- A property owned by the municipality and leased out at a below market rental; and
- Property that is being constructed or developed for future use as investment property.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

The following assets do not fall in the ambit of Investment Property and shall be classified as Property, Plant and Equipment or Inventory as appropriate:

- Property intended for sale in the ordinary course of operations or in the process of construction or development for such sale;
- Property being constructed or developed on behalf of third parties;
- Owner-occupied property, including (among other things) property held for future use as owner-occupied property, property held for future development and subsequent use as owner-occupied property, property occupied by employees such as housing for personnel (whether or not the employees pay rent at market rates) and owner-occupied property awaiting disposal;
- Property that is leased to another entity under a finance lease;
- Property held by council for strategic purposes or to meet service delivery objectives rather than to earn rental or for capital appreciation; and
- Where council has properties that are used both for administrative and commercial purposes and part of the properties cannot be sold separately these properties will not be classified as investment properties.

Accounting Policies

1.14 Investment property (continued)

Repairs and maintenance

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the financial statements (see note 46).

Subsequent measurement - Cost model

Investment property is measured using the cost model. Depreciation is calculated on cost, using the straight-line method over the useful life of the property, which is estimated at 20 - 30 years. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. Land is not depreciated. The municipality assesses at each reporting date if there is an indication of impairment or whether the residual values and useful lives needs to be adjusted as a change in estimate.

Derecognition

Investment property shall be derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Transfers

Transfers to, or from, investment property shall be made when, and only when, there is evidence of a change in use.

1.15 Living and non-living resources

Living resources are defined as any living animal or plant that undergoes biological changes naturally. The municipality has evidenced control over the living resource by means of one or more of the following:

- Our ability to intervene in the physical condition of the resource;
- Our ability to restrict the movement of the resource through fences and other security measures; and
- Our ability to decide how the resource is used.

Only those resources where management implements actions in order to use and protect the use of the living resource will such be recognised.

Management considers its intervention in physical condition of living resources as critical for the recognition as an asset. In this regard, detailed plans should be in place in order to stimulate the growth and monitor the ageing of the resource. Ad hoc, unplanned activities such as the watering of plants and trimming of trees do not constitute intervention and as such town beautification would not meet the recognition criteria. No living resources were identified as controlled by the municipality. Therefore the considerations as to recognition and measurement is not considered relevant.

As an eventuality, management will acquire city beautification from time to time. In order to fulfil the municipalities mandate (for example maintenance of community parks, supply electricity) it would be required from time to time to do maintenance of trees and plants. The purpose however is not the manage or extent the physical condition, in order to obtain future economic benefits or services from the trees, but to preserve the area (for e.g to prevent veld fires) or promote the area for tourism. Therefore, management does not control the trees and plants as a living resource, that requires separate recognition.

Non-living resources are those resources that occur naturally and have not been extracted. Minerals, oil, water and land are examples hereof. Living resources are only disclosed when:

- Management intervenes in the processes as part of the municipal mandate in order to deliver goods or services. This intervention must be at the point before extraction while the resource is still in its natural state.
- Intervention must be preceded by either extraction or utilisation of the resource.

Management only identified water resources as no other natural resources are prevalent within our jurisdiction.

Water contained in reservoirs and pipes are considered to be extracted and is therefore accounted for as Inventory in terms of GRAP 12.

1.16 Impairment of cash-generating assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash-generating assets. All other assets are classified as non-cash generating assets.

Accounting Policies

1.16 Impairment of cash-generating assets (continued)

It is expected that some assets may have a dual-purpose. A dual-purpose asset is only classified as cash-generating (profit assets) if the purpose to create a profit clearly stands out and the service delivery aspect is incidental. If the purpose is not clear, the assets are presumed to be non-cash-generating (service assets).

The designation may be done on an asset or group of assets, where a group of assets is a unit of assets operating together. In the designation process assets are first designated using a group of assets and any remaining assets are then designated on an individual asset basis. The designation is applied to individual assets. An asset could comprise a group of assets that are part of a system or network.

Assets are reviewed annually for indicators that these needs to be impaired. Only once an impairment indicator for an asset or group of assets is identified will the recoverable service amount be measured. Therefore, if no adverse indicators are prevalent, management would not assess the recoverable service amount.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

The recoverable value is the higher of the asset's value in use or its fair value less cost to sell.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

The following are examples of impairment indicators used by management:

- During routine physical inspection of the asset there was evidence of physical damage (or obsolescence);
- The asset is not being used, or access to the asset is restricted, due to structural damage.
- The asset is not able to perform at the planned or required level and as a result is not meeting service delivery targets.
- During routine physical inspection of the asset it was identified that the asset deteriorated faster than expected, or was subject to damage, which will result in replacement or significant maintenance earlier than expected.
- Due to technological advances or environmental requirement, the asset may need to be taken out of service.

Physical damage would trigger an impairment test when it results in a permanent or significant decline in the service potential of the asset. Judgement is needed to determine whether the decline is permanent or significant. In certain circumstances evidence may be available to demonstrate that the impairment will be temporary. In such circumstances, no impairment loss will be recognised.

Where the recoverable amount is less than the carrying amount, the carrying amount will be reduced to the recoverable service amount by way of an impairment loss. The impairment loss will be recognised as an expense as part of the gains and losses disclosed in the Statement of Financial Performance.

1.17 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets. Refer to the policy 1.16 for the impairment indicators.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

The recoverable value is the higher of the asset's value in use or its fair value less cost to sell.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential. A temporary decline does not have to be accounted for as an impairment, but only if evidence can be provided that the decline is temporary in nature.

The recoverable amount is assessed by either the Depreciated Replacement Cost, Restoration Cost or Service units approach. The selection of the approach is based on the circumstances as per management judgement of each impairment indicator of each asset.

Assets are reviewed annually for indicators that these needs to be impaired. Only once an impairment indicator for an asset or group of assets is identified will the recoverable service amount be measured. Therefore, if no adverse indicators are prevalent, management would not assess the recoverable service amount.

Accounting Policies

1.17 Impairment of non-cash-generating assets (continued)

Where the recoverable amount is less than the carrying amount, the carrying amount will be reduced to the recoverable service amount by way of an impairment loss. The impairment loss will be recognised as an expense as part of the gains and losses disclosed in the Statement of Financial Performance.

1.18 Employee benefits

Short-term employee benefits

Remuneration to employees is recognised in the Statement of Financial Performance as the services are rendered, except for non-accumulating benefits, which are only recognised when the specific event occurs.

The municipality has opted to treat its provision for leave pay and for the 13th Cheque accrual.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days on the total remuneration package of the employee at year end and is shown as an accrual in the Statement of Financial Position.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Long Service Awards

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service) is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of Financial Performance.

Post-retirement benefits

The municipality provides retirement benefits for its employees and councillors, and has both defined benefit and defined contribution post-employment plans.

Defined Contribution plans

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in the Statement of Financial Performance in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined Benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Accounting Policies

1.18 Employee benefits (continued)

Post-retirement Health Care Benefits

The municipality has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee. Not all Medical Aid Funds with which the Municipality is associated, provide for continued membership.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and actuarial gains and losses, reduced by past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out every year by independent qualified actuaries.

Actuarial gains or losses are recognised immediately in the Statement of Financial Performance.

1.19 Provisions

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

The best estimate of the expenditure required to settle the present obligation is the amount that an municipality would rationally pay to settle the obligation at the reporting date or to transfer it to a third party at that time and are determined by the judgment of the management of the municipality, supplemented by experience of similar transactions and, in some cases, reports from independent experts. The evidence considered includes any additional evidence provided by events after the reporting date. Uncertainties surrounding the amount to be recognised as a provision are dealt with by various means according to the circumstances.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses.

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money.

When the outflow of economic benefits or service potential is no longer probable the provision will be derecognised.

Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

The related asset is measured using the cost model:

- Changes in the liability is added to, or deducted from, the cost of the related asset in the current period.
- If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- If the adjustment results in an addition to the cost of an asset, the entity consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy 1.16 and 1.17.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

1.20 Contingent assets, contingent liabilities and commitments

Contingencies are only disclosed in the notes to the Annual Financial Statements.

Accounting Policies

1.20 Contingent assets, contingent liabilities and commitments (continued)

Contingent Liabilities represent a possible obligation that arises from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not fully within the control of the municipality. A contingent liability can also arise as a result of a present obligation that arises from past events but which is not recognised as a liability either because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent Assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not fully within the control of the municipality.

Commitments are future expenditure to which the municipality has committed and that will result in the outflow of resources. Commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance, but are included in the disclosure Notes. A distinction is made between capital and current commitments.

Lease commitments as defined per GRAP 13: Leases are disclosed in note 9. Operating commitments are not disclosed as the municipal annual budget is available on the municipal website.

Commitments are disclosed for:

- Items are classified as capital commitments where the municipality commits itself to future transactions that will normally result in the outflow of resources;
- Approved and contracted capital commitments, where the expenditure has been approved and the contract has been awarded at the reporting date, where disclosure is required by a specific standard of GRAP; and
- Contracts to purchase, construct or develop assets or for repairs, maintenance or enhancements to assets, that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the Notes to the Annual Financial Statements.

1.21 Net Assets

Included in the net assets of the municipality, are the following statutory funds and reserves, apart from the Accumulated Surplus, that are maintained in terms of specific requirements:

Statutory Fund: Housing (HDF)

Sections 15(5) and 16 of the Housing Act (Act No107 of 1997), which came into operation on 1 April 1998, required that the municipality maintains a separate housing operating account. This legislated separate operating account is known as the Housing Development Fund.

The Housing Development Fund was established in terms of the Housing Act. Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to this Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were transferred to this Fund. In terms of the Housing Act all proceeds from housing developments, which include rental income and sales of houses, must be paid into this Fund. Funds available in this Fund can only be utilised to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

The following provisions are set for the creation and utilisation of the Housing Development Fund:

- The HDF is backed by cash, receivables and assets. The cash funds in the HDF are invested in accordance with the Investment Policy of the municipality.
- Any contributions to or from the fund are shown as transfers in the Statement of Changes in Net Assets.

Reserve: Capital Replacement (CRR)

In order to finance the provision of infrastructure and other property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus to the CRR in terms of delegated powers. The following provisions are set for the creation and utilisation of the CRR:

- The cash funds that back up the CRR are invested until utilised. The cash may only be invested in accordance with the investment policy of the Entity.
- The CRR may only be utilised for the purpose of purchasing items of property, plant and equipment, and may not be used for the maintenance of these items.
- Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR.

Accounting Policies

1.22 Revenue from exchange transactions

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipality's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Furthermore, services rendered are recognised by reference to the stage of completion of the transaction at the reporting date, and the transaction costs can be measured reliably..

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

At the time of initial recognition, the full amount of revenue is recognised where the Municipality has an enforceable legal obligation to collect, unless the individual collectability is considered to be improbable. If the Municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Service Charges

Service Charges are levied in terms of approved tariffs.

Service charges relating to electricity and water are based on consumption. Meters are normally read on a monthly basis and are recognised as revenue when invoiced. Where meters are not read monthly, provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to all properties. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month or a property is vacant.

Service charges from sewerage and sanitation are based on the type of service and the number of sewer connections on all developed property and are levied monthly in arrears.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

Pre-paid electricity

Revenue from the sale of electricity pre-paid meter cards are recognised at the point of sale. In respect of consumption between the last point of sale and the reporting date, an accrual is made based on the average daily consumption (for the period 1 July to 30 June) of consumers as per an internal system estimation report.

Finance income

Interest earned on investments and outstanding debtors is recognised in the Statement of Financial Performance when the interest is earned.

Tariff Charges

Revenue arising from the application of the approved tariff policy is recognised when the relevant service is rendered by applying the relevant authorised tariff.

Accounting Policies

1.22 Revenue from exchange transactions (continued)

Income from Agency Services

Income for agency services is recognised on a monthly basis once the income collected on behalf of the principal has been quantified. The income recognised is in terms of the agency agreement.

Rentals

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Sale of goods (including houses)

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Construction contract revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue is recognised and measured in terms of GRAP 11: Construction Contracts rather than GRAP 9: Revenue from Exchange Transactions.

1.23 Revenue from non-exchange transactions

An inflow of resources from a non-exchange transaction that meets the definition of an asset, is recognised as an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the fair value of the asset can be measured reliably. The asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

A present obligation arising from a non-exchange transaction that meets the definition of a liability is recognised as a liability when it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

Interest earned on outstanding debtors is recognised in the Statement of Financial Performance when the interest is receivable.

Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Accounting Policies

1.23 Revenue from non-exchange transactions (continued)

Property rates

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Tariff charges

Transferred assets are measured at their fair value as at the date of acquisition.

Other charges are recognised in terms of the tariffs determined by legislation (e.g. license fees) or tariffs approved by council.

Debt forgiveness

All unclaimed deposits are initially recognised as a liability until 36 months expires, where after all unclaimed deposits, which were deposited into the Municipality's bank account, will be treated as revenue. This policy is in line with prescribed debt principle as enforced by the Prescribed Debt Act. Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality. The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood of these discounts or reductions being taken up by receivables.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting municipality.

Public contributions

Donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into use.

Assets acquired from non-exchange transactions are measured at fair value in accordance with the Standards of GRAP.

Other Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are available for use.

Services in-kind

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality discloses the nature and type of services in-kind received during the reporting period. No services in-kind were noted that is significant to the operations of the municipality.

Accounting Policies

1.24 Government grants and receipts

Conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transfer or, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transfer or has never been enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue. Often these unspent grant liabilities are cash backed.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs are recognised in the Statement of Financial Performance in the period in which they become receivable.

Revenue is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, as the qualifying expenditure is incurred.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the grantor it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.25 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.26 Grants and subsidies paid

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

- Receive any goods or services directly in return, as would be expected in a purchase of sale transaction;
- Expect to be repaid in future; or
- Expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period that the events given raise to the transfer occurred.

1.27 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted or is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003). All expenditure relating to Unauthorised Expenditure is accounted for as an expense in the Statement of Financial Performance in the year that the expenditure was incurred and classified in accordance with the nature of the expense. If the expenditure is not condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

The definition of "vote" for Swartland Municipality is set at the Functional area within the respective department.

Where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.28 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance in the year that the expenditure was incurred and is classified in accordance with the nature of the expense. If the expenditure is not condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

Where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Accounting Policies

1.29 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.30 Losses

The MFMA requires the disclosure of losses incurred during the year under review. The disclosure is provided in order to comply with the legislative requirements governing Municipalities and Municipal Entities. Disclosure of losses is based on units as required by the MFMA.

Accounting for water losses is discussed in the accounting policy for Inventory (1.10).

1.31 Service concession arrangements

Identification

Service concession arrangements of the municipality include the provision of mandated functions on behalf of the municipality by the operator for a specified period of time, for which the operator is compensated for its services over the period of the service concession arrangement.

Initial recognition and measurement

Service concession assets are measured initially at fair value except where the assets are existing assets of the municipality in which case the assets are reclassified at their carrying amounts. Service concession assets will be identified separately.

The service concession liability is recognised and initially measured at:

- the same amount as the service concession asset,
- adjusted by the amount of any other consideration (e.g. cash) from the municipality to the operator, or from the operator to the municipality.

Subsequent measurement and derecognition

After initial recognition, the municipality applies the measurement (including impairment) and derecognition principles to the service concession asset applicable to similar items of Property, Plant and Equipment.

The municipality accounts for the liability as a financial liability when the municipality has an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition, or upgrade of a service concession asset.

The municipality allocates the payments to the operator and account for them according to their substance as a reduction in the service concession liability, a finance charge, and charges for services provided by the operator.

Other liabilities, contingent liabilities, contingent assets and revenues

The municipality accounts for other liabilities, contingent liabilities, and contingent assets arising from a service concession arrangement in accordance with the policy on Provisions, Contingent liabilities and contingent assets and Financial instruments.

The municipality accounts for revenues from a service concession arrangement, other than those relating to the grant of a right to the operator model, in accordance with the principles of Revenue from exchange transactions.

Dividing the arrangement

When the municipality pays for the construction, development, acquisition, or upgrade of a service concession asset partly by incurring a financial liability and partly by the grant of a right to the operator, it accounts separately for each part of the total liability.

Accounting Policies

1.31 Service concession arrangements (continued)

Refer to note 57 for the disclosure of the service concession arrangement assets, liabilities, revenue and expenditure.

Recognition of the performance obligation and the right to receive a significant interest in a service concession asset

Where the municipality controls a significant residual interest in a service concession asset at the end of the service concession arrangement through ownership, beneficial entitlement or otherwise, and the arrangement does not constitute a finance or an operating lease, the municipality recognises its right to receive the residual interest (i.e. a receivable) in the service concession asset at the commencement of the arrangement. The value of the receivable at the end of the service concession arrangement, reflects the value of the service concession asset as if it were already in the age and in the condition expected at the end of the service concession arrangement.

1.32 Accounting by principals and agents

A principal-agent arrangement exists where there is a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Where the municipality is the agent to the transaction, only the portion of revenue and expenses it receives or incurs in executing the transactions on behalf of the principal is recorded with unspent or moneys due being recorded in terms of GRAP 104: Financial Instruments.

Identification

Special consideration is given to the classification of an agreement (once the standard is triggered) to carefully consider whether the municipality is an agent. The considerations include (all of) the following:

- Does the third party determine significant terms
- Does the third party receive the benefit from the transactions
- Is the municipality exposed to the variability of the outcome

If these are not met, but the standard is applicable, the municipality would be regarded as the principal in the transaction.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement. Substance over form is applied. Therefore the exact wording over contracts where the terms agent or acting on behalf are used are considered, but only to the extent that rights and obligations are substantially transferred. Where rights and obligations are not transferred, the transaction is considered a normal supplier/customer relationship and accounted for as such.

Administrative rights, such as those resulting from a collection agency agreement are not considered sufficient grounds for a principal agent relationship. The agent or principal arrangement needs to confer rights and obligations that give the counter party the ability to execute transactions as if it is acting on the other party's behalf. A collection agency only collects revenue and pays such revenue over to the municipality. It has no authority to deviate or alter on any significant terms and therefore is not considered an agent per the definition of the standard.

1.33 Segment reporting

The segments reported is the functional segments as per the Monthly Section 71 Management Reports. The information that will be reported is aligned to the monthly section 71 reports which are reviewed by the executive management. The key factor considered is therefore the manner in which management has chosen to organise the entity around differences in goods and/or services to the public.

None of management's segments were aggregated as each segment contains material goods or services. Activities are already aggregated for purposes of strategic review as outline in the table below.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.33 Segment reporting (continued)

The level of aggregation is summarised in the table below:

Segment	Functions	Revenue	Unique expenditure
Vote 1 - Corporate Services	Property management (rentals, sales), Legal services, Human Resources, Record Management, Public Relations, Communication, Tourism and Libraries	Grants (Library and Other), Sale of Land, Libraries, Rental income	Communication (Operational Costs), Ward Committees
Vote 2 - Civil Services	Roads, Waste Management, Waste Water Management, Water Management, Management of facilities (buildings, parks etc.)	Trading Services (except electricity), various grants (e.g. MIG, Roads etc.)	Water consumed and water losses, Solid Waste
Vote 3 - Council	Councillors, Speakers, Mayor	Allocated	Remuneration of councillors, Grants and subsidies paid
Vote 4 - Electricity Services	Electricity, Information Technology	Electricity, Grants	Electricity bulk purchases
Vote 5 - Financial Services	Budgeting, Credit Control, Supply Chain, Financial Systems and Reporting, Revenue administration, Expenditure Management, Asset Management	Interest received, Property rates, Gains on vesting of properties and equipment, Land Sales	Bad debts, Finance Costs, Impairments for receivables
Vote 6 - Development Services	Community Development (Social services), Human Settlements, Health and Safety, Town Planning, Valuations, Building Inspections	Grants (Housing and other), Construction Contracts, Majority of Operational Revenue (Building Plans, Camping)	Low Cost Housing, Health and Safety
Vote 7 - Municipal Manager	Executive Management, Strategic Services and Internal Audit	Allocated	Majority of expenditure pertains to salaries and depreciation
Vote 8 - Protection Services	Traffic and Law Enforcement, Fire and Emergency Services	Grants, Fines, Licences and Permits	Traffic Fine Management, Bad debts and debt impairment for traffic fines. Most of the COVID-19 related expenditure

Grant revenue is shared by all departments as these are applied for. Certain grants are directly contributable to specific votes, such as Electricity or Library (Corporate) and Housing (Development). Equitable share is however allocated to each department based on the approved budget.

All other expenditure is generic and shared by all departments: Employee Costs, Contracted Services, Operational costs, Other Materials (consumables). The administration of assets occur within Financial Services, but the losses are allocated to each department.

Details of each activity of the municipality is disclosed in the annual performance report.

The municipality manages its operational revenue and expenditure, assets and liabilities geographically as a whole. Only capital expenditure is reviewed based on the location. All other asset and liability management techniques are focused on the asset base as a whole rather than the asset and liability management for a specific area. Service delivery staff are organised in such a manner that service delivery takes place timeously in each town, but it's not a strategic principle to organise assets and liabilities in such a manner that each town is its own small economic/service delivery unit that can operate separately from the rest of the organisation. Segment reporting per geographic area is therefore not deemed relevant.

The segmental report surplus or deficit reviewed by management does not comprise all of the details as required by the standard. Management reviews the performance on an aggregated basis of total revenue and total expenditure. Management's focus is service delivery and ensuring sufficient revenue is available to ensure such. Only overall (municipal total) surplus is considered when allocating resources. The segment surplus, assets and liabilities are not reviewed on a segregated basis and therefore will not be disclosed as it is not considered relevant for purposes of measuring performance.

Accounting Policies

1.33 Segment reporting (continued)

The reporting measurement basis for the management reports is the same as that of the annual financial statements (i.e. SA GRAP). Interdepartmental services charges are already eliminated in the management reports reviewed by executive management and will therefore not be separately disclosed (deemed to not be relevant for decisionmaking).

1.34 Related parties

A related party is a person or an entity with the ability to control or jointly control the municipality, or exercise significant influence over the municipality, or vice versa, or an entity that is subject to common control.

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

An entity is related to the reporting entity where they are members of the same economic entity or controlled by the same group of individuals or related individuals who exercise significant influence over their operational and financial decision making (such as group, associate or Joint venture).

Management is regarded as a related party and comprises the councillors, Executive Mayor, Mayoral Committee members, Municipal Manager, executive directors and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager and persons having the authority and responsibility for planning, directing and controlling the activities of the reporting Municipality.

Remuneration of management includes remuneration derived for services provided to the Municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the Municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration. Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the Municipality.

The Municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

Close members of the family of a person are those family members who may be expected to influence or be influenced by that person in their dealings with the Municipality such as:

- A person married to or live together in a relationship similar to a marriage.
- People who are separated by no more than two degrees of natural or legal consanguinity or affinity.

1.35 Events after reporting date

Events after the reporting date that are classified as adjusting events are accounted for in the Annual Financial Statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the Annual Financial Statements.

When events provide evidence of conditions that existed at year end and these conditions have an impact on the values presented, the event is considered an adjusting event. All other events are considered non-adjusting events.

1.36 Comparative figures

Prior year comparatives:

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are reclassified. The nature and reasons for the reclassification are disclosed.

1.37 Budget information

The annual budget figures are those approved by Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan. The budget is approved on an accrual basis by nature classification. The approved budget covers the period from 1 July 2022 to 30 June 2023.

Accounting Policies

1.37 Budget information (continued)

Explanatory comments are provided for overall growth or decline in the budget and motivations for over or under spending on line items. The municipality considers a variance between the actual and budget of more than 10% of the budgeted value as material, provided that such variance exceeds R100 000. All variances less than R100 000 is considered immaterial.

Budget information is presented on the accrual basis and is based on the same period as the actual amounts. The budget information is therefore on a comparable basis to the actual amounts. This is based on paragraph 2 and 30 of GRAP 24. The presentation is a mirror image of the National Treasury Budget Submission Template and therefore classification of items differ slightly from the face of the Statement of Financial Position and Statement of Financial Performance (for example service consumers and other debtors compared to Receivables from Exchange and Non-Exchange).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Petty cash advances	16 924	21 325
Bank balances	721 999 911	665 069 624
	722 016 835	665 090 949

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. The management of the municipality is of the opinion that the carrying value of Current Investment Deposits, Bank Balances, Cash and Cash Equivalents recorded at amortised cost in the Annual Financial Statements approximate their fair values.

The fair value of Current Investment Deposits, Bank Balances, Cash and Cash Equivalents was determined after considering the standard terms and conditions of agreements entered into between the municipality and financial institutions.

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2023	30 June 2022	30 June 2021	30 June 2023	30 June 2022	30 June 2021
Standard Bank of South Africa Limited 372865100	719 086 786	661 935 050	319 055 728	721 999 911	665 069 624	640 180 540
Municipal Traffic Account 372865178	190 653	113 787	44 885	-	-	-
OTM Account 372865119	8 568	20 016	5 760	-	-	-
TMT Fines Account 372865127	(251)	1 688	9 155	-	-	-
ACB Account Number 372865151	(38)	-	-	-	-	-
Total	719 285 718	662 070 541	319 115 528	721 999 911	665 069 624	640 180 540

The municipality also have the following bank accounts with Standard Bank South Africa Limited which had a zero balance at year end except as indicated below. All accounts balances are cleared to the main account on a daily basis except on weekends.

- 1) Web Fines Account Number 372865135
- 2) Sundries Account Number 372865143

For the purposes of the Cash Flow Statement, Cash and Cash Equivalents include Cash-on-Hand, Cash in Banks and Investments in Money Market Instruments.

No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period.

Deposits of R 259 260 281 (2022: R 266 156 243) are attributable to the capital replacement reserve (Refer to Note 21).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
3. Receivables from exchange transactions		
Electricity	49 931 362	47 923 655
Water	21 235 130	19 142 624
Sewerage	7 015 527	6 535 644
Refuse Removal	5 193 984	4 505 684
Housing rentals / instalments	82 844	73 466
Other	3 621 711	10 903 469
	87 080 558	89 084 542

30 June 2023	Gross Balances	Collective Allowance for Impairment	Net Balances
Service Receivables			
Electricity	50 359 281	(427 919)	49 931 362
Water	27 004 728	(5 769 598)	21 235 130
Sewerage	9 577 076	(2 561 549)	7 015 527
Refuse Removal	7 501 351	(2 307 367)	5 193 984
Subtotal	94 442 436	(11 066 433)	83 376 003
Other Receivables			
Housing rentals / instalments	87 436	(4 592)	82 844
Other	4 447 366	(825 655)	3 621 711
	98 977 238	(11 896 680)	87 080 558

30 June 2022	Gross Balances	Collective Allowance for Impairment	Net Balances
Service Receivables			
Electricity	48 541 830	(618 175)	47 923 655
Water	23 819 936	(4 677 312)	19 142 624
Sewerage	8 498 215	(1 962 571)	6 535 644
Refuse Removal	6 309 676	(1 803 992)	4 505 684
Subtotal	87 169 657	(9 062 050)	78 107 607
Other Receivables			
Housing rentals / instalments	79 820	(6 354)	73 466
Other	11 693 206	(789 737)	10 903 469
	98 942 683	(9 858 141)	89 084 542

Receivables from Exchange Transactions are billed monthly, at the end of the month.

The average credit period for receivables from exchange transactions is 30 days. No interest is charged on receivables for the first 30 days from the date of the invoice. Thereafter interest is charged at prime plus 1 % per annum on the outstanding balance. The municipality strictly enforces its approved credit control policy to ensure the recovery of receivables from exchange transactions.

Other Receivables include outstanding debtors for various other services, e.g. Chemical Oxygen Demand, Treated Waste Water, Bulk Dumping and Sundry Services like Escorting of heavy vehicles, Advertisement costs, Cleaning of stands, etc. The surplus (where applicable) recorded on the water service concession arrangement is also included under this debtor type (refer to Note 57). For 30 June 2023, there was no surplus, instead the amount payable is included under trade payables.

Of the exchange receivables balance at the end of the year, R 4 143 225 (2022: R 3 057 020) (VAT exclusive) is due from Sasko (Pty) Ltd, the municipality's largest customer. There are no other receivables that represent more than 3% of the total balance of Receivables from exchange.

The municipality receives applications for services that it provides. Deposits are required for all electricity and water accounts opened.

Management of the municipality is of the opinion that the carrying value of receivables approximate their amortised values.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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3. Receivables from exchange transactions (continued)

No receivables from exchange transactions were pledged as security.

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 1 month past due are not considered to be impaired. At 30 June 2023, R 16 216 390 (2022: R 17 767 015) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

31 - 60 Days	6 576 862	8 993 812
61 - 90 Days	1 478 253	1 478 590
91 - 120 Days	1 295 180	1 290 543
121 - 365 days	6 866 095	6 004 070
	16 216 390	17 767 015

Reconciliation of bad debts written-off: Exchange Transactions

Electricity	381 050	441 623
Refuse Removal	549 163	374 816
Sewerage	658 092	528 483
Water	5 965 055	5 351 926
Housing	39 809	28 072
Other Debtors	338 101	132 801
	7 931 270	6 857 721

In determining the recoverability of Receivables, the municipality has placed strong emphasis on verifying the indigent status of consumers. Provision for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over 12 months per service type. No further credit provision is required in excess of the Provision for Impairment.

No provision has been made in respect of government debt as these amounts are considered to be fully recoverable.

The details of the ageing of receivables are disclosed in Note 5.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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3. Receivables from exchange transactions (continued)

Derecognition of financial assets

No Financial Assets have been transferred to other parties during the year.

All Exchange receivables were reviewed and no terms were identified whereby receivable types would meet the definitions of a statutory instrument as defined by this standard.

Most levies charged are based on the municipal tariff by-laws. The origin of the transactions is based on contractual deliverables rather than legislation. The legislation in place therefore supports the value of recognition rather than giving rise to the occurrence of these transactions.

Reconciliation of changes in Allowance Account	2023 Expense	2023 VAT	2023 Total Changes	2022 Expense	2022 VAT	2022 Total Changes
Opening Balance			9 858 141			4 792 715
Electricity	(165 440)	(24 816)	(190 256)	102 312	15 347	117 659
Refuse Removal	437 718	65 658	503 376	946 890	142 034	1 088 924
Sewerage	520 850	78 127	598 977	1 096 590	164 488	1 261 078
Water	949 814	142 472	1 092 286	1 990 761	298 614	2 289 375
Subtotal	1 742 942	261 441	11 862 524	4 136 553	620 483	9 549 751
Housing	(1 532)	(230)	(1 762)	(476)	(71)	(547)
Other Debtors	31 233	4 685	35 918	268 641	40 296	308 937
	1 772 643	265 896	11 896 680	4 404 718	660 708	9 858 141

4. Receivables from non-exchange transactions

Availability charges	2 482 342	2 343 439
Payments made in advance	3 762 438	3 217 595
Property Rates	20 820 099	18 110 703
Sundry debtors	4 530 190	212 240
Traffic fines - TMT	6 855 848	4 387 511
	38 450 917	28 271 488

30 June 2023

	Gross Balances	Collective Allowance for Impairment	Net Balances
Payments made in advance	3 762 438	-	3 762 438
Property Rates	26 431 084	(5 610 985)	20 820 099
Sundry Debtors	4 530 190	-	4 530 190
Traffic Fines	34 434 195	(27 578 347)	6 855 848
Availability charges	4 583 320	(2 100 978)	2 482 342
	73 741 227	(35 290 310)	38 450 917

30 June 2022

	Gross Balances	Collective Allowance for Impairment	Net Balances
Payments made in advance	3 217 595	-	3 217 595
Property Rates	22 886 197	(4 775 494)	18 110 703
Sundry Debtors	212 240	-	212 240
Traffic Fines	39 916 200	(35 528 689)	4 387 511
Availability charges	4 600 865	(2 257 426)	2 343 439
	70 833 097	(42 561 609)	28 271 488

Sundry Debtors include sundry deposits, unclaimed wages, accruals cash deposits made to Eskom for the supply of electricity and debts outstanding at year-end on normal business transactions entered into by the municipality, in respect of uncleared bank reconciliation items. Grant debtors (ad-hoc balances for multi-year grants) are also included under this debtor type.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
4. Receivables from non-exchange transactions (continued)		
Management of the municipality is of the opinion that the carrying value of receivables approximate their amortised values.		
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Property Rates	20 820 099	18 110 703
Sundry debtors	4 530 190	212 240
Traffic Fines - TMT	6 855 848	4 387 511
	32 206 137	22 710 454
Other non-financial asset receivables included in receivables from non-exchange transactions above are as follows:		
Payments made in advance (right to receive goods or services rather than cash)	3 762 438	3 217 595
Financial asset receivables included in receivables from non-exchange transactions above (Availability charges)	2 482 342	2 343 439
Total receivables from non-exchange transactions	38 450 917	28 271 488

Statutory receivables general information

Receivable type	Revenue type	Legislation that give rise to the transactions	Rates and Interest charges	Impairment considerations
Property Rates	Non-exchange	Municipal Property Rates Act 6 of 2004	Municipal Tariff Policy, Interest Charged	Individual collection rates, interest charged at discount rate
Traffic Fines	Non-exchange	Administrative Adjudication of Road Traffic Offences Act, 1998	The Act determines rates, no interest is charge	Collection rate of the balance as a whole, thereafter discounting is considered in terms of materiality
Sundry Debtors	Exchange and Non-exchange	Various different acts (aggregate amounts)	Municipal Tariff Policy, Interest Charged	Individual collection rates, interest charged at discount rate
VAT Receivables	Not applicable	Value Added Tax Act 89 of 1991	The Act determines rates and interest is charge	No impairment, balance expected to be fully recoverable

Interest or other charges levied/charged

Interest was only charged on outstanding rates accounts. All other statutory receivables were within normal credit terms and therefore no other receivables generated interest income. No other levies were charged.

Outstanding debtors: Rates	1 239 369	833 048
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Discount rate applied to the estimated future cash flows

Interest is calculated using the nominal interest rate as authorised by a council decision (Currently, Prime plus 1%). This rate is also considered an appropriate discount rate.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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4. Receivables from non-exchange transactions (continued)

Non-exchange receivables past due but not impaired

Non-exchange receivables which are less than 1 month past due are not considered to be impaired. At 30 June 2023, R14 888 940 (2022: R12 495 610) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2023 Past Due	2022 Past Due	2023 Impaired	2022 Impaired	2023 Past due not impaired	2022 Past due not impaired
31 - 60 Days	4 157 068	2 742 622	-	-	4 157 068	2 742 622
61 - 90 Days	2 221 286	1 894 743	-	-	2 221 286	1 894 743
91 - 120 Days	4 002 270	2 862 713	-	-	4 002 270	2 862 713
121 - 365 days	25 818 059	23 510 282	(21 309 743)	(18 514 750)	4 508 316	4 995 532
> 365 days	13 980 567	23 752 412	(13 980 567)	(23 752 412)	-	-
	50 179 250	54 762 772	(35 290 310)	(42 267 162)	14 888 940	12 495 610

Factors the entity considered in assessing statutory receivables past due but not impaired

Receivables are assessed in terms of their respective overall payment percentages. Some debtors are therefore past due, but the balances are still expected to be recoverable based on the payment percentages.

Reconciliation of movements for statutory receivables

Reconciliation of bad debts written-off: Non-Exchange Transactions

Rates	1 042 435	668 005
Traffic Fines	33 437 105	17 899 298
Availability charges	685 605	113 213
	35 165 145	18 680 516

Reconciliation of changes in Allowance Account	2023 Expense	2023 VAT	2023 Total Changes	2022 Expense	2022 VAT	2022 Total Changes
Opening Balance			42 561 609			33 393 118
Rates	835 490	-	835 490	2 376 491	(359 850)	2 016 641
Traffic Fines	(7 950 342)	-	(7 950 342)	6 466 945	-	6 466 945
Availability charges	(136 042)	(20 405)	(156 447)	595 570	89 335	684 905
Subtotal	(7 250 894)	(20 405)	35 290 310	9 439 006	(270 515)	42 561 609
	(7 250 894)	(20 405)	35 290 310	9 439 006	(270 515)	42 561 609

Main events and circumstances that led to the recognition or reversal of impairment losses on statutory receivables

Significant impairment losses recognised or reversed

Property Rates: Impairment Recognised: No significant movement from the prior year. In the prior year the estimate was revised to take into account the macro-economic impact of the National Lockdown.

Traffic Fines: Impairment Recognised: Annually the outstanding receivables are assessed in terms of the value of fines issued in comparison to the receipts generated from such fines. The remaining balance is considered recoverable based on this payment percentage. The impairment loss is similar to our expectation, but quantitatively the impairment is significant and therefore disclosed separately.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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4. Receivables from non-exchange transactions (continued)

The credit quality of receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed to historical information about counterparty default rates. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's receivables.

The calculation in respect of the impairment of Statutory Receivables is based on an assessment of the expected recoverability of each individual receivable based on the history of recoverability of such a receivable. Debtors are grouped into appropriate aggregated grouping levels when insufficient information is available to assess individual debtors. Aggregation is based on best practice and receivables are assessed on historic information available. Thereafter the past due (accounts in arrears, i.e. not current), but not impaired debtors are subjected to a further impairment test taking into account the effect of time resulting in a discounting of debtors being included as a further factor for impairment of statutory receivables.

The claims instituted against the municipality's insurance company are supported by valid insurance claims that are claimable in terms of the insurance contract entered into by the municipality. The average waiting period depends on the nature of the claim. No interest is charged on outstanding insurance claims.

The average credit period for government grants and subsidies is dependent on the Government Department involved and the nature of claim. No interest is charged on outstanding government grants and subsidies. The subsidies are payable to the municipality per allocations made in the Division of Revenue Act or based on agreements between the municipality and the relevant departments. Government Grants and Subsidies receivable are past due and not impaired as management have no concerns over the credit quality of these assets.

The Allowance for impairment on Other Debtors (loans and receivables) exists predominantly due to the possibility that these debts will not be recovered. Loans and receivables were grouped together in the Statement of Financial Position as financial assets with similar credit risk characteristics and collectively assessed for impairment.

Credit quality of receivables from non-exchange transactions

The credit quality of receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed to historical information about counterparty default rates. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's receivables.

Classification of Bad Debts

Exchange receivables

Consumer debtors

Non-exchange receivables

Property rates

Availability charges

Traffic fines

Balance at end of year

7 931 270	6 857 721
7 931 270	6 857 721
35 165 145	18 680 516
1 042 435	668 005
685 605	113 213
33 437 105	17 899 298
43 096 415	25 538 237

5. Consumer debtors disclosure

Gross balances

Property Rates	26 431 084	22 886 197
Electricity	50 359 281	48 541 830
Water	27 004 728	23 819 936
Sewerage	9 577 076	8 498 215
Refuse Removal	7 501 351	6 309 676
Housing rentals / instalments	87 436	79 820
Other	4 447 366	11 693 206
Payments made in advance *	3 762 438	3 217 595
Sundry Debtors *	4 530 190	212 240
Traffic Fines - TMT *	34 434 195	39 916 200
Availability charges *	4 583 320	4 600 865
	172 718 465	169 775 780

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
5. Consumer debtors disclosure (continued)		
Less: Allowance for impairment		
Property Rates	(5 610 985)	(4 775 494)
Electricity	(427 919)	(618 175)
Water	(5 769 598)	(4 677 312)
Sewerage	(2 561 549)	(1 962 571)
Refuse Removal	(2 307 367)	(1 803 992)
Housing rentals / instalments	(4 592)	(6 354)
Other	(825 655)	(789 737)
Traffic Fines - TMT *	(27 578 347)	(35 528 689)
Availability charges *	(2 100 978)	(2 257 426)
	(47 186 990)	(52 419 750)
Net balance		
Property Rates	20 820 099	18 110 703
Electricity	49 931 362	47 923 655
Water	21 235 130	19 142 624
Sewerage	7 015 527	6 535 644
Refuse Removal	5 193 984	4 505 684
Housing rentals / instalments	82 844	73 466
Other	3 621 711	10 903 469
Payments made in advance *	3 762 438	3 217 595
Sundry Debtors *	4 530 190	212 240
Traffic Fines - TMT *	6 855 848	4 387 511
Availability charges	2 482 342	2 343 439
	125 531 475	117 356 030
Rates		
Current (0 -30 days)	11 208 620	10 433 786
31 - 60 days	1 638 336	1 706 815
61 - 90 days	259 216	247 332
91 - 120 days	130 864	62 558
121 - 365 days	8 985 141	8 275 725
> 365 days	4 208 907	2 159 981
Allowance for impairment	(5 610 985)	(4 775 494)
	20 820 099	18 110 703
Electricity		
Current (0 -30 days)	46 616 319	43 338 983
31 - 60 days	2 403 479	3 979 583
61 - 90 days	88 450	156 226
91 - 120 days	58 197	57 041
121 - 365 days	750 788	595 028
> 365 days	442 048	414 969
Allowance for impairment	(427 919)	(618 175)
	49 931 362	47 923 655
Water		
Current (0 -30 days)	15 359 026	13 194 789
31 - 60 days	1 945 959	2 854 303
61 - 90 days	664 558	673 321
91 - 120 days	578 338	686 943
121 - 365 days	5 714 700	4 994 583
> 365 days	2 742 147	1 415 997
Allowance for impairment	(5 769 598)	(4 677 312)
	21 235 130	19 142 624

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
5. Consumer debtors disclosure (continued)		
Sewerage		
Current (0 -30 days)	3 728 200	3 707 074
31 - 60 days	1 166 977	1 125 289
61 - 90 days	350 493	321 533
91 - 120 days	299 935	264 395
121 - 365 days	3 204 331	2 411 587
> 365 days	827 140	668 337
Allowance for impairment	(2 561 549)	(1 962 571)
	7 015 527	6 535 644
Refuse		
Current (0 -30 days)	2 757 791	2 451 082
31 - 60 days	826 284	764 808
61 - 90 days	266 168	230 381
91 - 120 days	236 992	197 249
121 - 365 days	2 455 070	2 012 171
> 365 days	959 046	653 985
Allowance for impairment	(2 307 367)	(1 803 992)
	5 193 984	4 505 684
Housing		
Current (0 -30 days)	34 358	31 915
31 - 60 days	18 673	20 212
61 - 90 days	2 061	2 458
91 - 120 days	1 815	2 038
121 - 365 days	28 131	22 182
> 365 days	2 398	1 015
Allowance for impairment	(4 592)	(6 354)
	82 844	73 466
Other Exchange Debtors		
Current (0 -30 days)	2 368 472	9 879 526
31 - 60 days	215 491	249 616
61 - 90 days	106 524	94 671
91 - 120 days	119 904	82 876
121 - 365 days	828 377	631 587
> 365 days	808 598	754 930
Allowance for impairment	(825 655)	(789 737)
	3 621 711	10 903 469
* Other Non-exchange Debtors		
Current (0 -30 days)	12 353 355	5 636 537
31 - 60 days	2 518 731	1 035 807
61 - 90 days	1 962 070	1 647 410
91 - 120 days	3 871 406	2 800 155
121 - 365 days	16 832 918	15 234 557
> 365 days	9 771 663	21 592 434
Allowance for impairment	(29 679 325)	(37 786 115)
	17 630 818	10 160 785

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
5. Consumer debtors disclosure (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	66 455 601	57 909 947
31 - 60 days	9 152 800	8 091 874
61 - 90 days	3 502 235	3 211 736
91 - 120 days	5 142 812	4 046 348
121 - 365 days	35 152 071	31 302 614
> 365 days	18 408 087	27 332 944
Subtotal	137 813 606	131 895 463
Less: Allowance for impairment	(46 237 001)	(52 565 041)
	91 576 605	79 330 422
Industrial/ commercial		
Current (0 -30 days)	21 936 265	20 373 255
31 - 60 days	1 460 287	2 831 060
61 - 90 days	132 770	93 971
91 - 120 days	99 623	82 478
121 - 365 days	1 116 613	827 718
> 365 days	367 867	217 734
Subtotal	25 113 425	24 426 216
Less: Allowance for impairment	(949 989)	(854 709)
	24 163 436	23 571 507
National and provincial government		
Current (0 -30 days)	6 034 275	10 390 490
31 - 60 days	120 843	813 499
61 - 90 days	64 535	67 626
91 - 120 days	55 015	24 430
121 - 365 days	2 530 772	2 047 088
> 365 days	985 994	110 968
	9 791 434	13 454 101
Total		
Current (0 -30 days)	94 426 141	88 673 693
31 - 60 days	10 733 930	11 736 434
61 - 90 days	3 699 540	3 373 332
91 - 120 days	5 297 450	4 153 257
121 - 365 days	38 799 456	34 177 421
> 365 days	19 761 948	27 661 643
Subtotal	172 718 465	169 775 780
Less: Allowance for impairment	(47 186 990)	(52 419 750)
	125 531 475	117 356 030

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
6. Construction contracts and receivables		
Contracts in progress at statement of financial position date		
Construction contracts and receivables/(payables)	(79 520)	(4 043 670)
Reconciliation of contracts for the year		
Contract revenue for the year	17 729 912	40 463 470
Contract costs for the year	(17 729 912)	(40 463 470)
Unpaid deliverables at year end	(79 520)	(4 043 670)
Balance at year end	(79 520)	(4 043 670)
Amounts due from/(prepaid by) customers		
Opening balance of Advances Receivable	(4 043 670)	(341 135)
Progress billings for the period (with reference to stage of completion)	17 729 912	40 463 470
Advances received during the period	(13 765 762)	(44 166 005)
Amounts due from/(prepaid by) customers	(79 520)	(4 043 670)
Less Retentions held	-	-
Total due from/(prepaid by) customers	(79 520)	(4 043 670)
Contracts in progress at year end		
Budgeted construction deliverables due at the beginning of the period	(4 043 670)	(341 135)
New deliverables due	(13 765 762)	(60 451 913)
Contract deliverables met	17 729 912	40 463 470
Total budgeted contract deliverables due	(79 520)	(20 329 578)
Project deliverables only due in the future	-	16 285 908
Total due from/(prepaid by) customers	(79 520)	(4 043 670)
Reconciliation of construction contracts balance		
Opening Balance	(4 043 670)	(341 135)
Receipts for the year	(13 765 762)	(44 166 005)
Deliverables met (Revenue recognised)	17 729 912	40 463 470
	(79 520)	(4 043 670)

Housing Arrangements

Contract revenue is fixed based on the arrangement with the Provincial Department of Housing. Revenue is determined in terms of the stage of completion which is determined by the progress payments claimed by the sub-contractors received at year end. Contracts with the Provincial Department and its beneficiaries are not subject to any retention.

The methods used to determine the stage of completion of agreements in progress are as follows:

30 June 2023	Phola Park	De Hoop
Opening Balance (due to)/from customers	(341 135)	(3 702 535)
Transfer from Assets	341 135	17 388 777
Collections	-	(13 765 762)
	-	(79 520)
30 June 2022	Phola Park	De Hoop
Opening Balance (due to)/from customers	(341 135)	-
Transfer from Assets	-	40 463 470
Collections	-	(44 166 005)
	(341 135)	(3 702 535)

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
7. Finance lease receivables		
Housing selling scheme loans	-	1 003
Short term portion	-	(1 003)
Non-current Finance Lease Receivables	-	-
Gross investment in the lease due		
- within one year	-	1 139
	-	1 139
less: Unearned finance revenue	-	(136)
	-	1 003
Present value of minimum lease payments due		
- within one year	-	1 003

Loans were granted to the tenants of low cost housing erected by the Municipality with funds provided by the State, in order to enable them to purchase the houses they previously rent from the Municipality. Loans are repaid over a period of twenty years and at an interest rate of 13.50% per annum. The interest rates inherent to the leases are fixed at the contract date over the entire lease term. The instalments of interest and redemption recoverable from the purchasers are credited to the Housing Fund (see note 20).

Finance Lease Receivables are secured over the property leased. The municipality is not permitted to sell or repledge the collateral in the absence of default by the lessee.

8. Inventories

Consumable stores	15 656 064	14 738 229
Franking Machine and Postage	30 120	53 554
SMS Bundles	18 380	25 191
Stationery	386 461	252 427
Unsold properties held for resale	6 549 817	6 328 703
Water	382 269	292 534
	23 023 111	21 690 638
Inventories (write-downs)	-	(58 470)
	23 023 111	21 632 168

The cost of water purchases is subject of the water service concession arrangement (refer to Note 57). The adjusted cost per kilolitre for the year amounted to R 6.48 (2022: R 5.15).

No Inventories have been pledged as collateral for liabilities of the municipality.

The cost of inventories recognised as expense and included in Other Materials (refer to Note 41).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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8. Inventories (continued)

Water for distribution

Opening balance	292 534	248 051
System input volume	33 612 592	27 977 962
Authorised consumption	(29 083 571)	(22 393 643)
Water losses	(4 439 286)	(5 539 836)
Closing balance	382 269	292 534

9. Operating lease asset (accrual)

Current assets	-	3 330
Current liabilities	(223 681)	(67 029)

The Municipality as lessee

Leasing arrangements:

Operating leases relate to Buildings, Computer and other equipment with lease terms of between one to five years. The municipality does not have an option to purchase the leased asset at the expiry of the lease period.

At the reporting date the municipality had outstanding commitments under non-cancellable operating leases, which fall due as follows:

Buildings	871 235	1 585 640
Up to 1 year	797 564	775 381
1 to 5 years	73 671	810 259
Computer Equipment	335 680	669 958
Up to 1 year	335 680	334 979
1 to 5 years	-	334 979
Total operating lease commitments	1 206 915	2 255 598

Total Operating Lease Expenses - as Lessee	1 212 973	1 128 811
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Operating leases are recognized on the straight-line basis over the lease term. In respect of non-cancellable Operating Leases the following asset/(liability) has been recognised:

Accrual as at 30 June

Opening balance	(67 030)	(28 504)
Operating lease payments effected	1 195 810	1 090 285
Operating expenses recorded	(1 212 973)	(1 128 811)
Total Operating Lease Assets/(Liabilities)	(84 193)	(67 030)

No restrictions have been imposed on the Municipality in terms of the operating lease agreements.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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9. Operating lease asset (accrual) (continued)

The Municipality as Lessor:

Leasing arrangements:

Operating Leases relate to Investment Property owned by the municipality with lease terms of between 5 to 50 years. The lessee does not have an option to purchase the property at the expiry of the lease period.

At the reporting date the following lease receipts were receivable under Non-cancellable Operating Leases for Property, Plant and Equipment, which are receivable as follows:

Up to 1 year	120 324	128 993
1 to 5 years	107 664	226 314
More than 5 years	1 942	3 616
	229 930	358 923

This impact of charging the escalations in operating leases on a straight-line basis over the term of the lease has resulted in an (decrease)/increase in current year's income of (R 143 821) (2022: R 66 737).

Operating leases are recognized on the straight-line basis over the lease term. In respect of non-cancellable Operating Leases the following asset/(liability) has been recognised:

No restrictions have been imposed on the Municipality in terms of the lease agreements.

Accrual as a 30 June

Opening balance	3 330	70 067
Operating lease payments received	(792 148)	(785 885)
Operating income recorded as revenue	649 330	719 148
Total Operating Lease Assets/(Liabilities)	(139 488)	3 330

10. VAT receivable

VAT	9 030 732	14 623 107
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For statutory receivable information regarding VAT refer to Note 4.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

11. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	96 186 623	(8 834 651)	87 351 972	94 158 786	(8 758 213)	85 400 573
Movable assets	140 798 348	(66 746 413)	74 051 935	124 253 237	(62 531 167)	61 722 070
Infrastructure	3 827 539 618	(1 925 767 249)	1 901 772 369	3 710 743 205	(1 864 865 385)	1 845 877 820
Community	257 661 906	(158 003 188)	99 658 718	254 546 742	(153 200 818)	101 345 924
Other assets	164 074 594	(115 261 175)	48 813 419	163 242 300	(113 159 406)	50 082 894
Total	4 486 261 089	(2 274 612 676)	2 211 648 413	4 346 944 270	(2 202 514 989)	2 144 429 281

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Other Transfers	Depreciation	Impairment loss	Total
Land	85 400 573	877 731	(471 238)	1 621 344	-	(76 438)	87 351 972
Movable assets	61 722 070	21 364 809	(1 390 002)	-	(7 644 942)	-	74 051 935
Infrastructure	1 845 877 820	142 832 182	(8 192 189)	-	(78 745 444)	-	1 901 772 369
Community	101 345 924	4 423 576	(522 807)	-	(5 587 975)	-	99 658 718
Other assets	50 082 894	832 294	-	-	(2 101 769)	-	48 813 419
Total	2 144 429 281	170 330 592	(10 576 236)	1 621 344	(94 080 130)	(76 438)	2 211 648 413

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

11. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Land	86 228 611	5 988 549	(83 588)	-	(6 732 999)	85 400 573
Movable assets	59 962 402	9 622 038	(905 149)	(6 957 221)	-	61 722 070
Infrastructure	1 787 699 463	145 048 550	(9 499 795)	(77 370 398)	-	1 845 877 820
Community	98 042 930	8 446 506	(6 321)	(5 137 191)	-	101 345 924
Other assets	40 197 405	11 157 379	-	(1 271 890)	-	50 082 894
	2 072 130 811	180 263 022	(10 494 853)	(90 736 700)	(6 732 999)	2 144 429 281

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	158 909 174	428 264	5 749 750	165 087 188
Additions/capital expenditure	139 682 558	4 371 343	4 082 779	148 136 680
Transferred to completed items	(76 990 562)	(3 934 647)	(3 170 660)	(84 095 869)
	221 601 170	864 960	6 661 869	229 127 999

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	93 650 722	4 324 492	19 763 744	117 738 958
Additions/capital expenditure	137 192 191	8 115 973	19 108 591	164 416 755
Transferred to completed items	(71 933 739)	(12 012 201)	(33 122 585)	(117 068 525)
	158 909 174	428 264	5 749 750	165 087 188

The description: Other Assets relates to the traditional line for Buildings.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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11. Property, plant and equipment (continued)

No Property, Plant and Equipment were retired from active use and held for disposal during the financial year. Compensation in the amount of R 39 299 (2022: R 169 540), included in Operating Surplus, was received from the municipality's insurers for Property, Plant and Equipment lost during the year. None of the above assets are pledged as security.

As per Note 42, Impairment losses on Property, Plant and Equipment to the amount of R 76 438 (2022: R 6 732 999) have been recognised in the operating surplus and are included in Impairment Losses in the Statement of Financial Performance.

The estimation of the useful lives of assets is a matter of judgement based on the municipality's experience with similar assets.

Expenditure to repair and maintain assets is disclosed in Note 46.

No projects with expenditure have been halted or delayed significantly.

Included in the total for Property, Plant and Equipment are assets that are separately attributable to the service concession arrangement between the municipality and West Coast District Municipality which has assumed the responsibility for the water distribution on behalf of the municipality. For details of the service concession arrangement refer to Note 57.

Contractual commitments for the acquisition of Property, plant and equipment are disclosed in Note 47.

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

12. Investment property

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	24 642 349	(3 805 367)	20 836 982	26 599 394	(3 768 273)	22 831 121

Reconciliation of investment property - 2023

	Opening balance	Disposals	Transfers	Impairments	Depreciation	Total
Investment property	22 831 121	(335 701)	(1 621 344)	(5 460)	(31 634)	20 836 982

Reconciliation of investment property - 2022

	Opening balance	Disposals	Depreciation	Total
Investment property	22 929 596	(66 841)	(31 634)	22 831 121

The municipality's Investment Properties are accounted for according to the cost model and therefore no fair value has been determined.

As per Note 42, impairment losses to the value of R - (2022: R -) have been recognised on Investment Property of the municipality at the reporting date. No construction projects were entered into for Investment Property during the year.

Expenditure to repair and maintain assets is disclosed in Note 46.

All of the municipality's Investment Properties are held under freehold interests and none had been pledged as security for any liabilities of the municipality. There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal. There are no contractual obligations on Investment Property.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
12. Investment property (continued)		
Amounts recognised in surplus or deficit		
Rental revenue from Investment property	62	309
From Investment property that generated rental revenue		
Direct operating expenses - investment property generating rental revenue	397 550	371 909
Direct operating expenses - investment property that do not generate rental revenue	2 756 934	2 932 396
	3 154 484	3 304 305

13. Non-living resources

Management only identified water resources as no other natural resources are prevalent within our jurisdiction.

The supply from Paardenberg Dam is to supplement the supply to Malmesbury, Abbotsdale, Kalbaskraal, Riverlands and Chatsworth from the Municipality's own local source. Three boreholes at Riverlands are also used as supplementary sources.

No liabilities or contingent liabilities arise due to the custodianship of the Perdeberg Dam. No resources were given up that resulted in compensation from third parties. The service concession arrangement is disclosed in note 57.

14. Payables from exchange transactions

Trade payables	42 661 523	61 271 741
Payments received in advanced	2 655 406	2 334 842
Retentions	15 481 782	15 022 692
Other payables	16 731 819	15 856 084
Staff leave	17 522 987	15 854 788
Other deposits	1 235 839	1 215 016
13th cheque accrual	7 202 987	6 590 777
	103 492 343	118 145 940

No interest is charged for the first 30 days from the date of receipt of the statement. Thereafter interest is charged in accordance with the credit policies of the various individual creditors that the municipality deals with. The municipality has financial risk policies in place to ensure that all payables are paid within the credit timeframe. The carrying value of trade and other payables approximates its fair value. Retentions are usually payable after a period of 12 months.

The municipality did not default on any payment of its Creditors. No terms for payment have been re-negotiated by the municipality. Discounting of trade and other payables on initial recognition is not deemed necessary.

15. Consumer deposits

Electricity and Water	17 845 831	16 449 628
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Guarantees amounting to R 975 490 (2022: R 795 490) are held in lieu of Electricity and Water Deposits.

Consumer deposits are paid by consumers on application for new water and electricity connections. The deposits are repaid when the water and electricity connections are terminated. In cases where consumers default on their accounts, the Council can utilise the deposit as payment for the outstanding account. No interest is paid on consumer deposits held.

The carrying value of consumer deposits approximates their fair value.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
16. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Community Development Workers	2 501	-
Community Safety: K9 Unit	-	107 485
Covid-19 - Food Parcels and Financial Support	75 000	75 000
Emergency Municipal Load-shedding Relief Grant	8 506 517	-
WC Financial Management Capability Grant: Internal Audit	418 031	-
WC Financial Management Capability Grant: Student Bursaries	161 420	21 420
Housing: Kalbaskraal	-	2 347
Housing: Riebeek Wes	-	65 393
Law Enforcement Reaction Unit Grant	-	1 329 139
Local Government Employment Support Grant	-	855 341
Education, Training and Development Practices (Seta)	138 559	-
Municipal Accreditation and Capacity Building	58 350	255 124
Swartland Business Hive (Entrepreneurial Hub)	-	360 400
Title Restoration: Housing Projects	-	140 197
	9 360 378	3 211 846

The Unspent Grants are cash backed. The municipality complied with the conditions applicable to all grants received to the extent of revenue recognised. No grants were withheld. The Unspent Conditional Grants and Receipts are invested in investment accounts until utilised.

See Note 29 for reconciliation of grants by other spheres of government and for Public Contributions (Other Receipts).

17. Other financial liabilities

At amortised cost

Annuity loans	90 850 978	99 485 174
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Summary of arrangements

Annuity Loans are repaid over periods varying from ten to twenty years (2022: ten to twenty years), and at interest rates varying from 8.61% to 10.96% (2022: 8.61% to 10.96%). Annuity Loans are not secured.

Included in the total for Borrowings are loans that are separately attributable to the service concession arrangement between the municipality and West Coast District Municipality which has assumed the responsibility for the bulk water distribution on behalf of the municipality. For details of the service concession arrangement refer to note 57.

Refer to Appendix A for more detail on long- term liabilities.

Non-current liabilities

At amortised cost	82 089 645	90 850 978
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Current liabilities

At amortised cost	8 761 333	8 634 196
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Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

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Figures in Rand	2023	2022
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18. Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

Carrying value

	74 582 000	74 092 000
Long Term: Post-Employment Health Care Benefit Liability	70 830 000	70 565 000
Current Portion: Post-Employment Health Care Benefit Liability	3 752 000	3 527 000
	13 308 000	13 197 000
Long Term: Long Service Awards	12 144 000	11 660 000
Short Term: Long Service Awards	1 164 000	1 537 000
	87 890 000	87 289 000
Non-current liabilities	82 974 000	82 225 000
Current liabilities	4 916 000	5 064 000
	87 890 000	87 289 000

Post-Employment Health Care Benefit Liability

The Municipality provides certain post-retirement medical benefits by funding the medical aid contributions of certain retired members of the Municipality. According to the rules of the medical aid funds, with which the municipality is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the Municipality is liable for a certain portion of the medical aid membership fee.

The most recent actuarial valuations of the present value of the unfunded defined benefit obligation were carried out as at 30 June 2023 by ARCH Actuarial Consulting, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. No other post retirement or long service benefits are provided by the municipality.

In-service members	339	316
In-service (non)-members	302	314
Continuation members	68	69
	709	699

During the current year the municipality revised its estimates to include a higher percentage of in-service non-members. Some employees that would previously not have been able to afford medical aid may indeed be able to afford such benefits in the future. The municipality estimates that 10% (2022: 10%) of employees currently not in a position to afford medical aid, may be able to join a scheme before retirement. The 10% potential joining rate was determined based on municipal history in conjunction with national data reviewed by the actuaries.

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

In-service members	32 366 000	31 644 000
In-service (non)-members	2 941 000	1 631 000
Continuation members	39 275 000	40 817 000
	74 582 000	74 092 000

Swartland Municipality

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18. Employee benefit obligations (continued)

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

- Bonitas
- Keyhealth
- LA Health
- Samwumed
- Sizwe Hosmed

The future service cost for the ensuing year is established to be R 2 548 000, whereas the interest-cost for the next year is estimated to be R 9 051 000 (2022: R 2 476 000 and R 8 541 000 respectively).

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	74 092 000	67 591 000
Benefits paid	(3 533 171)	(3 190 966)
Net expense recognised in the statement of financial performance	4 023 171	9 691 966
	74 582 000	74 092 000

Net expense recognised in the statement of financial performance

Current service cost	2 476 000	2 264 000
Interest cost	8 541 000	6 621 000
Actuarial (gains) losses	(6 993 829)	806 966
	4 023 171	9 691 966

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	12.44 %	11.80 %
Expected rate of return on assets	8.05 %	8.42 %
Net effective discount rate	4.06 %	3.12 %
Expected medical aid increases	6.55 %	6.92 %
Average retirement age	62	62

The history of experienced adjustments is as follows:

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	One percentage point increase	One percentage point decrease
30 June 2023		
Effect on the aggregate of the service cost and interest cost	12 892 000	9 506 000
Effect on defined benefit obligation	84 777 000	66 154 000
30 June 2022		
Effect on the aggregate of the service cost and interest cost	10 443 000	7 638 000
Effect on defined benefit obligation	84 809 000	65 303 000

Amounts for the current and previous four years are as follows:

	2023 R	2022 R	2021 R	2020 R	2019 R
Defined benefit obligation	74 582 000	74 092 000	67 591 000	57 570 000	60 793 441
Experience adjustments on plan liabilities	1 435 171	1 782 966	(1 518 108)	3 737 170	3 009 266

Swartland Municipality

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18. Employee benefit obligations (continued)

The municipality expects to make a contribution of R 3 752 000 (2022: R 3 527 000) to the defined benefit plans during the next financial year.

Refer to Note 58 "Multi- Employer Retirement Benefit Information" to the Annual Financial Statements for more information regarding the municipality's other retirement funds that are Provincially and Nationally administered.

Long Service Awards

A long-service award is granted to municipal employees after the completion of fixed periods of continuous service with the Municipality (which includes their uninterrupted service with the former local authorities amalgamated in December 2000 to become Swartland Municipality). The said award comprises a certain number of vacation leave days which, in accordance with the option exercised by the beneficiary employee, can be converted into a cash amount based on his/her basic salary applicable at the time the award becomes due or, alternatively, credited to his/her vacation leave accrual. The provision represents an estimation of the awards to which employees in the service of the Municipality at 30 June 2023 may become entitled to in future, based on an actuarial valuation performed at that date.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2023 by ARCH Actuarial Consulting, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

At year end, 77 (2022: 93) employees received Long-service Awards.

Eligible employees at the beginning of the year	631	616
New entrants	33	49
Members that exited	(23)	(34)
Eligible employees at the end of the year	641	631

The future service cost for the ensuing year is established to be R 1 112 000 whereas the interest-cost for the next year is estimated to be R 1 459 000 (2022: R 1 118 000 and R 1 395 000 respectively).

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	13 197 000	12 442 000
Benefits paid	(1 711 099)	(1 699 563)
Net expense recognised in the statement of financial performance	1 822 099	2 454 563
	13 308 000	13 197 000

Net expense recognised in the statement of financial performance

Current service cost	1 118 000	1 021 000
Interest cost	1 395 000	1 086 000
Actuarial (gains) losses	(690 901)	347 563
	1 822 099	2 454 563

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	11.45 %	11.21 %
Expected rate of salary increases	6.68 %	7.38 %
Net effective discount rate	4.47 %	3.56 %
Average retirement age	62	62

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18. Employee benefit obligations (continued)

The history of experience adjustments

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed general earnings inflation rates would have the following effects:

	One percentage point increase	One percentage point decrease
30 June 2023		
Effect on the aggregate of the service cost and interest cost	2 704 000	2 341 000
Effect on defined benefit obligation	14 134 000	12 557 000
30 June 2022		
Effect on the aggregate of the service cost and interest cost	2 274 000	1 958 000
Effect on defined benefit obligation	14 049 000	12 425 000

Amounts for the current and previous four years are as follows:

	2023 R	2022 R	2021 R	2020 R	2019 R
Defined benefit obligation	13 308 000	13 197 000	12 442 000	11 469 000	10 877 072
Experience adjustments on plan liabilities	94 099	(108 437)	534 101	897 263	47 103

19. Provisions

Reconciliation of provisions - 2023

	Opening Balance	Utilised during the year	Change in discount factor	Reduction due to re- measurement or settlement without cost to entity	Total
Landfill Site	51 156 085	-	5 475 006	1 855 785	58 486 876
Legal proceedings	370 000	(370 000)	-	-	-
	51 526 085	(370 000)	5 475 006	1 855 785	58 486 876

Reconciliation of provisions - 2022

	Opening Balance	Additions	Change in discount factor	Reduction due to re- measurement or settlement without cost to entity	Total
Landfill Site	41 548 259	-	4 683 435	4 924 391	51 156 085
Legal proceedings	-	370 000	-	-	370 000
	41 548 259	370 000	4 683 435	4 924 391	51 526 085

Non-current liabilities	58 486 876	51 156 085
Current liabilities	-	370 000
	58 486 876	51 526 085

Swartland Municipality

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19. Provisions (continued)

Legal Proceedings:

The plaintiff, Paulus Smit N.O. instituted an application to WC High Court for order directing the municipality to, inter alia erect a wall between Mr Smit's farm property and that of the Municipality. Judgement was delivered on 23 August 2019 with the municipality having to pay R370 000 as a final contribution to the erection of a wall by the applicant. Payment is contingent on the wall being erected with Swartland contributing the final payment to enable the completion of such works. The wall has not yet been erected and no building plans have been submitted for such a wall to be erected. Therefore the amount is deemed a provision as the conditions for payment has not yet been met. Following a new notice and sommons in the High Court of the Western Cape on 22 August 2022, the municipality made a payment of R370 000 on 15 September 2022. Such payment is conditional and as such, is included under the contingent assets (Note 48). Details of the new matter is also included under contingent liabilities.

Environmental rehabilitation provision

In terms of the licencing of the landfill refuse sites, the municipality will incur licensing and rehabilitation costs of R 58 486 876 (2022: R51 156 087) to restore the sites at the end of their useful lives. Provision has been made for the net present value of the future cost, using rates below as per similar Government Bond periods and the average Consumer Price Index from June to May.

Sites 2023	Proposed Rehabilitation Date	Size (Square Meters)	Current Costs per Square	2023 Provision	2022 Provision
Darling	2038/2039	32 717	957	11 990 572	11 220 845
Highlands	2037/2038	96 456	185	7 414 840	6 824 715
Koringberg (*)	2025/2026	4 500	1 681	6 770 909	4 447 134
Moorreesburg	2033/2034	28 100	744	11 817 123	10 498 445
Riebeek Kasteel	2026/2027	22 118	860	16 414 073	14 393 895
Yzerfontein	2027/2028	27 400	179	4 079 359	3 771 051
				58 486 876	51 156 085

Each year, the landfill sites are reviewed in terms of size, available capacity and other environmental factors. Each of the factors have an impact on the valuation at year-end. The following key factors were considered:

Sites	Years until rehabilitation 2023	Years until rehabilitation 2022	Discount rate 2023	Discount rate 2022
Darling	16	16	11.73 %	11.33 %
Highlands	15	16	11.58 %	11.33 %
Koringberg (*)	3	4	9.17 %	7.97 %
Moorreesburg	11	11	10.83 %	10.81 %
Riebeek Kasteel	4	5	9.18 %	8.90 %
Yzerfontein	5	6	9.19 %	9.23 %

Sites	Size 2023	Size 2022	Rate per Square 2023	Rate per Square 2022	% Change in rate/square
Darling	32 717	32 717	957	862	11.04 %
Highlands	96 456	96 456	185	178	4.25 %
Koringberg (*)	4 500	4 500	1 681	1 101	52.68 %
Moorreesburg	28 100	28 100	744	668	11.38 %
Riebeek Kasteel	22 118	22 118	860	777	10.72 %
Yzerfontein	27 400	27 400	179	173	3.29 %

Swartland Municipality

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Figures in Rand 2023 2022

19. Provisions (continued)

Sites	Opening Balance	Interest Expense	Market related adjustments (capitalised)	Total
Darling	11 220 845	1 258 592	(488 865)	11 990 572
Highlands	6 824 715	769 565	(179 440)	7 414 840
Koringberg (*)	4 447 134	568 918	1 754 857	6 770 909
Moorreesburg	10 498 445	1 154 255	164 423	11 817 123
Riebeek Kasteel	14 393 895	1 380 335	639 843	16 414 073
Yzerfontein	3 771 051	343 341	(35 033)	4 079 359
	51 156 085	5 475 006	1 855 785	58 486 876

20. Statutory fund: Housing development

The Housing Development Fund has its origin from Loans extinguished by Government on 1 April 1998 and the net of housing transactions appropriated to the fund thereafter. No separate Unappropriated Surplus Account for housing transactions was kept.

The Housing Development Fund is represented by Housing Selling Scheme Loans (see Note 7).

Housing Development Fund	-	1 003
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Analysis of the composition of the Housing Development Fund:

Housing Development Fund		
Loans extinguished by Government on 1 April 1998	-	1 003

21. Reserves: Capital Replacement

The Capital Replacement Reserve is a reserve to finance future capital expenditure, is fully funded and invested in Financial Instruments.

Balance at the beginning of the year	266 156 243	210 227 857
Contribution from accumulated surplus	90 202 918	180 487 405
Capital contributions received	1 706 706	3 488 994
Funding capital projects	(98 805 586)	(128 048 013)
	259 260 281	266 156 243

22. Accumulated surplus

Accumulated surplus generated from operations	2 486 549 461	2 341 440 451
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Accumulated Surplus has been restated to correctly classify amounts held by the municipality. Refer to Note 59 "Correction of Error" for details of the restatements.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
23. Service charges		
Sale of electricity	361 186 362	365 788 719
Sale of water	82 372 082	77 992 981
Sewerage and sanitation charges	49 885 270	46 277 712
Refuse removal	29 647 053	26 543 149
Less revenue foregone	-	(92 621)
	523 090 767	516 509 940

Revenue foregone pertains to free units of water provided to all citizens as part of the municipal efforts to reduce the economical impact that COVID 19 had on our citizens.

24. Interest received

Interest revenue

Interest earned - Investments	50 987 485	31 553 003
Bank account	7 950 622	3 818 319
Outstanding debtors: Exchange receivables	2 808 778	1 813 127
Interest earned - Land sales	1 198	117 990
	61 748 083	37 302 439

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
25. Operational revenue		
Sale of goods and rendering of services		
Advertisements	363 956	452 789
Application Fees for Land Usage	139 129	79 587
Building Plan Approval	3 320 363	3 546 746
Bulk Waste Dumping	1 204 216	1 080 583
Camping Fees	3 687 660	3 479 589
Cemetery and Burial	818 777	1 035 602
Cleaning and Removal	372 730	384 060
Clearance Certificates	352 744	389 423
Encroachment Fees	590	590
Entrance Fees	550 497	742 597
Escort Fees	145 210	44 096
Housing (Boarding Services) - Staff	117 931	118 192
Occupation Certificates	378 819	462 331
Photocopies and Faxes	137 008	104 993
Removal of Restrictions	340 726	365 449
Sewerage Blockages	384 764	372 287
Rendering of Fire Services	10	12
Sub-division and Consolidation Fees	131 250	146 174
Tender Documents	45 095	75 203
Town Planning and Servitudes	17 980	27 522
Valuation Services	181 370	185 001
Other operational revenue		
Administrative Handling Fees	70 516	74 497
Application: Service Connections	619 836	487 392
Breakages and Losses Recovered	53 182	60 691
Bad debts recovered	479 080	248 082
Housing Selling Schemes	1 394	1 394
Sundry income and cash surpluses	32 454	24 920
Insurance Refund	96 879	195 697
Merchandising, Jobbing and Contracts	71 871	107 011
Other Fees	2 596	4 367
Registration Fees - Road and Transport	306 161	257 378
Transaction Handling Fees	110 217	107 446
Debt Forgiveness	595 513	1 015 827
	15 130 524	15 677 528
26. Rental of facilities and equipment		
Premises		
Rental Revenue from buildings	596 342	567 859
Garages and parking		
Rental Revenue from halls	308 855	147 987
Facilities and equipment		
Rental of equipment	684 784	706 397
	1 589 981	1 422 243

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
27. Availability charges		
Electricity	3 430 130	3 597 937
Water	1 769 432	1 884 020
Refuse	3 123 396	3 191 386
Sewerage and sanitation charges	2 566 437	2 678 207
	10 889 395	11 351 550

28. Property rates

Rates received

Residential	87 985 903	80 778 589
Commercial	14 009 683	12 852 038
State	9 986 071	9 252 162
Vacant land	8 962 551	9 575 998
Farm Properties: Agricultural Purposes	22 526 333	21 334 315
Industrial	8 559 405	8 036 018
Rural: Business	2 045 992	1 820 773
Less: Revenue forgone	(1 959 068)	(2 164 127)
	152 116 870	141 485 766

Valuation of properties (R'000)

Rates Category	Rate 2023	Rate 2022	Valuation 2023	Valuation 2022
Residential	0.5624	0.5631	16 883 017	16 265 901
Commercial	0.8203	0.7702	2 087 276	2 070 335
State	0.8203	0.7702	1 590 626	1 542 208
Vacant land	0.7575	0.7221	1 318 205	1 525 794
Farm properties: Agricultural purposes	0.1406	0.1340	13 637 704	13 582 234
Industrial	0.8203	0.7702	966 234	958 034
			36 483 062	35 944 506

A statutory rebate of 75 % (2021/2022: 75%) was granted on agricultural land. An exemption of R 15 000 on the value of the property is granted to residential property owners. A further R 300 000 (2021/2022: R 300 000) discount on the market value of the property, over and above the aforementioned R 15 000 is granted on the value of the property for residents 60 years and older on condition that they occupy the premises. Some additional relief was provided to qualifying consumers in order to assist families in need.

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
29. Government grants and subsidies		
Operating grants		
Equitable Share	126 228 000	108 796 000
Capital grants		
Community Development: Workers	35 499	38 000
Community Safety: K9 Unit	2 527 485	5 837 878
Education, Training and Development Practices (Seta)	861 795	431 092
Municipal Energy Resilience Grant	-	400 000
Extended Public Works Programme	1 873 000	1 832 000
WC Financial Management Capability Grant: Student Bursaries	160 000	228 580
Housing Project: Darling	2 615 230	143 378
Housing Project: Kalbaskraal	-	989 480
Housing Project: Malmesbury De Hoop	-	5 300 947
Housing Project: Riebeek Kasteel	-	1 806 690
Housing Project: Sibanye-Moorreesburg	900 000	-
Housing: Riebeek Wes	-	674 632
Integrated National Electrification Programme	17 600 000	8 355 000
Library service	11 623 000	11 401 000
Local Government Employment Support Grant	855 341	844 659
Local Government Financial Management Grant	1 550 000	1 550 000
Municipal Accreditation and Capacity Building	196 774	252 876
Law Enforcement Reaction Unit Grant	5 329 139	884 861
Municipal Infrastructure Grant	33 810 000	26 301 000
Municipal Energy Resilience Grant	2 438 483	-
Municipal Water Resilience Grant	600 000	-
Proclaimed Roads Subsidies	4 470 000	175 000
Non-motorised Transport Grant	-	1 282 153
Regional Socio-Economic Project (RSEP)	1 200 000	-
Sports Development Grant	-	982 684
	88 645 746	69 711 910
	214 873 746	178 507 910

No funds destined for the municipality in terms of the annual Division of Revenue Act were delayed, withheld or withdrawn.

The municipality complied with the grant terms including the requirements of section 214(1) of the Constitution.

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Community Development: Workers

Balance unspent at beginning of year	-	54 074
Current-year receipts	38 000	38 000
Conditions met - transferred to revenue	(35 499)	(38 000)
Other	-	(54 074)
	2 501	-

Conditions still to be met - remain liabilities (see note 16).

Funds made available for sundry expenditure and stationery for workers, under the control of the Municipality but remunerated by PAWC.

Swartland Municipality

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Figures in Rand	2023	2022
29. Government grants and subsidies (continued)		
Community Safety: K9 Units		
Balance unspent at beginning of year	107 485	1 092 363
Current-year receipts	2 420 000	4 853 000
Conditions met - transferred to revenue	(2 527 485)	(5 837 878)
	-	107 485

Conditions still to be met - remain liabilities (see note 16).

Funds are for the establishment of a dog unit for detecting drugs.

COVID 19 - Food Parcels and Financial Support

Balance unspent at beginning of year	75 000	75 000
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Conditions still to be met - remain liabilities (see note 16).

Special government allocations received in order to assist those in need following the Covid-19 national lockdown. The balance remaining is expected to be refunded to the public during the 2023/24 financial year.

The unspent funds will be repaid to the funders during 2023/24.

Non-motorised Transport Grant

Current-year receipts	-	1 282 153
Conditions met - transferred to revenue	-	(1 282 153)
	-	-

Funds are utilised to build and improve the municipal pavement network.

Education, Training and Development Practices (Seta)

Current-year receipts	1 000 353	431 092
Conditions met - transferred to revenue	(861 794)	(431 092)
	138 559	-

Conditions still to be met - remain liabilities (see note 16).

Training of officials as well as unemployed persons utilised on projects under control of the Municipality.

The unspent portion relates to students in training for which the project is only expected to draw to a close in 2023/24.

Municipal Energy Resilience Grant

Current-year receipts	-	400 000
Conditions met - transferred to revenue	-	(400 000)
	-	-

The funding supported the municipality to update its Masterplan for electricity.

Swartland Municipality

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29. Government grants and subsidies (continued)

Extended Public Works Programme

Current-year receipts	1 873 000	1 832 000
Conditions met - transferred to revenue	(1 873 000)	(1 832 000)
	-	-

The grant is to enable the Municipality to create jobs.

Local Government Employment Support Grant

Balance unspent at beginning of year	855 341	-
Current-year receipts	-	1 700 000
Conditions met - transferred to revenue	(855 341)	(844 659)
	-	855 341

Conditions still to be met - remain liabilities (see note 16).

The grant is to enable the Municipality to create jobs.

Municipal Water Resilience Grant

Current-year receipts	600 000	-
Conditions met - transferred to revenue	(600 000)	-
	-	-

The funds are to enable the Municipality to investigate and implement water savings initiatives..

Emergency Municipal Load-shedding Relief Grant

Current-year receipts	10 945 000	-
Conditions met - transferred to revenue	(2 438 483)	-
	8 506 517	-

Conditions still to be met - remain liabilities (see note 16).

The grant is for the Municipality to investigate and implement alternative energy solutions.

WC Financial Management Capability Grant: Student Bursaries

Balance unspent at beginning of year	21 420	151 825
Current-year receipts	300 000	250 000
Conditions met - transferred to revenue	(160 000)	(228 580)
Repayment to funder	-	(151 825)
	161 420	21 420

Conditions still to be met - remain liabilities (see note 16).

Municipal bursary programme that enable municipalities to attract top performing learners and learners with potential to succeed in Higher Education Institutions (HEI) in the areas such as finance, economics, accounting, supply chain management, internal audit, risk management, infrastructure, etc.

Swartland Municipality

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29. Government grants and subsidies (continued)

WC Financial Management Capability Grant: Internal Audit

Current-year receipts	418 031	-
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Conditions still to be met - remain liabilities (see note 16).

The purpose of the grant is to implement a systematic and formalised process to identify, assess, manage and monitor risks by acquiring, configuring and utilising a Risk Management automated electronic system.

Housing Project: Kalbaskraal

Balance unspent at beginning of year	2 347	498 263
Current-year receipts	-	991 827
Conditions met - transferred to revenue	-	(989 480)
Refunded to funder	(2 347)	(498 263)
	-	2 347

Conditions still to be met - remain liabilities (see note 16).

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Housing Project: Darling

Current-year receipts	2 615 230	143 378
Conditions met - transferred to revenue	(2 615 230)	(143 378)
	-	-

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Housing Project: Malmesbury De Hoop

Construction contracts - Balance unspent at beginning of year	3 702 535	-
Current-year receipts	-	5 300 947
Conditions met - transferred to revenue	-	(5 300 947)
Construction contracts - Collections	13 765 762	44 166 005
Construction contracts - Transfer of Assets	(17 388 777)	(40 463 470)
Construction contracts - Closing Balance	(79 520)	(3 702 535)
	-	-

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Construction contracts, Operational Revenue and disclosure pertaining to Agents are disclosed in Notes 6, 25 and 56.

Housing Project: Riebeeck Kasteel

Current-year receipts	-	1 806 690
Conditions met - transferred to revenue	-	(1 806 690)
	-	-

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Construction contracts, Operational Revenue and disclosure pertaining to Agents are disclosed in Notes 6, 25 and 56.

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
29. Government grants and subsidies (continued)		
Housing: Riebeek Wes		
Balance unspent at beginning of year	65 393	1 166 963
Current-year receipts	-	740 025
Conditions met - transferred to revenue	-	(674 632)
Repayment to funder	(65 393)	(1 166 963)
	-	65 393

Conditions still to be met - remain liabilities (see note 16).

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Housing Project: Sibanye-Moorreesburg

Balance unspent at beginning of year	-	11 542
Conditions met - transferred to revenue	900 000	-
Repayment to funder	-	(11 542)
Transferred to debtors (Sundry Receivables - Non-exchange receivables)	(900 000)	-
	-	-

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Integrated National Electrification Programme

Current-year receipts	17 600 000	8 355 000
Conditions met - transferred to revenue	(17 600 000)	(8 355 000)
	-	-

Funds made available for the electrical network to the proposed area where low cost houses are build and the electrification of these houses.

Libray service

Current-year receipts	11 623 000	11 401 000
Conditions met - transferred to revenue	(11 623 000)	(11 401 000)
	-	-

Conditions still to be met - remain liabilities (see note 16).

Grant provided for the partial funding of the operational and capital costs of libraries in the area under the jurisdiction of the Swartland Municipality.

Local Government Financial Management Grant

Current-year receipts	1 550 000	1 550 000
Conditions met - transferred to revenue	(1 550 000)	(1 550 000)
	-	-

The purpose of the grant is to enable the Municipality to modernise and improve its financial management activities entailing, among others, capacity building, the implementation of municipal finance management legislation and regulating policies and compliance with generally accepted municipal accounting practices.

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
29. Government grants and subsidies (continued)		
Municipal Accreditation and Capacity Building		
Balance unspent at beginning of year	255 124	61 015
Current-year receipts	255 124	508 000
Conditions met - transferred to revenue	(196 774)	(252 876)
Refunded to funder	(255 124)	(61 015)
	58 350	255 124

Conditions still to be met - remain liabilities (see note 16).

Funds received for the remuneration of an intern for the Department of Community Services.

Municipal Infrastructure Grant

Current-year receipts	33 810 000	26 301 000
Conditions met - transferred to revenue	(33 810 000)	(26 301 000)
	-	-

Funds utilised for the upgrading of existing infrastructure in its area of jurisdiction and/or the erection / construction of new amenities required for service delivery and the development of sport.

Proclaimed Roads Subsidies

Current-year receipts	4 470 000	175 000
Conditions met - transferred to revenue	(4 470 000)	(175 000)
	-	-

Expenditure incurred by the Municipality in connection with the maintenance of proclaimed main roads falling under the jurisdiction of the Municipality, in accordance with a budget approved by the PAWC, which costs are partly recoverable from the Administration.

Regional Socio-Economic Project (RSEP)

Current-year receipts	1 200 000	-
Conditions met - transferred to revenue	(1 200 000)	-
	-	-

Funds received from PAWC for the social upliftment in lower income areas to improve living conditions and combat crime.

Law Enforcement Reaction Unit Grant

Balance unspent at beginning of year	1 329 139	-
Current-year receipts	4 000 000	2 214 000
Conditions met - transferred to revenue	(5 329 139)	(884 861)
	-	1 329 139

Conditions still to be met - remain liabilities (see note 16).

Funds received from PAWC for establishment of a law enforcement reaction unit.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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29. Government grants and subsidies (continued)

Sports Development Grant

Current-year receipts	-	982 684
Conditions met - transferred to revenue	-	(982 684)
	-	-

Funds received for the enhancement of existing sports grounds.

Standard Contribution: Top Achievers Award

Current-year receipts	25 000	-
Conditions met - transferred to revenue	(25 000)	-
	-	-

Funds received Standard Bank to recognise Top Academic Achievers at local schools.

Title Restoration: Housing Projects

Balance unspent at beginning of year	140 197	140 197
Refunded to funder	(140 197)	-
	-	140 197

Conditions still to be met - remain liabilities (see note 16).

Funds utilised for the title deed restoration for owners of low cost housing.

Swartland Business Hive (Entrepreneurial Hub)

Balance unspent at beginning of year	360 400	302 900
Current-year receipts	-	57 500
Conditions met - transferred to revenue	(360 400)	-
	-	360 400

Conditions still to be met - remain liabilities (see note 16).

Public and provincial contributions (donations) for the establishment and enhancement of entrepreneurs.

This is considered a public contribution rather than a grant as the funding source is not the Division of Revenue Act.

Public Contribution: Swartland Water Week

Current-year receipts	7 000	-
Conditions met - transferred to revenue	(7 000)	-
	-	-

A private funder made a contribution to the prizes issued during the school visits to educate learners and their families to save water.

This is considered a public contribution rather than a grant.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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29. Government grants and subsidies (continued)

Sondeza

Current-year receipts	23 000	-
Conditions met - transferred to revenue	(23 000)	-
	-	-

Funding was received for the sponsorship of a youth event.

This is considered a public contribution rather than a grant.

Contribution: SANRAL

Current-year receipts	7 447 102	980 250
Conditions met - transferred to revenue	(10 832 672)	(980 250)
Transferred to debtors (Sundry Receivables - Non-exchange receivables)	3 385 570	-
	-	-

SANRAL is making a contribution to the upgrading of sidewalks within the municipal jurisdiction.

This is considered a public contribution rather than a grant as the funding source is not the Division of Revenue Act.

Reconciliation of grant allocation expenditure (conditions met - transferred to revenue) per vote (MFMA s123(c))

Vote 1 - Corporate Services	12 649 715	12 060 672
Vote 2 - Civil Services	44 041 904	29 585 496
Vote 4 - Electricity Services	17 600 000	8 755 000
Vote 5 - Financial Services	1 550 000	3 382 000
Vote 6 - Development Services	22 677 416	49 669 473
Vote 8 - Protection Services	7 856 624	6 722 739
	106 375 659	110 175 380

The above revenue were recognised as follows:

Construction contracts	17 729 913	40 463 470
Government grants and subsidies	88 645 746	69 711 910
	106 375 659	110 175 380

30. Fines, Penalties and Forfeits

Building Fines	134 931	142 622
Councillors Fines	652	870
Deposits	9 997	12 422
Illegal Connections	62 757	23 550
Library Abbotsdale	308	949
Library Chatsworth	315	634
Library Darling	1 711	4 045
Library Malmesbury	2 095	4 540
Library Moorreesburg	3 021	5 153
Library Riebeek Kasteel	870	2 165
Library Riebeek Wes	1 739	2 609
Library Wesbank	2 164	5 244
Traffic Fines	34 471 600	27 659 200
	34 692 160	27 864 003

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
31. Licences and permits (non-exchange)		
Application: Driver Licenses	655 563	632 946
Application: Instruction Certificate	1 578	1 722
Application: Learner Licenses	241 848	239 482
Application: Special Permits	56 654	40 944
Application: Temporary Permits	188 286	134 970
Drivers Licenses: Issue	455 647	423 555
Drivers Licenses: Temporary	124 204	94 582
Film Shooting	252 217	92 409
Instruction Certificates: Issue	115	258
Learners License: Duplicate	4 104	5 311
Learners License: Issue	70 306	69 933
Licenses: Deregistration, Special and Other	32 750	33 650
Licenses: Trading	1 006	793
Professional Driver Permits	153 812	129 673
Registrations Vehicles	2 733 609	2 650 560
Registrations: Duplicate	115 830	135 630
	5 087 529	4 686 418
32. Vesting of properties and equipment		
Vesting of properties	344 500	481 000
Vesting of equipment	388 465	206 032
	732 965	687 032
33. Employee related costs		
Employee related costs - Salaries and Wages	172 372 343	158 930 922
Employee related costs - Contributions for UIF, pensions, medical aids and other contributions	49 198 593	44 451 352
Bonuses: 13th cheque	13 049 688	12 213 714
Contribution to leave gratuity	2 641 802	2 045 677
Housing benefits and allowances	1 165 523	1 013 773
Overtime payments	18 530 854	15 851 773
Performance bonus	249 636	279 520
Travel, motor car, accommodation and other allowances	23 324 459	21 076 572
Contribution to provision for post- retirement medical aid benefits	4 023 171	9 691 966
Contribution to long-service provision	1 822 099	2 323 003
	286 378 168	267 878 272
Remuneration of Municipal Manager		
Annual Remuneration	1 353 890	1 484 371
Car Allowance	96 000	170 167
Performance Bonuses	249 636	279 520
Contributions to UIF, Medical and Pension Funds	368 799	404 278
Cellphone Allowance	40 800	40 800
Leave Pay	-	479 177
Long Service Award	-	199 657
	2 109 125	3 057 970

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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33. Employee related costs (continued)

Remuneration of Chief Finance Officer

Annual Remuneration	1 313 904	1 241 547
Car Allowance	60 000	68 000
Contributions to UIF, Medical and Pension Funds	350 012	328 162
Cellphone Allowance	40 800	40 800
Leave Pay	66 684	63 570
	1 831 400	1 742 079

Remuneration of Director: Corporate Services

Annual Remuneration	1 342 747	1 269 773
Car Allowance	60 180	60 179
Cellphone Allowance	40 800	40 800
Contributions to UIF, Medical and Pension Funds	323 209	313 841
Leave Pay	66 684	-
	1 833 620	1 684 593

Remuneration of Director: Civil Engineering Services

Annual Remuneration	1 284 025	1 218 488
Car Allowance	96 000	96 000
Contributions to UIF, Medical and Pension Funds	329 312	309 569
Cellphone Allowance	40 800	40 800
Leave Pay	66 684	-
	1 816 821	1 664 857

Remuneration of Director: Electrical Engineering Services (Former)

Annual Remuneration	105 449	1 186 179
Car Allowance	12 345	148 139
Cellphone Allowance	3 400	40 800
Contributions to UIF, Medical and Pension Funds	177	156 730
Bonuses: 13th Cheque	6 628	79 535
Leave Pay	15 893	518 092
	143 892	2 129 475

The former director was employed permanently until 31 December 2021. From 1 January 2022 until 31 July 2022 he was appointed on a contract basis.

Remuneration of Director: Electrical Engineering Services (Current)

Annual Remuneration	979 064	-
Car Allowance	55 000	-
Contributions to UIF, Medical and Pension Funds	210 219	-
Cellphone Allowance	35 864	-
	1 280 147	-

The current director's engagement date is 15 August 2022.

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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33. Employee related costs (continued)

Remuneration of Director: Development Services

Annual Remuneration	1 252 020	1 186 436
Car Allowance	120 000	120 000
Contributions to UIF, Medical and Pension Funds	335 437	315 550
Cellphone Allowance	40 800	40 800
Leave Pay	66 685	63 570
	1 814 942	1 726 356

Remuneration of Director: Protection Services

Annual Remuneration	1 149 579	1 076 845
Car Allowance	228 000	228 000
Contributions to UIF, Medical and Pension Funds	315 985	298 795
Cellphone Allowance	40 800	40 800
Leave Pay	66 685	63 570
Bonuses: 13th Cheque	74 796	74 795
	1 875 845	1 782 805

Aggregate remuneration to management

Annual Remuneration	8 780 678	8 663 638
Bonuses: 13th Cheque	81 424	154 331
Car Allowance	727 525	890 485
Cellphone Allowance	284 064	285 600
Contributions to UIF, Medical, Group Life and Pension Funds	2 233 150	2 126 925
Leave Pay	349 315	1 187 978
Long Service Award	-	199 657
Performance Bonus	249 636	279 520
	12 705 792	13 788 134

34. Remuneration of councillors

Executive Mayor	773 056	707 292
Deputy Executive Mayor	680 671	626 583
Mayoral Committee Members	2 164 368	2 010 416
Speaker	473 609	460 479
Councillors	4 273 486	4 196 246
Councillors' - travelling allowances	810 603	921 968
Councillors' - cellular and telephone	993 600	938 754
Councillors' - pension contribution	901 326	933 434
Councillors' - medical aid contribution	154 284	134 024
	11 225 003	10 929 196

In-kind benefits

The Councillors occupying the positions of Executive Mayor, Deputy Executive Mayor, Speaker and Executive Mayoral Committee Members of the Municipality serve in a full-time capacity. They are provided with office accommodation and secretarial support at the expense of the Municipality in order to enable them to perform their official duties.

35. Bulk purchases

Electricity - Eskom	289 451 395	292 404 602
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Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
35. Bulk purchases (continued)		
Bulk Purchases are the cost of commodities not generated by the municipality, which the municipality distributes in the municipal area for resale to the consumers. Electricity is purchased from Eskom.		
Distribution losses are disclosed in Note 61.		
36. Contracted services		
Outsourced Services		
Alien Vegetation Control	72 000	147 544
Burial services	8 278	1 700
Business and financial management	233 004	35 200
Catering services	747 243	495 709
Cleaning Services	105 521	256 850
Clearing and Grass Cutting Services	31 500	51 596
Commissions and committees	14 760	42 715
Dumping site	7 781 923	5 952 052
Electrical	460 751	448 213
Hygiene services	82 307	90 035
Litter picking and street cleaning	5 892 495	5 237 100
Sewerage	666 432	512 073
Meter management	8 124	45 188
Mini dumping sites	225 205	905 281
Occupational Health and Safety	-	3 440
Outsourced Services: Researcher	-	129 130
Quality control	198 012	233 380
Professional Staff	34 836	31 036
Refuse Removal	1 708 751	1 716 266
Research and advisory	2 957 369	2 970 858
Security services	2 100 705	2 244 826
Stage and sound crew	12 400	-
Swimming supervision	35 100	31 860
Traffic fine management	3 221 163	3 043 065
Translators, scribes and editors	96 756	74 025
Transport Services	302 050	283 200
Consultants and Professional Services		
Business and Advisory	138 000	108 000
Audit Committee	81 660	70 125
Business and Financial Management	1 715 899	967 269
Civil engineering	1 998 460	1 484 793
Electrical engineering	740 339	444 310
Geodetic, Control and Surveys	265 540	291 758
Human Resources	399 482	70 634
Laboratory Services	179 282	248 377
Risk Management	13 500	6 500
Town Planner	855 574	820 646
Valuer and assessors	1 478 429	536 762
Contractors		
Artists and performers	4 613	3 250
Communications	31 840	-
Construction of Low Cost Housing	22 247 628	35 610 619
Employee wellness	59 683	91 574
Fire Protection	58 605	80 632
Forestry	366 708	399 041
Gardening Services	39 682	67 666
Harbour services	230 400	223 200
Legal costs	1 081 042	1 300 805
Maintenance of Assets	17 376 316	14 073 065

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
36. Contracted services (continued)		
Maintenance of Buildings and Facilities	3 924 733	3 918 500
Maintenance of Equipment	6 065 285	5 131 026
Management of Informal Settlements	10 197	1 797
Medical Services	1 701	50 163
Organic and Building Refuse Removal	495 257	249 200
Pest control and fumigation	35 535	29 258
Qualification verification	15 988	9 381
Town Beautification	300	-
Traffic and Street Lights	102 154	66 568
Transportation	9 108	13 507
	87 019 625	91 350 768

Certain comparative figures have been reclassified to ensure comparability.

37. Depreciation and amortisation

Property, plant and equipment	94 080 130	90 736 700
Investment property	31 634	31 634
Intangible assets	69 006	191 824
	94 180 770	90 960 158

38. Finance costs

Unwinding of interest for provisions	5 475 006	4 683 435
Other financial liabilities	10 180 381	11 054 815
	15 655 387	15 738 250

39. Grants and subsidies paid

Non-profit institution

Bergrivier Canoe Marathon	30 000	30 000
Darling Wildflower Society	52 400	50 000
National Sea Rescue Institute	34 795	33 201
SPCA	325 795	310 873
Yzerfontein Conservancy	79 309	75 677

Museums

Darling	90 000	58 040
Malmesbury	60 826	58 040
Oude Kerk	60 826	58 040
Wheat Industry	60 826	58 040

Tourism

Swartland and Coastal Area	1 500 000	1 000 000
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* Social upliftment

Darling Focus	48 805	46 570
Elkana Childcare	54 907	52 392
HUB R27	11 272	25 256
Huis van Heerde	107 727	101 585
Jo Dolphin	61 006	58 212
Multi-Purpose Centre: Moorreesburg	73 208	69 855
Night Shelter	30 504	29 107
Old Age Homes	1 378 905	1 430 895
Student Bursaries	160 000	228 580
Top Achievers Award: Grade 12	24 475	-
	4 245 586	3 774 363

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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39. Grants and subsidies paid (continued)

Due to the need in the Swartland Municipal area for expert services and resources to support effective domestic animal management initiatives and controls, for which the Municipality does not have the resources, it is deemed necessary, from a perspective of serving the community, for the Municipality to contribute financially towards the operational costs of the SPCA.

The National Sea Rescue Institute (NSRI) is a non-profit organisation dedicated to the preservation of all persons at sea. Their members provide their services on a voluntary basis and the organisation is dependent on donations and sponsorship from the public. The NSRI operates a base from Yzerfontein providing a rescue service to the commercial and recreational fishing boats as well as bathers in the vicinity. Financial assistance by the Municipality is intended to enable the organisation to fund some of its operations as the Municipality cannot offer this essential service.

The Yzerfontein Urban Conservancy and Darling Wildflower Society came into being to preserve and promote, on a voluntary basis, the conservation of the environment and heritage in, specifically, the sensitive coastal region within the boundaries of the Yzerfontein and Darling regions. Financial assistance by the Municipality is intended to enable the Organisation to fund its programmes.

Museums generally do not generate sufficient income from own resources, and are therefore dependent on financial aid from the public and organisations to meet their financial needs and obligations. The Municipality, consequently regards it appropriate to contribute financially to this end.

A financial contribution was made by the municipality to support the Swartland Tourism structure/body in a bid to facilitate and market the region as a tourism destination adding to the local economy. Similarly, a contribution is made to the Bergriver Canoe Marathon as the event promotes tourism in the area.

The aim of * Social Upliftment organisations entails the social upliftment of the poor and disadvantaged section of the community. Financial aid by the Municipality to these organisations, as well as assistance in counselling and advisory services, is intended to enable them to fulfil the said aim.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
40. Operational cost		
Advertising, publicity and marketing	1 544 187	1 946 170
Assets less than the capitalisation threshold	244 309	341 775
Bank Charges, facility and card fees	308 906	345 104
Bank charges, fleet cards	1 371 936	1 235 940
Cleaning services: Car valet and washing services	1 840	1 840
Cleaning services: Laundry services	1 331	-
Commission: Prepaid electricity	1 371 971	1 392 183
Commission: Third party vendors	541 780	580 025
Communication: Bulk message service	136 584	79 438
Communication: Cellular contract (Subscription and calls)	16 862	9 790
Communication: Licences (Radio and television)	2 725	22 665
Communication: Postage/Stamps/Frinking machines	1 265 377	1 251 396
Communication: Telephone, fax, telegraph and telex	681 635	674 451
Conferences and seminars	-	150 000
Deeds	44 851	42 195
Entertainment: Mayor	13 767	36 258
Entrance fees	56 192	-
External audit fees	3 000 991	2 275 197
External computer service	7 070 019	6 062 513
Full time union representative	136 672	109 419
Indigent relief	1 883 540	1 645 723
Insurance	4 584 421	3 565 869
Levies paid - Water resource management charges	5 524	681
Licences: Motor vehicle licence and registrations	711 076	810 696
Licences: Performing arts	52 232	49 274
Operating leases - Machinery, equipment and other	3 040 322	3 021 889
Other	2 419	3 793
Parking fees	86 676	89 404
Printing, publications and books	346 460	285 118
Professional bodies, membership and subscription	2 739 767	2 587 150
Registration fees	51 277	35 077
Remuneration to ward committees	444 291	385 326
Resettlement cost	31 326	19 802
Servitudes and land surveys	275 794	360 957
Signage	119 599	72 381
Skills development fund levy	2 405 888	2 205 865
Travel and subsistence	498 471	264 074
Uniform and protective clothing	2 869 084	2 780 933
Vehicle tracking	230 967	240 512
	38 191 069	34 980 883

Certain comparative figures have been reclassified to ensure comparability.

41. Other materials

Consumables	5 555 075	4 828 415
Consumables: Zero rated	15 663 546	11 489 152
Inventory consumed: Water	29 083 571	22 393 644
Materials and supplies	5 476 144	3 804 903
	55 778 336	42 516 114

Certain comparative figures have been reclassified to ensure comparability.

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
42. (Reversal) / impairment of assets and receivables		
Impairment of non-current assets		
Property, plant and equipment	76 438	6 732 999
Investment property	5 460	-
	81 898	6 732 999
Impairment of receivables		
Trade and other receivables	(5 478 249)	13 843 724
Total impairment losses recognised (reversed)	(5 396 351)	20 576 723
Refer to notes 11 and 12 for the impairment on Property, Plant and Equipment. Impairments are identified by comparing assets in their current condition to external sources (e.g. the valuation roll for land) and replacement costs. The impairments reflect the instances where the replacement cost for assets in a similar condition is lower than the carrying value at year-end.		
Refer to notes 3 and 4 for the gross movements on Receivables from Exchange and Non-exchange. Impairment of debt arise due to, amongst other factors, the time value of money.		
43. Loss on disposal of assets		
Carrying value of Property, plant and equipment disposed	10 576 236	10 494 853
Carrying value of Investment properties disposed	335 701	66 841
Carrying value of Intangible assets disposed	-	2 144
Less disposals to Inventory (non-current to current assets)	(645 439)	(341 975)
	10 266 498	10 221 863
44. Cash generated from operations		
Surplus	138 212 042	82 283 948
Adjustments for:		
Depreciation and amortisation	94 180 770	90 960 158
Loss on sale of property, plant and equipment	10 266 498	11 455 833
Gain on sale of assets and liabilities	(2 185 594)	(1 484 113)
Unwinding of interest on landfill site provision	5 475 006	4 683 435
Vesting of properties	(732 965)	(687 032)
Donated property, plant and equipment	(6 143 474)	(701 201)
Water losses	4 439 286	5 539 836
Impairment losses on non-current assets	81 897	6 732 999
Accrued Interest	(1 054 095)	509 272
Movement on employee benefit provision	(8 139 720)	9 804 803
Movement on provisions - litigation and claims	(370 000)	370 000
Changes in working capital:		
Inventories	(5 184 790)	(11 689 888)
Receivables from exchange transactions	2 697 681	(4 018 699)
Receivables from non-exchange transactions	(9 279 430)	3 154 016
Construction contracts and receivables	(3 964 150)	3 702 534
Payables from exchange transactions	4 181 574	(5 859 023)
VAT	5 592 375	(2 607 392)
Unspent conditional grants and receipts	6 071 992	1 543 885
Consumer deposits	1 396 203	1 153 022
Movement in operating leases	159 981	105 263
	235 701 087	194 951 656

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
44. Cash generated from operations (continued)		
Property, plant and equipment purchased		
Additions as per note (including transfers)	170 330 592	180 032 086
Non-cash transactions included in profit or loss (e.g. gains on vesting of properties and equipment)	(6 876 436)	(1 388 232)
Movement on accruals of Property, Plant and equipment	10 557 501	(10 632 911)
Non-cash movement in Provision for landfill sites (changes in market values)	(1 855 785)	(4 924 391)
	172 155 872	163 086 552
Payables from exchange transactions		
Movement on balance from the prior year	(14 653 593)	9 266 369
Payment of employee benefits	8 740 720	(2 548 799)
Unspent Grants repaid	(463 061)	(1 942 682)
Movement on accruals of Property, Plant and equipment	10 557 501	(10 632 911)
	4 181 567	(5 858 023)
Receivables from exchange transactions		
Movement on balance from the prior year	2 003 986	(5 478 586)
Public contributions received	(360 400)	57 500
Profit on sale of land (cost is netted against gain)	-	1 911 600
Accrued interest	1 054 095	(509 272)
	2 697 681	(4 018 758)
Receivables from non-exchange		
Movement on balance from the prior year	(10 179 430)	2 893 694
Unspent grants - transferred to debtors	900 000	-
	(9 279 430)	2 893 694
Inventories		
Movement on balance from the prior year	(1 390 943)	(4 580 369)
Water losses	(4 439 286)	(5 539 836)
Profit on sale of land (cost of land)	-	(1 911 600)
Additions of land (non-cash)	645 439	341 977
	(5 184 790)	(11 689 828)
Unspent conditional grants and receipts		
Movement on balance from the prior year	6 148 531	(342 297)
Public contributions	360 400	(57 500)
Transferred to debtors	(900 000)	-
Unspent Grants repaid	463 061	1 943 682
	6 071 992	1 543 885
Movement on operating leases		
Movement on operating lease asset	142 818	66 738
Movement on operating lease liability	17 163	38 525
	159 981	105 263

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45. Budget differences

Material differences between budget and actual amounts

Explanation of material variances:

Revenue:

45.1 Rental of facilities and equipment: Additional rental income expected during the adjustment's budget phase did not materialise.

45.2 Interest earned - outstanding debtors: Property rates debtors growth exceeded the budget expectation resulting in more interest on outstanding receivables than expected. Interest rates for the year also increased by a higher margin than expected.

45.3 Fines, penalties and forfeits: The fines revenue for the last two months of the year exceeded the expected fines issued.

45.4 Gains: The budget for gains on vesting of properties did not materialise.

Expenditure:

45.5 Debt impairment: The court procedures to obtain summonses for outstanding amounts have been increased resulting in an overall longer period for collection which negatively affected the debt impairment.

45.6 Depreciation & asset impairment: Certain capital projects which were expected to complete during the year expanded resulting in less finalised projects and accordingly less depreciation in comparison to the budget. The projects are not delayed, but rather were expanded on as additional multi-year funding was made available.

45.7 Contracted Services: The De Hoop housing project was aligned to Province's 2022/23 budget, however only R17 million was received in the current year as the remainder was already recognised as a prior year accrual (budget was R33.5 million).

45.8 Other Expenditure: Good fiscal control allowed significant savings on the overall expenditure of this line item.

45.9 Losses: This item cannot be budgeted for accurately due to the nature and timing of these amounts. The most significant budget saving pertains to actuarial gain of R7 million which was budgeted to be a loss of R8.25 million. There was also a R3 million saving on the water losses as the cost per KL of water was significantly lower than the revised estimates of the District during the adjustment's budget phase.

Transfers and subsidies - Capital:

45.10 Transfers and subsidies - capital (monetary allocations) (National / Provincial and District): The loadshedding relief grant was only made available after a March special adjustments budget, the shortfall is the unspent grants for the period.

45.11 Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions): The Donated property, plant and equipment could not be anticipated during the budget phase.

Assets

45.12 Other Debtors: The variance relates to the traffic fines that were more than the anticipated value of fines issued.

45.13 Current portion of long-term receivables: One of the current assets were incorrectly linked to a non-current asset during the budget.

45.14 Investment property and Other non-current assets: A portion of the correction of error on the investment property was only discovered after the adjustment's budget was closed. The additional reduction on the investment properties were therefore not budgeted for. Similarly, the Heritage Assets correction of error was also only identified after the adjustment's budget period.

Cash flow from investing activities

46.15 Interest receipts: Higher interest rates were applicable than expected during the budget phase as well as additional resources being available following good debt collection rates.

46.16 Grant receipts: The grant budget is prepared based on the latest Division of Revenue Act and Provincial gazetted allocations. Of these allocations, approximately R37.5 million pertains to human settlements of which only R16 million was recognised as receipts in the current year (R21 million variance). The remainder of the difference pertains to the SANRAL donation which is included in the budgeted cashflows as a grant (R11 million budgeted).

46.17 Proceeds on disposal of PPE: The budget includes the proceeds on the sale of land which was reclassified as Cash receipts from services and rate payers during the year.

46.18 Increase (decrease) in consumer deposits: This item cannot be budgeted for accurately due to the nature of the balance.

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45. Budget differences (continued)

Differences between budget and actual amounts basis of preparation and presentation

The National Treasury Budget Prescripts classifies items differently from the prescripts of GRAP. Significant classifications are shown below.

For service charges, the budget combines the Services charges and Availability Charges (notes 23 and 27). For ease of reference, the electricity charges were reconciled below. The same principle would apply for all service charges.

Statement of Financial Performance

Service charges - electricity

Sale of electricity - service charges	361 186 362
Electricity - availability charges	3 430 130
	364 616 492

Interest earned - external investments

Interest earned - Investments	50 987 485
Bank account	7 950 622
Interest earned - Land sales	1 198
	58 939 305

Interest earned - outstanding debtors

Exchange receivables	2 808 778
Non-exchange receivables	1 239 369
	4 048 147

Transfers and subsidies

Government Grants & Subsidies	214 873 746
Construction contracts	17 729 912
Public contribution	23 000
Capital grants (refer Capital Transfers)	(58 751 198)
	173 875 460

Gains

Gains on sale of Fixed Assets	2 185 594
Gain on sale of land	7 026 603
Vesting of properties and equipment	732 965
	9 945 162

Employee related costs

Employee related costs	286 378 168
Workmans compensation (considered other expenditure by NT)	(1 464 970)
Classified under council remuneration	(14 949)
Actuarial gains and losses (considered losses by NT)	6 993 829
	291 892 078

Debt impairment

Impairment of Receivables	(5 478 249)
Bad Debt Written Off	43 096 415
	37 618 166

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45. Budget differences (continued)		
Depreciation & asset impairment		
Depreciation and amortisation	94 180 770	
Reversal of impairment	(1 162 708)	
Impairment of assets	81 897	
	93 099 959	
Inventory consumed		
Other materials	55 778 337	
Classified under contracted services	(3 477 116)	
Classified under other expenditure	(534 706)	
	51 766 515	
Contracted services		
Contracted services	87 019 626	
Classified under inventory consumed	3 477 116	
Classified under other expenditure	500 563	
	90 997 305	
Other expenditure		
Operational Costs	38 191 066	
Classified under contracted services	(500 563)	
Classified under inventory consumed	534 706	
Workmans compensation (considered other expenditure by NT)	1 464 970	
	39 690 179	
Losses		
Water losses	4 439 286	
Loss on sale of equipment	10 266 498	
Reversal of impairment	1 162 708	
Actuarial gains and losses (considered losses by NT)	(6 993 829)	
	8 874 663	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		
Development charges	-	
Donated property, plant and equipment	6 143 474	
Public contributions	11 225 071	
	17 368 545	
Other revenue		
Operational revenue	15 130 528	
Development charges	1 706 706	
	16 837 234	
Remuneration of councillors		
Remuneration of councillors	11 225 004	
Classified under employee related costs	14 948	
	11 239 952	

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45. Budget differences (continued)		
Statement of Financial Position		
Consumer Debtors		
Receivables from exchange transactions	87 080 566	
Other Debtors included above	(3 704 554)	
Receivables from non-exchange transactions	38 450 917	
Other Debtors included above	(15 148 476)	
	106 678 453	
Trade payables from exchange transactions		
Payables from exchange transactions	103 492 340	
13th Cheque accrual (considered provision by NT)	(7 202 987)	
Unspent conditional grants and receipts	9 360 376	
Construction contracts payable	79 520	
Operating lease liability	84 193	
Rounding	2	
	105 813 444	
Provision (Current)		
Provisions	-	
Employee Benefits (Current portion)	4 916 000	
13th Cheque accrual (considered provision by NT)	7 202 987	
	12 118 987	
Provisions (Non-current)		
Provision for landfill sites	58 486 876	
Employee Benefits (Non-current portion)	82 974 000	
	141 460 876	
Other receivables		
Receivables from exchange transactions	3 704 554	
Other Debtors included above	15 148 476	
VAT Receivables	9 030 732	
	27 883 762	

Changes from the approved budget to the final budget

Changes between the original and final adjustments budget are due to budget adjustments that are approved by council. Furthermore, for operational and capital expenditure, some virements were approved based on the municipal delegation of authority. No material budget or significant virements were noted.

The capital expenditure budget comparison is included in Note 55.

Swartland Municipality

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46. Repairs and maintenance expenditure		
Movable assets	7 860 342	8 113 553
Furniture and Office Equipment	20 985	42 608
- Contracted Services	20 985	37 748
- Labour	-	4 860
Machinery and Equipment	992 144	1 130 239
- Contracted Services	805 213	972 482
- Inventory Consumed	186 931	157 757
Transport Assets	6 623 908	6 586 025
- Contracted Services	6 623 908	6 586 025
Computer Equipment	223 305	354 681
- Contracted Services	159 839	217 523
- Other Operational Costs	63 466	137 158
Community Assets	3 458 494	2 955 150
- Contracted Services	3 453 915	2 942 632
- Inventory Consumed	4 579	12 518
Other Assets	2 158 052	2 012 005
- Contracted Services	2 158 052	1 648 393
- Inventory Consumed	-	363 612
Intangible Assets	3 749 763	2 675 981
- Other Operational Costs	3 749 763	2 675 981
Infrastructure Assets	47 907 755	41 799 662
Electrical Infrastructure	3 607 835	2 749 886
- Contracted Services	199 962	151 201
- Inventory Consumed	2 124 137	1 363 206
- Labour	1 283 736	1 235 479
Roads Infrastructure	9 656 841	5 197 149
- Contracted Services	9 656 841	5 197 149
Sanitation Infrastructure	4 411 841	5 004 042
- Contracted Services	4 411 841	5 004 042
Solid Waste Disposal Infrastructure	10 017 218	8 804 294
- Contracted Services	8 397 351	7 318 912
- Labour	1 606 665	1 473 395
- Other Operational Costs	13 202	11 987
Storm Water Infrastructure	18 615 718	18 369 628
- Contracted Services	339 750	325 502
- Inventory Consumed	30 655	28 893
- Labour	17 428 152	17 272 223
- Other Lease Expenditure	307 945	278 161
- Other Operational Costs	509 216	464 849
Water Supply Infrastructure	1 598 302	1 674 663
- Contracted Services	1 598 302	1 674 663
	65 134 406	57 556 351

47. Capital commitments

Authorised capital expenditure

Already contracted for but not provided for

• Property, plant and equipment - Infrastructure	46 876 912	30 269 209
• Property, plant and equipment - Movable assets	14 270 352	5 709 323
	61 147 264	35 978 532

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47. Capital commitments (continued)

Non-cancellable Operating Lease Commitments are disclosed in Note 9.

Amounts are exclusive of VAT and the amount for infrastructure includes escalation cost.

48. Contingencies

Guarantees in favour of Eskom	70 900	70 900
Guarantees in favour of South African Post Office Limited	200 000	200 000
	270 900	270 900

Paulus Smit N.O. and others v Swartland Municipality: The case relates to a previous judgment by the High Court (Case No. 11127/2018) delivered on 23 August 2019. The applicant failed to erect the wall, and also to claim payment from the Municipality, but instead issued a summons in the High Court on 22 August 2022, following a notice given on 28 July 2022 i.t.o. section 3 of the Institution of Legal Proceedings against Certain Organs of State Act 4 of 2002 of further legal action contemplated herein, claiming payment by the Municipality of R1 283 000.	1 283 000	1 283 000
VAT on library grant receipts	9 102 233	7 915 286

The municipality sought the opinion of a tax practitioner regarding the potential Value Added Tax consequences on the Provincial Administration of Western Cape's grant allocation for Libraries which is paid to the municipality. A technical interpretation of the Marshall NO and Others vs Commissioner for the South African Revenue Service (CCT208/17) resulted therein that the municipality could be delivering a service to the Provincial Administration. As such, there is a potential that SARS could expect the municipality to pay VAT over on the grant receipts to date. In the records of the municipality the Library Grant is considered a transfer payment as there is no direct correlation between the services rendered to the public and the transfer payment received (the municipality is responsible for the execution of its own discretion as to how it manages its expenditure budget). If SARS were to conclude that the municipality should repay the VAT, such is expected to only audit the past three years' receipts. As such, the municipality has estimated that potential VAT consequences (inclusive of penalties and interest) of R 9 102 233 (2022 (Restated): R 7 915 286) could arise from such audit. The contingent liability has been limited to receipts dating back five (5) years as this period is quoted in the Tax Administration Act.

Bank guarantees provided to Eskom for the supply of electricity to the Municipality for distribution amongst consumers. The guarantees are covered to a large extent by cash deposits recovered from the individual consumers of electricity within the municipal area.

A bank guarantee has been obtained from Standard Bank and issued to the SA Post Office which serves as security in respect of the payment for the monthly delivery of the municipal accounts.

Contingent asset

The municipality has paid R370 000 to the representatives of Paulus Smit N.O. with regards to the matter included under the contingent liabilities on the condition that: the Municipality reserves the right to reclaim the contribution from the plaintiff if it not commencing construction of the wall within a reasonable period from 15 September 2022.

The municipality is also involved in various individual building & land use matters, eviction applications, etc.

49. Utilisation of Long-term liabilities reconciliation

Long-term liabilities raised	90 850 978	99 485 174
Used to finance property, plant and equipment	(90 850 978)	(99 485 174)
Cash set aside for the repayment of long-term liabilities	8 761 333	8 634 196
	8 761 333	8 634 196

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act (Act 56 of 2003). Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

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50. Non-cash investing and financing activities

The Municipality was engaged in exchange transactions of non-monetary assets during the year. Various municipal properties were exchanged for similar assets acquired from the registered owners.

51. In-kind donations and assistance

The municipality received services in-kind under voluntary or non-voluntary schemes which included free training, workshops and technical assistance from government departments and entities. These services in-kind have not been recognised as they were assessed not to be significant to the municipality's operations and/or basic service delivery objectives and are not measurable.

52. Related parties

Relationships

Accounting Officer	Refer to accounting officer's report note
Other spheres of government and municipalities	
Councillors	
Members of key management	Refer to note 33

Municipal services rendered to related parties

The rates, service and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses had been recognised in respect of amounts owed by related parties.

The amounts outstanding are unsecured and will be settled in cash. Consumer Deposits were received from Councillors, the Municipal Manager and Section 57 Personnel (managers directly accountable to the Municipal Manager). No expense has been recognised in the period for the provision for doubtful debts in respect of the amounts owed by related parties.

Services rendered to key management personnel occurred within normal supplier and customer relationships on terms and conditions no more or less favourable than those which the municipality is reasonable to expect to have adopted if dealing with the individual persons in the same circumstances. These terms and conditions are within the normal operating parameters established by the municipality's legal mandate.

No councillor was in arrears for more than 90 days.

Related Party Loans

Loans to Councillors and senior management employees are no longer permitted since 1 July 2004.

Purchases from Related Parties

No purchases were made from related parties that are considered to not be at arms-length. In terms of the municipal accounting policy, transactions and balances that are at arms-length will not be separately disclosed.

The water service concession arrangement would not have been entered into with any party other than a related party. The details of the water service concession arrangement are included in Note 57.

Compensation of key personnel

The compensation of key management personnel is set out in Notes 33 and 34.

Swartland Municipality

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53. Financial instruments disclosure

Categories of financial instruments

2023

Financial assets

	At fair value	At amortised cost	Total
Cash and cash equivalents	16 924	721 999 911	722 016 835
Receivables from exchange transactions	-	87 080 556	87 080 556
Receivables from non-exchange transactions	-	2 482 341	2 482 341
	16 924	811 562 808	811 579 732

Financial liabilities

	At fair value	At amortised cost	Total
Payables from exchange transactions	-	76 110 961	76 110 961
Consumer deposits	17 845 831	-	17 845 831
Unspent conditional grants and receipts	-	9 360 376	9 360 376
Other financial liabilities	-	90 850 978	90 850 978
Construction contracts	-	79 520	79 520
	17 845 831	176 401 835	194 247 666

2022

Financial assets

	At fair value	At amortised cost	Total
Cash and cash equivalents	21 325	665 069 624	665 090 949
Receivables from exchange transactions	-	89 084 541	89 084 541
Receivables from non-exchange transactions	-	2 343 438	2 343 438
Finance lease receivables	-	1 003	1 003
	21 325	756 498 606	756 519 931

Financial liabilities

	At fair value	At amortised cost	Total
Payables from exchange transactions	-	93 365 527	93 365 527
Consumer deposits	16 449 628	-	16 449 628
Unspent conditional grants and receipts	-	3 211 845	3 211 845
Other financial liabilities	-	99 485 174	99 485 174
Construction contracts	-	4 043 670	4 043 670
	16 449 628	200 106 216	216 555 844

54. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks. The main categories of risk that the municipality is exposed to is credit risk (pertaining to debtors), interest rate risks for investments and liquidity risk as it pertains to the long-term cashflow of the municipality.

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54. Risk management (continued)

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits, implement controls and monitor adherence.

Due to the large non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Directorate: Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity. Compliance with policies and procedures is reviewed by internal auditors on a continuous basis, and by external auditors annually. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports quarterly to the municipality's Performance and Risk Audit committee, an independent body that monitors the effectiveness of the internal audit function.

Liquidity risk

Liquidity risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation. A maturity analysis for financial liabilities (where applicable) that shows the remaining undiscounted contractual maturities is disclosed below.

Consumer Deposits (*) are disclosed at the value that could be repayable in the following year. It is unlikely that the full balance would become payable as consumer accounts are expected to remain similar year to year. By implication, if the consumer deposit is paid, a similar receipt from a different customer would be expected. The balance is however disclosed in order to indicate a conservative liquidity risk.

Previously, the Other financial liabilities' maturity analysis was disclosed inclusive of interest payable. Upon reconsideration, it was thought more prudent to disclose only the capital portion due as this balance affects the liquidity as at 30 June 2023. The balance at year end is therefore comparable to the maturity analysis. Only the capital is due as at year end, while interest only accrues in the future (future costs not taken into account).

Ultimate responsibility for liquidity risk management rests with the Council. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Swartland Municipality

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54. Risk management (continued)

At 30 June 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	76 110 961	-	-	-
Consumer deposits	17 845 831	-	-	-
Unspent conditional grants and receipts	9 360 376	-	-	-
Other financial liabilities	8 761 333	9 452 366	34 967 679	37 669 600
Construction contracts	79 520	-	-	-
At 30 June 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	93 365 527	-	-	-
Consumer deposits	16 449 628	-	-	-
Unspent conditional grants and receipts	3 211 846	-	-	-
Other financial liabilities	8 634 196	8 761 333	31 578 190	50 511 455
Construction contracts	4 043 670	-	-	-

Credit risk

Credit risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities. Maximum exposure to credit risk is not covered by collateral unless otherwise specified. Each class of financial instrument is disclosed separately.

Potential concentrations of credit risk consist mainly of fixed deposit investments, finance lease debtors, consumer debtors, other debtors, short-term investment deposits and bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the Chief Financial Officer and authorised by Council.

Consumer debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Consumer debtors are presented net of an allowance for doubtful debt.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

The municipality exposure to the credit risk is wide-spread, but a single significant debtor, Sasko (Pty) Ltd can be noted as disclosed in Note 3.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2023	2022
Cash and cash equivalents	721 999 911	665 069 625
Receivables from exchange transactions	87 080 556	89 084 541
Receivables from non-exchange transactions	2 482 341	2 343 438
Finance lease receivables	-	1 003

The municipality is exposed to a number of guarantees issued in favour of the creditors of the municipality. Refer to note 48 for additional details.

The gross balance from receivables has been grouped into risk groupings (Group 1-3). Group 1 are those debtors with a high certainty of timely payment. Risk of non- payment is considered to be low as these receivables maintained a payment rate of more than 70 %. Group 2 are those debtors with a reasonable certainty of timely payment. The risk of non-payment is considered to be moderate as these receivables maintained a payment rate of 50 - 70 % during the year. Group 3 are those debtors for which the risk factors of non- payment are larger as these receivables had a payment rate of below 50 % during the year.

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54. Risk management (continued)		
Gross balances of receivables from exchange transactions	2023	2022
Group 1	57 516 745	56 366 190
Group 2	1 476 496	1 500 071
Group 3	34 836 109	28 090 768
	93 829 350	85 957 029

Market risk

Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes. Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, finance lease debtors, consumer debtors, other debtors, and bank and cash balances.

The municipality is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates.

At 30 June 2023, if interest rates on Rand-denominated borrowings had been 2% higher/lower (200 basis points) with all other variables held constant, post-tax surplus for the year would have been R 14 038 375 (2022: R 12 947 378) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

55. Segment information

General information

The municipal management accounts that are used to review the performance of the municipality are based on National Treasury's Budget schedules as published in the Municipal Budget Reporting Regulations. The management accounts therefore comprise the actual consolidated GRAP results which are presented two different segmental reports: 1) MSCOA's Function Segment and the Municipal Standard Classification (Votes 1-8). Monthly management accounts are however only reviewed for purposes of measuring performance in terms of the municipal organogram (Municipal Votes). Therefore only this report has been presented. The monthly municipal management accounts are available on the municipal website. Details of each municipal service has been reported in the annual performance report.

All figures reported in the management accounts are based on the measurement principles of GRAP. Interdepartmental transactions are already eliminated in the published figures order to present the GRAP accounting to management when reviewing performance.

Management does not review segmented profit or loss as segments are reviewed based on the budget expectations for revenue and expenditure rather than the overall net-profit result. As segmented profit is not reviewed, this has not been presented. For the segment report, only total revenue and total expenditure is reviewed. The detailed breakdown of revenue and expenditure per AFS classification is not reviewed on a segment report level in the monthly management meetings. The detailed analysis is reviewed by each individual manager, but these detailed results are not presented as part of the senior management discussions.

Management does not review restated financial performance or capital expenditure. As such the comparative figures were not updated for the restatements of the prior year.

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55. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2023

	Actual	Final Budget	Budget Variance
Revenue			
Vote 1 - Corporate Services	13 416 327	12 798 595	617 732
Vote 2 - Civil Services	293 035 429	298 253 544	(5 218 115)
Vote 3 - Council	103 327	299 425	(196 098)
Vote 4 - Electricity Services	393 023 473	410 288 864	(17 265 391)
Vote 5 - Financial Services	287 844 206	278 834 788	9 009 418
Vote 6 - Development Services	31 971 405	47 587 169	(15 615 764)
Vote 7 - Municipal Manager	-	418 000	(418 000)
Vote 8 - Protection services	53 349 066	49 537 194	3 811 872
Total segment revenue	1 072 743 233	1 098 017 579	(25 274 346)
Entity's revenue			(25 274 346)
Expenditure			
Vote 1 - Corporate Services	37 799 564	41 200 514	(3 400 950)
Vote 2 - Civil Services	325 327 523	356 613 686	(31 286 163)
Vote 3 - Council	18 881 370	19 502 019	(620 649)
Vote 4 - Electricity Services	342 784 143	371 902 840	(29 118 697)
Vote 5 - Financial Services	52 095 308	67 142 502	(15 047 194)
Vote 6 - Development Services	50 629 443	64 578 736	(13 949 293)
Vote 7 - Municipal Manager	7 573 005	10 753 501	(3 180 496)
Vote 8 - Protection Services	99 440 829	93 882 193	5 558 636
Total segment expenditure	934 531 185	1 025 575 991	(91 044 806)
Total segmental surplus/(deficit)	138 212 048	72 441 588	65 770 460

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55. Segment information (continued)

Assets

	Actual	Final Budget	Budget Variance
Vote 1 - Corporate Services	595 547	594 671	876
Vote 2 - Civil Services	107 124 266	116 195 463	(9 071 197)
Vote 3 - Council	663 869	663 869	-
Vote 4 - Electricity Services	48 605 561	49 576 775	(971 214)
Vote 5 - Financial Services	665 314	314 293	351 021
Vote 6 - Development Services	6 934 611	7 435 113	(500 502)
Vote 7 - Municipal Manager	12 135	12 135	-
Vote 8 - Protection Services	4 045 233	4 047 485	(2 252)

Reconciling items

Landfill site (movement on provision)	1 855 785	-	-
Total Capital Expenditure	170 502 321	178 839 804	(10 193 268)

2022

Revenue

	Actual	Final Budget	Budget Variance
Vote 1 - Corporate Services	12 491 942	12 462 510	29 432
Vote 2 - Civil Services	256 272 170	260 859 169	(4 586 999)
Vote 3 - Council	266 250	294 700	(28 450)
Vote 4 - Electricity Services	384 052 754	384 779 588	(726 834)
Vote 5 - Financial Services	237 101 106	244 764 541	(7 663 435)
Vote 6 - Development Services	58 805 941	44 872 958	13 932 983
Vote 8 - Protection Services	45 617 050	51 428 463	(5 811 413)
Total segment revenue	994 607 213	999 461 929	(4 854 716)
Entity's revenue			(4 854 716)

Swartland Municipality

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55. Segment information (continued)

Expenditure

Vote 1 - Corporate Services	35 621 250	37 897 217	(2 275 967)
Vote 2 - Civil Services	308 064 413	314 481 918	(6 417 505)
Vote 3 - Council	18 175 437	18 458 946	(283 509)
Vote 4 - Electricity Services	342 333 536	370 118 592	(27 785 056)
Vote 5 - Financial Services	51 929 825	46 566 677	5 363 148
Vote 6 - Development Services	62 100 306	54 143 627	7 956 679
Vote 7 - Municipal Manager	7 506 724	7 991 318	(484 594)
Vote 8 - Protection Services	86 522 568	89 896 885	(3 374 317)
Total segment expenditure	912 254 059	939 555 180	(27 301 121)
Total segmental surplus/(deficit)	82 353 154	59 906 749	22 446 405

Capital expenditure

Vote 1 - Corporate Services	512 580	559 550	(46 970)
Vote 2 - Civil Services	133 165 091	125 743 630	7 421 461
Vote 3 - Council	9 223	10 000	(777)
Vote 4 - Electricity Services	25 691 675	26 140 076	(448 401)
Vote 5 - Financial Services	802 370	321 372	480 998
Vote 6 - Development Services	11 817 633	14 935 118	(3 117 485)
Vote 7 - Municipal Manager	7 331	10 000	(2 669)
Vote 8 - Protection Services	2 895 760	2 320 702	575 058

Reconciling items

Landfill site (movement on provision)	4 924 391	-	-
Gains (not expenditure)	206 032	-	-
Total capital expenditure	180 032 086	170 040 448	4 861 215

Swartland Municipality

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56. Accounting by principals and agents

The entity is a party to principal-agent arrangements.

Details of the arrangements are as follows:

Licensing fees collected on behalf of the Provincial Department

The municipality collects licencing fees on behalf of the Provincial Department of Transport and Public Works. The municipality can retain a portion of the fees collected and the net amount is due to the Provincial Department. The amount retained is recorded as Income from Agency Services in the Statement of Financial Performance. The amounts due to the Provincial Department at year end are included in the balances reported as Payables from Exchange Transactions in the Statement of Financial Position.

The municipality does not incur any additional expenses on behalf of the Provincial Department as the collection of fees are within the normal operations of the municipality. No significant risks are noted to arise from the arrangement as the municipality merely collects monies on behalf of the department as part of its existing service offering at the traffic department and municipal cashier collection points. No resources are held on behalf of the Provincial Department (other than the receipts). Monies are paid to the department every 5 days (or first business day thereafter).

Other Arrangements

The municipality has entered into arrangements with service providers where they provide services to the public on behalf of the municipality. The nature of these arrangements was assessed and since the municipality collects all revenues in full, the transactions are not considered to be those within the scope of GRAP 109. The types of arrangements considered for this purpose are:

- Traffic fines are issued on our behalf by a service provider. Some collections are also collected via their service level agreements with e-payment service providers.
- Various prepaid electricity vendors sell electricity on our behalf. The software used results in all transactions being recorded in our sub-system. We collect the cash receipts from the vendors daily. Prepaid vendors earn commission on the value of each transaction with a maximum limit in place.

For conditional grant receipts, kindly refer to Note 29.

Commission to Prepaid vendors and expenditure relating to services rendered by the traffic services vendor are disclosed in Note 36.

No other resources are held by these vendors on behalf of the municipality. As no resources are held, except the daily cash-ups, no significant risks have been transferred to these vendors.

Entity as agent

Additional information

Revenue and expenses that relate to transactions with third parties undertaken in terms of the principal-agent arrangement

Category(ies) of revenue received or to be received on behalf of the principal, are:

Categories

Licencing fees

Additional details

The municipality receives a commission on collection of Licencing Fees on behalf of the Provincial Department of Transport and Public Works. The municipality accounts for its portion as Income from Agency Services and the net amount due to the Provincial Department is transferred to such department.

Receivables and/or payables recognised based on the rights and obligations established in the binding arrangement(s)

Swartland Municipality

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Notes to the Annual Financial Statements

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56. Accounting by principals and agents (continued)		
Reconciliation of the carrying amount of payables		
Motor Vehicle Licenses		
Revenue that principal is entitled to	43 296 577	32 707 197
Cash repaid to the principal	(37 785 098)	(27 443 091)
Income from agency service	(5 511 479)	(5 264 106)
	-	-

The amount due to the Department is included under Payables from Exchange Transactions (Other payables).

57. Service Concession Arrangements

In terms of the Municipal Systems Act, Bulk Water service falls under the domain of the District Municipality which would mean that these assets would fall under West Coast District Municipality, however authority was given by way of a Government Gazette notice whereby the Local Municipalities of Bergrivier, Swartland and Saldanha Bay were given Water Service Authority Status with the responsibility for the provision of the Bulk Water Function.

This effectively meant that this function was taken over from the District Municipality. At this stage the assets should in effect have been transferred to the Local Municipalities.

In terms of the Section 78 Study dated August 2005 a decision was made to maintain the status quo, whereby West Coast District Municipality would continue to operate the water function on behalf of the three local municipalities (Swartland, Saldanha bay and Bergrivier), the agreement was for a period of 10 years and the function ultimately remains that of the Local Municipalities. Currently the agreement is cancellable by either of the parties, but it is unlikely that the agreement would be terminated in the foreseeable future. No changes to the arrangement were made during the current or previous financial periods, but minor administrative matters are constantly being addressed (e.g. procurement strategies). No breaches by either of the parties have been identified to date.

In return for operating the Bulk Water service function the District received compensation as follows:

- Monthly Tariff Fee
- Administrative fee equal to 5% of the operating costs

The Local Municipalities are thus in control of the Bulk Water assets, and as a result these assets are, measured and disclosed in our financial records.

The effect of the service concession arrangement in the financial statements of the municipality can be summarised as follows:

Property, plant and equipment		
Infrastructure (Water)	91 893 970	95 053 032
Borrowings		
Other financial liabilities	-	600 000
Expenditure relating to service concession arrangement		
Depreciation	3 192 977	3 187 251
Loss on disposal of assets	36 061	-
Finance charges	25 886	129 287
Total water purchased from District	33 612 592	27 569 927
- Purchased at agreed rate	33 519 410	34 895 947
- Adjusted for distribution (gains)/losses	93 182	(7 326 020)

No revenue is receivable by the municipality in terms of the arrangement. The municipality's water purchases are generated through this arrangement.

The loans are registered in the name of West Coast District Municipality, but have been entered into solely to finance the purchase or upgrade of the service concession assets. For this purpose, the loans have been apportioned to each municipality within the district in relation to the approximate value of the infrastructure assets purchased by the operator (West Coast District Municipality).

Swartland Municipality

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57. Service Concession Arrangements (continued)

Service Concession Assets

Included in the total for Property, Plant and Equipment are assets that are separately attributable to the service concession arrangement between the municipality and West Coast District Municipality which has assumed the responsibility for the water distribution on behalf of the municipality. The carrying values of these assets are disclosed below:

Infrastructure: Water	91 893 970	95 053 032
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Reconciliation of Carrying Amounts of Service Concession Assets

Opening Balance (Carrying Value)	95 053 032	98 155 596
Additions	69 976	84 687
Depreciation	(3 192 977)	(3 187 251)
Disposal of assets	(36 061)	-
Total Carrying Amounts of Service Concession Assets	91 893 970	95 053 032

Service Concession Borrowings

Included in the total for Borrowings are loans that are separately attributable to the service concession arrangement between the municipality and West Coast District Municipality which has assumed the responsibility for the water distribution on behalf of the municipality. The carrying values of these liabilities are disclosed below:

Loan Name	Redemption date		
Development Bank 6100 7028	31/12/2022	-	600 000

The loans bear variable interest rates of 8.61% (2022: 8.61%) per annum.

58. Multi-employer retirement benefit information

The personnel of the Swartland Municipality are members of the funds as set out below. These schemes are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below. The Local Authority Retirement Fund, The Consolidated Retirement Fund for Local Government, The National Municipal and Related Services Employee Retirement Fund and The National Fund for Municipal Workers are defined contribution plans. Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:

- The assets of each fund are held in one portfolio; these assets are not nationally allocated to each of the participating employers.
- One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.
- The rate of contributions is provided below under each fund.

Each fund operates as a single entity and is not divided into sub-funds for each participating employer.

The only obligation of the municipality in respect of the defined contribution plans is to make the specified contributions.

LOCAL AUTHORITY RETIREMENT FUND

The Local Authority Retirement Fund operates as a defined contribution scheme.

The defined contribution scheme is a multi-employer plan and the contribution rate payable is 9,00% by the members and 18,00% by Council. The last valuations performed for the year ended 30 June 2022 (30 June 2021) had an overall funding level of 111,60% (2021: 104,90%) and is in a sound financial position. The next actuarial valuation will be as at 30 June 2023.

Swartland Municipality

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58. Multi-employer retirement benefit information (continued)

CONSOLIDATED RETIREMENT FUND FOR LOCAL GOVERNMENT

The contribution rate paid by the members (9,00% by employees, 7,50% by section 57 employees and 12,00% by councillors) and by Council (18,00% for employees, 19,50% for section 57 employees and 15,00 % for councillors) is sufficient to fund the benefits accruing from the fund in future. The last valuation performed for the year ended 30 June 2022 (30 June 2021) revealed that the fund had a funding level of 131,60% (133,00%). Certified to be of a sound financial position as at 30 June 2022.

MUNICIPAL WORKERS RETIREMENT FUND

The contribution rate payable is 7,50% by the members 18% by Council. Actuarial valuation on this fund is performed every three years, and the last valuation performed for the year ended 30 June 2020 (30 June 2019) certified that the fund is in a sound financial state. The funding level was 100,00% at valuating date (2019: 100,00%).

NATIONAL FUND FOR MUNICIPAL WORKERS

The above mentioned fund is a Defined Contribution Fund and the contribution rate paid by the members is 9,00% and 7,50% by section 57 employees and that of council 18,00% and 19,50% respectively. The latest statutory valuation was done on 30 June 2021 (30 June 2020). As at 30 June 2021 the results state that the funding level was 100,00% (2020: 100,41%).

Employers do not have any liability for any fund's performances or deficits. None of the above mentioned plans are state plans.

Swartland Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
59. Restatement of prior year			
Presented below are those items contained in the statement of financial performance that have been affected by prior-year adjustments:			
No restatements were made to the Statement of Financial Position.			
The prior year Cashflow Statement was restated for the movement on the accrual of Property, Plant and Equipment as disclosed in Note 44.			
Statement of financial position			
2022			
	As previously reported	Correction of error	Restated
Current assets	818 706 586	1	818 706 587
Cash and cash equivalents	665 090 949	-	665 090 949
Receivables from exchange transactions	90 370 385	(1 285 843)	89 084 542
Receivables from non-exchange transactions	28 565 935	(294 447)	28 271 488
Finance lease receivables	1 003	-	1 003
Inventories	21 632 168	-	21 632 168
Operating lease asset	3 330	-	3 330
VAT receivable	13 042 816	1 580 291	14 623 107
Non-Current Assets	2 184 127 909	(15 018 429)	2 169 109 480
Property, plant and equipment	2 148 178 663	(3 749 382)	2 144 429 281
Investment property	34 325 668	(11 494 547)	22 831 121
Intangible assets	503 678	-	503 678
Heritage assets	1 119 900	225 500	1 345 400
Total Assets	3 002 834 495	(15 018 428)	2 987 816 067
Current Liabilities	155 986 302	7	155 986 309
Operating lease liability	67 029	-	67 029
Payables from exchange transactions	118 145 933	7	118 145 940
Consumer deposits	16 449 628	-	16 449 628
Construction contracts payables	4 043 670	-	4 043 670
Unspent conditional grants and receipts	3 211 846	-	3 211 846
Other financial liabilities	8 634 196	-	8 634 196
Employee benefit obligation	5 064 000	-	5 064 000
Provisions	370 000	-	370 000
Non-Current Liabilities	224 232 063	-	224 232 063
Other financial liabilities	90 850 978	-	90 850 978
Employee benefit obligation	82 225 000	-	82 225 000
Provisions	51 156 085	-	51 156 085
Total Liabilities	380 218 365	7	380 218 372
Net Assets	2 622 616 130	(15 018 435)	2 607 597 695
Statutory funds	1 003	-	1 003
Reserves	266 156 243	-	266 156 243
Accumulated surplus	2 356 458 884	(15 018 435)	2 341 440 449
Total Net Assets	2 622 616 130	(15 018 435)	2 607 597 695

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022		
59. Restatement of prior year (continued)				
Statement of financial performance				
2022				
	As previously reported	Correction of error	Re-classification	Restated
Revenue		-	-	
Revenue from exchange transactions		-	-	
Service charges	516 509 940	-	-	516 509 940
Agency services	5 264 106	-	-	5 264 106
Construction contracts	40 463 470	-	-	40 463 470
Interest received	37 302 439	-	-	37 302 439
Operational revenue	15 677 528	-	-	15 677 528
Rental of facilities and equipment	1 422 243	-	-	1 422 243
Total revenue from exchange transactions	616 639 726	-	-	616 639 726
Revenue from non-exchange transactions				
Taxation revenue		-	-	
Property rates	141 485 766	-	-	141 485 766
Interest received on rates receivables	833 048	-	-	833 048
Transfer revenue		-	-	
Government grants and subsidies	178 507 910	-	-	178 507 910
Donated property, plant and equipment	701 201	-	-	701 201
Fines	27 864 003	-	-	27 864 003
Licenses and permits	4 686 418	-	-	4 686 418
Public contributions and donations	980 250	-	-	980 250
Vesting of properties and equipment	687 032	-	-	687 032
Development charges	3 488 994	-	-	3 488 994
Availability charges	11 351 550	-	-	11 351 550
Total revenue from non-exchange transactions	370 586 172	-	-	370 586 172
Total Revenue	987 225 898	-	-	987 225 898
Expenditure		-	-	-
Employee related costs	267 878 272	-	-	267 878 272
Rumeration of councillors	10 929 196	-	-	10 929 196
Bad debts written off	25 538 237	-	-	25 538 237
Bulk purchases	292 404 602	-	-	292 404 602
Contracted services	94 233 458	-	(2 882 690)	91 350 768
Depreciation and amortisation	90 817 410	142 748	-	90 960 158
Finance cost	15 738 250	-	-	15 738 250
Grants and subsidies paid	3 774 363	-	-	3 774 363
Operational costs	34 332 973	1	647 909	34 980 883
Other materials	40 281 331	2	2 234 781	42 516 114
Total expenditure	875 928 092	142 751	-	876 070 843
Operating Surplus	111 297 806	(142 751)	-	111 155 055
Gains on sale of fixed assets	1 484 113	-	-	1 484 113
Gains on sale of land	5 897 202	-	-	5 897 202
Impairment losses on assets and receivables	(20 576 723)	-	-	(20 576 723)
Inventory losses: Water losses	(5 539 836)	-	-	(5 539 836)
Loss on disposal of assets	(10 239 410)	103 546	-	(10 135 864)
Total gains and losses	(28 974 654)	103 546	-	(28 871 108)
Surplus for the year	82 323 152	(39 205)	-	82 283 947

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59. Restatement of prior year (continued)

Errors

An in-depth review of the classification of income and expenditure was conducted. Management compared the nature of the transactions to the classification in the Statement of Financial Performance. Where the classification disclose the function rather than the nature of the expense, the classification was updated. Line items within each of these notes were also updated as certain classifications were considered outdated in comparison to the user's understanding of the Municipal Standard Chart of Accounts (MSCOA) as prescribed through regulations issued by National Treasury.

Management revisited the classification of Land and Buildings as part of a data cleansing exercise. The data cleansing project for the asset classes are not finalised yet, but all of the changes in terms of management's assertions of validity, accuracy and completeness has been brought into the records as a correction to the previous periods.

(a) Correction of Non-current assets

Management is currently busy with a data cleansing exercise to align the asset register with the masterplanning and other civil engineering requirements. The first step in the process is to revisit all of our land and buildings to ensure that these are appropriately classified in terms of its use. Thereafter, each land portion would be surveyed to determine the exact components that pertains to each asset sub-class and accordingly the data will be updated to be aligned to the latest municipal asset hierarchy. The exercise is split over several financial periods to allow management sufficient time to evaluate all of the results. For the current year, the land was finalised, with some recomponentisation on the buildings still due. During the review, management identified disposals that were not accounted for due to non-specific asset descriptions and also reclassified certain land and building assets. There was also a restatement identified during the unbundling exercise of the current year and a minor error identified on the depreciation of a sub-register of the meters. The latter errors were assessed and found to be anomalies rather than pervasive. The corrections were however treated a prior period error due to the impact of the data cleansing being material as cost and accumulated depreciation is separately disclosed. The effect of the restatements on the Statement of Financial Position and Statement of Financial Performance for the comparative year is summarised as:

Increase/(Decrease) in Property, Plant and Equipment

Closing Balance - previously stated	2 148 178 663
Opening balance cost restated due to data cleansing	(17 990 493)
Opening balance accumulated depreciation restated due to data cleansing	15 079 742
Opening balance restated during current year unbundling	(245 819)
Opening balance restated due error on depreciation	(416 722)
Additions restated during current year unbundling	230 936
Additions restated due to data cleansing - infrastructure	2 308 769
Additions restated due to data cleansing - other assets	(2 308 769)
Disposals restated due to data cleansing	(246 278)
Disposals restated due to error on depreciation	17 546
Depreciation restated due to data cleansing	315 238
Depreciation restated during current year unbundling	(41 580)
Depreciation restated due to error on depreciation	(443 956)
Impairment restated due to data cleansing	(8 000)
Rounding	4
	2 144 429 281

Increase/(Decrease) in Investment Property

Closing Balance - previously stated	34 325 668
Opening balance cost restated due to data cleansing	(14 094 468)
Opening balance accumulated depreciation restated due to data cleansing	2 232 093
Disposals restated due to data cleansing	332 278
Depreciation restated due to data cleansing	27 550
Impairment restated due to data cleansing	8 000
	22 831 121

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59. Restatement of prior year (continued)

Increase in Heritage Assets

Closing Balance - previously stated	1 119 900
Opening balance cost restated due to data cleansing	225 500
	1 345 400

(b) Correction of error - Cashflow statement

Management reviewed the prior year cashflow and noted that the gain on sale of land was erroneously classified as Cashflows from Investing activities. It is however a sale of inventory affecting the operating activities. The amount is not material, but was restated in order to ensure comparability (consistency) to the current and future periods. The gain also included an R1 911 660 cost of the land, resulting in a change in the cashflow of working capital (inventory).

Other amendments were also made to the Cashflow statement note due to restatements of the disposals and depreciation for the comparative period.

The below summarises the changes from the prior year for note 44. The effect on the Cashflow statement is evident from the notes.

Impact of reclassification of gain on sale of assets

Increase in Cash receipts from services and rate payers	7 808 862
Decrease in Cash paid to suppliers and employees	(1 911 660)
Decrease in Proceeds from sale of investment property	(5 897 202)
	-

(e) Adjustment of surplus for the year

The aforementioned adjustments resulted in adjustments to the accumulated surplus for the year as follows:

Statement of Financial Performance

Surplus for the year as previously stated	82 323 152
Depreciation restated as per note (a)	(142 748)
Disposals restated as per note (a)	103 546
Rounding	(2)
Restated surplus for the year	82 283 948
Restatements to opening balances of Non-current assets as per note (a)	(14 979 230)
Rounding	(1)
Balance as previously stated (excluding surplus for the year)	2 274 135 732
	2 341 440 449

60. Comparative figures

Certain comparative figures have been reclassified as indicated in Notes 59. These reclassifications were made in order to ensure comparability (consistency) to the current and future periods.

61. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	3 070 399	2 652 311
Amount paid - current year	(3 070 399)	(2 652 311)
Balance unpaid (included in creditors)	-	-

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61. Additional disclosure in terms of Municipal Finance Management Act (continued)

Audit fees

Current year subscription / fee	3 451 139	2 616 476
Amount paid - current year	(3 451 139)	(2 616 476)
	-	-

VAT

VAT receivable	9 030 732	14 623 107
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VAT output payables and VAT input receivables are shown in note 10.

All VAT returns have been submitted by the due date throughout the year.

PAYE, UIF and SDL

Current year subscription / fee	46 384 424	43 039 879
Amount paid - current year	(46 384 424)	(43 039 879)
Balance unpaid (included in creditors)	-	-

Pension and Medical Aid Deductions

Current year subscription / fee	72 681 635	66 309 027
Amount paid - current year	(72 675 635)	(66 309 027)
Balance unpaid (included in creditors)	6 000	-

Councillors' arrear consumer accounts

During the financial year under review no Councillor was in arrears with the settlement of their municipal accounts.

Deviations in terms of section 36 of the Municipal Supply Chain Regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council. The incidents were reported to council.

Incident

Deviations above R30 000 due to Emergencies (occurrences: 23 (2022: 21))	2 632 493	3 106 702
Deviations above R30 000 due to Sole Supplier deviations (occurrences: 3 (2022: 3))	208 603	342 317
Deviations based on section 2(6) of Supply Chain Policy - Impractical to obtain quotes - special goods/services (occurrences: 46 (2022: 9))	1 858 089	1 399 628
Deviations based on section 2(6) of Supply Chain Policy - Impractical to obtain quotes for repairs and services to specialised equipment or vehicles (occurrences: 469 (2022: 471))	4 610 862	4 803 200
Deviations below R30 000 (occurrences: 435 (2022: 513))	3 809 840	4 809 636
Deviations below R30 000 emanating from responses to COVID 19 related instances (occurrences: 0 (2022: 27))	-	100 692
	13 119 887	14 562 175

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61. Additional disclosure in terms of Municipal Finance Management Act (continued)

Bulk Electricity and Water Losses in terms of Section 125 (2)(d)(i) of the MFMA

Electricity and Water Losses were as follows and are not recoverable:

Technical electricity losses

Units purchased	178 364 118	204 575 267
Units sold	(168 951 523)	(191 306 463)

Technical electricity losses

9 412 595	13 268 804
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Percentage loss

5.28%	6.49%
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Electricity Losses occur due to inter alia, technical and non-technical losses (Technical losses - inherent resistance of conductors, transformers and other electrical equipment; Non-technical losses - the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal electricity connections). The problem with tampered meters and illegal connections is an ongoing occurrence, with regular actions being taken against defaulters. Faulty meters are replaced as soon as it is reported.

Water distribution losses and non-revenue water

Kilolitres purchased	5 183 703	5 427 515
Kilolitres sold	(4 328 018)	(4 173 718)

Kilolitres Lost in distribution (kl)

855 685	1 253 797
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Unbilled / Unmetered Water (kl)

(171 062)	(179 111)
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Actual loss in units (kl)

684 623	1 074 686
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Percentage loss

13.21%	19.80%
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Water losses occur due to inter alia evaporation, leakages, the tampering of meters, faulty meters and illegal water connections. The problem with tampered meters and illegal connections is an ongoing occurrence, with regular action being taken against defaulters. Faulty meters and leakages are replaced/repared as soon as it is reported.

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61. Additional disclosure in terms of Municipal Finance Management Act (continued)

Disclosure of awards of more than R2 000 to a person who is a family member of a person in the service of the state in terms of section 45 of the Municipal Supply Chain Regulations:

Kindly note that certain previously disclosed names and amounts have been restated to reflect the correct information available to the municipality as at 30 June 2023.

Service Provider	Relation to Service Provider	Name of Relation in the Employment of the Organ of State	Organ of State	Position of the person in the employment of the Organ of State	Value of Transaction 2023 R	Value of Transaction 2022 R
WJ Cotter Electrical (J Cotter)	Father in law	T van Essen	Swartland Municipality	Councillor	1 088 485	849 624
WJ Cotter Electrical (R Crawford)	Father in law	T van Essen	Swartland Municipality	Councillor		
Lumico (Pty) Ltd (D Malherbe)	Father in law	L Fourie	Swartland Municipality	Strategic management	20 700	152 950
Euraf Agencies CC (P Fourie)	Spouse	R Fourie	Department of Correctional Services	Financial Manager	277 730	360 386
Golden Rewards 1873 cc t/a Futasia Caterers (Suenelle De Jager)	Spouse	R De Jager	Department of Education	Teacher	264 682	160 458
Jonathan Wayne Lawrence t/a J Lawrence (J Lawrence)	Son	Bjorn	Swartland Municipality	General Worker	177 360	233 700
JPCE (J Minnie)	Spouse	J Minnie	City of Cape Town	Head : Disaster Operations Centre	2 261 961	1 848 043
Conlog (L Moodley)	Spouse	N Moodley	Department of Health	Director	224 250	-
Zutari (Aurecon South Africa) (KP Nadasen)	Wife	K Nadasen	National Department of Public Works	Director: Key Account Management	4 100 046	7 209 401
Zutari (Aurecon South Africa) (RJ Ahlschlager)	Spouse	HC Ahlschlager	Special Investigating Unit	Legal Representative		
Zutari (Aurecon South Africa) (I Gasant)	Sister	S Seegers	City of Cape Town	Head of Security Architecture		
Zutari (Aurecon South Africa) (E Marques)	Spouse	M Marques	Department of Internal Affairs	Director		
Iomu Trading (E Appollis)	Spouse	AC Appollis	Department of Correctional Services	Correctional Officer	-	49 820
Fonnies Enterprises (BA Adonis)	Sister	T Adonis	Statistics SA	Data Capturer	42 718	100 081
Fonnies Enterprises (Brent Angelo Adonis)	Brother	A Adonis	Metro EMS	Rescue Technician		
Yolanda Petersen - Petersen Tuindienste (Y Petersen)	Spouse	R Petersen	Department of Correctional Services	Correctional Officer	152 000	106 990
Thembile Petrus Dapula t/a T P Dapula (TP Dapula)	Spouse	N Dapula	West Coast TVET College	Deputy Principal	83 030	53 479

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61. Additional disclosure in terms of Municipal Finance Management Act (continued)

WAB Printmedia (W Brink)	Spouse	A Brink	Drakenstein Municipality	Clerk	-	23 667
Blackbird 49 - Koos Smit (K Smit)	Spouse	M Smit	Swartland Municipality	Clerk	60 500	131 350
Webber Wentzel (J Watson)	Brother	E Watson	Road Accident Fund	CEO	-	371 582
Webber Wentzel (J Watson)	Mother	E Watson	Department of Public Service	Official		
Webber Wentzel (J Smit)	Father	JCL Smit	Beaufort West Municipality	Director: Engineering Services		
Webber Wentzel (G Truter)	Father	LC Truter	Newton Primary School	School Principal		
Webber Wentzel (G Truter)	Mother	AM Truter	West Coast Education District	Chief Education Specialist		
Webber Wentzel (T Thekiso)	Sister	N Ndebele	Melodi Primary School	School Principal		
Webber Wentzel (M Mahlangu)	Mother	BT Mahlangu	Hlolisisa Combined School	School Principal		
Webber Wentzel (B Abraham)	Mother	J Abraham	Department of Education	Secretary		
Webber Wentzel (S Dias)	Spouse	N Dias	City of Cape Town	Senior Legal Advisor		
Webber Wentzel (K Nonyane)	Spouse	K Nonyane	Petro SA	Senior Planning Technician		
Amandla GCF Construction (W Frazenburg)	Sister	U Frazenburg	National Government: Deeds Office Kimberley	Registrar of Deeds	10 374 243	9 405 085
Amandla GCF Construction (W Frazenburg)	Brother	E Frazenburg	Department of Education Western Cape	Teacher		
Amandla GCF Construction (W Frazenburg)	Sister	J Frazenburg	Department of Education Western Cape	Teacher		
Amandla GCF Construction (W Frazenburg)	Brother	B Frazenburg	City of Cape Town: Traffic Department of Health: Gauteng	Municipal Prosecutor Chief Physiotherapist	48 300	73 816
Turner and Townsend (G Bulmer)	Wife	T Bulmer	Tswane University of Technology	Head of Department		
Turner and Townsend (E Harmse)	Step mother	N Harmse	Department of Health Kwazulu Natal	Sister		
Turner and Townsend (R Singh)	Sister	B Singh	Telkom	Risk Manager		
Turner and Townsend (C Barnard)	Wife	E Barnard	Helen Joseph Hospital	Doctor		
Turner and Townsend (V Naidoo)	Wife	P Naidoo				

Swartland Municipality

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61. Additional disclosure in terms of Municipal Finance Management Act (continued)

Turner and Townsend (Y Naicker)	Mother	S Naicker	Department of Education: Kwazulu Natal	Head of Department		
Turner and Townsend (K Pauw)	Brother	B Pauw	Department of Health: Western Cape	Community Service Medical Officer		
Turner and Townsend (J van der Merwe)	Sister	M Wepener	Agricultural Research Council	Senior Research Veterinarian		
Turner and Townsend (P Shezi)	Sister	I Shezi	SADF	Warrant Officer		
Turner and Townsend (J Maphala)	Aunt	S Raphadu	SAPS	Forensic Analyst		
Turner and Townsend (J Louw)	Wife	M Louw	Department of Education: Gauteng	Department Head		
Turner and Townsend (N McMahon)	Sister	E Louw	Eskom	Contract Management		
Actom (S Nel)	Daughter	I Nel	City of Cape Town	Principal Professional Services Teacher	6 688 758	-
Actom (D Lubbe)	Spouse	T Lubbe	Department of Education	Nurse	9 695	60 960
Cyote Fire Services (M Muller)	Spouse	B Muller	Department of Health	Teacher	16 840	3 950
MT Panelbeating (M Bocks)	Spouse	C Bocks	Department of Education	Curriculum Advisor	1 867 068	798 399
Mubesko Africa (Pty) Ltd (B Saaiman)	Spouse	L Saaiman	Department of Education: Western Cape	Teacher	34 105	94 943
Redhill Electronics (E Hartley)	Spouse	L Hartley	Department of Education		152 279	-
Landis & Gyr (C Ngcukana)	Spouse	C Ngcukana	Department of Education			
Landis & Gyr (C Ngcukana)	Brother	V Ngcukana	City of Cape Town			
Landis & Gyr (C Dingaan)	Sister	P Nquomo	Umhlanga Municipality			
Swartland and West Coast Trading (Pty) Ltd (L Marcus)	Spouse	H Marcus	Department of Labour	Supervisor	71 024	63 210
Swartland and West Coast Trading (Pty) Ltd (L Marcus)	Child	K Dietrich	Department of Health	Finance Clerk		
IX Engineers (M Mashegana)	Spouse	R Mashegana	Department of Health	Nurse	477 393	-
Mainstruct Project (E Isaacs)	Spouse	E Benjamin	Groote Schuur Hospital	Psychologist	306 637	320 081
IQ Vision (J Meyer)	Daughter	MD Meyer	Department of Health	Intern	1 821 364	797 023
Johan Bester Ingenieurswerke (A Jordaan)	Spouse	M Jordaan	SAPS	Clerk	828 612	897 636
Jamkay Logistics (Pty) Ltd (H Lategan)	Niece	K Andrews	Swartland Municipality	Clerk	-	26 640
Adapt IT (M Mbambo)	Spouse	MS Mbambo	SANRAL	Ops Maintenance Manager	106 570	72 235

Swartland Municipality

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61. Additional disclosure in terms of Municipal Finance Management Act (continued)

GIBB (N Phizda)	Brother	FF Phizda	Gauteng Provincial Government	IT	23 000	-
GIBB (N Phizda)	Brother	R Phizda	Emfulweni Municipality	Horticulture		
GIBB (N Phizda)	Sister	T Phizda	Eskom Rotek Industries	Engineering Technician		
Innovative Transport Solutions (L Pretorius)	Son	D Pretorius	CSIR	Engineer	264 417	-
Innovative Transport Solutions (C Krogscheepers)	Daughter	M van der Merwe	City of Cape Town	Doctor		
Innovative Transport Solutions (O Rebeiro)	Spouse	N Khena	PRASA	Chief Operating Officer		
Bubbles Household Chemicals (C Pieters)	Spouse	JR Pieters	Swartland Municipality	Chief Engineering Technician	414 345	100 376
Mindspring Computing (R Hendricks)	Spouse	B Hendricks	City of Cape Town	Electrician	59 413	-
BSP Repair Centre (HS Mouton)	Father	H Mouton	Swartland Municipality	Head: Traffic Administration	-	13 625
Indecon (Pty) Ltd (T Barnard)	Spouse	L Barnard	Department of Education	Teacher	113 729	92 687
Cigicell (Pty) Ltd (M Nyawane)	Spouse	T Nyawane	Department of Education	Teacher	379 258	233 140
Ian Dickie & Co (Pty) Ltd (M Samuels)	Spouse	D Samuels	SAPS	Warrant Officer	16 216	129 620
JJJ Enterprise (J Kotze)	Spouse	S Kotze	Cederberg Municipality	Clerk	-	17 074
JVZ Construction (M Matthee)	Spouse	R Matthee	Correctional Services	Security Guard	704 766	2 400 339
Siphakame Skills Development (N Vacu)	Spouse	NS Vacu	Drakenstein Municipality	Economic Growth Officer	839 040	188 760
Melloda Project Management (LE Daniels)	Spouse	MN Daniels	Swartland Municipality	Principal Clerk: Sundries and Housing	28 875	-
Motheo Construction (LT Mashau)	Brother	N Ndhlovu	Department of Statistics	Statistician	-	8 491 187
Motheo Construction (SJ Matlhasi)	Sister	B Mantlhasi	North West Department of Cooperative Governance and Traditional Affairs	PA - HR Manager		
Motheo Construction (U Langa)	Mother	DM Langa	Department of Education	Senior Educational Specialist		
Motheo Construction (RC Diphoko)	Father	KE Monareng	SANDF	Warrant Officer		
Motheo Construction (RC Diphoko)	Spouse	M Diphoko	Transnet	Senior Construction Manager		
Motheo Construction (R Madi)	Father	R Madi	Tholomela Municipality	Environmental Manager		

Swartland Municipality

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61. Additional disclosure in terms of Municipal Finance Management Act (continued)

Motheo Construction (V Singh)	Spouse	R Singh	Department of Education	Teacher
Motheo Construction (NQ Chiluvane)	Sister	N Dube	CETA	Chairperson of Evaluation Committee
				34 399 409 35 932 317

62. Fruitless and wasteful expenditure

Due to the fiscal governance control environment of the municipality, paired with our commitment to pay creditors within 30-days from statement or invoice, no fruitless expenditure was incurred during the year.

63. Irregular expenditure

Opening balance as previously reported	-	334 098
Opening balance as restated	-	334 098
Add: Irregular Expenditure - prior period	435 563	-
Less: Amount written off - current	(435 563)	(334 098)
Closing balance	-	-

The 2021/22 balance of irregular expenditure pertains to transactions identified during the prior year audit. The balance of expenditure was reported to council at the council meeting of January 2022 where appropriate corrective action was recommended and so resolved by Council. The expenditure in question was accordingly written off by Council.

The irregular expenditure - prior period for 2022/23 pertains to a contract that fell subject to the requirements of Local production and content requirements not included in advertisement and bid documents in the 2021-2022 year. The matter was only identified during the prior year audit. Given the municipal policies the matter was only considered for investigation in the current year.

64. Unauthorised expenditure

Opening balance as previously reported	11 717 297	13 258 009
Opening balance as restated	11 717 297	13 258 009
Add: Expenditure identified - current	5 556 386	11 717 297
Less: Approved/authorised by council	(11 717 297)	(13 258 009)
Closing balance	5 556 386	11 717 297

Current year Unauthorised Expenditure

The Department of Protection Services overspent by an amount of R 5 556 386 (2022: R Nil). The overspent amount is as a result of the traffic fines that appeared before the court to be issued for summons. Only the Department of Justice has through the local courts the authority to issue summons on a fine. However, due to the court rolls being full, the rolls were scrapped without due consideration (non-cash transaction). This resulted in a significant overspent for the department against bad debts. The over-spending could not reasonably have been foreseen at the time of the mid-year budget review as court processes fall outside of the ambit of control.

Prior year Unauthorised Expenditure

The Department of Financial Services overspent their budget primarily due to an impairment on land (R 5 874 146) for which no budget was allocated. Such impairment will not result in any monetary outflows.

The Department of Civil Services overspent their budget primarily due to Retentions on the Waste Water Treatment Works for which no budget was allocated (R 1 003 956). Such retentions are also the primary reason for the overspent on the capital budget as disclosed in note 55 (Segment information). This is as a result of the deemed capital expenditure due to accrual of the retentions rather than the actual payment thereof. The retentions are included in the following financial periods budgets when such will likely become payable. This is therefore a non-cash transaction for the current year.

Notes to the Annual Financial Statements

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64. Unauthorised expenditure (continued)

The Department of Development Services is currently implementing Housing Projects that are funded by the Provincial Department of Human Settlements. These projects run over multiple years with a multi-year grant funded budget. Each year, the municipality budgets for equal revenue and expenditure based on the gazetted grant allocation from the department for the period 1 April 2021 to 31 March 2022. The contractor appointed to construct the housing project for the De Hoop area has met the department's performance delivery measures by 31 April. The construction however had to continue as this is a multi-year project despite the municipal annual budget having been depleted. Such resulted in an overspent of the municipal budget (which may only appropriate funding in line with the gazetted allocations per the municipal financial year ending 30 June 2022). All payments to the supplier were funded by grant receipts that were received in June 2022. The overspent is as a direct result of invoices presented for payment in July 2022, but upon verification controls, (whereby new year invoices are verified to ensure allocation within the correct period) the expense was found to relate to services being rendered in the year under review, and accordingly was journalised to "accruals" resulting in unauthorised expenditure (R 4 839 195). The expenditure is fully funded by additional grant revenue received in the year under review.

65. Events after the reporting date

The following material event having financial implications requiring disclosure occurred subsequent to 30 June 2023.

The municipality requested a review of the annual remuneration of the Municipal Manager. The National Minister of the Department of Cooperative Government and Traditional Affairs approved the request on 23 October 2023 subject to the acceptance of the new upper limits by the Mayor. In terms of the approval, an amended employment contract was entered into between the Executive Mayor and Municipal Manager resulting in an increase in benefits signed on 8 December 2023. If these upper limits were acknowledged prior to the reporting date, the Remuneration of Municipal Manager and the total for Employee related costs as disclosed in Note 33, would have increased by R196 787.

Notwithstanding materiality, the Government Gazette for the determination of upper limits of the salaries, allowances and benefits of different members of municipal councils was issued on 18 August 2023, which stipulate that the notice takes effect from 1 July 2022. On 5 September 2023, the council communicated to the MEC regarding the council resolution on the upper limits. Such resolution was acknowledged by the MEC on 8 September 2023. The acknowledgement resulted in back-pay to council members during the period ending 30 June 2024. If these upper limits were acknowledged prior to the reporting date, the council remuneration as disclosed in Note 34, would have increased by R475 015.

66. Going concern

We draw attention to the fact that at 30 June 2023, the municipality had an accumulated surplus of R 2 486 549 460 (2022: R 2 341 440 449) and that the municipality's total assets exceed its liabilities.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

In assessing whether the going concern assumption is appropriate under the current economic climate, management considered a wide range of factors including the current and expected performance of the municipality, the likelihood of continued government funding and, if necessary, potential sources of replacement funding.

67. BBBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Appendix A: Schedule of External Loans

EXTERNAL LOANS	Redeemable	Balance at 2022/06/30	Received/ Transferred during the period	Interest capitalised during the period	Redeemed written off during the period	Balance 2023/06/30
LONG- TERM LOANS						
Development Bank	2028/12/29	23 767 289	-	-	2 786 229	20 981 060
Development Bank	2023/12/29	411 500	-	-	267 789	143 711
Development Bank	2031/12/31	50 206 104	-	-	3 268 097	46 938 006
Sanlam	2031/06/30	24 500 282	-	-	1 712 080	22 788 202
West Coast District Municipality						
West Coast District Municipality: Development Bank 6100 7028	2022/12/31	600 000	-	-	600 000	-
Total Long- Term Loans		99 458 174	-	-	8 463 163	90 850 978
TOTAL EXTERNAL LOANS		99 458 174	-	-	8 463 163	90 850 978

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Appendix B: Analysis of Property, Plant and Equipment

Asset Class / Sub-class	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Depreciation / Impairment	Disposal	Closing Balance	Book Value
Heritage Assets	1 345 400	-	-	1 345 400	-	-	-	-	1 345 400
Historic buildings	586 266	-	-	586 266	-	-	-	-	586 266
Land	225 500	-	-	225 500	-	-	-	-	225 500
Monuments	181 000	-	-	181 000	-	-	-	-	181 000
Works of art	352 634	-	-	352 634	-	-	-	-	352 634
Intangible assets	4 489 977	171 730	-	4 661 707	3 986 301	69 006	-	4 055 307	606 400
Investment property	24 978 050	-	335 701	24 642 349	3 768 273	37 094	-	3 805 367	20 836 982
Property, plant and equipment	4 348 565 612	170 330 594	32 635 118	4 486 261 088	2 202 514 990	94 156 569	22 058 882	2 274 612 676	2 211 648 412
Community assets	254 546 742	4 423 576	1 308 412	257 661 905	153 200 818	5 587 975	785 605	158 003 188	99 658 717
Community facilities	141 811 454	946 184	1 307 457	141 450 180	95 098 771	2 602 235	785 399	96 915 607	44 534 573
Sport and recreation facilities	112 735 288	3 477 392	955	116 211 725	58 102 047	2 985 740	206	61 087 581	55 124 144
Infrastructure assets	3 710 743 204	142 832 184	26 035 770	3 827 539 617	1 864 865 386	78 745 445	17 843 581	1 925 767 250	1 901 772 367
Electrical infrastructure	639 571 121	44 640 076	8 551 935	675 659 262	303 850 039	13 495 555	5 887 387	311 458 207	364 201 055
Capital spares	6 862 613	-	537	6 862 076	1 509 337	211 675	277	1 720 735	5 141 342
HV transmission conductors	1 536 705	-	-	1 536 705	426 194	28 613	-	454 807	1 081 898
LV networks	115 362 890	12 878 696	572 073	127 669 513	51 733 419	2 985 720	178 017	54 541 122	73 128 391
MV networks	368 098 635	31 306 885	1 194 401	398 211 119	193 250 782	6 961 916	942 881	199 269 818	198 941 301
MV substations	98 566 867	454 495	5 040 327	93 981 034	34 453 289	2 058 075	3 226 816	33 284 548	60 696 487
MV switching stations	49 094 434	0	1 744 596	47 349 838	22 451 569	1 246 925	1 539 396	22 159 098	25 190 740
Power plants	48 976	-	-	48 976	25 449	2 631	-	28 080	20 896
Roads infrastructure	1 008 026 716	52 067 539	15 475 132	1 044 619 123	559 410 337	24 499 851	10 430 520	573 479 668	471 139 456
Sanitation infrastructure	865 893 280	12 508 310	826 250	877 575 341	370 867 665	16 076 946	784 937	386 159 673	491 415 668
Solid waste infrastructure	67 653 870	1 855 785	-	69 509 655	27 281 295	3 999 266	-	31 280 561	38 229 094
Storm-water infrastructure	231 214 148	720 364	-	231 934 512	109 079 942	4 629 381	-	113 709 323	118 225 190
Water supply infrastructure	898 384 068	31 040 109	1 182 454	928 241 724	494 376 108	16 044 446	740 736	509 679 818	418 561 906
Boreholes	8 274 311	657 538	-	8 931 849	393 809	183 422	-	577 231	8 354 617
Bulk mains	28 229 180	27 692 828	-	55 922 008	6 528 270	1 541 400	-	8 069 670	47 852 338
Dams weirs	30 855 234	-	-	30 855 234	29 437 955	252 736	-	29 690 691	1 164 543
Distribution	663 487 160	1 708 235	1 094 656	664 100 740	371 532 337	10 629 621	655 624	381 506 334	282 594 406
Pump stations	20 490 006	981 508	20 000	21 451 515	12 658 041	647 058	19 808	13 285 290	8 166 224
Reservoirs	144 008 853	-	-	144 008 853	72 227 622	2 660 533	-	74 888 155	69 120 699
Water treatment works	3 039 323	-	67 798	2 971 525	1 598 075	129 677	65 304	1 662 448	1 309 077
Land	95 780 130	877 731	471 238	96 186 623	8 758 213	76 438	-	8 834 651	87 351 972
Movable assets	124 253 237	21 364 809	4 819 698	140 798 348	62 531 167	7 644 942	3 429 696	66 746 412	74 051 937
Computer Equipment	14 643 099	2 951 009	428 994	17 165 114	10 042 879	1 517 660	415 598	11 144 941	6 020 173
Furniture and Office Equipment	9 648 816	775 549	267 831	10 156 534	7 383 079	543 449	247 315	7 679 213	2 477 321
Machinery and Equipment	32 627 476	4 820 145	1 096 228	36 351 393	18 677 833	2 263 582	928 287	20 013 128	16 338 265
Transport Assets	67 333 847	12 818 106	3 026 646	77 125 307	26 427 376	3 320 250	1 838 496	27 909 129	49 216 178
Other assets	163 242 300	832 294	-	164 074 594	113 159 406	2 101 769	-	115 261 175	48 813 419
Housing	21 808 876	756 622	-	22 565 498	13 884 230	165 488	-	14 049 718	8 515 780
Operational buildings	141 433 424	75 672	-	141 509 096	99 275 176	1 936 281	-	101 211 457	40 297 640
Grand Total	4 379 379 039	170 502 323	32 970 819	4 516 910 544	2 210 269 564	94 262 668	22 058 882	2 282 473 350	2 234 437 194

Swartland Municipality

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Appendix C: Segmental Analysis of Assets

Department	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Depreciation / Impairment	Disposal	Closing Balance	Book Value
Administration Civil	1 122 945	70 346	20 108	1 173 183	564 917	58 201	18 847	604 271	568 912
Administration Corporate Services	11 739 893	49 458	363 168	11 426 183	2 864 963	31 850	266 779	2 630 034	8 796 149
Administration Development Services	1 150 441	17 149	122 356	1 045 234	628 031	35 850	87 669	576 213	469 021
Administration Financial Services	7 423 192	405 972	300 689	7 528 475	5 828 321	255 350	268 938	5 814 733	1 713 742
Administration Municipal Manager	75 193	9 850	1 490	83 552	58 923	4 568	1 401	62 090	21 462
Administration Protection Services	25 851	13 821	3 042	36 630	18 813	4 355	2 974	20 194	16 436
Building Control	79 554	-	978	78 576	72 459	2 607	970	74 096	4 480
Caravan Park - Yzerfontein	2 207 683	40 672	10 213	2 238 142	388 645	86 329	8 288	466 686	1 771 456
Cemeteries	6 827 075	-	216 290	6 610 785	5 088 073	184 345	115 757	5 156 661	1 454 125
Community Development	330 096	282 983	300 959	312 120	26 557	28 314	2 502	52 369	259 751
Council	512 733	767 082	69 664	1 210 151	336 661	37 010	37 902	335 770	874 381
Electricity Distribution	652 865 746	46 793 522	8 560 248	691 099 020	311 204 610	14 341 476	5 895 350	319 650 736	371 448 284
Fire Fighting	8 483 544	3 940 788	7 514	12 416 818	1 546 766	489 711	6 715	2 029 763	10 387 055
Housing	53 461 569	725 752	16 622	54 170 700	7 734 723	1 117 258	15 653	8 836 327	45 334 373
Human Resources	56 490	-	3 780	52 710	40 139	3 842	3 593	40 389	12 321
Internal Audit	27 426	-	1 073	26 353	20 622	2 127	1 059	21 689	4 664
IT Services	14 805 841	3 121 423	246 111	17 681 153	9 608 261	1 639 257	238 857	11 008 661	6 672 492
Libraries	9 975 024	64 089	53 585	9 985 527	3 926 697	394 454	47 059	4 274 091	5 711 436
Licencing and Traffic Services	2 409 291	285 478	84 092	2 610 676	1 889 033	135 629	62 045	1 962 618	648 058
Multi Purpose Centres	263 913	-	1 775	262 138	139 690	17 777	1 374	156 093	106 045
Municipal Property	401 546 721	1 820 795	1 040 833	402 326 683	225 280 959	4 186 813	179 851	229 287 921	173 038 762
Occupational Health and Safety	85 687	-	-	85 687	61 136	4 175	-	65 312	20 375
Parks and Recreational Areas	12 870 904	3 100 960	1 141 005	14 830 859	7 341 351	596 924	899 207	7 039 068	7 791 791
Planning and Valuation	94 723	-	5 341	89 382	76 158	5 391	5 028	76 520	12 862
Policing and Law Enforcement	8 532 752	81 257	24 052	8 589 957	3 262 009	768 080	19 573	4 010 516	4 579 441
Refuse Removal	85 436 061	7 661 661	2 004 644	91 093 078	33 694 514	4 896 376	1 162 169	37 428 721	53 664 357
Sewerage	868 585 363	12 728 119	855 335	880 458 146	374 522 397	16 414 351	808 172	390 128 576	490 329 570
Sportgrounds	80 893 540	440 504	43 707	81 290 336	40 719 562	2 148 962	39 060	42 829 463	38 460 874
Streets and Stormwater	1 230 320 521	54 730 562	16 236 489	1 268 814 593	675 596 713	29 341 661	11 075 837	693 862 537	574 952 056
Supply Chain Management	48 686	10 500	2 851	56 335	27 933	6 113	2 692	31 354	24 981
Swimming Pools	19 223	699 993	600	718 616	18 101	253	586	17 768	700 849
Tourism	14 436	-	2 352	12 084	14 030	152	2 282	11 900	185
Town and Community Halls	18 207 357	99 530	1 738	18 305 149	789 683	740 726	419	1 529 990	16 775 159
Water Services	898 879 565	32 540 060	1 228 115	930 191 510	496 878 116	16 282 380	780 276	512 380 221	417 811 289
Grand Total	4 379 379 039	170 502 323	32 970 819	4 516 910 544	2 210 269 564	94 262 668	22 058 882	2 282 473 350	2 234 437 194

Appendix D: Segmental Statement of Financial Performance

Refer note 55.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2023

Appendix E: Disclosure of Grants and Subsidies in terms of Section 123 of the MFMA, 56 of 2003

Grant name	Receipts				Expenditure				Grants and Subsidies delayed /withheld	Reason for delay / withholding of funds	Did your municipality comply with the grant framework in the latest Division of Revenue Act
	September	December	March	June	September	December	March	June			
CHIETA Grant	-	-	(132 300)	(396 900)	-	-	-	390 641	None	None	Yes
Comm Safety (K9 UNIT)	(2 390 000)	-	-	-	1 357 960	1 032 040	-	-	None	None	Yes
Comm Safety (K9 UNIT): Capital	(30 000)	-	-	-	406	-	-	137 079	None	None	Yes
Community Development Workers Programme	(38 000)	-	-	-	-	-	-	35 499	None	None	Yes
Expanded Public Works Programme	(469 000)	(843 000)	(561 000)	-	791 529	755 843	-	325 629	None	None	Yes
Housing Project: Malmesbury De Hoop	-	-	(13 765 762)	-	11 851 597	5 537 180	-	-	None	None	Yes
Housing project: Moorreesburg (Capital)	-	-	-	-	-	-	-	900 000	None	None	Yes
Housing Projects: Darling	-	(1 000 000)	(1 615 230)	-	-	-	-	2 615 230	None	None	Yes
Integrated National Electrification Programme	(10 000 000)	(7 600 000)	-	-	-	4 468 316	4 861 955	8 269 729	None	None	Yes
Law Enforcement Reaction Unit	(4 000 000)	-	-	-	1 358 422	1 888 932	1 575 938	505 847	None	None	Yes
LG Emergency Mun Load-Shedding Relief Grant	-	-	(10 945 000)	-	-	-	-	2 438 483	None	None	Yes
LG Financial Management Grant	(1 550 000)	-	-	-	488 636	164 412	237 200	659 752	None	None	Yes
LG Public Employment Support:	-	-	-	-	-	-	855 341	-	None	None	Yes
Library Service: Capital	(50 000)	-	-	-	-	9 614	39 965	421	None	None	Yes
Library Service: Operating	(3 825 000)	(3 874 000)	(3 874 000)	-	2 417 212	3 149 426	2 501 033	3 082 537	None	None	Yes
Maintenance of Main Road (Operating)	-	-	(4 470 000)	-	-	4 470 000	-	-	None	None	Yes
Mun Water Resilience Grant	-	-	(600 000)	-	-	-	-	600 000	None	None	Yes
Municipal Accreditation and Capacity Building	-	-	(255 124)	-	63 968	64 088	16 765	51 954	None	None	Yes
Municipal Infrastructure Grant	(23 121 000)	(10 198 000)	(491 000)	-	1 484 398	13 661 977	9 697 365	8 966 259	None	None	Yes
Regional Socio-economic Project	(1 200 000)	-	-	-	-	284 533	574 407	341 060	None	None	Yes
SETA	(34 587)	(220 377)	(99 752)	(116 438)	34 587	220 377	99 752	116 438	None	None	Yes
WC FMCG (Internal Audit)	-	-	(418 031)	-	-	-	-	-	None	None	Yes
WC FMCG (Student Bursaries)	-	-	(300 000)	-	-	-	42 557	117 443	None	None	Yes
Grand Total	(46 707 587)	(23 735 377)	(37 527 199)	(513 338)	19 848 716	35 706 739	20 502 278	29 554 000			