

BREEDE VALLEY MUNICIPALITY

ANNUAL REPORT

2023/24





MAYOR'S MESSAGE

2023/24 was once again a year in which the people of the Breede Valley showed resilience and positive power. It was a year filled with many things BVM staff and residents are used to, and some things which were fairly new to everybody.

It gives me great pleasure to present this annual report to you. This report will take the reader along on the journey BVM residents and officials walked during the 2023/24 financial year. Like any journey, there were some uphill or rocky sections but thankfully many more smooth roads we travelled on.

I want to start with good news the municipality received during the year in review: **BVM received top ranking in the latest GPI report.**

As the Breede Valley Municipality (BVM), we were delighted to announce that we were officially ranked number two out of 26 large towns local municipalities within Category B, based on the Governance Performance Index (GPI) rankings published by the Good Governance Africa (GGA). In the same report, we have been listed as one of the top four performing municipalities in the Western Cape out of 24, a similar position ranked nationally out of 205 municipalities.

This latest ranking indicates a substantial improvement in terms of governance and performance between our previous placement at 18th position in the last GPI report released in 2021, to the top level at both provincial and national context. Obviously, we are pleased with the ranking and confident that it will boost investor confidence in the municipality. In terms of investors' confidence, it is significant since it validates our exceptional effort and dedication to clean governance.

As a responsible municipality, we also acknowledge there are still service delivery challenges in some areas. However, this positive ranking shows the municipality is still headed in the right direction. Our Municipal Manager, Mr. David McThomas,

reacted as follow: "We are pretty much sure that there is still a lot that must be done, but obviously these are small steps to give us a clear-cut indication that we are moving towards our ultimate goals. I must admit, it would not be possible to achieve such a remarkable milestone without the support of our key stakeholders such as Council, community, and staff" added McThomas.

The GGA is an independent research and advocacy organisation focussed solely on improving governance in the continent. It uses a ranking instrument that provides all interested stakeholders with an index of municipal-level governance performance. It also offers an assessment of how individual local municipalities are performing in order to assist in targeting interventions.

In short: we are on the right track but also know where we need to improve.

To sum up some key deliverables we were engaged in during the year under review, I would like to mention the following:

SERVICE DELIVERY:

This is what we are here for – to serve our people. We are here to help create a life as comfortable and easy as possible to all our citizens. Most of the time, we get this perfectly right, but sometimes we don't. Then we go back to the drawing board and see how we can do better. Often, the public is simply not aware of what we do. That is why we endeavour to actively communicate our service delivery challenges and successes on various platforms.

ADVERSE WEATHER INCIDENTS:

Global warming is here to stay. Unless we take drastic steps to turn things around. In the meantime, we must navigate around adverse weather incidents year after year. This year was no exception as wind, rain and floods were again part of our



wintertime. The difference this year, was that we learnt valuable lessons from similar events in the past and implemented actions learnt from this. Our teams from Fire and Rescue Services, Traffic and many other departments were ready and very able when the storms and floods came. Yes, some people were still displaced and in dire situations, but this time round we knew exactly what to do, did it, and are taking steps to prevent certain difficulties in future.

CRIME & SAFETY:

Unfortunately, the devastating and everlasting difficulties around issues such as gender-based violence, theft, gang related activities and drinking and driving continues to be with us. We will never stop caring about the victims of these social ills.

INDIGENT SUPPORT:

As usual, the Municipality assist communities in general, especially the unemployed, the elderly and other vulnerable groups wherever and however it is possible. We continually encourage them to apply for indigent subsidy on municipal services. My office will, whenever possible, assist to lessen the burden of poverty. As a caring Municipality, we are aware of how difficult life has become and how much more difficult life is for the vulnerable citizens within our community.

The following challenges remain problematic year after year:

- Violence in specific areas, prohibiting officials to perform their tasks in a safe and accommodating environment
- Delays in service delivery emanating from the continuous deliberate damage of municipal infrastructure such as sewerage systems and electricity substations

- Delays in service delivery due to theft of infrastructure such as electricity overhead cable
- Illegal dumping of rubbish
- Load shedding

The Breede Valley Municipality in many respects lives up to its vision with accolades for performing in governance and service delivery. There are challenges but we will address them. With the support of an active community sharing the responsibility of governance, Council and staff will work shoulder to shoulder to maintain a high level of service delivery, putting the wonderful people of Breede Valley first. Thank you for everyone's contribution. Stay vigilant. Stay safe. Stay caring.

Our vision of a unique and caring valley of service excellence, opportunity and growth depicts where the Breede Valley wants to be within the greater Cape Winelands area. Our mission informs the vision. *By providing sustainable and affordable basic services in a safe and healthy environment, which promotes social and economic welfare through participative governance in a committed service orientated approach, and by appreciating committed staff as the organisation's most valuable resource and key to service delivery,* the vision will become reality.

During the past year Council experienced challenges and highlights. With the support of the Mayoral committee, Council and dedicated staff, we will strive to further improve on service standards for all communities within the municipal boundaries.

Ald. Antoinette Steyn

EXECUTIVE MAYOR



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1.1 MUNICIPAL MANAGER'S MESSAGE

In the prior reporting period (2022/23), I've cited that the South African local government landscape remains susceptible to the VUCA (volatility, uncertainty, complexity, and ambiguity) dynamic. Key drivers of this dynamic include (amongst others) escalating socio-economic challenges, dwindling resource frameworks and increasing constituent demands. If not effectively addressed, these circumstances risk widening the expectation gap and threaten local government's ability to fulfil its core constitutional mandate. Reflecting on the period under review, it is evident that these complexities and challenges have persisted throughout. As an administration, it is our responsibility to proactively identify such factors/challenges, plan and act accordingly to mitigate and counteract the potential effects and monitor and review our planning and implementation frameworks to ensure we remain well-positioned to uphold our constitutional mandate.

On this premise, it gives me great pleasure to present Breede Valley Municipality's (BVM) Annual Report for the 2023/24 financial period to all constituents associated with and passionate about the Breede Valley Municipality. At BVM, we strive to uphold a high level of governance proficiency and service delivery excellence whilst exercising our custodianship. In addition, our vision of "a unique and caring valley of service excellence, opportunity and growth" compels us to render services guided by core public value ideologies such as equity, impartiality, justice, honesty, fairness, probity, continuity, secrecy, accountability, transparency, and responsiveness. Coupled with the pursuit of service excellence, we continuously strive to maintain our clean (unqualified) audit outcome status, the culmination of the extent of governance proficiency throughout various facets of our organisation.

In the year under review, we've achieved great success, built on the foundation of strong partnerships and collaboration with civil society and the private sector. The prioritisation of proper consultation, monitoring and oversight of processes further fuelled the whole-of-society approach in pursuing sustainable and equitable basic service delivery. In terms of this special relationship with our constituents, due care was taken to ensure that our service delivery actions (as reflected in this report) underpinned our strategic objectives as articulated in the municipal Integrated Development Plan (IDP), the Budget and Service Delivery and Budget Implementation Plan (SDBIP). In this regard, the following highlights need mentioning:

- Continuous prioritisation and implementation of astute financial management principles to enhance and safeguard the organisation's financial sustainability. These simple yet essential principles enabled the Municipality to achieve the following:
 - A sustained revenue collection rate above 90%, coupled with the subsequent ability to maintain our investment trajectory in critical capital and operational projects.
 - A sustained capital budget (R293 359 201 in 23/24), to maintain our investment-centric approach to improve service delivery. The capital budget was allocated to the following strategic assets (amongst others):
 - R69.6 million towards upgrading/augmenting the municipal sewer network and wastewater treatment works in hotspot areas;
 - R21.9 million towards upgrading/augmenting water networks (pipe-cracking) and storage infrastructure (pre-load reservoirs);



MUNICIPAL MANAGER'S MESSAGE

- R18.2 million towards road infrastructure projects, including the reseal of pre-identified tarred roads, upgrading of pre-identified gravel roads as well as the construction of a traffic circle at the High- and Louis Lange Street intersection;
 - R82.8 million on electrical infrastructure, including the Transhex electrical reticulation system, alternative electrical supply and the removal of mid-blocks in Zwelethemba, the refurbishment of substations and upgrading of high mast- as well as street lights;
 - R63.4 million (excluding expenditure recorded under the aforementioned categories) on the implementation of ward priorities, including the upgrading of gravel roads, reseal of tarred roads, construction of speed humps, erection of play parks, repair/installation of high mast lights and conducting phase 2 of erosion protection within the Hex River (amongst others);
 - R14.8 million towards preliminary feasibility studies, EIA's and bulk infrastructure planning and design linked to the development of the two envisaged industrial parks (adjacent to Avian Park and Uitvlugt);
 - R3 million towards sporting facilities, including (amongst others) the upgrading of the Esselen Park Perimeter Fence; and
 - R1 million towards the feasibility assessments, preliminary design and related professional services linked to the upgrading of municipal rental units
- Continuous collaboration between the Breede Valley Municipality and Worcester Business Improvement District regarding CCTV security monitoring and urban upgrade projects within the Worcester CBD, which continues to contribute to the reduction of crime & beautification within this particular area.
 - Continuous collaboration on the Transhex Human Settlement development, spearheaded by the Provincial Department of Human Settlements. We continue to rigorously engage the Department to fast-track the construction of the next phase of top structures, which is anticipated to commence towards the latter of the 2024/25 financial period or early in 2025/26. In addition, unlocking and fast-tracking the municipal housing pipeline, remains a strategic discussion with our provincial counterparts and imperative on our inter-governmental agenda. We recognise its potential to substantially alleviate the housing backlog of 20 328 households, create ownership, and stimulate the local economy.
 - Continuation of specialised business support initiatives (in collaboration with strategic partners such as the Department of Economic Development and Tourism (DEDAT) and the Small Enterprise Development Agency (SEDA) to aid key industries, corporates and businesses in successfully navigating the challenging economic climate. In addition, we've made significant strides in conceptualising trading precincts and infrastructure to support the informal economy. Our LED unit has further made significant progress in drafting the Breede Valley Investment Incentive Policy (finalisation anticipated in the first half of 2024/25), which seeks to showcase our offering- and attract potential investors to the Breede Valley. This policy may serve as a major catalyst to unlock the full potential of the envisaged



industrial parks, and many other catalytic projects earmarked for the region.

- Stimulating the local economy by awarding product and works to the approximate value of R12.5 million (within the “formal written price quotation” procurement classification – i.e. between R30 000 – R300 000) to local companies within the Breede Valley jurisdiction.
- Spending approximately R14.2 million on municipal Expanded Public Works Programmes (EPWP), yielding 519 temporary employment opportunities (translating to 395.2 FTE's) for beneficiaries throughout the municipal area.
- These highlights are indicative of the team's commitment to excel and continuously strive towards service excellence, whilst experiencing extreme adversity. Though we are proud of these accomplishments, we recognise that there are urgent challenges and inherent risks that require immediate attention. These remain high on our planning agendas and include the following:

VULNERABILITY OF INFRASTRUCTURE

Well-functioning and well-maintained municipal infrastructure are a critical prerequisite for rendering quality services and underpinning public value. However, dwindling financial resources, rapid population growth & infrastructure usage patterns and frequent occurrences of infrastructure vandalism (amongst others), continues to exert significant pressure on the efficacy and sustainable lifespan of municipal infrastructure. The municipality is not exempt from these occurrences. However, clear action plans and commitments remain in place to improve service infrastructure (as mentioned in the highlights). In addition, we are strategically leveraging our long-

term loan facility, in accordance with financial sustainability principles, to augment the financial resource requirements for critical infrastructure projects. Coupled to this, proactive maintenance of existing infrastructure will continuously be prioritised to ensure that the useful life of all municipal infrastructure is extended and maximum value for money extracted.

VANDALISM OF INFRASTRUCTURE

The level of vandalism and sabotage inflicted on municipal infrastructure, in particular electrical infrastructure remains a great concern. Resources are continuously allocated to repair vandalised infrastructure and safeguard it; however, this is not a sustainable practice as it adversely impacts the cash flow and financial sustainability of the municipality and deters our ability to render critical infrastructure needed to enhance basic service delivery. It is therefore imperative that communities and residents take ownership of safeguarding infrastructure and use it in a responsible manner. The Municipality will continuously ensure that quality infrastructure is provided and maintained to aid in service delivery, and frequently communicate on responsible use and safeguarding of infrastructure to promote longevity and return public value.

HIGH FREQUENCY OF ILLEGAL DUMPING

Illegal dumping throughout the municipal area remains a pressing concern. It reduces the environmental appeal of our beautiful valley, threatens environmental sustainability and community health and discourages potential investors and guests from visiting our area. The Municipality spends approximately R15 million per financial year on illegal dumping, yet the problem persists. Whilst the



MUNICIPAL MANAGER'S MESSAGE

Municipality is responsible for providing a clean and healthy external environment, residents are encouraged to take ownership in keeping our environment clean – i.e. dispose litter, waste and any other form of refuse within demarcated areas in accordance with applicable procedures and policies. The Municipality earmarks to enhance awareness and educational campaigns on sustainable waste management practices to promote a healthy and clean external and living environment. Furthermore, we are evaluating the effectiveness of our current solid waste and area cleaning business processes and will methodically implement the proposed changes. Through mutual collaboration on this matter, we will reduce the applicable expenditure bill and unlock additional resources that could address important socio-economic matters.

INCONSISTENT COMMUNICATION

Concerted efforts are being made to strengthen internal- and inter-governmental collaboration in order to ensure that communities receive holistic information in a concise and timeous manner. While there is still room for improvement in our communication initiatives, we have made notable progress in our efforts over the past year. Moving forward, we aim to build on this momentum by introducing more interactive and real-time communication platforms to facilitate seamless engagement between the municipality and its constituent. Our ultimate objective remains to enhance transparency, strengthen accountability, and foster greater citizen empowerment and involvement in municipal affairs.

GROWING EXPECTATIONS VS DWINDLING RESOURCES

Whilst citizen demands and expectations continue to grow, severe strain is placed on resource availability across all spheres of government – particularly local government. This is exacerbated by (amongst others) poor economic conditions, growing unemployment, poverty and inequality (triple threat). Though the Municipality occupies an essential role in rendering services and creating a conducive environment responsive to citizen needs, the collaboration of civil society and the private sector is imperative to realise this goal.

LIMITED ACCESS TO DIGNIFIED HOUSING OPPORTUNITIES

As poor economic conditions continue, increased patterns of migration to established urban centres and nodes can be expected. Coupled to this, municipalities tend to experience spikes in illegal occupation and land invasion as the housing backlog remains under pressure. As housing and human settlements fall within the domain of national and provincial government, BVM will enhance collaboration with these spheres of government in order to find feasible solutions to systematically address the housing backlog. In addition, occurrences of illegal occupation and land invasion will be dealt with in a swift yet dignified manner in order to ensure that land and/or infrastructure earmarked for future development, is appropriately safeguarded. Acts of illegal occupation and land invasion further prohibits the Municipality to adequately service such residents, hence, the need to resolve such matters swiftly and amicably.



MUNICIPAL MANAGER'S MESSAGE

As we continue to navigate this complex and challenging path, we recognise the importance of oversight functionaries such as the Council and all statutory committees of Council, and commend the valuable contribution made to couple efficient and clean governance with service delivery excellence. In addition, we recognise the invaluable contributions made by members of this community. You have engaged us robustly and without fear and held us accountable in executing our mandate. Through committed administration, diligent oversight functionaries and active citizenry, Breede Valley will remain resilient, build on its achievements and progressively resolve pressing challenges. This will not only underpin our vision of “a unique and caring valley of service excellence, opportunity and growth” but enable us to collectively foster and bequeath a conducive environment for future generations to prosper.

Yours in government

David McThomas

MUNICIPAL MANAGER



*Breede Valley Municipality is proud
to present this
2023/24 Annual Report.
The Report describes
the Municipality's operations
in terms of its core legislative obligations,
and the various accomplishments
and challenges for the period 1 July 2023 to 30 June 2024.
The annual report is prepared
in accordance with Section 121(1)
of the
Municipal Finance Management Act (MFMA),
in terms of which
the Municipality
must prepare an annual report
for each financial year.*



CHAPTER 1



CHAPTER 1: MUNICIPAL OVERVIEW

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 Demographic information

a) *Municipal geographical information*

The BVM covers an area of approximately 3 833 km² stretching from the Du Toitskloof Mountains in the southwest to the Kwadousberg in the southeast and includes the towns of Rawsonville, Worcester, De Doorns and Touwsrivier, as well as the rural areas adjacent to and between these towns and the Matroosberg rural area. The town of Worcester lies on the N1 and has a major railway link, which presents the town with a locational advantage that provides access to inland markets. The most striking feature of the Breede Valley is its scenic beauty. Majestic mountains, fertile valleys, vineyards and vast plains covered with indigenous semi-desert vegetation captivate the soul. Per the 2022 Census, the region had a counted population of 212 682, coupled with 54 284 households. Per the 2023 Municipal Socio-economic Profile, compiled by Western Cape Provincial Treasury, a 1.2% average population growth rate is anticipated for the Breede Valley between 2023 and 2027. By applying this average growth rate to the Census 2022 population and household statistics (i.e. baseline figures), the anticipated population figure and number of households for 2024, equates to 217 794 and 54 935 respectively.

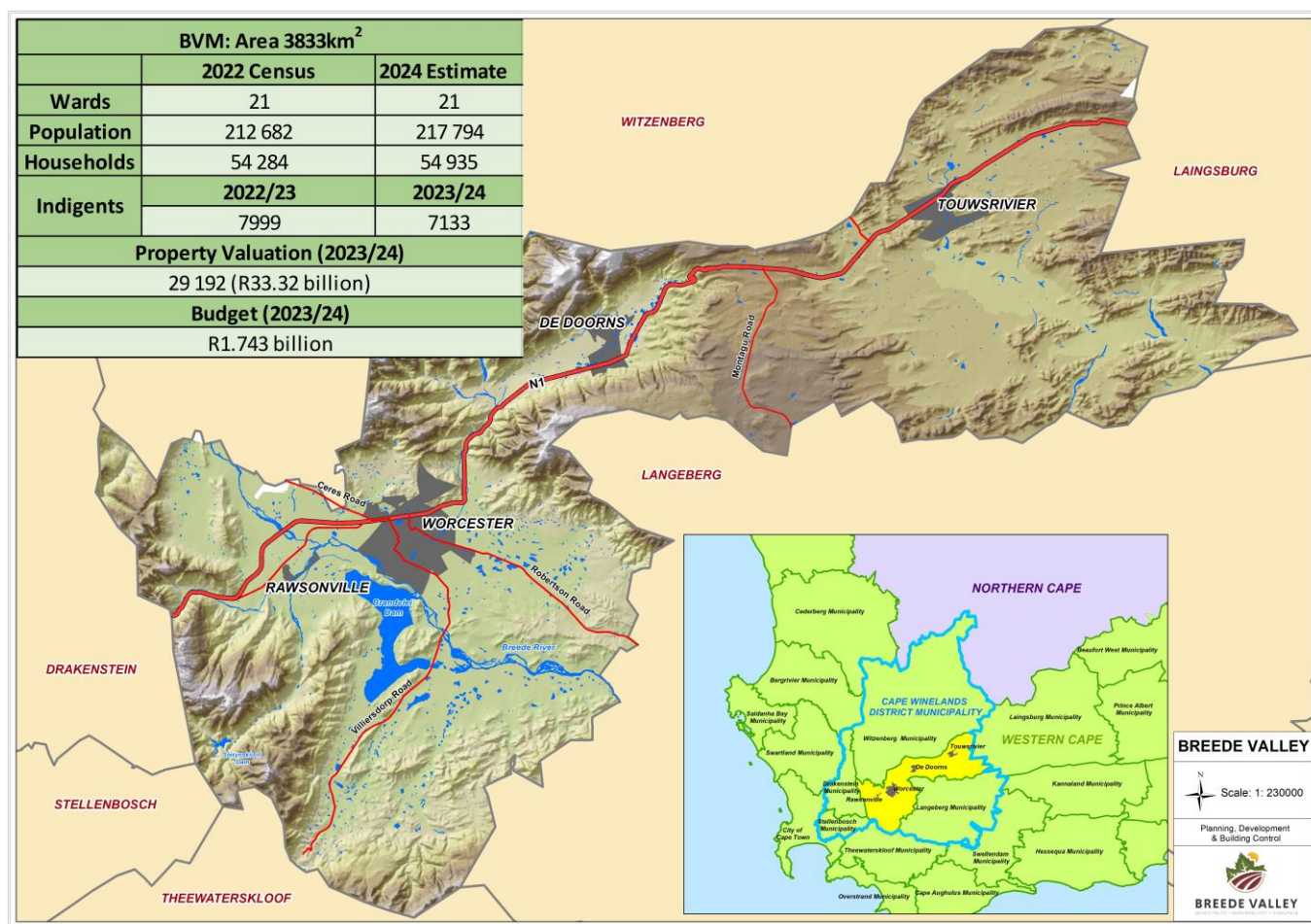


Figure 1: Breede Valley Municipal Area



CHAPTER 1: MUNICIPAL OVERVIEW

Wards

The BVM was formed in December 2000 encompassing the towns of Touwsrivier, De Doorns, Worcester and Rawsonville. The Municipality is structured into the following 21 wards:

Ward	Areas
1	The entire community of Touwsrivier, including business and residential areas and surrounding farms
2	Stofland and adjacent farms
3	Section of De Doorns town centre, Hasie Square, Ekuphumleni and adjacent farm areas
4	Section of De Doorns town centre, Orchard and adjacent farm areas
5	De Doorns and Worcester farming areas including Brandwag, De Wet and Sandhills, parts of Panorama, Altona and Van Riebeeck Park
6	N1 Worcester entrance, Tuindorp, Bergsig, Van Riebeeck Park, Panorama, Hospital Hill, Hospital Park, Fairway Heights, Bloekomboos and part of Altona
7	Paglande, Meiringspark, Roux Park, De La Bat Way, Fairy Glen and part of Industrial Area
8	Part of Industrial Area, Hex Industrial, part of Roodewal and part of Zwelethemba
9	Roodewal area and part of Esselen Park (the Chessies)
10	Part of Hex Park, Part of Transhex and Roodewal flats
11	Parkersdam, Florian Park and parts of Esselen Park (the OVD), Hugosdorp, and Riverview
12	Part of Avian Park, Russell Scheme and CBD
13	Johnsons Park 1, 2 and part of 3, part of Noble Park, Hex Park, part of Avian Park and Riverview houses
14	Riverview flats, Part of Noble Park (Boland Collage and school) and Victoria Park
15	Langerug, Worcester West, Somerset Park, Leighton Park and Goudini Farms
16	Part of Zwelethemba and Mandela Square
17	Part of Zwelethemba
18	Part of Zwelethemba and farms from Overhex, Nonna etc.
19	Part of Rawsonville, Goedeman Park and outlying farming community
20	Part of the centre of Rawsonville and areas towards N1
21	Part of Avian Park and surrounding informal areas

Table: 1 Municipal wards



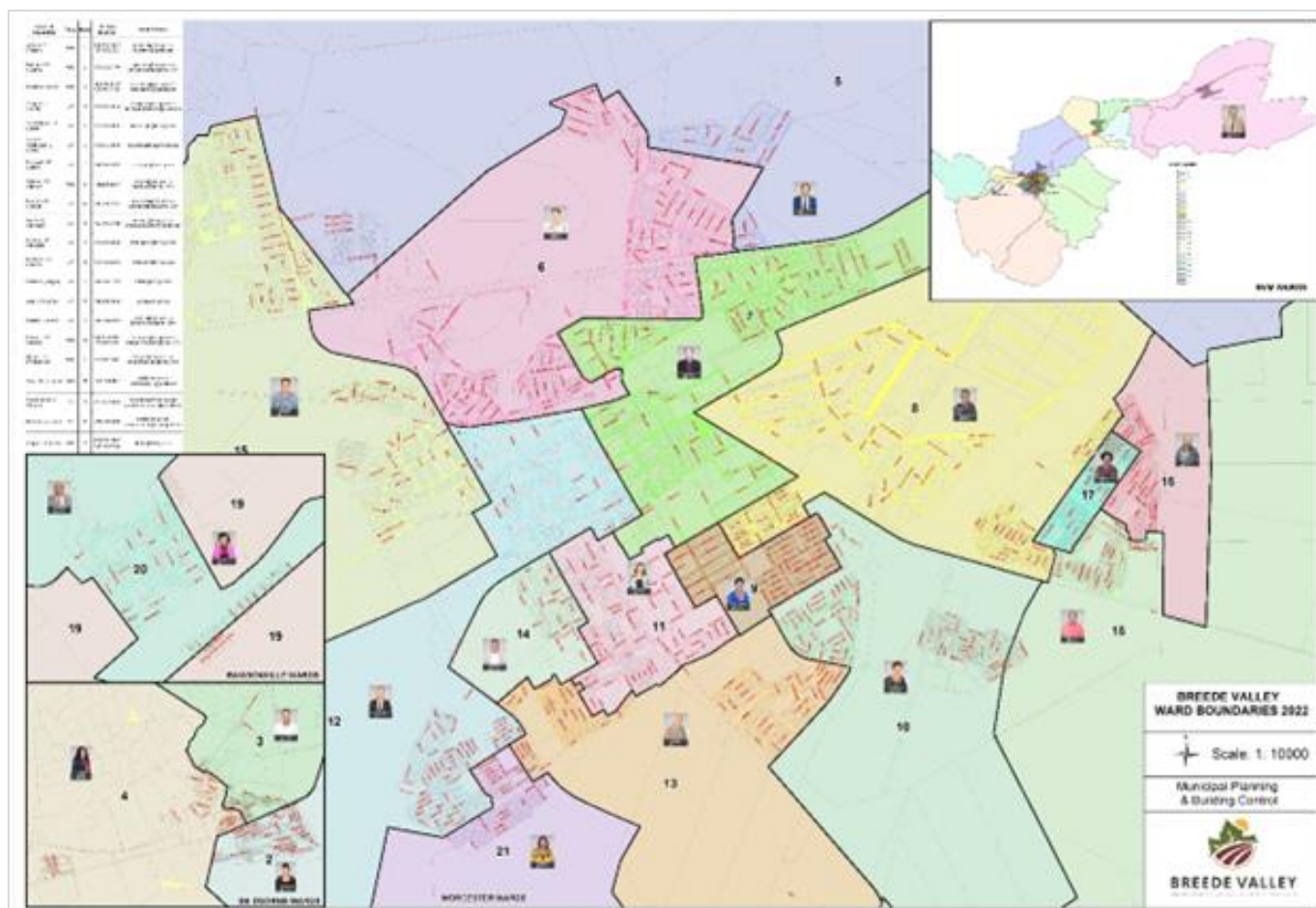


Figure 2: Municipal wards

Worcester

Worcester is located 120 km northeast of Cape Town on the N1 highway north to Johannesburg.

Worcester is the largest town in the BVM - home to approximately 125 000 people, including those people living on the surrounding farms. It is an old town established in 1820 and named after Lord Charles Somerset's nephew, the Marquis de Worcester. In 1823 there were only 10 houses in Worcester. The town serves as the administrative capital of the Breede Valley local municipality and as regional headquarters for most national and provincial government departments. The town also serves as the hub of the Western Cape's interior commercial, distribution and retail activity with a shopping mall, well developed central business district and infrastructure.

Worcester is considered as one of the largest wine growing regions in South Africa, both in number of vines and volume of wine produced. The vineyards of Worcester produce roughly a quarter of all the country's wine, and the region has many co-operative estates. There is plenty to see and do in the area and being so centrally situated to the surrounding towns, Worcester is an ideal base from which to explore the region.



De Doorns, Hex River Valley

De Doorns lies on the main route to and from Cape Town, Johannesburg and Port Elizabeth. With its wide range of services and commercial facilities, De Doorns has become the business and shopping centre for the entire valley and surrounding towns. De Doorns is a town with a particularly impressive cultural heritage. In 1819 De Doorns was proclaimed a sub-drostdy of Tulbagh, after two farms had been bought for laying out a town. In 1822 De Doorns was proclaimed a full drostdy.

The little town of De Doorns lies at the centre of the Hex River valley, only one and a half hours' drive from Cape Town, just off the N1 and 35 kilometres north of Worcester, in the midst of South Africa's table grape industry. This is a valley of rolling vineyards, historical Cape Dutch homesteads and snow-capped mountains during winter that combine to make it one of the most picturesque valleys, particularly during autumn when the different vines give rise to a display of variegated colour so rich that all who see it are inspired and none left untouched by its beauty.

De Doorns literally translated means 'the thorns' in Dutch and refers to the Acacia thorn trees that dominate the Hex River banks. De Doorns' wine cellar boasts the longest harvest season in the world, from December through until April, and the area exports approximately 23 million cartons of grapes annually. Farms here lie nestled between the Hex and Kwadous mountains, which provide much in the way of hiking, mountain biking and rock climbing.

Rawsonville

Rawsonville is a small wine growing and farming community in the Breede River valley of the Western Cape province of South Africa. The town is in a scenic portion of the valley on the eastern flanks of the Du Toitskloof mountains.

The climate is hinterland (further from oceanic influences) mediterranean with cool, rainy winters and warm, dry summers. Due to its more inland location, winters can get frosty at times, with occasional heavy snowfalls on the surrounding high-ground. Summers are generally pleasant although some February and March days can reach 38°C or higher.

The area is known for the Breede Kloof Wine Route with its assortment of cellars and wine estates. The economy remains heavily reliant on serving the agricultural community, however tourism, in the form of weekend retreats, is becoming more important to the town's income. Rawsonville is located 90 km to the east of Cape Town and 15 km to the west of the large town of Worcester.

Touwsrivier

On 7 November 1877, the Worcester-Matjiesfontein section of the Cape Government Railways' Cape Town-Kimberley main line was opened to traffic. The line included a station, originally named "Montagu Road", where the line bridged the Touwsrivier. The name was given in reference to the town of Montagu, which lies about 90 kilometres to the south by road. In 1883 the station was renamed "Touwsrivier".

The town of Touwsrivier developed around the railway depot, at which locomotives were changed after the climb over the Hex River pass. It was particularly busy because of the need to bank trains over the pass; banking locomotives were turned at Touwsrivier to return to De Doorns. From 1924 it also served as the junction for the branch line to Ladysmith. The closing



CHAPTER 1: MUNICIPAL OVERVIEW

of the Ladysmith branch in 1981 and the opening of the Hex River tunnel in 1989 reduced the importance of Touwsrivier as a depot.

Touwsrivier received municipal government in 1962 and with the transformation of local government in South Africa it has been incorporated into the Breede Valley local municipality. It is in ward 1 of the local municipality, which in turn falls within the Cape Winelands district municipality.

Touwsrivier is located at an altitude of 770 meters (2 530 ft.) on the southwestern edge of the Great Karoo, east of the Hex River mountains and north of the Langeberg, at the point where the Donkies River flows into the Touwsrivier. It lies just to the south of the N1 highway, 180 kilometres (110 miles) by road from Cape Town. The railway line passes through the town, with the yards and depot being located just to the northeast. By rail it is 257 kilometres (160 miles) from Cape Town.

b) Population

Population size provides an indication of the volume of demand for government services in a geographical space. It also serves as a planning measure to assist budget planners to match available resources to address the relative demand for services. Of the five local municipalities within the Cape Winelands District, Breede Valley recorded the second largest population count (212 682) during the 2022 Census. This total is estimated to increase to 225 670 by 2027 which equates to a 1.2% annual average growth rate. The estimated population growth rate of Breede Valley is therefore lower than the estimated population growth of the Cape Winelands of 1.6%.

The adjacent figure indicates the total population per municipality within the Cape Winelands District according to the 2022 Census.

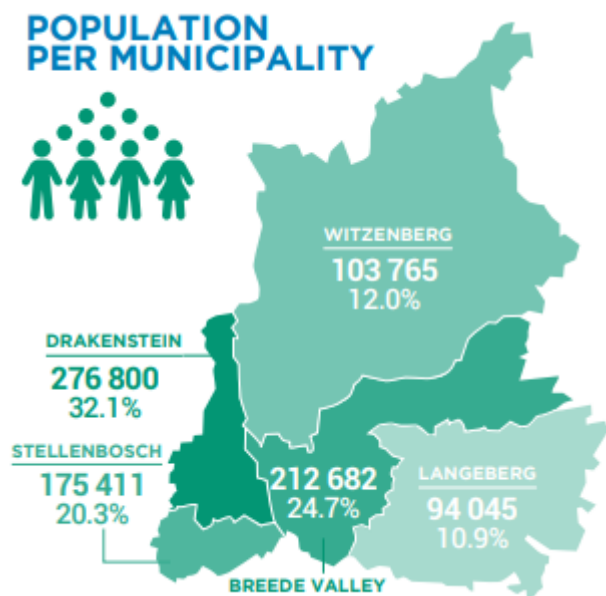


Figure 3: CWD Population per Municipality



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c) Households

Using the Census 2022 household count (i.e. 54 284) as basis for calculating the household count in 2023/24 (considering the 1.2% average annual growth rate), the number of households in 2023/24 is estimated at 54 935.

The table below indicates the households and indigent households in the municipal area for various financial years:

Households	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of households in municipal area	48 445 [#]	49 730 [#]	49 106 [#]	49 571 [#]	49 865 [#]	49 894 [#]	54 284 [*]	54 935
Number of indigent households in municipal area	7 864	8 053	8 596	8 891	9 556	9 820	7 999	7 133

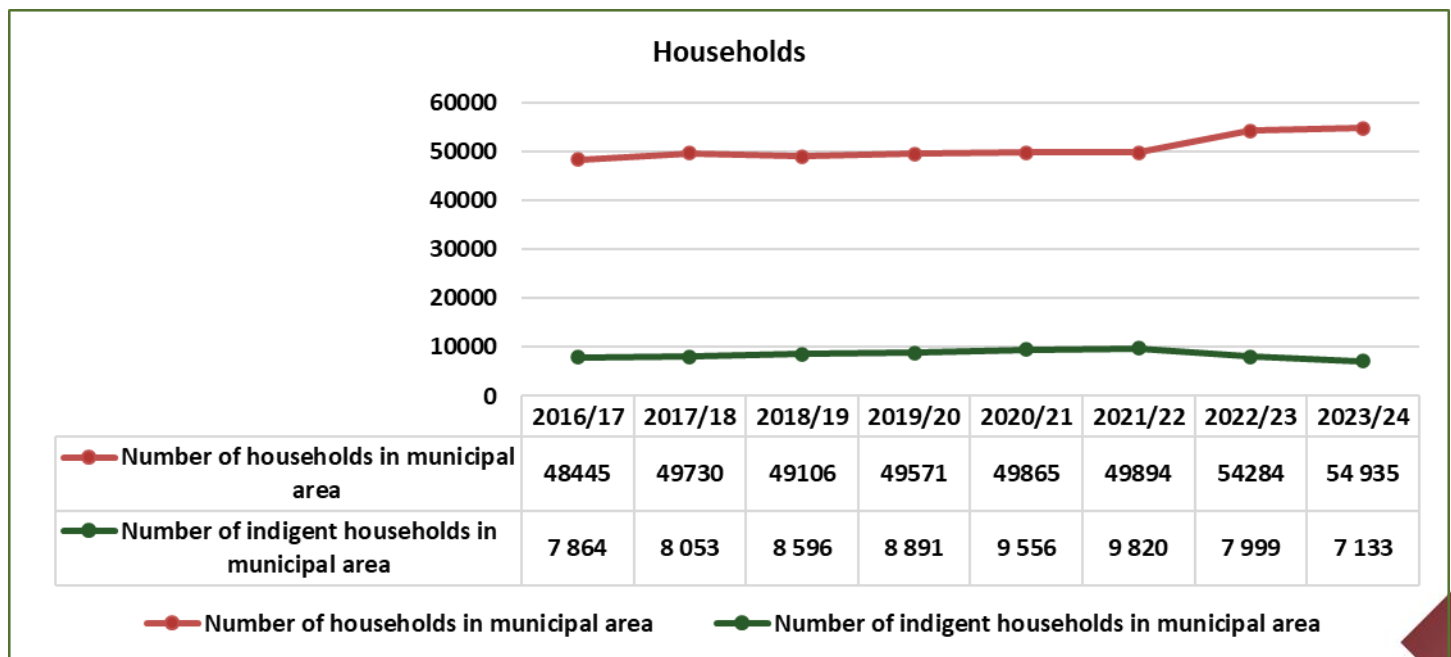
**Source: 2022 StatsSA Census*

#Source: Municipal Economic Review & Outlook compiled by Provincial Treasury

Note: the 2022/23 figure reported in the 2023/24 Annual Report, has been aligned to the Census information and therefore differs from the corresponding information reported in the 2022/23 Annual Report (as derived from the MERO)

Table: 2 Total number of households

The graph below shows that the total number of indigent households grew from 7 864 in the 2016/17 to 7 133 in the 2023/24 financial year



Graph 1: Indigent household representation within the municipal area

d) Key economic sectors and employment by industry

The table below indicates the Gross Domestic Product per Region (GDPR) contribution of each CWD municipal area in 2021 and the forecasted GDPR growth in 2024. The information has been derived from the 2023/24 MERO:



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Municipality	R billion value 2021	Contribution to GDPR (%) 2021	Forecasted GDPR growth (%) 2024
Witzenberg	R11.3	13.3%	3%
Drakenstein	R28	33%	1.1%
Stellenbosch	R20.6	24.4%	1%
Breede Valley	R16.2	19.2%	1.6%
Langeberg	R8.6	10.1%	1.9%
<i>Total Cape Winelands District</i>	<i>R84.8</i>	<i>100.0%</i>	<i>1.5%</i>
Western Cape Province	R764.7	-	-

Table: 3 Cape Winelands District GDPR contribution

In 2021, the Breede Valley municipal area recorded a GDPR of R16.2 billion while employing 75 389 people, 19.2% of whom were informally employed. The economy of the Breede Valley is securely invested in grape farming, whether through the cultivation of fresh grapes for the local and international markets or the production of wine. This leads to a labour force skewed towards low-skilled (33.1%) and semi-skilled (31.5%) workers. The local wine industry also contributes to tourism, as the area is popular for weekend getaways, sporting events and festivals. Worcester serves as the commercial hub of the municipal area, resulting in the finance sector being the largest in terms of GDPR. The finance sector had a GDPR of R4.1 billion (25.2% of GDPR) in 2021 and is predominantly made up of business services such as those provided by bookkeepers, insurers, lawyers and security specialists. This sector was also the leading source of economic growth in 2022. In addition, Worcester is a centre for public administration. There is a strong local and Provincial Government presence in the town, including the Breede Valley Municipality, Cape Winelands District Municipality, Brandvlei Correctional Centre, the Worcester Regional Public Hospital and Brewelskloof Hospital, which is a specialist tuberculosis hospital, with 4 456 people being employed locally by the public sector.

Other prominent sectors in terms of GDPR include trade (16.5% of GDPR) and manufacturing (14.0% of GDPR). The high levels of urbanisation and large number of tourist activities contribute substantially to the vibrant trade environment in Worcester. The leading manufacturers in the Breede Valley municipal area are the 22 wineries in the Rawsonville, Slanghoek, Goudini and Breede River areas and the 11 wineries in the Worcester and De Doorns areas. Other manufacturing includes agro-processing (Safari Dried Fruit & Nuts, Sasko bakery, RCL Foods and Breede River Valley Bottling) and the production of packaging materials for fruit growers. The latter reflects the prevalence of the well-developed grape-growing value chain in the area. In addition to encompassing a substantial number of agro-processing industries, the area is also home to Hextex, a local fabric producer that reopened in 2022 after being closed in 2020 and 2021.

The livelihood of the De Doorns community primarily depends on grape production, with Modderdrift Boerdery, Matroosberg Grapes and Mooigezicht Estates growing, packing and exporting grapes. Other companies, notably Hexco and Sapex, provide export services for producers. In addition, Hexkoel has established itself as one of the leading packhouses in De Doorns, having expanded its operations by 10 500m² in 2022 in response to expansion within the grape industry. The well-developed value chain is favourable to local communities during times of growth and good market conditions such as



those that have prevailed in recent years, as evidenced by the strong growth of perennial crop production jobs (1 239 jobs) in 2022. However, the dependence on grape production also makes the area vulnerable, an aspect that was apparent during the 2018 drought. Furthermore, reliance on seasonal labour contributes to the area's socio-economic challenges. The large influx of workers increases the demand for housing and other services, often resulting in more people living in informal settlements. Furthermore, the seasonality of work also contributes to alcohol and drug abuse, which has a negative impact on the wellbeing of rural communities.

It is estimated that in 2022, the GDPR of the Breede Valley municipal area expanded by 2.7%, a substantial slowdown from the 4.2% recorded in 2021. This decline in growth was primarily due to a 2.9% contraction in the agriculture sector, which was severely affected by loadshedding, logistical challenges at the Port of Cape Town, the increased international competition for table grape exports and rising input costs. Despite the contraction, the agriculture sector remains operating at levels exceeding those of 2019 because of solid growth in 2020 and 2021. Other industries that contracted and continue to operate at levels below those recorded before the COVID-19 pandemic include mining, manufacturing, electricity, gas and water, construction and general government. The trade sector was one of the leading sources of economic growth in 2022, contributing 0.8 of a percentage point to GDPR growth. However, it too has not yet fully recovered from the effects of the pandemic, with high inflation, increased fuel prices and interest rate hikes lowering household purchasing power. These challenging economic conditions resulted in 987 formal job losses across various industries in the Breede Valley in 2022.

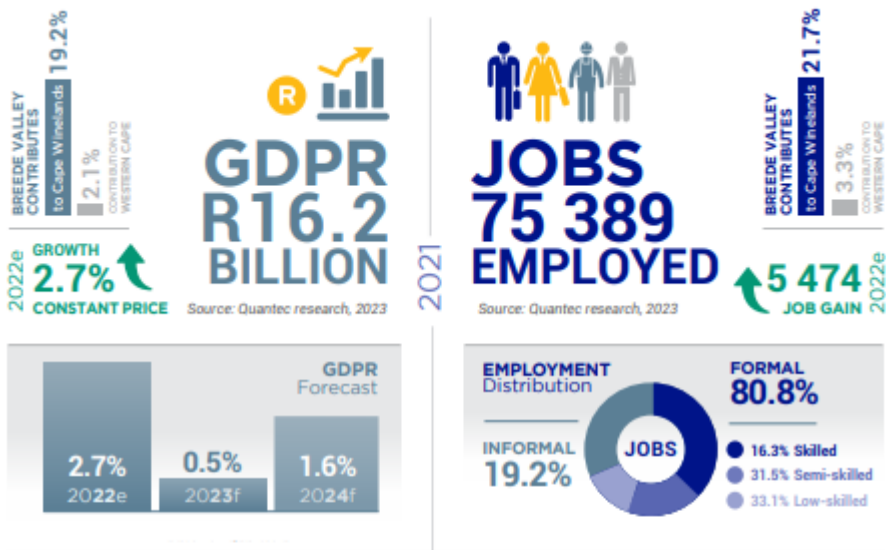
Despite GDPR rebounding fully in 2021 from the COVID-19-induced recession of 2020, the job market continued to deteriorate. However, in 2022 workers returned to the labour force, evidenced by the labour force participation rate increasing to 64.9%. The recovery of business activities during the year led to new job opportunities, resulting in a 2.8 percentage point increase in the labour absorption rate. Improved labour market conditions in 2022 led to a decline in the unemployment rate, which fell by 1.1 percentage points to 14.6%. While this decline in the unemployment rate will relieve impoverished communities, the 2022 rate nonetheless remains above the unemployment rate of 2019 (11.6%), a reminder that substantial economic growth is required to regain all of the jobs lost since 2020. To ensure that the local labour force can be employed in new opportunities, skills development is essential, as more work has been available for semi-skilled persons in recent years.

However, slow growth for employment may be on the cards. With the all-important agriculture sector expected to continue its declining trend in 2023, GDPR is forecast to expand by just 0.5% in the course of this year. Fortunately, economic revival is expected in 2024, when GDPR is forecast to expand by 1.6% because of anticipated strong growth in the trade and finance sectors. Construction is also expected to contribute positively, as public sector expenditure on capital projects is likely to boost the industry.



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GDPR (CURRENT PRICES) AND EMPLOYMENT, Breede Valley



EMPLOYMENT PROFILE

Unemployment rate	Labour force participation rate	Labour absorption rate (employment-to-population ratio)	Not economically active proportion of working-age population
2021 15.7%	2021 62.4%	2021 52.6%	2021 37.6%
2022e 14.6%	2022e 64.9%	2022e 55.5%	2022e 35.1%

Figure 4: Breede Valley GDPR & Employment Statistics - Overview



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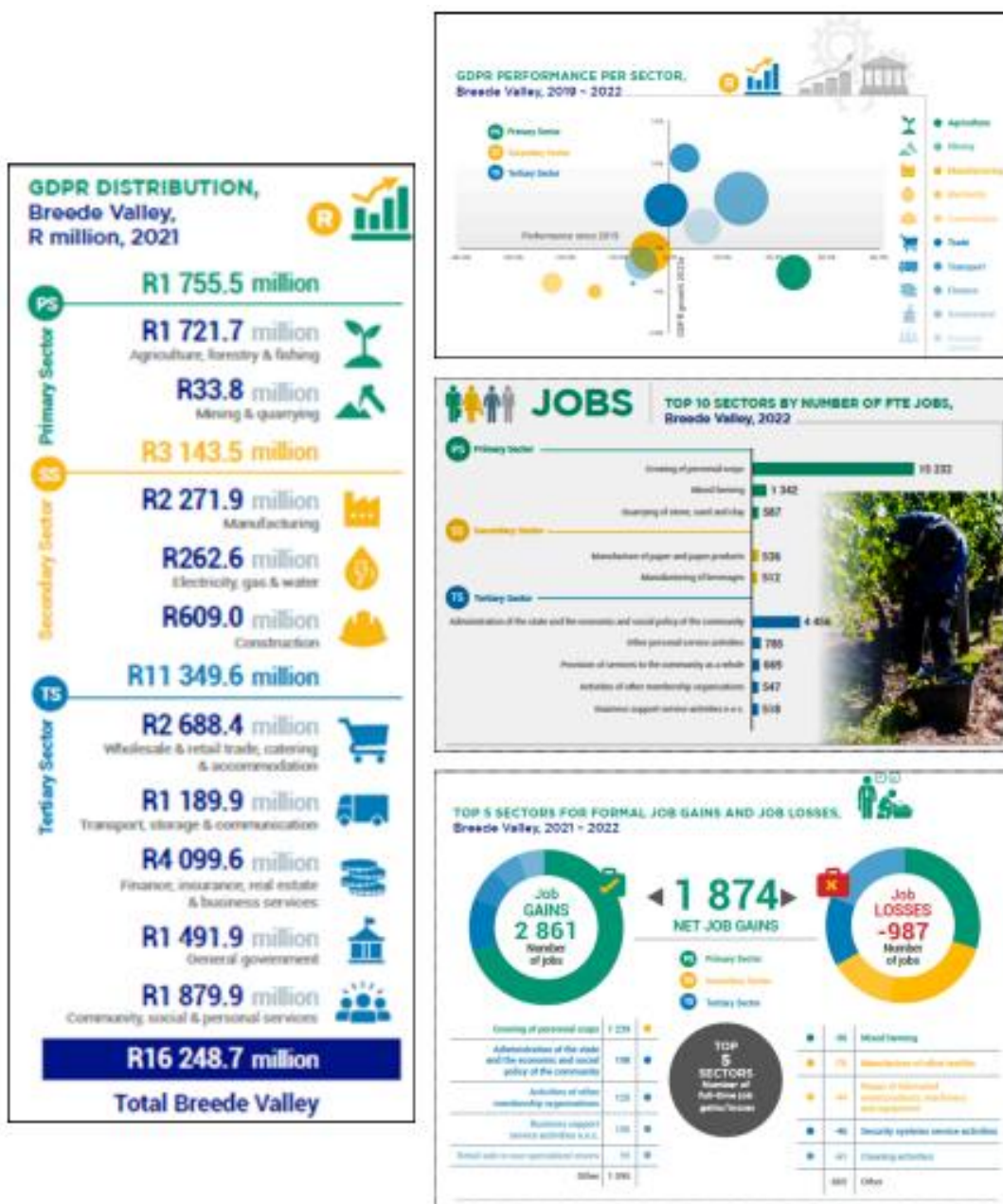


Figure 5: Breede Valley GDPR & Employment Statistics - Detailed

The narrative and supporting figures have been derived from the MERO, BVM Socio-Economic Profile and Stats SA (amongst others). Therefore, more detail and information regarding Breede Valley Municipality's key socio-economic and demographic statistics may be obtained via the following links:

- MERO: [2023-24 MERO Cape Winelands District.pdf](#)
- BVM Socio-economic Profile: [PowerPoint Presentation](#)
- Stats SA: [Statistics South Africa | Census Dissemination](#)
- Wazimaps: <https://next.wazimap.co.za/?geo=WC025>

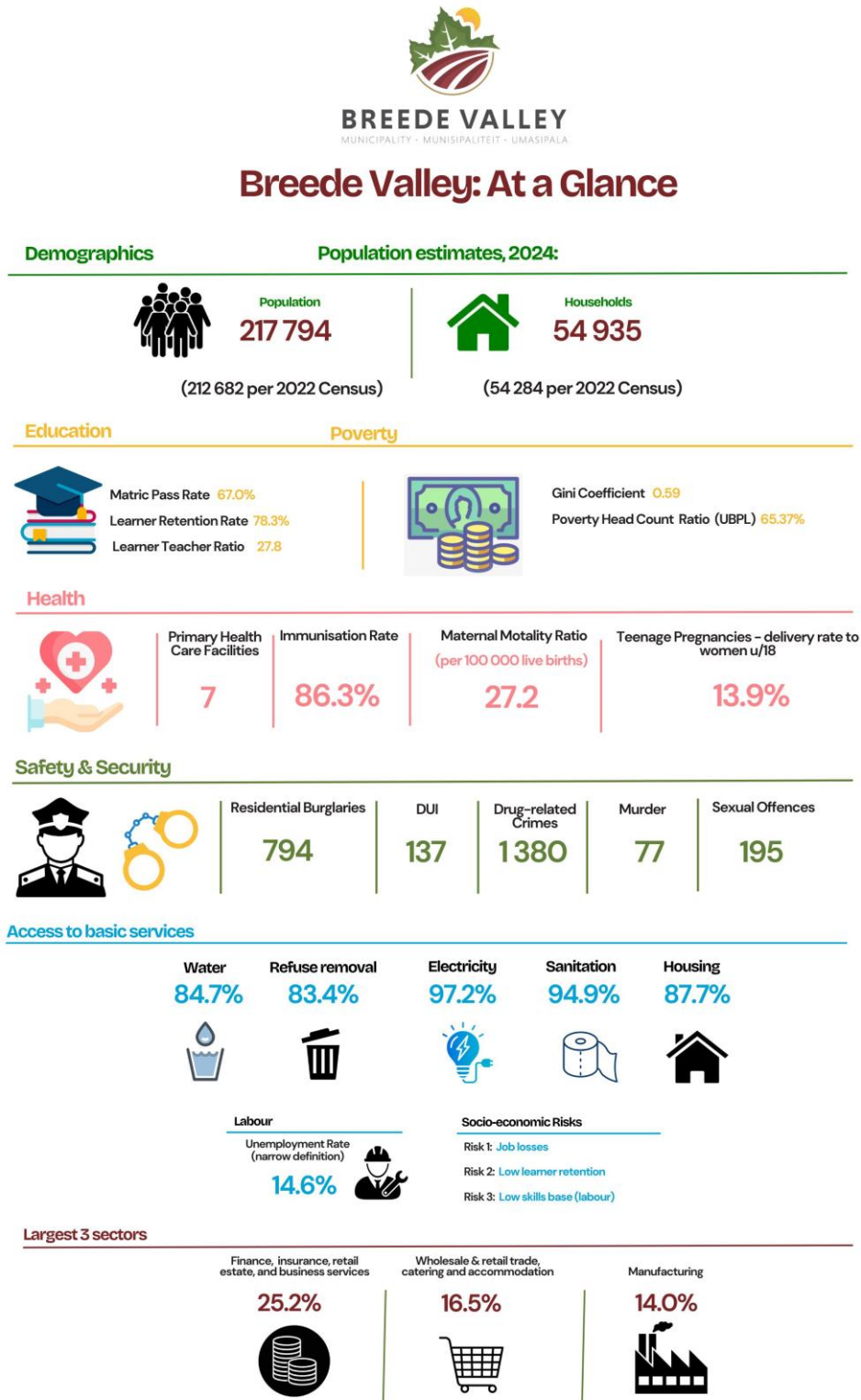


CHAPTER 1: MUNICIPAL OVERVIEW

1.2.2 Socio economic information

a) Socio economic profile

The figure below indicates the socio-economic profile of BVM:



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1.2.3 Municipal challenges

The following general challenges are experienced by the Municipality:

Challenges	Actions to address
Skill shortages and high staff turnover	Implement staff retention strategy & prioritise the filling of staff vacancies in accordance with the Recruitment and Selection Policy, financial resources and best practices
Limited budget for maintenance or replacement of ageing infrastructure	Design, implement, monitor and review revenue enhancement strategies. In addition, critical maintenance works (specifically relating to basic service infrastructure) must be adequately prioritised and budgeted for. The maintenance schedules should, in turn, be diligently implemented and closely monitored
Poverty and increasing indigent households	Enhance the free basic services provision in the annual budget. It is critical that municipal initiatives, linked to the creation of an enabling environment for economic growth and development, are duly resourced and supported in order to address the poverty landscape within the locality
Limited capital reserves	Continuously review and implement revenue enhancement action plans
Proliferation of informal settlements	Implement formalisation of informal settlement plans

Table: 4 Municipal challenges

1.3 SERVICE DELIVERY OVERVIEW

1.3.1 Basic service delivery highlights

The table below depicts some of the key municipal basic service delivery highlights achieved throughout the 2023/24 financial year (note: more detail and information is obtainable under the specific sub-sections throughout the report):

Highlights	Description
Installation of four (4) generators	Installation of four (4) new generators at sewer & water pumpstations
Replacement of main sewer pipe Rawsonville	New main sewer pipeline installed at De Nova Rawsonville
Pipe cracking / water pipe replacement	Replacement of new water pipeline section of Roux Weg
Fencing of pump stations	Four pumpstations were upgraded with concrete slabs and six pumpstations were fenced with beta fence to safeguard municipal assets
Pump procurement and replacement project	Procured two (2) mobile pumps and replaced nine (9) submersible pumps
Procured gas detectors	Procured five gas detectors and received training on the use and entry in confined spaces
Rawsonville WWTW upgrade completed	Upgrade of treatment works completed to increase capacity from 0.24ML/day to 0.972ML/day



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Highlights	Description
Augmentation of storage capacity	Construction of 20 ML service reservoir at Preloads
Wastewater treatment capacity	Augmentation of Wastewater Treatment Works
Refurbishment of substations	Refurbishment of Traub Street substations
Replacement program of residential prepaid meters	Replacement of approximately 70% of the meter base within all wards
TID rollover of prepaid meter upgrades	Ongoing upgrades - 96% of upgrades completed within all wards
Alternative supply of Zwelethemba area	Additional 11kV feeder underground cable installed from Transhex to Zwelethemba substation
Construction of Hex River Erosion Protection	Stormwater Erosion Protection of east embankment up stream of the Raymond Pollet Drive Bridge (Zwelethemba Access Road), as well as headwalls at the two (2) bridges

Table: 5 Basic services delivery highlights

1.3.2 Basic service delivery challenges

The following general challenges are experienced by the Municipality with regards to basic service delivery:

Service Area All Wards	Challenge	Actions to address
BVM	National limited availability of 70 kg gas cylinders	<ul style="list-style-type: none"> Change over to chlorine chip feeders and HTH dosing for disinfection Chips and HTH are more costly and less effective than chlorine gas
	Loadshedding	<ul style="list-style-type: none"> Procurement of emergency generators to ensure continuous electrical supply to the critical pumpstations during periods of loadshedding.
	Regulation 3630 promulgated to register Process Controllers	<ul style="list-style-type: none"> Review and revise the departmental organogram and job descriptions (particularly job requirements and criteria relating to water & waste-water process controlling) to ensure alignment with Regulation 3630
	Water quality complaints	<ul style="list-style-type: none"> Frequent testing of water quality and in accordance with the SANS 241 standards and also the municipal quality standards Regarding isolated complaints, individual sampling and testing is prioritised within the referenced area to ensure safe water quality



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Service Area All Wards	Challenge	Actions to address
		<ul style="list-style-type: none"> In instances of water discoloration, regular scouring of water pipelines is conducted
	High vacancy rate	<ul style="list-style-type: none"> Staff selection and recruitment very slow process
		<ul style="list-style-type: none"> Service delivery severely affected by high vacancy rate
		<ul style="list-style-type: none"> Cost of overtime, acting and ex-gratia very high due to slow recruitment and selection process
	Adverse weather conditions (i.e. Abnormal rainfall, etc.) affecting lead-times of key infrastructural projects	<ul style="list-style-type: none"> Excessive rainfall and high precipitation were experienced during the 2023/2024 financial year. Works were planned and executed to minimize the impact on construction
	Flooding of the Works	<ul style="list-style-type: none"> Excessive rainfall and high precipitation were experienced during the 2023/24 financial year, which caused flooding of and damage to the Works. These events have caused damage to various construction Works. Preventative measures were taken to reduce the impact on construction
	Project Funding	<ul style="list-style-type: none"> The MIG programme makes a valuable contribution to the funding of infrastructure for the poor communities of Breede Valley Municipality, however the quantum of funding provided is insufficient to address the existing and future development areas. Increasing the MIG allocations allow the municipality to address backlogs in a more economical and aggressive manner The lack of financial resources has hampered the provision and upgrade of Wastewater Treatment Works to cope with the existing and future development areas.



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Service Area All Wards	Challenge	Actions to address
	Construction Permit	<ul style="list-style-type: none"> The issuing of a Construction Permit by the Department of Labour took much longer than the anticipated 30 days, which delayed the commencement of works at Touwsrivier Wastewater Treatment Works. Revised programmes will incorporate measures to speed up the works in order to complete the Works by due completion date (30 January 2026)

Table: 6 Basic service delivery challenges

1.3.3 Proportion of households with access to minimum level of basic services

The table indicates the total number of households that have access to the minimum levels of basic services:

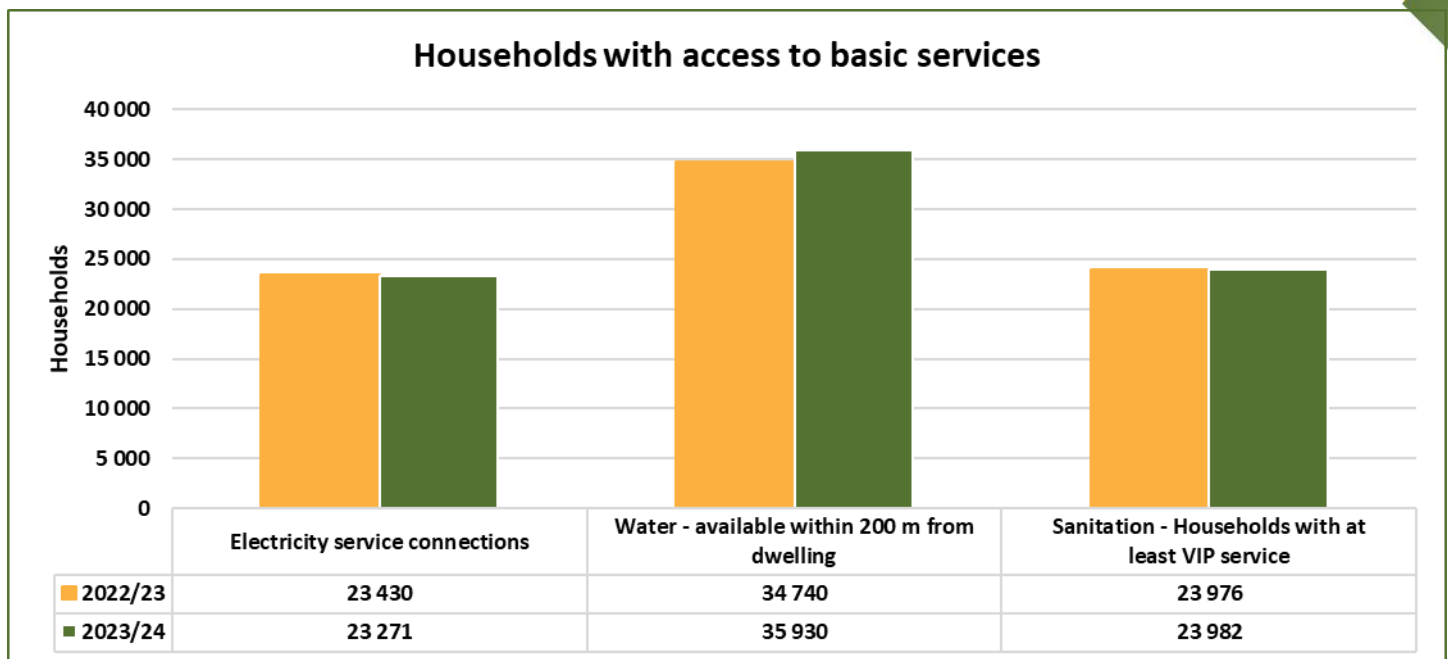
Level of services	2022/23	2023/24
Electricity service connections	23 430	23 271
Water - available within 200 m from dwelling	34 740	35 930
Sanitation - Households with at least VIP service	23 976	23 982
* Excludes Eskom households		
# Data in line with SAMRAS and the database from the Department of Human Settlements: 2014 image count		

Table: 7 Households with minimum level of basic services



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The graph shows the proportion of households with access to basic level of services:



Graph 2: Households with access to basic services

1.4 FINANCIAL HEALTH OVERVIEW

1.4.1 Financial viability highlights

The following highlights were achieved by the Municipality regarding financial viability:

Highlight	Description
Decrease of water and electricity losses	The Municipality successfully managed to decrease water losses. This improvement positively affected the revenue of the Municipality
Improvement of debt collection rate	The Municipality has a fully functional credit control department that stringently applies credit control procedures in line with the approved Credit Control Policy. All these measures resulted in an improved debt collection rate in the current year
Decrease in indigent portfolio	The Municipality has a fully functional credit control department that continuously aims to minimise fraudulent indigent application. All these measures resulted in the indigent portfolio decreasing from 7 999 to 7 133. This had a positive effect on the cashflow of the Municipality.

Table: 8 Financial viability highlights



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1.4.2 Financial viability challenges

The following general challenges are experienced by the Municipality with regards to financial viability:

Challenge	Action to address
Impact of inflation on revenue generation	Stringent budget control measures to ensure tariffs set during budget is affordable
Impact of an increase of town population on demand for basic services	Continuously strengthening controls to ensure everyone has access to basic services
The impact of inflation on the price of goods and services	Budgetary control measures are implemented to ensure a realistic budget are tabled before Council

Table: 9 Financial viability challenges

1.4.3 National key performance indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the municipality's performance in terms of the **national key performance indicators** required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the **national key performance area** namely **municipal financial viability and management**.

KPA and indicator	2022/23	2023/24	Comments
Debt coverage- [(Total operating revenue- operating grants received)/debt service payments due within the year]	33.28%	24.86%	The ratio measures the Municipality's ability to finance debt out of own funding. The ratio slightly decreased from 33.28% in 2022/23 to 24.86 % in 2023/24, however the Municipality is still able to finance debt out of own funding based on its asset portfolio
Service debtors to revenue- (Total outstanding service debtors/ revenue received for services)	14.00%	14.19%	The ratio improved from 14.00% in 2022/23 to 14.64% in 2023/24 due to an increase in revenue received for services
Cost coverage- (Available cash+ investments) / Monthly fixed operating expenditure	1.71	2.05	The ratio measures the Municipality's ability to pay its short-term obligations. The ratio increased from 1.71 in 2022/23 to 2.05 in 2023/24 due to the Municipality's ability to administer proper financial management

Table: 10 National KPIs for financial viability and management

1.4.4 Financial overview

The table below shows the financial overview of the Municipality for the 2023/24 financial year (all financial information

Details	Original Budget	Final Budget	Actual
	R*		
Income	1 540 638 115	1 472 360 395	1 451 519 613
Grants	253 593 000	301 690 220	283 700 553
Taxes, levies and tariffs	981 403 965	978 003 965	1 005 370 580



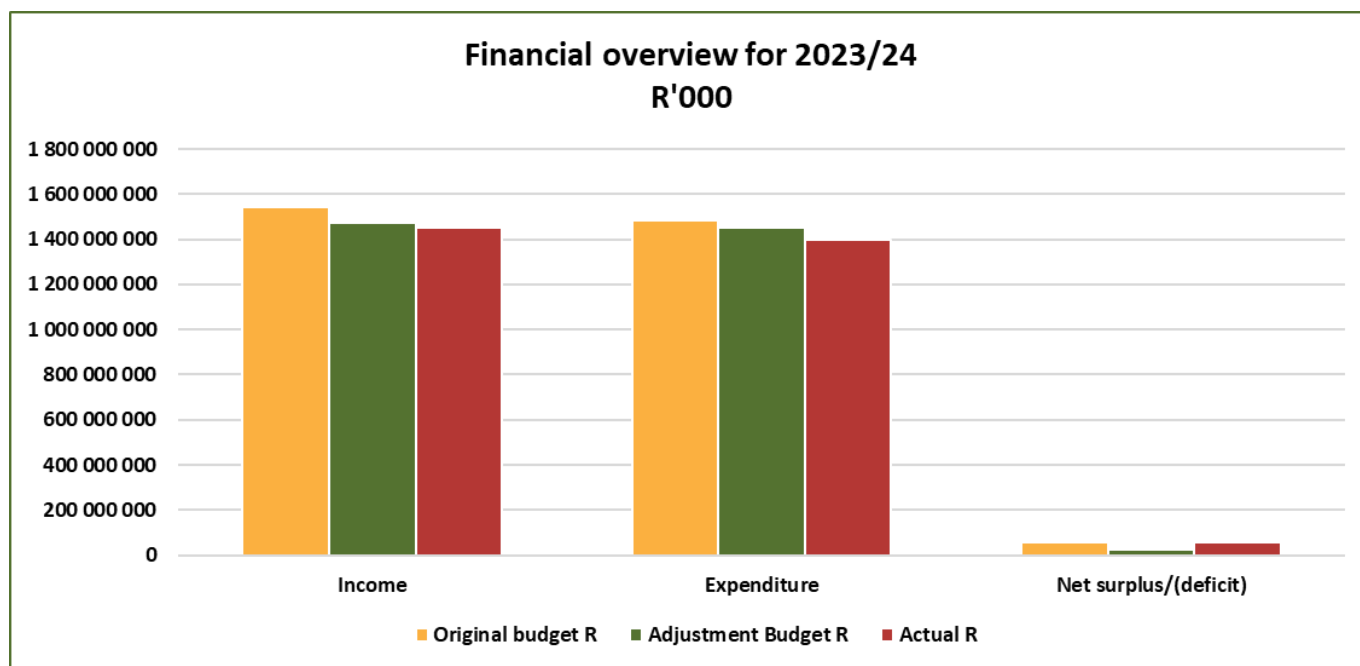
CHAPTER 1: MUNICIPAL OVERVIEW

Details	Original Budget	Final Budget	Actual
	R*		
Other	305 641 150	192 666 210	162 448 480
Less: Expenditure	1 483 959 805	1 450 041 732	1 396 357 771
Net surplus/(deficit)	56 678 310	22 318 663	55 161 842

**Note: All financial information reported in this table, aligns to mSCOA*

Table: 11 Financial overview

The graph below shows the financial overview for 2023/24:



Graph 3: Financial overview for 2023/24

1.4.5 Operating ratios

The following table contains the operating ratios for the 2023/24 financial year:

Detail	Expected norm	Actual	% Variance
	(%)		
Employee cost	35	31.05	3.95
Repairs and maintenance	8-12	6.56	1.44 - 5.44
Finance charges and depreciation	18	9.93	8.07

Table: 12 Operating ratios



CHAPTER 1: MUNICIPAL OVERVIEW

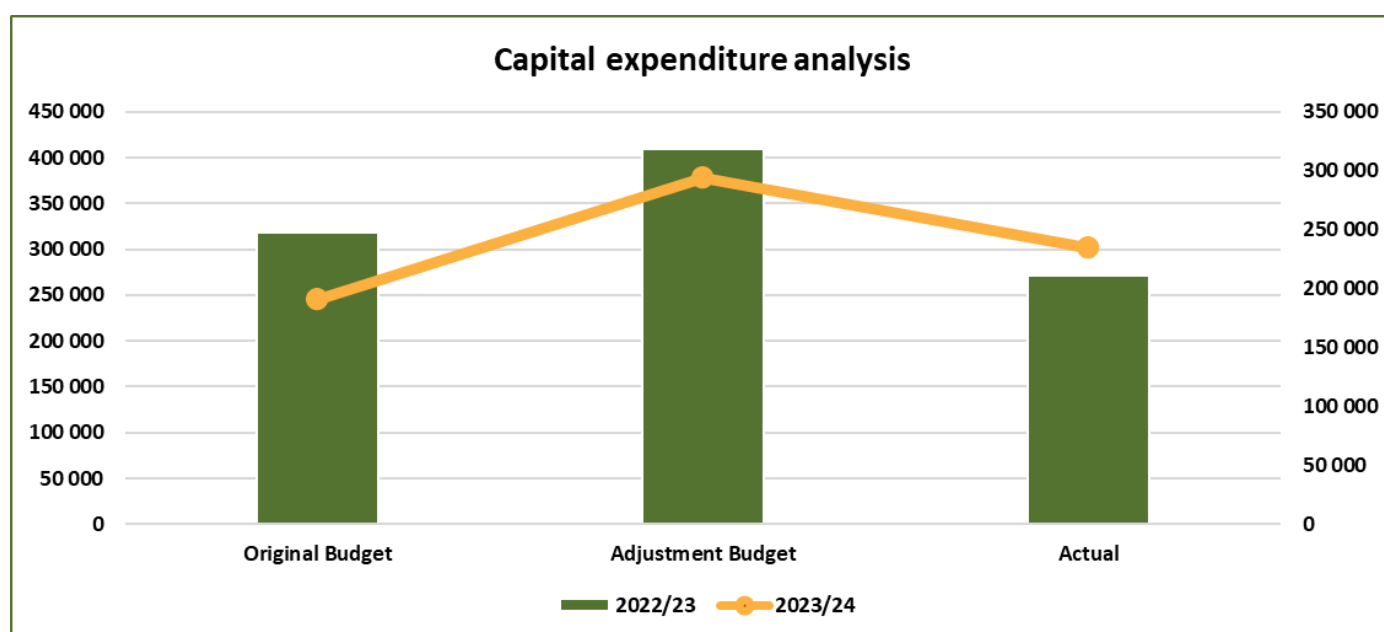
1.4.6 Total capital expenditure

The table below shows the total capital expenditure for the last two financial years:

Detail	2022/23	2023/24
	(R'000)	
Original budget	318 550	190 531
Adjustment budget	409 826	293 359
Actual	270 819	234 621

Table: 13 Total capital expenditure

The graph below shows the total capital expenditure for the last two financial years:



Graph 4: Total capital expenditure

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

1.5.1 Municipal Transformation and Organisational Development highlights

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

Highlight	Description
Council approved the staff establishment on 14 December 2023 (Resolution number C115/2023)	The Municipal Manager reviewed the staff establishment in terms of the Local Government: Municipal Staff Regulations (Regulation 890)
Review of job descriptions	In terms of the Local Government Municipal Staff Regulations 99.54% of all job descriptions on the staff establishment were written and evaluated, and the required competencies in terms of the Regulations were added to the job descriptions



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Highlight	Description
Individual Performance Management and Development	The Individual Performance Management and Development Policy has been approved by Council on 26 March 2024. The Municipality has finalised the setup of the automated individual performance management system and is ready for implementation from 1 July 2024

Table: 14 Municipal Transformation and Organisational Development highlights

1.5.2 Municipal Transformation and Organisational Development challenges

The following general challenges are experienced by the Municipality regarding municipal transformation and organisational development:

Challenge	Actions to address
Non-compliance with organisational design metrics in terms of the Staff Regulations	SALGA will liaise with COGTA to discuss the implications of the implementation of the Municipal Staff Regulations

Table: 15 Municipal Transformation and Organisational Development challenges

1.5.3 MFMA competencies

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

In order to assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role-players in the local government sphere, developed the unit standards accredited by South African Qualification Authority (SAQA).

BVM is committed to ensure that the relevant positions in terms of the abovementioned legislation comply with the necessary competencies.

The table below provides details of the financial competency attainment levels amongst financial and supply chain management officials as required by the regulation:

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial officials				
Accounting Officer	1	1	1	1
Chief Financial Officer	1	1	1	1
Senior managers S56	3	3	3	3



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Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Any other financial officials	2	2	0	2
Supply chain management officials				
Heads of supply chain management units	2	2	0	2
Senior Manager: SCM	1	1	0	1
TOTAL	10	10	5	10

Table: 16 Financial competency development: Progress report

1.6 AUDITOR-GENERAL REPORT

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

The Auditor-General's annual audit examines 3 areas:

- Fair presentation and absence of significant misstatements in financial statements
- Reliable and credible performance information for predetermined objectives
- Compliance with all laws and regulations governing financial matters.

There can be 5 different outcomes to an audit, once the municipality has submitted their financial statements to the Auditor-General, which can be simply defined as follows:

- **Unqualified audit without findings:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation. This is commonly referred to as a "clean audit" outcome.
- **Unqualified audit with findings:** The financial statements contain material misstatements. Unless a clean audit outcome is expressed, findings will be raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects.
- **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or there is insufficient evidence to conclude that specific amounts included in the financial statements are not materially misstated.



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- **Adverse audit opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements.
- **Disclaimer of audit opinion:** Insufficient evidence was provided in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts or represents a substantial portion of the information contained in the financial statements.

BVM implemented MGRO as initiated by Provincial Treasury. MGRO is a Municipal Governance and Review Outlook plan to monitor the performance of municipalities within certain focus areas to ensure clean administration within the Western Cape.

The key control exercise, which is a quarterly assessment initially implemented by the Auditor-General to monitor performance of the municipality, was performed in-house by the Internal Audit team of BVM for the 2023/24 financial year. The findings of the quarterly assessment, together with the audit findings of the previous year, a complete compliance list and the emerging risks identified by the Auditor-General and top ten risks of each directorate were included in the MGRO document to ensure good governance. Progress is being followed up on a continuous basis. MGRO has been included on the dashboard of the Municipal Manager and action plans are monitored on a regular basis.

1.6.1 Audited outcomes

The table below illustrates the audit outcomes for the past six years for BVM:

Year	2017/18	2018/19	2020/21	2021/22	2022/23	2023/24
Status	Unqualified audit without findings (Clean Audit)	Unqualified audit with findings	Unqualified audit without findings (Clean Audit)	Unqualified audit without findings (Clean Audit)	Unqualified audit without findings (Clean Audit)	Unqualified audit without findings (Clean Audit)

Table: 17 Audit outcomes

1.7 IDP, BUDGET AND PMS PROCESS

The table below provides a summary of the key activities planned for implementation throughout July 2023 – June 2024 (i.e. 2023/24 financial year). These activities serve (amongst others) as the point of departure for compiling & finalising the 2nd review/amendment of the 5th Generation IDP (2022/23 – 2026/27) pertaining to the 2024/25 financial period, the 2024/25 Budget and the 2023/24 financial- and performance reporting cycle respectively.

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
ANALYSIS PHASE				
JULY 2023	Preparation of the draft 2024/25 IDP/Budget/Performance Management Time Schedule (hereafter referred to as the Time Schedule) for implementation in the 2023/24 financial period		MFMA S21(1)(b)	Executive Management/BVM Management//IDP & PMS Unit



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MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
	Executive/Senior Management to discuss & provide input on the draft Time Schedule & to ensure internal alignment			Executive Management/BVM Management//IDP & PMS Unit
	Engagement with the Provincial Department of Local Government & Cape Winelands District Municipality to ensure alignment, coupled with the submission of the draft Time Schedule to them for input			PGWC/CWDM/IDP & PMS Unit
	Address provincial IDP Assessment findings (subject to the receipt of correspondence from the Provincial DLG)		MSA S31	DLG/Executive Management/BVM Management/IDP & PMS Unit
	Executive Mayor initiates planning for next three-year budget cycle in accordance with co-ordination role of budget process and review of previous year's budgeting process		MFMA S53	Executive Mayor/Executive Management
	Accounting Officer, Executive Management and Senior Management of municipality review options and contracts for service delivery		MSA S76-81	Executive Management/BVM Management
	Approve and announce new budget schedule and set up committees and forums after consultation on performance and changing needs			Executive Management
	Submission of 2022/23 Q4 performance inputs by BVM Management			Executive Management/BVM Management/IDP & PMS Unit
	Tabling & submission of the unaudited Q4 SDBIP Performance Report (for last quarter of 2022/23) to Council & stakeholders		MSA S41 (1)(e); MFMA S52 (d); MPPR Reg. 14	Director Strategic Support Services/IDP & PMS Unit
	Finalisation of S57 Performance Agreements & submission to the Executive Mayor & Municipal Manager for approval by no later than 31 July 2023 (subject to not being concluded during June)		MFMA S69 MSA S57	Executive Mayor/Executive Management/IDP & PMS Unit
	Tabling the approved SDBIP & S57 Performance Agreements in Council for notification purposes			Council/Executive Management/IDP & PMS Unit
	Commence with the preparation/review of Sector Plans for consideration/incorporation in the 2024/25 IDP & Budget			Executive Management/BVM Management
	Preparation of the 2022/23 draft Annual Financial Statements & collation of user input into the 2022/23 draft Annual Report & Annual Performance Report		MFMA S126(1)(a); MSA S46	Executive Management/BVM Management/IDP & PMS Unit
AUGUST 2023	<i>Roll-Over Budget tabled to Council (by the 25th of August)</i>	Aug 2023	MFMA S28(2)(e), MBRR 23(5)	CFO/Budget & Costing Unit



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
	Executive Mayor tables the Time Schedule in Council	Aug 2023	MFMA S21,22, 23 MSA S34	Council/IDP & PMS Unit
	Submit approved Time Schedule to National Treasury, Provincial Treasury, Department of Local Government and the Cape Winelands District Municipality	Aug 2023		IDP & PMS Unit
	Publication of the approved Time Schedule in order to meet AG audit requirements			IDP & PMS Unit
	Review comments received from DLG (where applicable) on the 2023/24 IDP document (1 st review or amendment of the 5 th Generation IDP 2022 - 2027)			IDP Steering Committee/Executive Management/IDP/PMS unit
	Self-assessment to identify gaps in the IDP process			IDP Steering Committee / Executive Management / BVM Management / IDP/PMS unit
	Review situational analysis to identify changing community needs and challenges			IDP Steering Committee / IDP/PMS unit
	Review of Municipal Strategies, Objectives, KPA's, KPI's and targets			IDP Steering Committee / Executive Management / BVM Management / IDP/PMS unit
	Accounting Officer submits final draft Annual Financial Statements and Annual Performance Report (pertaining to the 2022/23 financial period) to the Auditor-General by 31 August 2023	Aug 2023	MFMA S126(1)(a); MSA S46	Accounting Officer/CFO/Director Strategic Support Services
SEPTEMBER 2023	Continue with the compilation of new- or the review of existing Sector Plans for consideration and incorporation into the 2 nd review / 1 st amendment of the 5 th Generation IDP			Executive Management/BVM Management/IDP & PMS Unit
	Commence with the compilation/review of ward-based plans to identify ward priorities			Community Development Unit/ IDP & PMS Unit
	Continuation of 1 st round of ward report-back meetings & commencement of 2 nd round of ward committee meetings			Community Development Unit
	Review and prepare the Vision, Mission and Objectives linked to the 2 nd review / 1 st amendment of the 5 th Generation IDP			Executive Management/IDP & PMS Unit
	Review of provincial and national government sector and strategic plans		MFMA S35, 36, MTBPS	IDP & PMS Unit
	Consider provincial and national sector specific programmes (schools, libraries, clinics, water, electricity, roads, etc.) for preliminary alignment/inclusion in the 2 nd review / 1 st amendment of the 5 th Generation IDP		MFMA S35, 36, MTBPS	IDP & PMS Unit
	Audit of performance measures			AG



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
	Assess municipal performance and identify where changes are needed for next 3 years [incorporate community inputs]			Executive Management/IDP & PMS Unit
	Review the municipality's performance management system (PMS)		MPPR Reg. 14	Internal Audit/IDP & PMS Unit
	Review the measures and annual performance targets (as and when recommended by the AG)			IDP & PMS Unit
	Send reminder to BVM Management to submit their performance inputs for consideration in the 2023/2024 Q1 SDBIP Performance Report			IDP & PMS Unit
	Stage 1: Inception of the Review of the SDF which includes a notification to Council stating the intention to review the SDF; subsequent to Council's notification, establishing an internal project steering committee in respect of the review process		MSA Section 34, SPLUMA Section 21 (2), LUPA Section 11 (a) and (b), MPPMR Reg. 2 (4), BVM Municipal Land Use Planning By-Law Section 5	Town Planning
	Stage 2: Updating of SDF Status Quo Report			Town Planning/BVM Departments/Internal Project Steering Committee
STRATEGIES PHASE				
OCTOBER 2023	Integration of information from reviewed provincial and national sector plans into the 2 nd review / 1 st amendment of the 5 th Generation IDP			IDP & PMS Unit
	Review and update the strategic elements of the IDP			IDP & PMS Unit
	IDP Steering Committee Meeting			IDP & PMS Unit
	Discuss potential price increases of bulk resources with sector departments		MFMA S35, 36, 42; MTBPS	Accounting Officer/CFO
	Determine revenue projections and proposed rates and service charges	Oct 2023		CFO/Budget Steering Committee/Budget & Costing Unit
	Drafts initial allocations to functions and departments for the next financial year based on strategic objectives	Oct 2023		CFO/Budget & Costing Unit
	Engagement with sector departments, share and evaluate plans, national policies, MTBPS			CFO/Financial Planning Unit
	Incorporate initial changes into IDP			IDP & PMS Unit
	Submission of 2023/24 Q1 performance inputs by BVM Management			Executive Management/BVM Management/IDP & PMS Unit
	Tabling & submission of the unaudited Q1 SDBIP Performance Report (for first quarter of 2023/24) to Council & stakeholders		MSA S41 (1)(e); MFMA S52 (d); MPPR Reg. 14	Director Strategic Support Services/IDP & PMS Unit
	S57 Managers' informal quarterly performance assessments (for first quarter of 2023/24)			Executive Management/BVM



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
				Management/IDP & PMS Unit
	Commence with 1 st round public participation sessions throughout all wards			Executive Management/BVM Management/IDP & PMS Unit
	Stage 3: Commencement of the compilation of the Draft SDF			Town Planning
PROJECTS PHASE				
NOVEMBER 2023	Review of Municipal Strategies, Objectives, KPA's, KPI's and targets			Executive Management/IDP & PMS Unit
	Identification of priority IDP projects based on stakeholder inputs			Executive Management/IDP & PMS Unit
	Reviews and initial changes are drafted into IDP		MSA S34	IDP & PMS Unit
	Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements	Nov 2023		Executive Management/Budget Steering Committee
	Identify new CAPEX/OPEX projects and programmes emanating from IDP & Budget engagements	Nov 2023		Executive Management/IDP Steering Committee/Budget & Costing Unit/IDP & PMS Unit
	Auditor-General provides audit report by 30 November 2023		MFMA S126(4)	AG/Accounting Officer
	Review performance of service providers as per the approved policy			Executive Management/BVM Management
	S57 Managers' formal quarterly performance assessments (for fourth quarter and as at year-end of 2022/23)			Executive Mayor/Portfolio Councillors/Executive Management/IDP & PMS Unit
	Continuation of 1 st round public participation sessions throughout all wards (subject to non-conclusion in October 2023)			Executive Management/BVM Management/IDP & PMS Unit
	Commencement of 3 rd round of ward committee engagements			Community Development
DECEMBER 2023	Continuation of 3 rd round of ward committee engagements			Community Development
	Mayor tables the draft 2022/23 Annual Report in Council (last week of November or first week of December)		MFMA S127(2)	Executive Mayor/Accounting Officer/IDP & PMS Unit
	The draft 2022/23 Annual Report is referred to MPAC for commencement of the oversight process		MFMA S129	Enterprise Risk Management Unit/ IDP & PMS Unit



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
	Submit the draft 2022/23 Annual Report to National Government, Provincial Government & the AG) and publish it on local media platforms, calling for community inputs/representations thereon		MFMA S127 & MSA S21a	IDP & PMS Unit
	Departments to comment on the reviewed Municipal Strategies, Objectives, KPA's, KPI's and targets			Executive Management/BVM Management
	Project alignment between CWDM and BVM			IDP & PMS Unit
	Review & refinement of priority IDP projects			IDP & PMS Unit
	Council finalises tariff policies for next financial year		MSA S74, 75	Executive Mayor/CFO
	Inputs from Departments for Adjustments Budget	Dec 2023		Executive Management/Budget Steering Committee/Budget & Costing Unit
	Commence with preparations pertaining to the 2023/24 mid-year performance review and S57 Managers' performance assessment			IDP & PMS Unit
	Review and respond to recommendations contained in LG-MTEC reports and IDP (2023/24) Analysis Reports	Dec 2023		IDP & PMS Unit
	Send reminder to BVM Management to submit their performance inputs for consideration in the 2023/24 Q2 SDBIP Performance Report		MSA S41 (1)(e); MFMA S52 (d)	IDP & PMS Unit
JANUARY 2024	Review of Municipal Strategies, Objectives, KPA's, KPI's and targets in strategic planning session with senior management			IDP & PMS Unit
	Review & refinement of priority IDP projects			IDP & PMS Unit
	IDP Steering Committee Meeting			IDP & PMS Unit
	Submission of 2023/24 Q2 performance inputs by BVM Management			Executive Management/BVM Management/IDP & PMS Unit
	Tabling & submission of the unaudited Q2 SDBIP & Financial Performance Report – Section 72 (for second quarter of 2023/24) to Council & stakeholders		MSA S41 (1)(e); MFMA S52 (d); MPPR Reg. 14	Accounting Officer/CFO/Director Strategic Support Services/Financial Planning Unit/IDP & PMS Unit
	Table the final 2022/23 Annual Report & Oversight Report in Council, for Council's consideration & adoption/approval (subject to this activity not been completed in December 2023)		MFMA S121, S127 & S129	IDP & PMS Unit
	Council considers the 2022/23 Oversight Report and adopts/approves the 2022/23 Annual Report (subject to this activity not been completed in December 2023)			Council/IDP & PMS Unit



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
	Publicise the final 2022/23 Annual & Oversight Report and submit it to the National (NT) and Provincial (PT & DLG) Government as well as the AG (subject to this activity not been completed in December 2023)		MFMA S127, 129 & 132; MSA S21A	IDP & PMS Unit
FEBRUARY 2024	Continuation of 4 th round of ward committee engagements			Community Development
	Commencement of 2 nd round of ward report-back meetings			Community Development
	Continuous Review of Municipal Strategies, Objectives, KPA's, KPI's and targets			IDP & PMS Unit
	Continuous identification/review of priority IDP projects			Executive Management / BVM Management / IDP & PMS Unit
	Assess the municipality's service delivery performance and the service delivery targets and performance indicators set in the 2023/24 TL SDBIP, amend if necessary, and submit to Council for consideration and approval			Executive Management/BVM Management/ IDP & PMS Unit
	Subject to Council's approval, submit the amended 2023/24 TL SDBIP to NT, PT and DLG			IDP & PMS Unit
	Assess the past year's annual report, and progress on resolving issues identified in the annual report			Executive Management/BVM Management/ IDP & PMS Unit
	Accounting Officer finalises and submits to Mayor proposed budgets and plans for next three-years, taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report			Accounting Officer/CFO/Budget & Costing Unit
	Prepare Adjustments Budget	Feb 2024		CFO/Budget & Costing Unit
	Table Adjustments Budget before Council	Feb 2024	MFMA S28(2) b, d,f	Executive Mayor
	S57 Managers' formal quarterly performance assessments (for second quarter and as at mid-year of 2023/24)			Executive Mayor/Portfolio Councillors/Executive Management/IDP & PMS Unit
	Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling	Feb 2024	MFMA S36	CFO/Manager Budget & Costing
INTEGRATION/REFINEMENT PHASE				
MARCH 2024	Submit approved Adjustments Budget to NT, PT and Public	10 Working days after approval		Budget & Costing Unit
	Commence with the compilation of the 2024/25 SDBIP (coupled with consideration of 5-year			Executive Management/BVM



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
	performance scorecard) & S57 Performance Agreements			Management/IDP & PMS Unit
	Conclusion of the draft Municipal Strategies/Sector Plans, Objectives, KPA's, and KPI's and targets for inclusion in the draft IDP & Budget			IDP & PMS Unit
	IDP Steering Committee Meeting			IDP & PMS Unit
	Mayor tables the draft 2 nd review / 1 st amendment of the 5 th Generation IDP & 2024/25 Budget, at least 90 days before start of budget year, to Council for consideration (<u>note</u> : should an amendment of the IDP be needed, the process as stipulated in regulation 3 of the MPPMR will be followed from this point forward until conclusion of the process)	Mar 2024	MFMA S16, 22, 23, 87; MSA S 34	Executive Mayor/Executive Management/
	Submit 1 st draft 2024/25 SDBIP to Council			IDP & PMS Unit
	Send reminder to BVM Management to submit their performance inputs for consideration in the 2023/24 Q3 SDBIP Performance Report		MSA S41 (1)(e); MFMA S52 (d)	IDP & PMS Unit
	Set performance objectives for revenue for each budget vote		MFMA S 17	CFO/Revenue Unit
	Commence with 2 nd round public participation sessions throughout all wards on the draft 2 nd review / 1 st amendment of the 5 th Generation IDP and Budget			Council/Executive Management/BVM Management/IDP & PMS Unit
APRIL 2024	Publicise draft 2 nd review / 1 st amendment of the 5 th Generation IDP and 2024/25 Budget and invite local community to make written comments in respect of the IDP and Budget	Immediately after Tabling before Council	MFMA S22 & MSA S21A	Accounting Officer/CFO/Director Strategic Support Services/Budget & Costing Unit/IDP & PMS Unit
	Accounting officer publishes tabled budget, plans, and proposed revisions to IDP and submits to NT, PT and others as prescribed	Immediately after Tabling before Council	MFMA S22 & MSA S21A	Accounting Officer/CFO/Director Strategic Support Services/Budget & Costing Unit/IDP & PMS Unit
	Review written comments/input received in respect of the Budget and IDP	April 2024	Best Practice	Executive Management/Budget & Costing Unit/IDP & PMS Unit
	Finalisation of the Municipal Strategies/Sector Plans, Objectives, KPA's, and KPI's and targets for inclusion in the final IDP & Budget			IDP & PMS Unit
	IDP Steering Committee Meeting			IDP & PMS Unit
	Continue with the 2 nd round public participation sessions throughout all wards on the draft 2 nd review / 1 st amendment of the 5 th Generation IDP and Budget			Council/Executive Management/BVM Management/IDP & PMS Unit
	Review/finalisation of community inputs on the draft IDP & Budget			IDP Steering Committee/Executive



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
				Management/BVM Management/IDP & PMS Unit
	District/Local Municipalities' Alignment of Strategies			IDP & PMS Unit
	Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets			IDP & PMS Unit
	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year	30 April 2024	MFMA S21	MM/CFO
	Submission of 2023/24 Q3 performance inputs by BVM Management			Executive Management/BVM Management/IDP & PMS Unit
	Tabling & submission of the unaudited Q3 SDBIP Performance Report (for third quarter of 2023/24) to Council & stakeholders		MSA S41 (1)(e); MFMA S52 (d); MPPR Reg. 14	Director Strategic Support Services/IDP & PMS Unit
	Refinement & finalisation of Municipal Strategies/Plans, Objectives, KPA's, KPI's and targets and inclusion into the draft 2 nd review / 1 st amendment of the 5 th Generation IDP			IDP & PMS Unit
	S57 Managers' informal quarterly performance assessments (for third quarter of 2023/24)			Executive Management/BVM Management/IDP & PMS Unit
	Review annual organisational performance targets		MPPR Reg. 11	MM/IDP & PMS Unit
	Stage 5: Final Draft SDF – Workshop with Council			Town Planning
APPROVAL PHASE				
MAY 2024	Accounting officer assists the Mayor in preparing the final IDP & Budget documentation for Council's consideration & approval at least 30 days before the start of the new fiscal year taking into account consultative processes and any other new information	May 2024	MFMA S23	Executive Management/Executive Mayor/Council
	Convene IDP Representative Forum			IDP & PMS Unit
	EXCO recommends adoption of the IDP to Council			Council/Executive Management/IDP & PMS Unit
	Council to consider approval/adoption of the IDP, Budget and all other associated documentation as legislatively prescribed (e.g. sectoral plans, taxes and tariffs, budget related policies, etc.) at least 30 days before start of budget year	31 May 2024	MFMA S23, 24; MSA Ch 4	Council



CHAPTER 1: MUNICIPAL OVERVIEW

MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
	Publish the IDP, Budget and all other associated documentation as legislatively prescribed on the municipal website	Within 5 days of adoption	MFMA S75; MSA S21A	Budget & Costing Unit/IDP & PMS Unit
	Consider community input into the municipality's SDBIP (KPIs and targets)			IDP & PMS Unit
	Commencement of 6th round of ward committee engagements			Community Development
	Stage 6: Publicise the Council notice of the adopted SDF in the local media and the Provincial Gazette, within 14 days of the date of adoption	Within 14 days after adoption of the Reviewed SDF	SPLUMA Section 20 (3), BVM Land Use Planning By-Law (2015) Section 5(2)	Town Planning
JUNE 2024	Continuation of 6th round of ward committee engagements			Community Development
	Submission of the approved Budget, IDP & other associated documentation (as legislatively prescribed) to National (NT) & Provincial Government (PT, DLG & DEADP)	Within 10 working days after Council approval	MBRR 20	Accounting Officer/CFO/Director SSS/Budget & Costing Unit/IDP & PMS Unit
	Give notice to the public of the adoption of the IDP, Budget and other associated documentation as legislatively prescribed	Within 10 working days after Council approval	MSA S21A; MSA S25 (4)(a); MBRR 18	Accounting Officer/CFO/Director SSS/Budget & Costing Unit/IDP & PMS Unit
	Submission of 2 nd (final) draft SDBIP & S57 Performance Agreements to the Executive Mayor, no later than 14 days after the approval of the Budget		MFMA S69(3)	Executive Mayor/Executive Management/IDP PMS Unit
	Conclusion & submission of the final TL SDBIP to the Executive Mayor for approval within 28 days after approval of the budget; coupled with the finalisation and conclusion of the annual S57 Performance Agreements by no later than 30 days after commencement of the new financial year (note: the S57 Performance Agreements will be concluded & published in July should it not be finalised within June)		MFMA S53; MSA S 38-45, 57(2)	Executive Mayor/Executive Management/IDP & PMS Unit
	Publication of approved SDBIP & S57 Performance Agreements on the municipal website/social media/local media & circulation thereof to National Government (NT) and Provincial Government (PT & DLG – MEC for Local Government)		MFMA S53(3); MBRR 19	IDP & PMS Unit
	Send reminder to BVM Management to submit their performance inputs for consideration in the 2023/24 Q4 SDBIP Performance Report		MSA S41 (1)(e); MFMA S52 (d)	IDP & PMS Unit

Table: 18 Key activities linked to the 2023/24 planning, implementation & reporting cycle

The aforementioned activities were encapsulated in the IDP & Budget Time Schedules which served before Council in August 2022 (Council resolution C91/2022) and August 2023 (Council resolution C79/2023) respectively.



CHAPTER 2



CHAPTER 2: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance comprises eight major characteristics: it is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimised, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 POLITICAL GOVERNANCE STRUCTURE

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policy makers, councillors are also actively involved in community work and the various social programmes in the municipal area

2.1.1 Council

The table below categorise the councillors within their specific political parties and wards for the 2023/24 financial year:

Name of councillor	Capacity	Political party	Ward representing or proportional
Ald. A. Steyn	Executive Mayor	DA	Proportional
Cllr. J. von Willingh	Deputy Executive Mayor & Member of Mayoral Committee	DA	5
Ald. J. Van Zyl	Speaker	DA	Proportional
Cllr. F. Vaughan	Member of Mayoral Committee	DA	4
Cllr. E. Botha	Member of Mayoral Committee	DA	6
Cllr. J. Kritzinger	Member of Mayoral Committee	DA	7
Cllr. V. Bedworth	Member of Mayoral Committee	DA	12
Cllr. J. Jack	Member of Mayoral Committee	DA	14
Ald. W. Meiring	Member of Mayoral Committee	DA	Proportional
Cllr. P. Moso	Member of Mayoral Committee	DA	Proportional
Ald. M. Sampson	Councillor (BVM & CWDM: Deputy Executive Mayor)	DA	11
Cllr. W. Blom	Councillor (BVM & CWDM: Chief Whip)	DA	Proportional
Ald. R. Farao	Councillor (BVM & CWDM)	DA	13
Cllr. G. Daames	Councillor	DA	9
Cllr. J. Pieters	Councillor	DA	15



CHAPTER 2: GOVERNANCE

Name of councillor	Capacity	Political party	Ward representing or proportional
Cllr. M. Goedeman	Councillor	DA	19
Cllr. A. Pietersen	Councillor	DA	20
Cllr. S. Mei	Councillor	DA	Proportional
Cllr. M. Jacobs	Councillor	DA	Proportional
Cllr. P. Marais	Chief Whip	FF+	Proportional
Cllr. N. Nel	Member of Mayoral Committee	FF+	Proportional
Cllr. R. Johnson	Councillor	ANC	1
Cllr. C. Nyithana	Councillor	ANC	2
Cllr. O. Ralehoko	Councillor	ANC	3
Cllr. M. Williams	Councillor	ANC	8
Cllr. Z. Mangali	Councillor	ANC	16
Cllr. T. Sibozo	Councillor	ANC	17
Cllr. L. Yayi	Councillor	ANC	18
Cllr. D. Judge	Councillor	ANC	21
Cllr. M. Bushwana	Councillor	ANC	Proportional
Cllr. E. Isaacs	Councillor	ANC	Proportional
Cllr. M. Swartz	Councillor	BO	10
Ald. C. Ismail	Councillor	BO	Proportional
Cllr. C. Wilskut	Councillor (BVM & CWD)	BO	Proportional
Cllr. N. Wullschleger	Councillor	BO	Proportional
Cllr. S. Madlolo	Councillor	EFF	Proportional
Cllr. J. Mokgosi	Councillor	EFF	Proportional
Cllr. I. Joseph	Councillor	GOOD	Proportional
Cllr. H. Titus	Councillor	GOOD	Proportional
Cllr. T. Manuel	Councillor	ACDP	Proportional
Cllr. S. Steenberg	Councillor	PA	Proportional

Table: 19 Council composition

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

Meeting dates	Number of items submitted	Percentage Council meeting attendance	Percentage apologies for non-attendance
25 July 2023	10	87.8% (36 out of 41)	12.2% (5)
8 August 2023	12	97.56% (40 out of 41)	2.44% (1)
31 October 2023	13	90.24% (37 out of 41)	9.76% (4)
4 December 2023	11	87.8% (36 out of 41)	12.2% (5)



CHAPTER 2: GOVERNANCE

Meeting dates	Number of items submitted	Percentage Council meeting attendance	Percentage apologies for non-attendance
14 December 2023	3	87.8% (36 out of 41)	12.2% (5)
23 January 2024	5	95.12% (39 out of 41)	4.88% (2)
28 February 2024	15	90.24% (37 out of 41)	9.76% (4)
26 March 2024	10	90.24% (37 out of 41)	9.76% (4)
23 April 2024	6	95.12% (39 out of 41)	4.88% (2)
21 May 2024	5	95.12% (39 out of 41)	4.88% (2)
Total	90		

Table: 20 Council meetings

2.1.2 Executive Mayoral Committee

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

The name and portfolio of each member of the Mayoral Committee is listed in the table below for the period 1 July 2023 to 30 June 2024:

Name of Member	Portfolio
Deputy Executive Mayor: Cllr. J. von Willingh	Protection Services, Agriculture, Health, Education
Cllr. V. Bedworth	Sport & Recreation
Cllr. J. Jack	Engineering Services
Cllr. J. Kritzing	Local Economic Development; Tourism and Arts & Culture
Ald. W. Meiring	Finance; Enterprise & Risk Management; Performance Management; IDP; Audit; Human Resource Management
Cllr. N. Nel	Community Services
Cllr. P. Moso	Housing & Human Settlements (Housing Planning & Development)
Cllr. E. Botha	Planning, Development & Integrated Services
Cllr. F. Vaughan	Strategic Support Services (Administration, Legal Services, Communication, Information Technology)

Table: 21 Executive mayoral committee



CHAPTER 2: GOVERNANCE

2.1.3 Committees

Council resolved that there would be the following types of meetings of Council:

- Mayoral Committee meetings, that should occur on the third Tuesday of every month or as determined by the Executive Mayor; and
- Council meetings, that should occur at least four times a year to resolve matters that have not been delegated to officials or Mayoral Committee.

In addition to these meetings, there are Statutory Committee meetings such as the Audit Committee, Performance Audit Committee and Local Labour Forum, which includes the Employment Equity and Training Committee and the Oversight Committee. All committees mentioned met regularly during the year under review.

Mayoral Committee meetings are chaired by the Executive Mayor and the Deputy Executive Mayor. In addition, nine “portfolio” councillors serve on the Mayoral Committee. Council further resolved, in terms of resolution C114/2021, that the following Portfolio Committees be established in terms of section 80 of the Municipal Structures Act (117 of 1998):

Chairperson	Committee
Ald. W. Meiring	Finance
Cllr. J. Jack	Engineering Services
Cllr. E. Botha	Planning, Development & Integrated Services
Cllr. J. Kritzingar	Strategic Support Services
Cllr. P. Moso	Community Services

Table: 22 Section 80 Portfolio Committees

The portfolio councillors on Mayoral Committee and their respective committees, are responsible for motivating matters applicable to their respective portfolios. Council meets to discuss and rule on legislative compliance issues (inter alia matters which they cannot delegate such as passing of bylaws, approval of budgets, imposition of rates and other taxes, levies and duties and the raising of loans).

a) *Municipal Public Accounts Committee*

The Municipal Public Accounts Committee (MPAC) is a committee of the Municipal Council, appointed in accordance with Section 79 of the Structures Act. The main purpose of the MPAC is to exercise oversight over the executive functionaries of Council as delegated and to ensure good governance in the municipality. The table below depicts the MPAC composition throughout the period under review:

Name of Member	Departments / Sections / Council	Political Party
Cllr. H. Titus	PR Councillor; Chairperson	GOOD
Cllr. G. Daames	Ward Councillor (9)	DA
Ald. R. Farao	Ward Councillor (13)	DA
Cllr. M. Goedeman	Ward Councillor (19)	DA



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Name of Member	Departments / Sections / Council	Political Party
Cllr. M. Jacobs	PR Councillor	DA
Cllr. J. Pieters	Ward Councillor (15)	DA
Cllr. M. Mangali	Ward Councillor (16)	ANC
Cllr. S. Madlolo	PR Councillor	EFF
Cllr. T. Manuel	PR Councillor	ACDP
Cllr. S. Steenberg	PR Councillor	PA
Cllr. C. Wilskut	PR Councillor	BO

Table: 23 Municipal Public Accounts Committee

2.1.4 Political decision-taking

Section 53 of the MSA stipulates inter alia the respective roles and areas of responsibility of each political structure and political office bearer of the municipality and of the Municipal Manager. The section below is based on the Section 53 role clarification and was approved at the Council meeting of 17 November 2021 (Council resolution: C108/2021).

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, individual councillors or officials;
- can delegate responsibilities and duties for the purposes of fast and effective decision making;
- must strive towards the constitutional objectives 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 supported in this capacity by the Mayoral Committee;
- is the social and 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 the elected incumbent by the Council.

Mayoral Committee

- Members are appointed by the Executive Mayor from the ranks of councillors, except for the Deputy Executive Mayor who is elected by the council and is an ex officio member of the Mayoral Committee;



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- its functional responsibility area is linked to that of the Executive Mayor to the extent that she must operate together with the members of the Mayoral Committee;
- its primary task is to assist the Executive Mayor in the execution of her 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.

The table below provide an analysis of the Council Resolutions taken and implemented during the year:

Number of Council Resolutions taken during the year	Number of Council Resolutions implemented during the year	Number of Council Resolutions not implemented during the year
100	98	2
<i>*Note that some of the Council Resolutions are in process of completion/implementation</i>		

Table: 24 Council resolutions taken and implemented during 2023/24

2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

By law the Municipal Manager 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 organisational structure can 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 realise the municipality’s goals;
- for the implementation of the municipality’s IDP, and the monitoring of progress with implementation of the plan; and
- for the financial responsibilities as accounting officer as determined by the MFMA.

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 execution 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.



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He is assisted by his executive management team, whose structure is outlined in the table below:

Position	Name of official	Performance agreement signed
		(Yes/No)
Municipal Manager	Mr D McThomas	Yes
Director: Strategic Support Services	Mr R Esau	Yes
Director: Engineering Services	Mr J Steyn	Yes
Chief Financial Officer	Mr R Ontong	Yes
Director: Community Services	Mr S Swartz (1 July 2023 to 29 February 2024)	Yes
Director: Planning, Development and Integrated Services	Mr J de Villiers (1 May to 30 June 2024)	Yes

Table: 25 Administrative governance structure

COMPONENT B: INTER-GOVERNMENTAL RELATIONS

It is the intention of the Breede Valley Administration and Council to ensure that the community derives maximum benefit from its participation in inter-governmental forums and meetings.

2.3 INTERGOVERNMENTAL RELATIONS (IGR)

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

2.3.1 Intergovernmental structures

The Municipality participates in the following intergovernmental structures to adhere to the principles of the Constitution:

Name of structure	Members	Outcomes of engagements/topics discussed
National Municipal Manager's Forum	SALGA, MM	To ensure national alignment amongst municipal managers
MinMay Technical	DG Local Gov. provincial departments, municipal managers	To formulate joint strategic, policy and agenda items for the MinMay
MinMay	Executive Mayor and MM	The meeting is between the MEC of Local Government and all the executive mayors in the province to discuss strategic issues
Premier's Co-ordinating Forum	Executive Mayor and MM	Premier's Co-ordinating Forum with the Premier, MEC's and all executive mayors in the province - attended by the Executive Mayor and the Municipal Manager



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Name of structure	Members	Outcomes of engagements/topics discussed
District Co-ordinating Forum Technical	MM and all other municipal managers in the district	To co-ordinate efforts and discuss strategic alignment and matters of mutual interest (preparations for DCF)
District Co-ordinating Forum (DCF)	Executive Mayor, MM and all other executive mayors and municipal managers	To discuss strategic and policy alignment matters at district level i.e., IDP alignment, shared service functions, transversal matters impacting on all spheres of government, SALGA matters, district specific issues etc. – ensuring joint planning and co-ordination and resource optimisation
SALGA Working Groups	Councillors and Speaker	Joint discussions on policy and service delivery issues
IDP Managers Forum (Provincial & District)	IDP Manager	To ensure provincial & district alignment amongst IDP managers
LED Managers Forum	LED Manager	To ensure provincial alignment amongst LED managers
SCM Forum	SCM Manager	To discuss policy and practical issues amongst SCM managers
Provincial Public Participation and Communication Forum (PPPCOM)	Manager: Customer Care, Communication, Corporate Branding & IGR and the Speaker	To ensure provincial alignment and co-operation amongst communication and public participation officials and discuss practical issues
CWD JDMA Platform		The JDMA seeks to facilitate and enhance co-planning, co-budgeting and co-implementation of pre-identified initiatives by means of a multi-disciplinary and intergovernmental approach. The CWD JDMA implementation team comprises of the Provincial- as well as Local Government (CWDM and all associated local municipalities) representation
Provincial Skills Development Forum	Skills Development Facilitator	Joint discussions on skills development and training facilitation
HR Practitioners Forum	HR Manager	To ensure alignment of HR processes and practices in district and provincial context
Legislative and Constitutional Task Team	Directors & officials in Legal Services in the Province	To discuss the latest developments in the legal field bi-annually

Table: 26 Intergovernmental structures



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2.3.2 Joint projects and functions with sector departments

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

Name of project/ function	Expected outcome/s of the project	Sector department/s involved	Contribution of sector department
Early Childhood Development (ECD) programmes	Establishment of ECD's in the Breede Valley	<ul style="list-style-type: none">• DSD• BVM• Community Development Workers (CDW's)	ECD registrations, funding, applications
CDW Information Sessions	Information sharing with communities	<ul style="list-style-type: none">• DLG• CDW's• BVM• Relevant departments hosting the info session	Various information being shared on various topics, creating a database of attendees
Initiation programme	Cultural programme to help African boys become men	<ul style="list-style-type: none">• DCAS• BVM	Provincial coordination to the programme
Job Readiness programme	Preparing unemployed youth	<ul style="list-style-type: none">• DoL• BVM• Community Development (CDW programme)	Workshops, Transport
Learner License Programme	Assist youth to obtain learner licenses	<ul style="list-style-type: none">• CDW Programme• BVM Traffic• BVM Community Development	Learners' classes

Table: 27 Joint projects and functions with sector departments

COMPONENT C: PUBLIC ACCOUNTABILITY

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

Such participation is required in terms of:

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



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2.4 PUBLIC MEETINGS

2.4.1 Representative forums

a) Labour forums

The tables below depict the membership composition of the labour forum throughout the 2023/24 financial year. It should be noted that the Director: Community Services position was vacant from 1 March - 30 June 2024.

Name of representative	Capacity	Meeting Dates
D McThomas	Employer Component: Member – Municipal Manager	14 July 2023 04 August 2023 01 September 2023. 06 October 2023 24 November 2023 02 February 2024 01 March 2024 10 May 2024 07 June 2024
R Esau	Employer Component: Member – Director: Strategic Support Services	
R Ontong	Employer Component: Member – Director: Financial Services	
J Steyn	Employer Component: Member – Director: Engineering Services	
S Swartz	Employer Component: Member – Director: Community Services (Concluded service and ceased membership on 29 February 2024)	
J Pekeur/P Hartzenberg	Employer Component: Member – Acting Director: Planning, Development & Integrated Services (Ceased membership on 30 April 2024, after the appointment of the Director)	
J De Villiers	Employer Component: Member – Director: Planning, Development & Integrated Services (Commenced membership on 1 May 2024)	
Councillor P Moso	Employer Component: Member – Vice Chairperson of LLF (1 July 2022 – 31 January 2023); Chairperson of LLF (1 February 2023 – 30 June 2023)	
Alderman W Meiring	Employer Component: Member	
Alderman R Farao	Employer Component: Member	
Councillor N Nel	Employer Component: Member	
A Eiman	Union Component (IMATU): Member (Concluded service and ceased membership on 30 April 2024)	
L Louis	Union Component (IMATU): Member	



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Name of representative	Capacity	Meeting Dates
	(Commenced membership on 1 May 2024)	
IMATU Representative S Hector	Union Component (IMATU): Member	
IMATU Representative	Union Component (IMATU): Member	
IMATU Representative	Union Component (IMATU): Member	
W Visagie	Union Component (SAMWU): Member	
M Lottering	Union Component (SAMWU): Member	
E Visagie	Union Component (SAMWU): Member – Vice Chairperson of LLF (01 February 2024)	
SAMWU Representative	Union Component (SAMWU): Member	
SAMWU Representative	Union Component (SAMWU): Member	
G Cook	Advisor/Operational & Administrative Support – Acting Manager: Human Resources (Ceased advisory role on 30 August 2023, after the appointment of the HR Manager)	
N Monyela	Advisor/Operational & Administrative Support – Manager: Human Resources (Assumed advisory role on 1 September 2023) <i>*Note: members of the HR middle-management team attended LLF engagements (in an advisory capacity) on an as and when needed basis</i>	
H Potgieter	Advisor/Operational & Administrative Support – Senior Manager: Legal Services	

Table: 28 Labour forum

2.4.2 Ward committees

The functioning and mechanics of ward committees are regulated within the Municipal Structures Act (Act 117 of 1998) and also well documented in various position papers and guiding documents such as the Ward Committee Resource Book. Primarily, the purpose of a ward committee is:

- to solicit greater participation from the community to inform Council decisions;
- to make enhance the efficacy of communication between the Council and the community; and
- to assist the ward councillor with consultation and report-backs to the community.



BVM recognises the importance of ward committees and ensures that ward committee structures are in place and functional (in accordance with the legislative prescripts).

All ward committees were predominantly established on the premise of geographical representation, meaning that a ward committee member is tasked to attend to all matters across all sectors within a particular geographical area of the ward. The only exception in this regard, was ward 1, which had geographical and sectoral representation within the structure.

The Ward Committee Policy, Rules and Regulations applied by BVM, remain unchanged. As per the amended Ward Committee Policy (approved in June 2019), ward committee members were paid a fixed rate of R500 per month during the year under review. During a particular financial year, a target of six ward committee- and two community report back meetings (exclusive of the two IDP and budget meetings) are intended for implementation. In addition, ward committees are required to regularly report (formally and/or informally) on their operations. These minutes, attendance registers and reports enable the Municipality to gauge the functionality of ward committees.

Functionality of ward committees

The functionality of a ward committee can be enhanced by the Municipality through the following initiatives (amongst others):

1. Create a better support structure for the ward committees:
 - a. Dedicated public participation unit
 - b. Ward administration offices with ward administrators
2. Establish better communication between the Municipality, the ward committee and the community.
 - a. Monthly communication to the communities must take place
 - b. Issues reported and discussed at ward committee meetings must be filtered to the relevant departments in higher levels of urgency
3. Create more awareness and education around the ward committees in all wards.
4. Develop ward plans containing community projects and programme for development in line with the IDP and ward priorities.
5. Ensure that ward councillors are educated on their responsibilities and held accountable for the performance of their ward committees.

The functionality indicators for all ward committee operations were agreed on. These indicators stipulate that each ward have at least:

- 6 ward committee meetings per year
- 2 public meetings (excluding IDP/Budget engagements)
- 4 quarterly block meetings in each geographical block

The above, is often derived from a formal meeting schedule adopted and communicated with the Office of the Speaker.



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Ward	Councillor	Ward Committee Members	Representation	Number of Ward Committee meetings held (2023/24)	Number of Community Feedback meetings held (2023/24)
Ward 1: The entire community of Touwsrivier, including business and residential areas and surrounding farms	Cllr. Johnson	E. Matthews A. Arries J. January A. Kondlo-Roman D. Coetzee R. Davids M. Klein M. Van der Merwe M. Van Nooy M. Van Niekerk	Geographical Geographical Geographical Geographical Religion Geographical Geographical Youth Geographical Geographical	6	3
Ward 2: Stofland and adjacent farms	Cllr. Nyithana	T. Ntantiso Z. Sitecane V. Gcetywa N. Dangaca Z. Nompuku V. Belle S. Xatoto X. Cekiso N. Makweta M. Lubisi	Geographical	3	1
Ward 3: Section of De Doorns town centre, Hasie Square, Ekuphumleni and adjacent farm areas	Cllr. Ralehoko	V. Gugu T. Mlungisi V. Bulwana D. Van Wyk P. Bobbejee A. Nyembe W. Verendah C. Booysen B. None E. von Willingh	Geographical	3	1
Ward 4: Section of De Doorns town centre, Orchard and adjacent farm areas	Cllr. Vaughan	M. Ncheba J. Swart D. Visagie E. Oliphant W. Vermeulen A. Solomons F. Diedericks P. Grispe J. Vaughan	Geographical	2	2



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Ward	Councillor	Ward Committee Members	Representation	Number of Ward Committee meetings held (2023/24)	Number of Community Feedback meetings held (2023/24)
		M. Horne			
<u>Ward 5:</u> De Doorns and Worcester farming areas including Brandwag, De Wet and Sandhills, parts of Panorama, Altona and Van Riebeeck Park	Deputy Mayor: Cllr. von Willingh	C. Booysen H. Plaatjies M. Van Wyk F. Stuurman F. Vilander E. Eland M. Esau J. Minnaar Vacant	Geographical	2	1
<u>Ward 6:</u> N1 Worcester entrance, Tuindorp, Bergsig, Van Riebeeck Park, Panorama, Hospital Hill, Hospital Park, Fairway Heights, Bloekompos and part of Altona	Cllr. Botha	J. Botha A. Du toit J. Saayman J. Roodt R. Kleinhans C. Willemse R. Butler A. Rossouw P. Burger A. Manual	Geographical	5	2
<u>Ward 7:</u> Paglande, Meiringspark, Roux Park, De La Bat Way, Fairy Glen and part of Industrial Area	Cllr. Kritzinger	C. De Bruyn M. Swart H. Swart E. Du Plessis H. Niewoudt D. De Koker J. Bradbury C. Botha J de Witt B. De Villiers	Geographical	5	2
<u>Ward 8:</u> Part of Industrial Area, Hex Industrial, part of Roodewal and part of Zwelethemba	Cllr. Williams	D. Joseph M. Hartzenberg H. Wehr I. Ramasesane S. Ndzima M. Snyders N. Bodla B. Allam I. Khutwana M. Tani	Geographical	2	4
<u>Ward 9:</u> Roodewal area and	Cllr. Daames	C. Bosman	Geographical	4	1



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Ward	Councillor	Ward Committee Members	Representation	Number of Ward Committee meetings held (2023/24)	Number of Community Feedback meetings held (2023/24)
part of Esselen Park (the Chessies)		G. Solomons P. Hansen J. Visser O. Peters A. Kuys E. Jordaan P. Hansen R. Visagie Vacant			
Ward 10: Part of Hex Park, Part of Transhex and Roodewal flats	Cllr. Swartz	S. Krieger A. Booysen G. Abrahams M Hermanus H. Jacobs A. September A. September D. Phillipus N. Damons A. Booysen	Geographical	6	4
Ward 11: Parkersdam, Florian Park and parts of Esselen Park (the OVD), Hugosdorp, and Riverview	Ald. Sampson	E. Ceaser K. Willemse H. Beukes C. Cloete B. Vlok F. Baadtjies E. Mentza E. Heradien A. Swartbooi P.Titus	Geographical	5	2
Ward 12: Part of Avian Park, Russell Scheme and CBD	Cllr. Bedworth	H. Neethling M. Coopstadt M. Esterhuizen N. Manuel E. Schroeder G. Titus A. Booysen W. Cupido J. Nkoko C. Visagie	Geographical	5	2
Ward 13: Johnsons Park 1, 2 and part of 3, part of	Ald. Farao	C. Fielies D. Lakay	Geographical	5	2



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Ward	Councillor	Ward Committee Members	Representation	Number of Ward Committee meetings held (2023/24)	Number of Community Feedback meetings held (2023/24)
Noble Park, Hex Park, part of Avian Park and Riverview houses		A. Kouter A. Dreyden S. Jacobs R. Jack D. Baadtjies B. Jansen E. Porter S. Zekoe			
Ward 14: Riverview flats, Part of Noble Park (Boland Collage and school) and Victoria Park	Cllr. Jack	R. Antonie K. Sahabodien B. Solomons M. Damonze H. van Rhyn G. Michaels D. Timm D. Daniels B. Arendse Vacant	Geographical	4	2
Ward 15: Langerug, Worcester West, Somerset Park, Leighton Park and Goudini Farms	Cllr. Pieters	F. Willemse W. Barnard J. Jones J. Meiring J. Gerber J. Tole J. Jones C. Vranas E. Lewis Vacant	Geographical	3	2
Ward 16: Part of Zwelethemba and Mandela Square	Cllr. Mangali	L. Makhetha N. Malingo N. Msutwana B. Fanele Z. Shoba R. Kula-mniqindi V. Dlikilili L. Ndlebe Vacant Vacant	Geographical	7	3
Ward 17: Part of Zwelethemba	Cllr. Sibozo	H. Sibeko A. Situkutezi L. Mjodo	Geographical	5	1



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Ward	Councillor	Ward Committee Members	Representation	Number of Ward Committee meetings held (2023/24)	Number of Community Feedback meetings held (2023/24)
		M. Jansen V. Rampeng M. Ntabeni L. Sweleka N. Mnyuka M. Khoka N. Bayetwa			
Ward 18: Part of Zwelethemba and farms from Overhex, Nonna, etc.	Cllr. Yayi	B. Ntsingila I. Mdyada E. Qithi F. Booysen S. Yanta Z. Skenjane Vacant Vacant Vacant	Geographical	5	1
Ward 19: Part of Rawsonville, Goedeman Park and outlying farming community	Cllr. Goedeman	S. Bosman M. Steyn B. Thomas J. Prins P. Hendriks V. Bailey B. Cupido O. Baadjies D. Fredericks H. Prins	Geographical	8	2
Ward 20: Part of the centre of Rawsonville and areas towards N1	Cllr. Pietersen	L. Bruintjies S. De klerk H. Van Wyngaardt M. Williams R. West F. Ruiters A. Joseph F. Roux A. Lesley Vacant	Geographical	6	2
Ward 21: Part of Avian Park and surrounding informal areas	Cllr. Judge	C. Beukes C. Kruger N. Sibozo E. Jantjies	Geographical	5	2



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Ward	Councillor	Ward Committee Members	Representation	Number of Ward Committee meetings held (2023/24)	Number of Community Feedback meetings held (2023/24)
		R. Apolis E. Damonze A. Lindi E. Klaassens D. Methuse M. Adams			

Table: 29 Ward Committee

2.4.3 Functionality of ward committees

The table provides information on the composition and functionality of ward committees:

- Ward committee meetings held during the year include scheduled meetings between the ward councillor and committee members, excluding IDP/ward committee engagements as part of the IDP process for the 2023/24 planning year. Currently the number of ward committee meetings are limited to align ward committee meetings to the council resolution of a minimum of four meetings per financial year.
- Functionality of ward committees is determined by the active engagements of ward committees with communities on public platforms and direct interactive sessions to improve or create better communities.
- Continuous engagements between the Speaker and the Administration have been undertaken to increase the activity levels of ward committees and stimulate motivation and willingness to drive development in the wards across Breede Valley.

Ward number	Committee established: Yes / No	Number of meetings held during the year 2023/24
1	Yes	9
2	Yes	4
3	Yes	4
4	Yes	4
5	Yes	3
6	Yes	7
7	Yes	7
8	Yes	6
9	Yes	5
10	Yes	10
11	Yes	7
12	Yes	7
13	Yes	7
14	Yes	6



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Ward number	Committee established: Yes / No	Number of meetings held during the year 2023/24
15	Yes	5
16	Yes	10
17	Yes	6
18	Yes	6
19	Yes	10
20	Yes	8
21	Yes	7

Table: 30 Functioning of ward committees

COMPONENT D: CORPORATE GOVERNANCE

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

2.5 RISK MANAGEMENT

Risk management is a systematic and formalised process instituted by the municipality to identify, assess, manage, monitor and report risks ensuring the achievement of objectives.

- In terms of Sections 62(1)(c)(i) and 95(c)(i) of the MFMA the Accounting Officer is required to ensure that the municipality has and maintain effective, efficient and transparent systems of risk management.
- The main reason for risk management is that the service delivery environment and the public sector's interface with stakeholders have become far more demanding and volatile than before.
- The objective of the Risk Management Policy is to assist management and Council to make informed decisions which will:
 - improve the Municipality's performance on decision making and planning;
 - provide a sound basis for integrated risk management and internal control as components of good corporate governance;
 - assist management in ensuring more effective reporting and compliance with applicable laws, regulations and other corporate governance requirements; and
 - foster a culture of good governance, ethical conduct, discourage inefficiencies and counter fraud and corruption.
- Historical ways of doing things are no longer effective as evidenced by several service delivery and general failures. Benefits of risk management are:
 - more efficient, reliable and cost-effective delivery of services;
 - minimised waste and fraud; and
 - more reliable decision making.



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2.5.1 Top five risks

- Housing demand exceeding housing supply.
- Inadequate Disaster Risk Management.
- Inadequate Long-term financial sustainability
- Inadequate Revenue management and enhancement.
- Inadequate Vehicle and plant fleet management.
- Unavailability of electrical supply.

2.5.2 Action plan to address the top five risks

The table below provides the actions implemented during the 2023/24 financial year or that were planned to be implemented to address the top five risks:

Risk	Actions implemented or that will be implemented
Housing demand exceeding housing supply	<ul style="list-style-type: none">• Formalization of informal settlements• Investigate possibility to acquire private land for housing for Rawsonville• Fast track and report on the implementation of the Title Deeds programme in line with the R1m grant
Inadequate disaster risk management	<ul style="list-style-type: none">• Develop mitigation plans for all risk identified during the 2017-2018 assessment (To be completed within a three-year programme)• Filling of Disaster Management Officer position
Inadequate long-term financial sustainability	<ul style="list-style-type: none">• Procure and implement an electronic system for long financial strategy and sustainability.• Full implementation of new web-based updated SCM System
Inadequate revenue management and enhancement	<ul style="list-style-type: none">• Implementation of the Citizens portal for revenue management• Full implementation of the electronic credit control and debt management module• Implementing of the Jamboree programme• Investigate the possibility of installing electronic bulk meters to automate readings
Inadequate vehicle and plant fleet management	<ul style="list-style-type: none">• Investigate the best solution to implement a Fleet Management System
Unavailability of electrical supply	<ul style="list-style-type: none">• Compile and submit a concept proposal to Council for the establishment of an Independent Power Producer• Development of a upgrade infrastructure programme in line with the Electrical Master Plan• Filling of all funded vacancies• Establish a process/protocol in terms of reporting cases to SAPS

Table: 31 Action plan to address the top five risks



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2.5.3 Approved risk policies and strategies

Name of strategy / policy	Developed Yes/No	Date adopted/reviewed
Enterprise Risk Management Policy	Yes	30 May 2023 (Resolved C43/2023)
Enterprise Risk Management Strategy	Yes	30 May 2023 (Resolved C43/2023)

Table: 32 Approved risk policies and strategies

2.6 FRAUD PREVENTION

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

2.6.1 Developed strategies

Name of strategy	Developed Yes/No	Date adopted/reviewed
Fraud and Corruption Prevention Policy	Yes	30 May 2023 (Resolution C43/2023)
Fraud Prevention Strategy and Response Plan	Yes	30 May 2023 (Resolution C43/2023)
Code of Ethics Policy	Yes	30 May 2023 (Resolution C43/2023)
Municipal Public Accounts Committee Policy	Yes	25 February 2014 (Resolution C6/2014)
Whistle Blowing Policy	Yes	30 May 2023 (Resolution C43/2023)

Table: 33 Strategies

2.6.2 Implementation of strategies and/or controls ongoing process

The table below provides details of the strategies that can and/or are implemented for anti-corruption and anti-fraud:

Strategies to implement	Key risk areas	Key measures to curb corruption and fraud
Analysis and evaluation	Corrupt Payments	Monitor and Analyse Payments to Vendors and Direct Payments
Analysis and evaluation	Fraudulent Indigent Applications	Monitor and Analyse Indigent applications approved.

Table: 34 Implementation of the strategies



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2.7 AUDIT COMMITTEE

2.7.1 Functions of the Audit Committee

BVM's Audit Committee was appointed on 1 March 2019 and 2 additional members were appointed on 1 September 2023, and an additional member on 1 January 2024. J. Williams was appointed as Chairperson during April 2023. The Audit Committee also fulfils the role of the Performance Audit Committee and was fully functional during the 2023/24 financial year.

The audit committee has the following main functions as prescribed in Section 166(2)(a-e) of the MFMA and the Local Government Municipal and Performance Management Regulation:

- To advise the Council on all matters related to compliance and effective governance
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation
- Respond to the Council on any issues raised by the Auditor-General in the audit report.
- To review the quarterly reports submitted to it by Internal Audit
- To evaluate audit reports pertaining to financial, administrative and technical systems
- To review the performance management system and make recommendations in this regard to Council
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised
- Review the plans of the internal audit function and in so doing, ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the internal audit function.
- Ensure that no restrictions or limitations are placed on the internal audit section.
- Evaluate the activities of the internal audit function in terms of their role as prescribed by legislation.

2.7.2 Members of the Audit Committee

Name of representative	Capacity	Period	Experience	Meeting dates
J. Williams	Chairperson	1 July 2023 – 30 June 2024	CA(SA)	23 August 2023 22 November 2023 04 March 2024 30 May 2024 24 June 2024
L. Smit	Member	1 September 2023 – 30 June 2024	Professional Accountant(SA) Professional Tax Practitioner(SA) Certified Independent Reviewer	
E. Abrahams	Member	1 September 2023 – 30 June 2024	B.Comm(Acc)	



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Name of representative	Capacity	Period	Experience	Meeting dates
			Professional Accountant(SA) Professional Tax Practitioner(SA)	
P. Strauss	Member	1 January – 30 June 2024	CA(SA) B. Comm(Acc) B Compt. Hons Certificate in the Foundations of Executive Coaching	

Table: 35 Members of the Audit Committee

2.7.3 Municipal Audit Committee recommendations

Date of Committee	Matters discussed during 2023/24	Recommendations adopted
23 August 2023	<ul style="list-style-type: none"> Feedback on BVM Audit Action Plans (2021/22 AG Audit Process) Review of Annual Financial Statements Review of Annual Performance Report Feedback from Risk Management on Status of Implementation of ERM Process Internal Audit Annual Reporting to Audit Committee 	5
22 November 2023	<ul style="list-style-type: none"> Auditor-General Discussion: Feedback on the 2022/2023 Audit Process Feedback from Risk Management on Status of Implementation of ERM Process Including Additional Responsibilities Managed Internal Audit Quarterly Reporting to Audit Committee Review of Performance Management System & Internal Auditing of Performance Information Quarterly Financial Information Overview Progress on the Implementation of Municipal Staff Regulations 	6
04 March 2024	<ul style="list-style-type: none"> Feedback From Risk Management on Status of Implementation of ERM Process Including Additional Responsibilities Managed 	6



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Date of Committee	Matters discussed during 2023/24	Recommendations adopted
	<ul style="list-style-type: none"> Feedback on BVM Audit Action Plans (2022/2023 AGSA Audit Report & Management Report) Internal Audit Quarterly Reporting to Audit Committee Review of Performance Management System & Internal Auditing of Performance Information Quarterly Financial Information Overview Progress on the Implementation of Municipal Staff Regulations 	
30 May 2024	<ul style="list-style-type: none"> Feedback on BVM Audit Action Plans (2022/23 AGSA Audit Report & Management Report) Feedback from Risk Management on Status of Implementation of ERM Process Including Additional Responsibilities Managed Strategic Audit Plan 2024 – 2027 & Inputs to Draft RBAP 2024/2025 Internal Audit Quarterly Reporting to Audit Committee Review of Performance Management System & Internal Auditing of Performance Information Quarterly Financial Information Overview Progress on the Implementation of Municipal Staff Regulations 	7
24 June 2024	<ul style="list-style-type: none"> ICT Governance Presentation Reviewed Strategic Audit Plan 2024 – 2027 & RBAP 2024/2025 Submitted for Approval Confirmation of Internal Audit Independence Annual Code of Ethics & Conflict of Interest Declaration for Financial Year 2023 – 2024 Outcome Annual Quality Assurance & Improvement Program Assessment Approval of Internal Audit Charter Review & Approval of Audit Committee Charter Quarterly Financial Information Overview 	8

Table: 36 Municipal Audit Committee recommendations



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2.8 PERFORMANCE AUDIT COMMITTEE

2.8.1 Functions of the Performance Audit Committee

In terms of Regulation 14(4)(a) of the Local Government Municipal and Performance Management Regulations the performance audit committee has the responsibility to:

- (i) review the quarterly reports produced and submitted by the internal audit process;
- (ii) review the municipality's performance management system and make recommendations in this regard to the Council of the municipality; and
- (iii) at least twice during each financial year submit a performance audit report to the Council of the municipality.

2.8.2 Members of the Performance Audit Committee

Name of Member	Capacity	Period	Experience	Meeting dates
J. Williams	Chairperson	1 July 2023 – 30 June 2024	CA(SA)	23 August 2023 22 November 2023 04 March 2024 30 May 2024 24 June 2024
L. Smit	Member	1 September 2023 – 30 June 2024	Professional Accountant(SA) Professional Tax Practitioner(SA) Certified Independent Reviewer	
E. Abrahams	Member	1 September 2023 – 30 June 2024	B.Comm(Acc) Professional Accountant(SA) Professional Tax Practitioner(SA)	
P. Strauss	Member	1 January – 30 June 2024	CA(SA) B. Comm(Acc) B Compt. Hons Certificate in the Foundations of Executive Coaching	

Table: 37 Members of the Performance Audit Committee

2.9 INTERNAL AUDIT

Section 165 (2) (a), (b) and (c) of the MFMA requires that the internal audit unit of a municipality must:

- (a) prepare a risk-based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:

- (i) Internal audit;



- (ii) internal controls;
- (iii) accounting procedures and practices;
- (iv) risk and risk management;
- (v) performance management;
- (vi) loss control; and
- (vii) compliance with this act, the annual Division of Revenue Act and any other applicable legislation; and

(c) perform such other duties as may be assigned to it by the Accounting Officer.

BVM has an in-house Internal Audit Division consisting of the Chief Audit Executive, three internal auditors, one assistant internal auditor and one senior clerk: internal audit.

2.9.1 Risk register and three-year strategic plan

The annual risk assessment process was performed during April and May 2023 and all strategic risks were populated into a Strategic Risk Register for the Municipality. The Strategic Risk Register for 2023/24 formed the basis of the 3-year Strategic Audit Plan for 2023-2026. The annual risk assessment was conducted during 2022/23 and the risk register was approved by Council during May 2023 which formed the basis for the 2023/24 annual Risk Based Audit Plan (RBAP).

2.9.2 Annual audit plan

The RBAP for 2023/24 was executed based on the above approach and methodology. 100% of the annual RBAP was implemented with available resources. The table below provides details of audits completed:

BVM – Annual Audit Plan 2023/24		
Description	No of hours estimated	Date completed
Risk based audits		
Inventory Management	280	31 October 2023
Traffic Fines & Municipal Court Procedures	320	30 April 2024
Auditing of Performance Information	1265	Report 1 – 08 November 2023 Report 2 – 28 February 2024 Report 3 – 28 February 2024 Report 4 – 24 May 2024
Culture Audit	320	30 June 2024
Overtime Management	320	13 May 2024
Cash Receipting	320	30 June 2024
Other Income & Deposits	310	30 June 2024
Follow-Up Audits		
Continuous follow-up of Audit Findings	200	Ongoing – 30 June 2024
Ad Hoc Requests & Consulting		



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BVM – Annual Audit Plan 2023/24		
Description	No of hours estimated	Date completed
IT Governance (Consulting Review)	345	30 June 2024
Continuous		
Combined Assurance Implementation	280	Ongoing – 30 June 2024
Continuous Monitoring Implementation	280	Ongoing – 30 June 2024
Review Strategic Plan & Compile Annual Audit Plan	155	Ongoing – 30 June 2024
Junior Internal Audit Assistance, Supervision & Review of Audit Work	350	Ongoing – 30 June 2024
Total hours	5060	

Table: 38 Internal audit coverage plan

Below are the functions of the Internal Audit Division that were performed during the financial year under review:

Function	Date/Number
Risk analysis completed/reviewed	April/ May 2024
Reviewed Strategic Audit Plan 2024-2027	30 May 2024
Risk Based Audit Plan approved for 2024/25 financial year	24 June 2024
Internal Audit Programme drafted and approved	24 June 2024
Number of audits/reviews conducted and reported on	11
Audit reports included the following key focus areas:	
Internal controls	11
Accounting procedures and practices	4
Risk and risk management	11
Performance management	4
Loss control	5
Compliance with the MFMA and other legislation	11

Table: 39 Internal audit functions

2.10 SUPPLY CHAIN MANAGEMENT (SCM)

SCM includes all processes which need to be followed to procure goods and services. It entails the identification of needs by the end user departments, registration of vendors, processes of obtaining quotes and bids, keeping of inventory and payment of all creditors, councillors and personnel. **All amounts quoted in this paragraph are VAT inclusive, where VAT is applicable.**



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2.10.1 Competitive bids more than R300 000 (Previously R200 000)

a) Bid Committee meetings

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

Bid specification committee	Bid evaluation committee	Bid adjudication committee
114	64	25

Table: 40 Bid Committee meetings

The attendance figures of members of the Bid Specification Committee are as follows:

Member	Percentage attendance
Manager: Procurement/Senior SCM Practitioner	100%
Relevant technical expert(s) responsible for a function(s)	100%

Table: 41 Attendance of members of Bid Specification Committee

The attendance figures of members of the Bid Evaluation Committee are as follows:

Member	Percentage attendance
Manager: Procurement/ Senior SCM Practitioner	100%
Relevant technical expert(s) responsible for a function(s)	100%

Table: 42 Attendance of members of Bid Evaluation Committee

The attendance figures of members of the Bid Adjudication Committee are as follows:

Member	Percentage attendance
Director: Financial Services (Chairperson)	100%
Director: Engineering Services	96%
Director: Community Services	64%
Director: Strategic Support Services	100%
Director: Planning, Development & Integrated Services	80%
Senior Manager: Supply Chain Management	100%

Table: 43 Attendance of members of Bid Adjudication Committee

The percentages as indicated above include the attendance of those officials acting in the position of a bid committee member



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b) Awards made by the Bid Adjudication Committee

The Bid Adjudication Committee awarded **35** bids with an estimated value of approximately **R433 346 012.55**. The **ten highest bids** awarded by the Bid Adjudication Committee are as follows:

Bid number	Title of bid	Directorate	Successful bidder	Value of bid awarded (R)
BV 1017/2022	Supply and delivery of heavy duty mobile 4x4 firefighting/ rescue vehicle (inclusive of firefighting equipment and accessories)	Community Services	Marce Projects (Pty) Ltd	R8 550 558.23
BV 1032/2024	Supply, deliver, installation, commission and hand over of new high mast lights within the Breede Valley Municipality	Engineering Services	VE Reticulation (Pty) Ltd	R5 427 167.01
BV 1050/2023	Upgrading of high mast and streetlights	Engineering Services	VE Reticulation (Pty) Ltd	R5 277 425.13
BV 1054/ 2023	Supply, delivery and installation/ replacement of Archimedean screw pumps for the inlet works at the WWTW	Planning, Development & Integrated Services	Hidro-Tech Systems (Pty) Ltd	R3 902 631.26
BV 1061/2023	Supply and delivery of advanced power quality measurement devices as well as monitoring of associated infrastructure for the period ending 30 June 2027	Engineering Services	CT Lab (Pty) Ltd	Rate based (estimated at 3.1 million)
BV 1029/2023	Supply, delivery, implementation and management of an autonomous network, email and SAAS security solution for a period ending 30 June 2026	Strategic Support Services	First Technology Western Cape (Pty) Ltd	R2 653 214.30
BV 1042/2023	Construction of speed humps	Engineering Services	Nkutwala Construction	R2 479 333.42
BV 1046/2023	Supply, delivery and installation of fence in various water and wastewater treatment works	Planning, Development & Integrated Services	Gordian Fence SA (Pty) Ltd	R1 694 944.22
BV 1068/2024	Support and maintenance services of wireless radio network for a period ending 30 June 2027	Strategic Support Services	Comsol Networks (Pty) Ltd	Rate based (estimated at R1.5 million)



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Bid number	Title of bid	Directorate	Successful bidder	Value of bid awarded (R)
BV 1064/2023	Supply and delivery of sewer pipeline video camera inspection system	Planning, Development & Integrated Services	Octopus Electronics (Pty) Ltd	R295 061.00

Table: 44 Ten highest bids awarded by Bid Adjudication Committee

c) Awards made by the Accounting Officer:

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

Bid number	Title of bid	Directorate	Successful bidder	Value of bid awarded (R)
BV 1041/2023	Upgrading of Wastewater Treatment Works at Touwsrivier (civils and structural works)	Engineering Services	Rodpaul Construction (Pty) Ltd t/a Rods Construction	R49 809 669.54
BV1040/2023	Upgrading of gravel roads at Avian Park, Worcester	Engineering Services	Leafy Space (Pty) Ltd	R45 884 962.97
BV 1081/2024	Maintenance of electrical and mechanical equipment for water services for a period ending 30 June 2027	Planning, Development & Integrated Services	Zana Manzi Services (Pty) Ltd	Rate based (estimated at R45 million)
BV 1069/2024	Supply and delivery of road building material for a period ending 30 June 2027	Planning, Development & Integrated Services	AJ van Huffel Planthire cc Sasuka Civil and Construction (Pty) Ltd	Rate based (estimated at R40 million)
BV 1051/2023	Upgrading of gravel roads at Touwsrivier	Engineering Services	JVZ Construction (Pty) Ltd	R39 710 515.77
BV 1030/2023	Provision of security services for a period ending 30 June 2026	Community Services	Mafoko Security Patrols (Pty) Ltd	Rate based (estimated at R35 million)
BV 1044/2023	Upgrading of Wastewater Treatment Works at Touwsrivier (electrical & mechanical works)	Engineering Services	Inenzo Water (Pty) Ltd	R26 218 330.52
BV 902/2023	Supply, delivery, installation and commissioning of the control and protection plant at the 66Kv Robertson Road substation, Worcester	Engineering Services	Ampcor Khanyisa (Pty) Ltd	R18 406 367.01



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Bid number	Title of bid	Directorate	Successful bidder	Value of bid awarded (R)
BV 987/2023	Construction of high security wall and relocation of services	Community Services	Umzali Civils (Pty) Ltd	R13 556 281.94

Table: 45 Awards made by Accounting Officer

d) Appeals/objections lodged by aggrieved bidders

Eight (8) appeals/objections were lodged against **4 bids**, by aggrieved bidders on awards made in terms of Section 62(1) of the MSA, which relate to the following tenders:

Tender No	Description	Number of Appeals	Outcome of Appeal(s)/Objection(s)
BV 995/2022	Rendering the professional legal services for the period ending 30 June 2026	1	The decision of the BAC on 30 June 2023 was maintained without any amendment
BV 1030/2023	Provision of security services for the period ending 30 June 2026	5	The decision of the Accounting Officer on 7 November 2023 was maintained without any amendment
BV 1051/2023	Upgrading of gravel roads at Touwsrivier	1	The decision of the Accounting Officer on 25 March 2024 was maintained without any amendment
BV 1080/2024	Supply and delivery of protective clothing for the period ending 30 June 2027	1	The decision of the BAC on 10 June 2024 is maintained without any amendment

Table: 46 Appeals lodged by aggrieved bidders as of 30 June 2024

The total premium paid during the 2023/24 financial year to promote specific socio-economic goals as set out in the Preferential Procurement Regulations of 2023, was approximately **R154 454.32**.

2.10.2 Formal written price quotations between R30 000 and R300 000

a) Awards made to the companies/enterprises established within the Breede Valley Municipal Area

The following table outlines the value of all quotations awarded to enterprises and contractors who are based within the jurisdiction of the Breede Valley Municipal area, for the period 1 July 2023 to 30 June 2024:

Month	Total Orders	Local Companies
July 2023	R389 288.15	R55 631.62
August 2023	R1 331 664.67	R522 105.06
September 2023	R2 432 855.16	R407 524.08
October 2023	R3 344 195.06	R1 716 032.25
November 2023	R3 960 474.44	R1 947 839.27
December 2023	R2 333 698.76	R1 311 198.30



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Month	Total Orders	Local Companies
January 2024	R1 741 584.96	R443 774.37
February 2024	R2 289 391.74	R966 435.83
March 2024	R2 372 290.04	R867 262.14
April 2024	R3 637 275.11	R1 621 514.63
May 2024	R4 389 663.94	R1 798 142.51
June 2024	R3 450 322.12	R809 239.51
Total	R31 672 704.15	R12 466 699.57
Percentage (%)	39.36	

Table: 47 Awards made to local companies

2.10.3 Deviations from normal procurement processes

Paragraph 36 of Council's SCM Policy allows the Accounting Officer to dispense with the official procurement process. Deviations amounting to **R4 391 137.77** were approved by the Accounting Officer. The following table provides a summary of deviations approved for the 2023/24 financial year:

Type of deviation	Number of deviations	Value of deviations (R)	Percentage of total deviations value (%)
Emergency	14	2 102 287.10	47.69
Sole provider	8	589 772.74	13.48
Acquisition of animals for zoos	0	0	0
Acquisition of special works of art or historical objects where specifications are difficult to compile	0	0	0
Impractical to follow the normal procurement process	37	1 699 077.92	38.83
Total Deviations	59	4 391 137.77	100

Table: 48 Summary of deviations

Deviations from the normal procurement processes have been monitored closely since the start of the financial year. Monthly reporting in terms of paragraph 36 of the SCM Policy has been complied with. A large number of deviations has been triggered by instances emergency.



2.10.4 Logistics management

The system of logistics management must ensure the following:

- the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number.
- the setting of inventory levels that include minimum and maximum levels and lead times wherever goods are placed in stock. This process is reviewed annually
- the placing of manual or electronic orders for all acquisitions other than those from petty cash.
- before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract.
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased.
- regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- monitoring and reviewing of the supply vendor performance to ensure compliance with specifications and contract conditions for goods or services.

Each stock item at the municipal stores in Market Avenue is coded and listed on the financial system. Monthly monitoring of issues and receipts patterns is performed by the storekeeper.

Inventory levels are set at the start of each financial year. These levels are set for normal operations. If special projects are being launched by departments, such information is communicated timely to the stores section for them to order stock more than the normal levels.

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

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

The value of the slow-moving items decreased from R3 715 136.13 (2022/23) to R1 274 158.04 (2023/24) at 30 June 2024, thus equating to a year-on-year decrease of 65.70%. Slow moving stock, measured against the total stock value for the year under review, decreased by 9.93% from 13.81% (2022/23) to 3.87% (2023/24). The damaged stock is valued at R0, redundant stock at R0 and GRAP 12 inventory (stock capitalised) at R13 585 301.47.



2.10.5 Disposal management

The system of disposal management must ensure the following:

- Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise.
- Movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous.
- Firearms are not sold or donated to any person or institution within or outside the Republic, unless approved by the national conventional arms control committee.
- Immovable property is let at market related rates except when the public interest or plight of the poor demands otherwise.
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed.
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the provincial Department of Education is approached first to indicate within 30 days whether any of the local schools are interested in the equipment.

We are complying with Section 14 of the MFMA which deals with the disposal of capital assets.

2.10.6 Performance management

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

Monitoring of internal processes is an ongoing process. Procedure manuals for various SCM processes have been developed, approved and are being implemented. Regular reporting of appeals received by aggrieved bidders are also done to measure the performance of the bid specification and bid evaluation committees.

During the 2023/24 financial year, no company was prohibited from doing business with the Municipality.

Three of the most important key performance indicators in the SCM unit, is that of turnaround time from the date that requests are received from departments until bids are adjudicated and awarded.

The following table details the performance for each of these key performance indicators:

Key performance indicator	2022/23 Achievement	2023/24 Achievement	Remarks
Quotations between R0 – R2 000 (3 days)	79.40%	92.92%	The department processed 92.92% of transactions (within the pricing category) in the targeted number of days (i.e. 3 days). Notwithstanding the existing challenges of increasing SCM legislative and reporting requirements and the staff compliment which has decreased, SCM procurement strategies have been contributing to less transactions below R2000. These transaction goals have been reached



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Key performance indicator	2022/23 Achievement	2023/24 Achievement	Remarks
			and improved in comparison to the previous financial year
Quotations between R2 000 – R30 000 (6 days)	92.87%	95.42%	The department processed 95.42% of transactions (within the pricing category) in the targeted number of days (i.e. 6 days). Notwithstanding the existing challenges of increasing SCM legislative and reporting requirements and the staff compliment which has decreased, SCM procurement strategies have been contributing to less transactions below R30 000 and indicates an improvement in comparison to the previous year
Quotations between R30 000 – R300 000 (14 days)	89.38%	88.86%	The department processed 88.86% of transactions (within the pricing category) in the targeted number of days (i.e. 14 days). Notwithstanding the existing challenges of increasing SCM legislative and reporting requirements and the staff compliment which has decreased, SCM procurement strategies have been contributing to less transactions below R300 000 and performed satisfactory in comparison with the previous financial year
Competitive bidding system (tenders) (120 Days)	81.08%	81.08%	The department processed 81.08% of transactions (within the pricing category) in the targeted validity number of days (i.e. up to 120 days). Notwithstanding the existing challenges of increasing SCM legislative and reporting requirements and the staff compliment which has decreased, SCM procurement strategies have been contributing to more transactions above R300 000, of which the performance is acceptable in comparison to the previous financial year

Table: 49 SCM performance indicators

2.10.7 Procurement and contract management

We have complied with SCM Regulation 6(3) for the 2023/24 financial year. These reports were submitted in a timely manner to the Chief Financial Officer, the Accounting Officer, as well as the Executive Mayor.

2.10.8 Procurement and contract management – Suppliers not registered for VAT

VAT registration numbers of suppliers are indicated on a VAT 103 form that is issued by SARS. We can also confirm a VAT number that appears on an original tax clearance certificate. The unit has access to a VAT number validity function which is available on the SARS website. It is easily accessible and is currently utilised.



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2.10.9 Procurement and contract management – Monitoring of contracts not done monthly

The Contract Management Office (established in 2018/19) continued to monitor SCM contracts above R200 000, that have been procured through an SCM process(es). The following objectives were set and achieved during the 2023/24 financial year:

- The Contract Management Office continued to perform contract management functions coupled with direct reporting to the Manager Procurement
- Aligning the contract management procedures and systems with the rest of the SCM functions and Expenditure Department

The following table illustrates the status of contracts during the 2023/24 financial year:

Status	Quantity
Active contracts	181
Expired contracts	65
Cancelled contracts	1
Extended contracts	16

Table: 50 Status of contracts as of 30 June 2024

2.10.10 B-BBEE Compliance Performance Information

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

a) Management Control

Category	Number	Race Classification		Gender		Disability
Senior Management	6 (1 position vacant)	A	0	Male	5	None
		C	3			
		W	2	Female	0	

Table: 51 B-BBEE Compliance Performance Information: Management control

b) Skills Development

Category	Number	Race Classification		Gender		Disability	Total Amount Spend
		Category	Total	Category	Total		
Black employees	454	A	229	M	242	1	R 2 315117.80



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Category	Number	Race Classification		Gender		Disability	Total Amount Spend
		Category	Total	Category	Total		
		C	225	F	211		
Black non-employees	0	A	0	M	0		
		C	0	F	0		
Black people on internships, apprenticeship, learnership	20	A	5	M	10	0	R1 087 000
		C	15	F	10		
Unemployed black people on any programme under the learning programme matrix	0	A	0	M	0		
		C	0	F	0		
Black people absorbed at end of internships, apprenticeship, learnership	2	A	1	M	0		
		C	1	F	2		

Table: 52 B-BBEE Compliance Performance Information: Skills development

c) Enterprise and Supplier Development

The information as prescribed to report on enterprise and supplier development cannot currently be extracted from Breede Valley Municipality's financial system. The Municipality is continuously engaging the service provider to ensure future reporting.

2.11 POLICIES AND BY-LAWS

Section 11 of the MSA gives a Municipal Council the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the policies developed and reviewed during the financial year (excluding HR policies reported in section 4.2.3):

Policies developed/revise	Date adopted	Resolution Number
Provision of Legal Representation for Employees and Councillors	31 October 2023	C93/2023
Attendance and Punctuality Policy	14 December 2023	C115/2023
ICT Policy and Governance Framework Review	28 February 2024	C20/2024
Protection of Councillors and Staff Members	28 February 2024	C21/2024
Education, Training and Development Policy	26 March 2024	C32/2024
Individual Performance Management & Development Policy	26 March 2024	C32/2024



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Policies developed/revised	Date adopted	Resolution Number
Provision of Legal Representation for Employees and Councillors	31 October 2023	C93/2023
Study Aid for Employees and Study Leave Policy	26 March 2024	C32/2024
Succession Planning Policy	26 March 2024	C32/2024
T.A.S.K. Job Evaluation Policy	26 March 2024	C34/2024
2024/25 Budget Related Policies (detail obtainable on BVM website: www.bvm.gov.za)	21 May 2024	C43/2024

Table: 53 Policies

Municipal by-laws are adopted by Council in terms of section 12 of the Local Government: Municipal Systems Act, No. 32 of 2000. In terms of section 13 thereof, a by-law takes effect when published in the Provincial Gazette, or on a future date as determined in terms of the by-law. In compliance with the Systems Act, prior to the adoption of by-laws, the Municipality follow public participation processes, affording the public the opportunity to submit comments and/or objections to the proposed by-law, which are subsequently considered by Council.

Below is a list of all the by-laws developed and reviewed during the financial year:

By-laws developed/revised	Date adopted	Resolution Number
None in the 2023/24 financial period		

Table: 54 By-Laws

2.12 WEBSITE

The Municipality developed and maintained a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Sections 21A and B of the MSA as amended.

The website serves as a mechanism to promote accountability and transparency to communities. It is a key communication mechanism in terms of service offering, information sharing, and public participation. A website is a communication tool that allows easy and convenient access to relevant information and is an integral part of the Municipality's communication strategy.

The table below presents an overview of the primary information and documents that were published on the municipal website.

Description of information and/or document	Yes/Date Published
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
Financial Information	



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Description of information and/or document	Yes/Date Published
Draft Budget - 2023/24	30 March 2023
Final Budget - 2023/24	31 May 2023
Adjustments Budget - 2023/24	24 August 2023; 5 December 2023; 4 March 2024
Budget Related Policies - 2023/24	31 May 2023
Draft SDBIP - 2023/24	30 March 2023
Final SDBIP - 2023/24	28 June 2023
IDP and Public Participation	
IDP & Budget Time Schedule / Process Plan (2022 – 2027)	<ul style="list-style-type: none"> 5-Year Process Plan (2022 – 2027): 28 January 2022 2023/24 IDP & Budget Time Schedule: 27 August 2022 2024/25 IDP/Budget Time Schedule: 24 August 2023
Draft Review of the 5 th Generation IDP (2022 – 2027) for 2023/24	30 March 2023
Final First Review of the 5 th Generation IDP (2022 – 2027) for 2023/24	6 June 2023
Supply Chain Management (Sections 14(2), 33, 37 and 75(1)(e) and (f) and 120(6)(b) of the MFMA and Section 18(a) of the National SCM Regulation)	
List of capital assets that have been disposed of 2023/24	<ul style="list-style-type: none"> Q1: None; Q2: None; Q3: 20 May 2024; Q4: 9 September 2024
Reports (Sections 52(d), 71, 72 and 75(1)(c) and 129(3) of the MFMA)	
Quarterly Budget Implementation & Financial Performance Reports - 2023/24 (S52(d) & S72)	<ul style="list-style-type: none"> Q1: 16 October 2023 (Financial), 3 November 2023 (Non-financial); Q2: 12 January 2024 (Financial), 6 February 2024 (Non-financial); Q3: 15 April 2024 (Financial), 28 April 2024 (Non-financial); Q4: 15 July 2024 (Financial), 2 August 2024 (Non-financial)
Draft Annual Report – 2022/23	5 December 2023
Final Annual- & Oversight Report – 2022/23	18 December 2023
Performance Management (Section 75(1)(d) of the MFMA)	
Performance Agreements and Annexures for employees appointed as per S57 of MSA - 2023/24	24 August 2023

Table: 55 Website checklist



2.13 COMMUNICATION

Local Government has a legal obligation to ensure regular and effective communication with the community.

BVM's communication function is aligned with and supports the IDP. It informs and engages the public in terms of developmental local government principles.

Communication forms an integral part of public participation, serving as the vehicle by which public participation is enabled. It involves the provision of customer orientated services and building capacity for citizens to provide the municipality with feedback to improve these services.

Council acknowledges the right of the community to participate in governance and encourages communities to play an active role in the development of their areas. Local government has moved away from exercising power over people to a position where they share power with people, thereby putting people first.

Council regards the people of the Breede Valley as strategic partners in the development of the area and encourages communities to become part of the solutions for the challenges facing the Breede Valley. Although legislation regulates the relationship between local government and the community, BVM regards this partnership to be based on openness, respect and trust, rather than mandatory.

The following actions were amongst others undertaken to involve the community of the Breede Valley in governance and to inform the public on Council activities:

- Regular media feedback – electronic media, social media and print
- Greater focus on social media interaction
- Radio interviews on municipal service delivery and related topics
- Placement of information including all legislatively prescribed documents onto the municipal webpage
- Meetings of Council
- Newsletters and/or electronic media placements
- Pamphleteering and social media to disseminate information on service delivery
- Loud hailing
- Social media campaigns to highlight, explain and address service delivery issues such as cable theft, illegal dumping of refuse, damage to sewerage system due to deliberate sabotage of the system and vandalism of municipal infrastructure
- In loco inspections in the different wards by senior personnel to familiarise themselves of problems in communities and pre-empt possible challenges in future



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The tables below are a communication checklist of the compliance to the communication requirements:

2.13.1 Communication activities

Communication activities	Yes/No	Date Approved/Completed
Communication Strategy	Yes	In review phase
Language Policy (Annexure to the aforementioned Strategy)	Yes	In review phase

Table: 56 Communication activities

2.13.2 Communication unit

At the commencement of the 2023/24 financial period, the department had three (3) approved positions on the staff establishment/organogram. The table below depicts the departmental composition as at 30 June 2024.

	Yes/No	Number of posts as per the approved staff establishment pertaining to the Unit	Job titles	Number of posts filled within the Unit as at 30 June 2024
Communication Unit	Yes	3	Manager: IDP/PMS/Communications & IGR	1
			Senior Communications Officer	1
			Support Officer Communications	1

Table: 57 Communication unit

On 01 November 2023, a new Senior Communications Officer was appointed in accordance with the departmental target to fill the position before 31 December 2023. With this addition to the team, the municipal communications unit could systematically progress on its path for rolling out strategic communication actions.

World Radio Day

In a bid to commemorate World Radio Day (WRD), the Communications Unit hosted various media stakeholders such as the Standard & Breederivier Gazette, Umzi FM, Valley FM, and other key players in the field. The goal of this interactive engagement was also to strengthen relationships with media partners so that the Municipality can provide responsive, well-managed, and well-coordinated communication to the public. The Strategic Support Services (SSS) Director, Mr. Raymond Esau, Mrs. Natholin Hammond from the Department of Local Government (DLG), Mr. Peter Titus from GCIS, and the keynote speaker, Professor Sisanda Nkoala of UWC, were amongst the dignitaries present.





District Communicators Forum (DCF)

The Municipality hosted the first District Communications Forum (DCF) for 2024. This quarterly engagement serves as a platform for communicators in the district to discuss strategic government communication issues within the National Communication Framework. The DCF meets three times a year. The agenda is based on key communication imperatives and communication plans around objectives that the Municipality sets itself to attain. All district and provincial communicators forum meetings were attended for the period 2023/24. The images below illustrate highlights of the DCF held in February 2024.



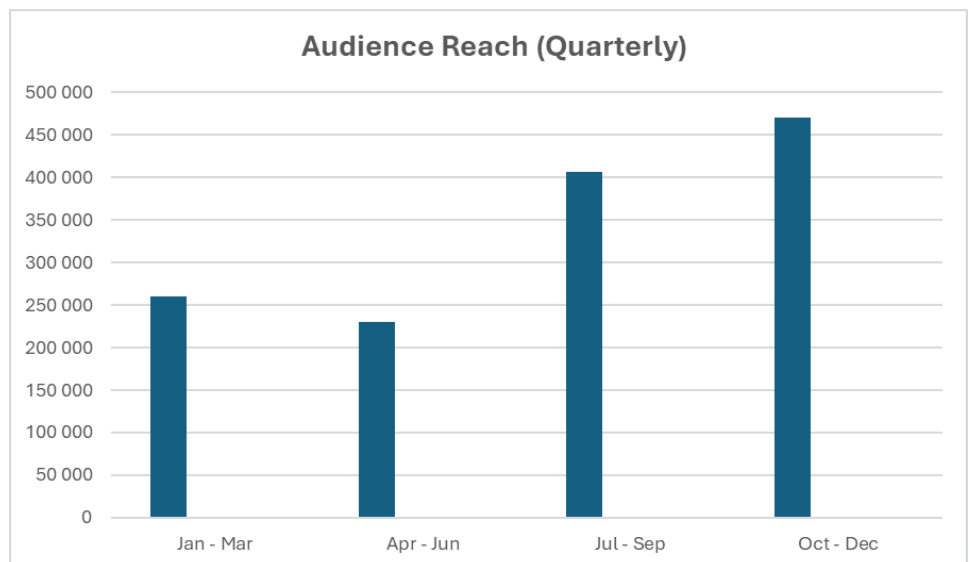
Crisis Communication

Using an integrated communication approach during the September 2023 flooding incident was a crucial and effective way to keep the public informed and updated on the Municipality's response to the situation. Approximately 100,000 social media users were reached in all the content uploaded relating to the flooding incident; from a call to action for donations to status updates on the rescue missions, and the latest updates on the mop-up operations conducted. Traditional media platforms such as Valley FM, Standard & Breederivier Gazette, Worcester FM, ENCA, and other regional radio stations also played a crucial role in this regard as a result of excellent working relationships established.



Facebook statistics

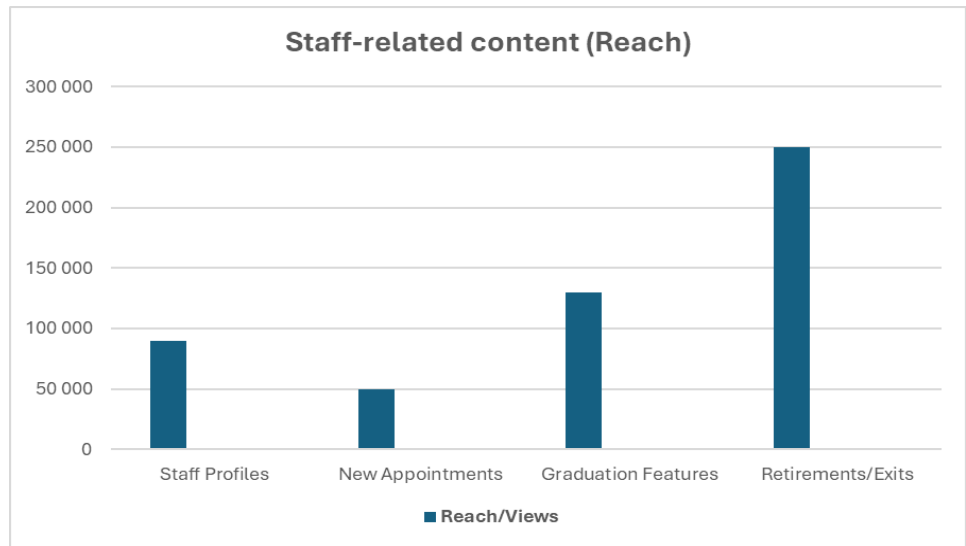
During the reporting period, a total of 1 360 000 social media users were engaged through a series of municipal awareness campaigns focusing on cable theft, sewage infrastructure vandalism, service notifications, IEC voter registration, business and employment opportunities, etc. The page's quarterly performance is shown in the graph below, providing insights on the remarkable steadily progress from at least 250 000 in the first quarter to 460 000 in Q4.



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Internal staff news (appointments, graduations, and retirements)

The graph below illustrates that staff-related content has generated notable viewership on the municipal Facebook page, attracting a minimum of 50 000 to 250 000 social media users in the 2023/24 financial year.



TV & Radio interviews

A series of radio interviews on municipal service delivery and related topics were conducted on Valley FM. Radio as a participatory tool was utilised to disseminate information on economic and entrepreneurial opportunities for local SMMEs and to raise awareness on various municipal campaigns, including winter safety tips, and illegal connections, to name a few.

Official interviewed	Position	Discussion Topic
Mr. Colin January	Manager: LED, EPWP, and Tourism	Entrepreneurial and EPWP opportunities for unemployed youth
Mr. Raymond Esau	Director: Strategic Support Services	Municipal Systems Act, Municipal Structures Act and Municipal Finance Act
Mr. Fabian Geduldt	Manager: Electrical Department	Illegal connections
Mr. Lerato Mniki	Local Economic Development (LED) Officer	Zwelethemba Agricultural Forum (ZAF) formation
Mr. Sewes Pretorius	Deputy Fire Chief Officer	Winter Safety Tips



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RADIO INTERVIEW

Catch BVM's Director of Strategic Support Services (SSS) Mr. Raymond Esau live on Valley's Local Government show this evening.

Director Esau will provide insights on the following legislation;

- Municipal Systems Act
- Municipal Structures Act
- Municipal Finance Act

You can tune in to Valley FM on your radio or mobile device OR you can catch the interview in BVM social media platforms.

Tuesday, 13 August 2024

LIVE AT 20:00

Issued by BVM Communications

A portrait of Mr. Raymond Esau, a man with short dark hair, wearing a blue suit jacket, a light blue shirt, and a patterned tie with a red flower pinned to it. He is smiling slightly and looking towards the camera.

The logo for Breedee Valley Municipality, featuring a stylized green leaf and a yellow sun above the text "BREEDEE VALLEY" and "MUNICIPALITY - GOVERNMENT - COMMUNITY".

The logo for Valley FM, featuring the text "VALLEYfm" in blue and green, with "88.8 - 93.7" below it.



CHAPTER 3



3.1 PERFORMANCE MANAGEMENT

Performance management is prescribed by Chapter 6 of the MSA and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that “A municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players”. This framework, *inter alia*, reflects the linkage between the IDP, budget, SDBIP, individual and service provider performance. The Municipality revised its Performance Management Policy Framework which was submitted to- and approved by Council on the 30th of May 2023 as per resolution number C39/2023. The policy remained relevant throughout the 2023/24 financial period and will be reviewed in the 2024/25 financial period.

3.1.1 Organisational performance

The organisational performance is monitored and evaluated via the SDBIP and the performance process can be summarised as follows:

- The 2023/24 Top Layer SDBIP was approved by the Executive Mayor on 23 June 2023 and the information was loaded on an electronic web-based system.
- The web-based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets by the 20th of every month for the previous month’s performance.
- Additionally, the performance system administrator circulates monthly reminders to remind all departments to update their actual performance on the web-based system.
- The actual results against monthly targets set, are discussed in the monthly management meetings to determine early warning indicators and discuss corrective measures if needed.
- The first quarterly report on the implementation of the budget was approved by the Executive Mayor in October 2023 and served before Council on 31 October 2023. The second quarterly report formed part of the Section 72 report in terms of the MFMA. This report was submitted to the Executive Mayor for approval during January 2024 and served before Council on 23 January 2024. The third quarterly report was approved by the Executive Mayor in April 2024 and served before Council on 23 April 2024. The fourth quarterly report was submitted to the Executive Mayor in July 2024 and is served before Council on 30 July 2024.
- Internal Audit audits the performance measurements of the Municipality on a continuous basis as prescribed by the relevant legislation, which includes submission of reports on a quarterly basis to the Municipal Manager and Performance Audit Committee.
- The Performance Audit Committee reviews the Municipality’s performance management system, which includes the quarterly reports produced and submitted by Internal Audit. The quarterly reports were submitted to the Committee on 23 August 2023 (relating to Q4 and the consolidated annual performance of the 2022/23 financial period), 22 November 2023,



4 March 2024 and 30 May 2024 respectively. The 4th quarter report is anticipated to serve before the Performance Audit Committee within the last week of August 2024 (anticipated date: 26 August 2024).

3.1.2 Individual performance

a) *Municipal Manager and managers directly accountable to the Municipal Manager*

The MSA prescribes that the municipality must enter into performance-based agreements with S57-employees and that performance agreements must be reviewed annually. This process and format is further regulated by Regulation 805 (August 2006). The performance agreements for the 2023/24 financial year were signed within a month after the commencement of the new financial year (i.e. before 31 July 2023), on the 28th of July 2023, as prescribed by legislation.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The mid-year evaluation of the 2023/24 financial year (1 July 2023 to 31 December 2023) took place on 12 February 2024, whilst the final evaluation pertaining to the 2023/24 financial year is earmarked to occur in November/December 2024, after conclusion of the Auditor-General's audit scope and receipt of the signed Audit Report.

The appraisals are conducted by an evaluation panel as indicated in the signed performance agreements and comprises of the following members:

- Executive Mayor
- Municipal Manager
- External Municipal Manager
- Chairperson of the Audit Committee
- Mayoral Executive Committee members
- PM unit provided administrative and logistical support
- Internal audit monitored that the process was fair and transparent and conforming to relevant legal prescripts

b) *Administration*

On 20 September 2021 the Minister of Cooperative Governance promulgated the Local Government Municipal Staff Regulations (Regulation 890) and the Guidelines (Regulation 891) with an effective date of 1 July 2022. In terms of Chapter 4, Regulation 35(1) and (2) a supervisor and staff member must enter into a performance agreement for each performance cycle of the municipality and the performance agreement of a serving staff member must be concluded within 30 days of the commencement of the new financial year.

On 17 June 2022, the Department of Cooperative Governance issued Circular 12 of 2022 granting extension for the implementation of Chapter 2 and Chapter 4 to 1 July 2023.

The responsibility of facilitating and rendering logistical support relating to the institutionalisation and implementation of individual performance management, has been assigned to the BVM HR department. Majority of BVM's staff compliment have concluded performance agreements. However, agreements within certain departments have been flagged for further verification,



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review and refinement. Concurrently, the department is facilitating the process of loading KPA's and KPI's on the SAGE system, to enable departments to facilitate the drafting and conclusion of performance agreements electronically, thus ensuring adequate supporting documents and reliable audit trails (amongst others). The procurement and establishment of an adequate electronic individual performance management system was imperative to ensure that the municipality could progress to the subsequent phases within the performance management cycle beyond planning/contracting (i.e. monitoring implementation, employee development, performance evaluation/rating and rewarding). The department anticipate to conclude the institutionalisation and establishment of a complete organisational ecosystem of individual performance management throughout the 2024/25 financial period.

3.2 THE IDP AND THE BUDGET

The 1st review of the 5th Generation IDP (2022 – 2027), which encapsulates and elaborates on the strategic planning perspectives for 2023/24, was approved on 30 May 2023 (Resolution number C36/2023) whilst the budget for 2023/24 was also approved by Council on 30 May 2023 (Resolution number C35/2023). The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation, management, monitoring and evaluation of the IDP.

3.2.1 Strategic alignment

The table below provides an analysis of the budget allocation per strategic objective (Opex excludes internal transfers):

Strategic objective	Capital Budget		Operational Budget (Opex)	
	Total budget	Total actual expenditure	Total budget	Total actual expenditure
	R			
SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community	285 221 743	228 989 320	1 005 706 425	967 982 985
SO2: To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism	95 000	84 766	8 174 881	7 490 913
SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people	1 862 042	1 801 848	172 464 773	165 368 053
SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government	4 045 816	2 732 908	140 327 009	142 636 642



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Strategic objective	Capital Budget		Operational Budget (Opex)	
	Total budget	Total actual expenditure	Total budget	Total actual expenditure
	R			
SO5: Ensure a healthy and productive workforce and an effective and efficient work environment	0	0	22 138 090	17 198 358
SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices	2 134 600	1 011 688	101 230 554	95 680 820
Total	293 359 201	234 620 530	1 450 041 732	1 396 357 771

Table: 58 Budget spending per strategic objective

3.3 INTRODUCTION TO SERVICE DELIVERY PERFORMANCE

This chapter provides an overview of the key service achievements of the municipality that came to fruition during 2023/24 in terms of the deliverables achieved compared to the key performance objectives and indicators in the IDP. It furthermore includes an overview on achievement in 2023/24 compared to actual performance in 2022/23.

3.4 STRATEGIC SDBIP (TOP LAYER)

3.4.1 Performance indicators set in the approved Top Layer SDBIP for 2023/24 per strategic objective

a) SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
TL2	Develop an Implementation Plan for the upgrade of the municipal rental units and submit to Council by 31 May 2024	Implementation Plan developed and submitted to Council for approval	All	1	0	0	0	0	1	1
TL3	Spend 90% of the budget allocated for the maintenance of the municipal rental units by 30 June 2024	% of the budget spent	All	90%	88.02%	10.00%	20.00%	50.00%	90.00%	90.00%
TL4	Spend 90% of the budget allocated for the relocation of outside toilets of all properties that were	% of the budget spent	All	90%	35.50%	0.00%	20.00%	50.00%	90.00%	90.00%



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
	previously owned by government by 30 June 2024									
TL7	Implement 22 approved community development projects by 30 June 2024	Number of approved projects implemented	All	8	22	0	0	11	11	22
TL9	Spend 95% of the Library Grant in accordance with the transfer payment agreement by 30 June 2024	% of grant funding spent	All	95%	100%	20.00%	50.00%	75.00%	95.00%	95.00%
TL12	Purchase and installation of a modular library at Overhex by 30 June 2024	Project completed	18	0	0	0	0	0	1	1
TL14	Review the Sport Facilities Infrastructure Master Plan and submit to Council for approval by 31 May 2024	Final reviewed Sport Facilities Infrastructure Master Plan submitted to Council for approval	All	1	1	0	0	0	1	1
TL15	Develop a Maintenance Plan for Resorts and Sport Facilities and submit to Council for approval by 31 May 2024	Maintenance Plan developed and submitted for approval	All	0	0	0	0	0	1	1
TL17	Spend 90% of the electricity capital budget by 30 June 2024	% of the budget spent	All	90%	64.60%	0.00%	20.00%	60.00%	90.00%	90.00%
TL18	Spend 90% of the electricity maintenance budget by 30 June 2024	% of the budget spent	All	90%	89.56%	0.00%	20.00%	60.00%	90.00%	90.00%
TL19	Spend 90% of the capital budget allocated for the resurfacing of roads by 30 June 2024	% of the budget spent	All	90%	99.10%	0.00%	20.00%	60.00%	90.00%	90.00%
TL21	Spend 90% of the budget allocated for the upgrade of	% of the budget spent	All	90%	99.90%	0.00%	20.00%	60.00%	90.00%	90.00%



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
	gravel roads by 30 June 2024									
TL22	Complete the construction of the 20ML service reservoir by 31 December 2023	Project completed	All	0	0	0	1	0	0	1
TL23	Complete the upgrade of the Waste Water Treatment Works in Rawsonville by 31 March 2024	Project completed	20; 19	0	0	0	0	1	0	1
TL24	Complete the traffic circle in High and Louis Lange by 31 December 2023	Project completed	7	0	0	0	1	0	0	1
TL25	Complete Phase 2 erosion protection at the Hexriver by 31 March 2024	Project completed	8; 16; 17; 18	0	0	0	0	1	0	1
TL26	Appoint a contractor for the extension of the Waste Water Treatment Works in Touwsrivier by 31 March 2024	Contractor appointed	1	0	0	0	0	1	0	1
TL27	Number of formal residential properties that are billed for water as at 30 June 2024	Number of residential properties that are billed for residential consumption water meters charged residential domestic tariffs or residential flat rate tariffs using an erf as a household except municipal rental flats which will be measured by using the number of rental units.	All	21480	21483	21 480	21 480	21 480	21 500	21 500
TL28	Number of residential properties which are billed for electricity	Number of residential properties that are billed for	All	22885	23045	22 885	22 885	22 885	22 885	22 885



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
	or have pre-paid meters (excluding Eskom Electricity supplied properties) as at 30 June 2024	electricity or have pre-paid meters, charged on the residential tariffs for consumption and residential prepaid tariffs								
TL29	Number of formal residential properties that are billed for sanitation/sewerage services as at 30 June 2024	Number of residential properties that are billed for residential sewerage tariffs using the erf as property	All	19245	19461	19 245	19 245	19 245	19 480	19 480
TL30	Number of formal residential properties that are billed for refuse removal as at 30 June 2024	Number of residential properties that are billed for refuse removal residential tariffs using the erf as a property	All	19281	19495	19 281	19 281	19 281	19 500	19 500
TL31	Provide free basic water to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic water	All	6500	7999	6 500	7 000	7 500	8 200	8 200
TL32	Provide free basic electricity to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic electricity	All	6500	7999	6 500	7 000	7 500	8 200	8 200
TL33	Provide free basic sanitation to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic sanitation	All	6500	7999	6 500	7 000	7 500	8 200	8 200
TL34	Provide free basic refuse removal to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic refuse removal	All	6500	7999	6 500	7 000	7 500	8 200	8 200
TL38	Limit unaccounted electricity losses to less than 10% by 30 June 2024	% unaccounted for electricity	All	10%	6.10%	0.00%	0.00%	0.00%	10.00%	10.00%



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
TL39	Limit unaccounted water losses to less than 25% by 30 June 2024	% unaccounted for water	All	25%	14.29%	0.00%	0.00%	0.00%	25.00%	25.00%
TL47	The percentage of the municipal capital budget spent on capital projects as at 30 June 2024	% of the municipal capital budget spent	All	90%	67.13%	0.00%	30.00%	60.00%	90.00%	90.00%
TL49	Achieve 95% average water quality level as measured per SANS 241 criteria during the 2023/24 financial year	% water quality level per quarter	All	95%	95.33%	95.00%	95.00%	95.00%	95.00%	95.00%
TL50	Review the 5 year Water Service Development Plan IDP Water Sector Input Report and submit to Council for consideration by 31 March 2024	Water Service Development Plan IDP Water Sector Input Report submitted to Council for consideration	All	1	1	0	0	1	0	1
TL51	Spend 90% of the budget allocated towards the pipe cracking projects/works by 30 June 2024	% of budget spent	All	90%	39.90%	0.00%	0.00%	60.00%	90.00%	90.00%
TL52	80% of sewage samples comply with effluent standard during the 2023/24 financial year	% of sewage samples compliant	All	80%	86.95%	80.00%	80.00%	80.00%	80.00%	80.00%
TL53	Spend 90% of the budget allocated towards the improvement of the sewerage system by 30 June 2024	% of budget spent	All	90%	51.96%	0.00%	0.00%	30.00%	90.00%	90.00%
TL56	Spend 90% of the budget allocated for the Regional Socio Economic Programme by 30 June 2024	% of budget spent	All	90%	100%	0.00%	0.00%	60.00%	90.00%	90.00%
* If the 2022/23 target is shown as zero (0), it indicates that the KPI was not included in the targets for that year										

Table: 59 Top Layer SDBIP targets set for 2023/24: SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community



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b) SO2: To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
TL57	The number of FTE's created through the EPWP programme by 30 June 2024	Number of FTE's created through the EPWP programme	All	332	339.54	0	169.5	0	167.5	337
TL61	Sign service level agreements (SLA's) with 4 Local Tourism Associations (LTA's) for their annual tourism operational expenditure by 30 September 2023	Number of SLA's signed	All	4	4	4	0	0	0	4
* If the 2022/23 target is shown as zero (0), it indicates that the KPI was not included in the targets for that year										

Table: 60 Top Layer SDBIP targets set for 2023/24: SO2: To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism

c) SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
TL1	Plan & conduct 32 roadblocks by 30 June 2024	Number of roadblocks conducted	All	24	27	8	8	8	8	32
TL8	Conduct 1000 planned inspections in accordance with the Fire Protection Regulations and Fire Safety Bylaw during the 2023/24 financial year	Number of planned inspections conducted	All	950	1465	250	250	250	250	1 000
TL13	Spend 90% of the capital budget linked to the construction of the fence of Esselen Park Sport Facility by 30 June 2024	% of the budget spent	9	1	0	0.00%	20.00%	60.00%	90.00%	90.00%
TL20	Spend 90% of the capital budget	% of the budget spent	All	90%	99.99%	0.00%	0.00%	60.00%	90.00%	90.00%



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
	allocated for the construction of speedhumps in the municipal area by 30 June 2024									
TL48	Complete the installation of the municipal cemetery fence located in De Wet Street, Worcester by 29 February 2024	Project completed	7	1	0	0	0	1	0	1
TL54	Recycle 80 tonnes of waste at the Worcester MRF by 30 June 2024	Tonnage of waste recycled	All	80	0	20	20	20	20	80
TL55	Plan and host a Waste Minimisation Summit by 30 June 2024	Waste Minimisation Summit planned and hosted	All	1	0	0	0	0	1	1
* If the 2022/23 target is shown as zero (0), it indicates that the KPI was not included in the targets for that year										

Table: 61 Top Layer SDBIP targets set for 2023/24: SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people

d) SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
TL63	Review the 5th Generation IDP and submit to Council for approval by 31 May 2024	5th Generation IDP reviewed and submitted to Council for approval	All	1	1	0	0	0	1	1
* If the 2022/23 target is shown as zero (0), it indicates that the KPI was not included in the targets for that year										

Table: 62 Top Layer SDBIP targets set for 2023/24: SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government

e) SO5: Ensure a healthy and productive workforce and an effective and efficient work environment

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
TL11	Spend 90% of the budget allocated to	% of the budget spent	All	0	0	0.00%	0.00%	0.00%	90.00%	90.00%



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
	purchase traffic vehicles									
TL58	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan and organisational structure during the 2023/24 financial year	Number of people employed in the three highest levels of management	All	2	2	0	0	0	2	2
TL59	Spend 1% of the municipality's personnel budget on implementing its workplace skills plan by 30 June 2024	% of the budget spent	All	1%	0.88%	0.00%	0.00%	0.00%	1.00%	1.00%
TL60	Limit vacancy rate to 15% of budgeted posts by 30 June 2024	% vacancy rate	All	15%	9.45%	0.00%	15.00%	0.00%	15.00%	15.00%
TL62	Submit a request for approval, to dispose official documents, to the Provincial Archive Services by no later than 30 June 2024	Request for approval submitted to the Provincial Archive Services	All	1	1	0	0	0	1	1
TL65	Spend 90% of the budget allocated for the replacement of ICT equipment by 30 June 2024	% of the budget spent	All	90%	95.38%	0.00%	10.00%	60.00%	90.00%	90.00%
* If the 2022/23 target is shown as zero (0), it indicates that the KPI was not included in the targets for that year										

Table: 63 Top Layer SDBIP targets set for 2023/24: SO5: Ensure a healthy and productive workforce and an effective and efficient work environment



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f) *SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices*

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
TL35	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2024	% of debt coverage	All	45%	22%	0.00%	0.00%	0.00%	45.00%	45.00%
TL36	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024	% of outstanding service debtors	All	16.50%	14%	0.00%	0.00%	0.00%	16.50%	16.50%
TL37	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024	Number of months it takes to cover fix operating expenditure with available cash	All	1.5	2	0	0	0	1.5	1.5
TL40	Submit the approved financial statements for 2022/23 to the Auditor-General by 31 August 2023	Approved financial statements for 2022/23 submitted to the AG	All	1	1	1	0	0	0	1
TL41	Achieve a payment percentage of above 95% as at 30 June 2024	% Payment achieved	All	95%	93.81%	75.00%	90.00%	95.00%	95.00%	95.00%
TL42	Review the MGRO Clean Audit Plan and submit to the Municipal Manager by 31 January 2024	MGRO Clean Audit Plan submitted	All	1	1	0	0	1	0	1
TL43	Achieve an unqualified audit for the	Audit report signed by the Auditor-	All	1	1	0	0	1	0	1



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Target for 2023/24				
				Target*	Actual	Q1	Q2	Q3	Q4	Annual
	2022/23 financial year by 31 January 2024	General for 2022/23								
TL44	Review the Revenue Enhancement Plan and submit to Council for approval by 31 May 2024	Reviewed Revenue Enhancement Plan submitted to Council	All	1	1	0	0	0	1	1
TL45	Compile a Risk Based Audit Plan and submit to the Audit Committee by 30 June 2024	RBAP submitted to the Audit Committee	All	1	1	0	0	0	1	1
TL46	Compile a strategic risk report and submit to Council by 31 May 2024	Strategic risk report submitted to Council	All	1	1	0	0	0	1	1
* If the 2022/23 target is shown as zero (0), it indicates that the KPI was not included in the targets for that year										

Table: 64 Top Layer SDBIP targets set for 2023/24: SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices

3.4.2 Overall actual strategic performance for 2023/24

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, budget and performance agreements)

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to IDP (strategic) objectives.



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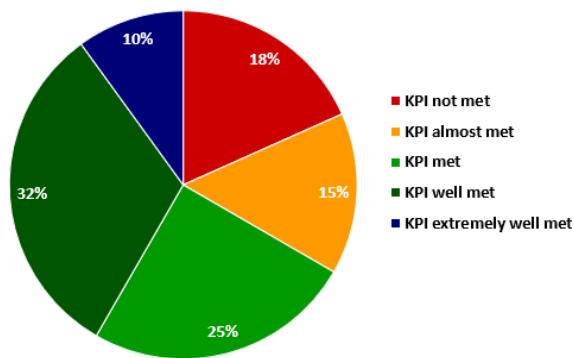
The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPI's) of the SDBIP, are measured:

Category	Colour	Explanation
KPI Not Yet Measured	N/A	KPI's with no targets or actuals in the selected period
KPI Not Met	R	0% > = Actual/Target < 75%
KPI Almost Met	O	75% > = Actual/Target < 100%
KPI Met	G	Actual/Target = 100%
KPI Well Met	G2	100% > Actual/Target < 150%
KPI Extremely Well Met	B	Actual/Target > = 150%

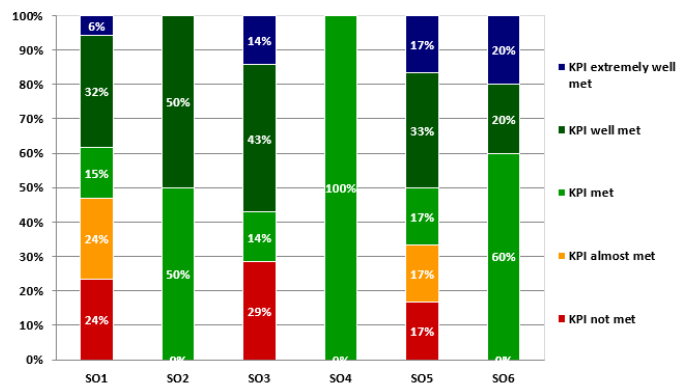
Table: 65 SDBIP measurement categories

The graph below displays the overall performance per strategic objective for 2023/24:

Overall Performance



Performance per Objective



Measurement Category	SO1	SO2	SO3	SO4	SO5	SO6	Total
	SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community	SO2: To create an enabling environment for employment and poverty eradication through proactive economic development and tourism	SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people	SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government	SO5: Ensure a healthy and productive workforce and an effective and efficient work environment	SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices	
KPI Not Met	8	0	2	0	1	0	11
KPI Almost Met	8	0	0	0	1	0	9
KPI Met	5	1	1	1	1	6	15
KPI Well Met	11	1	3	0	2	2	19
KPI Extremely Well Met	2	0	1	0	1	2	6
Total	34	2	7	1	6	10	60

Graph 5: Overall strategic performance for 2023/24 per strategic objective



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3.4.3 Detail actual strategic performance for 2023/24 and corrective measures that will be implemented per strategic objective

a) SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community

Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL2	Develop an Implementation Plan for the upgrade of the municipal rental units and submit to Council by 31 May 2024	Implementation Plan developed and submitted to Council for approval	All	0	0	0	0	1	1	0	R
Corrective actions		The department has assessed the findings, recommendations & proposed implementation scope per the technical assessment inspections conducted for each of the specified rental units. The proposed recommendations were not deemed financially feasible and would therefore not be practically implementable. The department subsequently requested the service provider to revisit its recommendations and revise the implementation scope in accordance with budgetary availability. The revised implementation plan will be submitted to Council by no later than 31 December 2024									
TL3	Spend 90% of the budget allocated for the maintenance of the municipal rental units by 30 June 2024	% of the budget spent	All	88.02%	10.00%	20.00%	50.00%	90.00%	90.00%	96.55%	G 2
TL4	Spend 90% of the budget allocated for the relocation of outside toilets of all properties that were previously owned by government by 30 June 2024	% of the budget spent	All	35.50%	0.00%	20.00%	50.00%	90.00%	90.00%	0.00%	R
Corrective actions		The bids received on the tender that closed on 22/3/2024, did not meet the criteria. On 3/5/2024 in the BAC the committee concluded that the tender be officially cancelled in terms of paragraph 13 (1) (c) of the SCM policy of 22/23 due the fact that no acceptable tenderers were received. They agreed that a new tender process will be followed and advertised by latest June 2024 for implementation in the new financial year									
TL7	Implement 22 approved community development projects by 30 June 2024	Number of approved projects implemented	All	22	0	0	11	11	22	18	O
Corrective actions		Based on further internal review of the KPI metrics and methodology, the department opted to revise the KPI metric to the number of- as opposed to percentage of projects implemented. As a result, the department opted to claim performance for projects implemented within the second half of the financial period (excluding the first half). The revision of the performance metrics coupled with the decision to exclude projects implemented in the first half of the financial period, contributed to the marginal underperformance against the set target. Internal planning, implementation and reporting procedures linked to Community Development Projects will continuously be revised to ensure consistent improvement in the KPI's envisaged performance objective. In addition, existing stakeholder-relations and partnerships will be strengthened to enhance the offering of Community Development Projects to all communities throughout BVM									



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL9	Spend 95% of the Library Grant in accordance with the transfer payment agreement by 30 June 2024	% of grant funding spent	All	100%	20.00%	50.00%	75.00%	95.00%	95.00%	92.84%	O
Corrective actions		BVM Library Services received a Library Services Conditional Grant of R12 394 000 (R11 223 000 for staffing expenditure; R1 171 000 for capital expenditure) in the 2023/24 financial period. All staffing expenditure has been incurred and paid by 30 June 2024. The marginal underperformance against the target is due to significant under expenditure on the envisaged supply and installation of the modular library earmarked for Overhex (capital expenditure of R75 931 against a capital budget of R950 000). This under expenditure is attributed to challenges experienced within the procurement process, and subsequent delay in appointing a qualified service provider by 30 June 2024. A budget roll-over application will be submitted to the Provincial Department of Cultural Affairs and Sport, who is aware of the scope of the project and informed of the challenges experienced within the procurement process. We remain confident that the roll-over application will be approved and funds re-availed in the 2024/25 financial year to complete the project									
TL12	Purchase and installation of a modular library at Overhex by 30 June 2024	Project completed	18	0	0	0	0	1	1	0	R
Corrective actions		R950 000 was budgeted in 2023/24 for a Modular Library, of which R75 931 was spent on the project (procurement of furniture & equipment for the library) at 30 June 2024. This under expenditure is attributed to challenges experienced within the procurement process, and subsequent delay in appointing a qualified service provider by 30 June 2024. A budget roll-over application will be submitted to the Provincial Department of Cultural Affairs and Sport, who is aware of the scope of the project and informed of the challenges experienced within the procurement process. We remain confident that the roll-over application will be approved and funds re-availed in the 2024/25 financial year to complete the project by 30 June 2025									
TL14	Review the Sport Facilities Infrastructure Master Plan and submit to Council for approval by 31 May 2024	Final reviewed Sport Facilities Infrastructure Master Plan submitted to Council for approval	All	1	0	0	0	1	1	1	G
TL15	Develop a Maintenance Plan for Resorts and Sport Facilities and submit to Council for approval by 31 May 2024	Maintenance Plan developed and submitted for approval	All	0	0	0	0	1	1	0	R
Corrective actions		The intention of the KPI was to compile the plan internally. However, preliminary analysis emphasised the extent and complexities of the anticipated works coupled with the need for a detailed cost analysis. This context coupled with internal capacity constraints, highlighted the need for obtaining professional services to assist with the development of a maintenance plan that adequately responds to all the complexities and considerations required to ensure adequate maintenance of facilities. The department is, within its available resource framework, assessing the viability to appoint a technically qualified and experienced service provider in the 2024/25 financial year, able to provide assistance with the development of a Resorts & Sport Facilities Maintenance Plan									
TL17	Spend 90% of the electricity capital budget by 30 June 2024	% of the budget spent	All	64.60%	0.00%	20.00%	60.00%	90.00%	90.00%	91.73%	G 2



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL18	Spend 90% of the electricity maintenance budget by 30 June 2024	% of the budget spent	All	89.56%	0.00%	20.00%	60.00%	90.00%	90.00%	96.99%	G 2
TL19	Spend 90% of the capital budget allocated for the resurfacing of roads by 30 June 2024	% of the budget spent	All	99.10%	0.00%	20.00%	60.00%	90.00%	90.00%	99.17%	G 2
TL21	Spend 90% of the budget allocated for the upgrade of gravel roads by 30 June 2024	% of the budget spent	All	99.90%	0.00%	20.00%	60.00%	90.00%	90.00%	45.72%	R
Corrective actions		Upgrade of gravel roads at Touwsrivier (Ward 1) and Avian Park (Ward 21) were awarded to Leafy Space. Due to under performance of Leafy Space at Touwsrivier, their contract was terminated by BVM. Subsequently the Touwsrivier contract was awarded to JVZ Construction. Expenditure will increase from July 2024. Award of upgrading of gravel roads at Worcester Industrial is pending BAC meeting									
TL22	Complete the construction of the 20ML service reservoir by 31 December 2023	Project completed	All	0	0	1	0	0	1	1	G
TL23	Complete the upgrade of the Waste Water Treatment Works in Rawsonville by 31 March 2024	Project completed	20; 19	0	0	0	1	0	1	0	R
Corrective actions		Due to delays within the completion of the Mechanical & Electrical works, practical completion/point of occupation of the facility could not be reached on/before the targeted due date. The delays were triggered due to (amongst others) Eskoms rejection of the proposed bulk power supply upgrades (a critical requirement for this component of the works). Subsequently, the project has not reached a confirmed point of practical completion by 31 March 2024; notwithstanding the confirmation of practical completion of the Civil & Structural works on 23 August 2023. BVM is currently engaging the contractor on the delays within the aforementioned works, and have imposed prescribed performance measures/penalties on the contractor for non-adherence to the key deliverables for which they were responsible. Importantly, BVM anticipates that practical completion will be reached by no later than 31 December 2024									
TL24	Complete the traffic circle in High and Louis Lange by 31 December 2023	Project completed	7	0	0	1	0	0	1	1	G
TL25	Complete Phase 2 erosion protection at the Hexriver by 31 March 2024	Project completed	8; 16; 17; 18	0	0	0	1	0	1	1	G
TL26	Appoint a contractor for the extension of	Contractor appointed	1	0	0	0	1	0	1	0	R



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
	the Waste Water Treatment Works in Touwsrivier by 31 March 2024										
Corrective actions		The appointment of contractor(s) for the extension of the Waste Water Treatment Works in Touwsrivier by 31 March 2024 was marginally delayed due to a reassessment and finalisation of the project budget and consideration of SCM procedures (i.e. 80/20 and 90/10 formula). As a result, the tender could not be initiated and processed timeously to ensure appointment by the set target date. The award/appointment of a contractor(s) was subsequently finalised in April 2024 (notification of award by Accounting Officer dated 12 April 2024)									
TL27	Number of formal residential properties that are billed for water as at 30 June 2024	Number of residential properties that are billed for residential consumption water meters charged residential domestic tariffs or residential flat rate tariffs using an erf as a household except municipal rental flats which will be measured by using the number of rental units.	All	21483	21 480	21 480	21 480	21 500	21 500	21 628	G 2
TL28	Number of residential properties which are billed for electricity or have pre-paid meters (excluding Eskom Electricity supplied properties) as at 30 June 2024	Number of residential properties that are billed for electricity or have pre-paid meters, charged on the residential tariffs for consumption and residential prepaid tariffs	All	23045	22 885	22 885	22 885	22 885	22 885	23 271	G 2
TL29	Number of formal residential properties that are billed for sanitation/sewage services as at 30 June 2024	Number of residential properties that are billed for residential sewerage tariffs using the erf as property	All	19461	19 245	19 245	19 245	19 480	19 480	19 476	O
Corrective actions		This represents an underperformance of 4 from the target of 19 480 households. The underperformance is due to some projects which were anticipated to be completed by 30 June 2024 not being completed. The municipality will continue to ensure that services are connected as soon as the buildings meet the occupation requirements									
TL30	Number of formal residential properties that	Number of residential properties that are billed for	All	19495	19 281	19 281	19 281	19 500	19 500	19 505	G 2



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
	are billed for refuse removal as at 30 June 2024	refuse removal residential tariffs using the erf as a property									
TL31	Provide free basic water to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic water	All	7999	6 500	7 000	7 500	8 200	8 200	7 133	O
Corrective actions		<p>During the mid-year review process the target was revised from 7 500 to 8 200. This was done after considering the current performance at the time and an anticipation that due to the adverse economic conditions more applications would be received and taken through a verification process. During the period March 2024 to June 2024 there were various verification processes that took place. Indigent clients were requested to come and verify themselves. We also hosted the Jamboree where we took services to the people. This was when we took our staff members to various community halls where clients were assisted with their service delivery queries. This included allowing clients to apply for their indigent applications for the new year whilst also verifying their status for the 2023/24 financial year. During process some clients did not come forward to verify their indigent status. Some clients who came forward were found to not qualify anymore due to their household income not meeting the qualification criteria. The clients affected had their indigent statuses cancelled. It is therefore due to the above actions as well as other ongoing verification processes that the number of indigent clients has been reduced. This means that only those clients who qualify for the indigent services are currently in the basket. Management will continue to ensure that measures are put in place to ensure that only those clients who meet the qualification requirements as indigent clients are in this register. The indigent registers will continue to be updated and monitored. Various verification methods will still be implemented. Ultimately, measuring a numerical value in this instance, is not the most useful metric to formulate an opinion on performance. For example, a lower numeric value may imply that less clients are reliant on government subsidies and potentially have a greater ability to pay for the full compliment of services, thus yielding a positive impact on the local fiscus. Conversely, a higher numeric value implies that more clients are reliant on the municipality's provision of free-basic services, thus exerting more pressure on the local fiscus and financial sustainability. Management will thus review and assess the feasibility of reporting a percentage (i.e. 100%) of qualifying clients that receive- and are billed for free-basic services on a quarterly basis</p>									
TL32	Provide free basic electricity to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic electricity	All	7999	6 500	7 000	7 500	8 200	8 200	7 133	O
Corrective actions		<p>During the mid-year review process the target was revised from 7 500 to 8 200. This was done after considering the current performance at the time and an anticipation that due to the adverse economic conditions more applications would be received and taken through a verification process. During the period March 2024 to June 2024 there were various verification processes that took place. Indigent clients were requested to come and verify themselves. We also hosted the Jamboree where we took services to the people. This was when we took our staff members to various community halls where clients were assisted with their service delivery queries. This included allowing clients to apply for their indigent applications for the new year whilst also verifying their status for the 2023/24 financial year. During process some clients did not come forward to verify their indigent status. Some clients who came forward were found to not qualify anymore due to their household income not meeting the qualification criteria. The clients affected had their indigent statuses cancelled. It is therefore due to the above actions as well as other ongoing verification processes that the number of indigent clients has been reduced. This means that only those clients who qualify for the indigent services are currently in the basket. Management will continue to ensure that measures are put in place to ensure that only those clients who meet the qualification requirements as indigent clients are in this register. The indigent registers will continue to be updated and monitored. Various verification methods will still be implemented. Ultimately, measuring a numerical value in this instance, is not the most useful metric to formulate an opinion on performance. For example, a lower numeric value may imply that less clients are reliant on government subsidies and potentially have a greater ability to pay for the full compliment of services, thus yielding a positive impact on the local fiscus. Conversely, a higher numeric value implies that more clients are reliant on the municipality's provision of free-basic services, thus exerting more pressure on the local fiscus and financial sustainability. Management will thus review and assess the feasibility of reporting a percentage (i.e. 100%) of qualifying clients that receive- and are billed for free-basic services on a quarterly basis</p>									
TL33	Provide free basic sanitation to indigent	Number of indigent households	All	7999	6 500	7 000	7 500	8 200	8 200	7 133	O



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
	households earning less than R4500 as at 30 June 2024	receiving free basic sanitation									
Corrective actions		<p>During the mid-year review process the target was revised from 7 500 to 8 200. This was done after considering the current performance at the time and an anticipation that due to the adverse economic conditions more applications would be received and taken through a verification process. During the period March 2024 to June 2024 there were various verification processes that took place. Indigent clients were requested to come and verify themselves. We also hosted the Jamboree where we took services to the people. This was when we took our staff members to various community halls where clients were assisted with their service delivery queries. This included allowing clients to apply for their indigent applications for the new year whilst also verifying their status for the 2023/24 financial year. During process some clients did not come forward to verify their indigent status. Some clients who came forward were found to not qualify anymore due to their household income not meeting the qualification criteria. The clients affected had their indigent statuses cancelled. It is therefore due to the above actions as well as other ongoing verification processes that the number of indigent clients has been reduced. This means that only those clients who qualify for the indigent services are currently in the basket. Management will continue to ensure that measures are put in place to ensure that only those clients who meet the qualification requirements as indigent clients are in this register. The indigent registers will continue to be updated and monitored. Various verification methods will still be implemented. Ultimately, measuring a numerical value in this instance, is not the most useful metric to formulate an opinion on performance. For example, a lower numeric value may imply that less clients are reliant on government subsidies and potentially have a greater ability to pay for the full compliment of services, thus yielding a positive impact on the local fiscus. Conversely, a higher numeric value implies that more clients are reliant on the municipality's provision of free-basic services, thus exerting more pressure on the local fiscus and financial sustainability. Management will thus review and assess the feasibility of reporting a percentage (i.e. 100%) of qualifying clients that receive- and are billed for free-basic services on a quarterly basis</p>									
TL34	Provide free basic refuse removal to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic refuse removal	All	7999	6 500	7 000	7 500	8 200	8 200	7 133	O
Corrective actions		<p>During the mid-year review process the target was revised from 7 500 to 8 200. This was done after considering the current performance at the time and an anticipation that due to the adverse economic conditions more applications would be received and taken through a verification process. During the period March 2024 to June 2024 there were various verification processes that took place. Indigent clients were requested to come and verify themselves. We also hosted the Jamboree where we took services to the people. This was when we took our staff members to various community halls where clients were assisted with their service delivery queries. This included allowing clients to apply for their indigent applications for the new year whilst also verifying their status for the 2023/24 financial year. During process some clients did not come forward to verify their indigent status. Some clients who came forward were found to not qualify anymore due to their household income not meeting the qualification criteria. The clients affected had their indigent statuses cancelled. It is therefore due to the above actions as well as other ongoing verification processes that the number of indigent clients has been reduced. This means that only those clients who qualify for the indigent services are currently in the basket. Management will continue to ensure that measures are put in place to ensure that only those clients who meet the qualification requirements as indigent clients are in this register. The indigent registers will continue to be updated and monitored. Various verification methods will still be implemented. Ultimately, measuring a numerical value in this instance, is not the most useful metric to formulate an opinion on performance. For example, a lower numeric value may imply that less clients are reliant on government subsidies and potentially have a greater ability to pay for the full compliment of services, thus yielding a positive impact on the local fiscus. Conversely, a higher numeric value implies that more clients are reliant on the municipality's provision of free-basic services, thus exerting more pressure on the local fiscus and financial sustainability. Management will thus review and assess the feasibility of reporting a percentage (i.e. 100%) of qualifying clients that receive- and are billed for free-basic services on a quarterly basis</p>									
TL38	Limit unaccounted electricity losses to less than 10% by 30 June 2024	% unaccounted for electricity	All	6.10%	0.00%	0.00%	0.00%	10.00%	10.00%	5.93%	B
TL39	Limit unaccounted water losses to	% unaccounted for water	All	14.29%	0.00%	0.00%	0.00%	25.00%	25.00%	12.69%	B



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
	less than 25% by 30 June 2024										
TL47	The percentage of the municipal capital budget spent on capital projects as at 30 June 2024	% of the municipal capital budget spent	All	67.13%	0.00%	30.00%	60.00%	90.00%	90.00%	79.98%	O
Corrective actions		Capital spending throughout the financial year have been affected by numerous factors such as extensive SCM processes, non-performance of service providers and adverse weather conditions to the latter part of the financial year. It should be noted that the bulk of capital spending is during the latter part of the financial year, which are often negatively influenced by adverse weather conditions. All these factors have an influence on the timelines and ability of successful bidders to implement on time. Remedial actions to prevent reoccurrence would be to budget more conservatively for projects that are subject to the abovementioned variables that have proved to be a greater challenge during the 2023/24 financial year, when compared to recent years. In addition, early/proactive initiation of procurement and demand management processes will be prioritised to allow proactive identification and appropriate adjustment to uncertain procurement responses from the market									
TL49	Achieve 95% average water quality level as measured per SANS 241 criteria during the 2023/24 financial year	% water quality level per quarter	All	95.33%	95.00%	95.00%	95.00%	95.00%	95.00%	95.33%	G 2
TL50	Review the 5 year Water Service Development Plan IDP Water Sector Input Report and submit to Council for consideration by 31 March 2024	Water Service Development Plan IDP Water Sector Input Report submitted to Council for consideration	All	1	0	0	1	0	1	1	G
TL51	Spend 90% of the budget allocated towards the pipe cracking projects/works by 30 June 2024	% of budget spent	All	39.90%	0.00%	0.00%	60.00%	90.00%	90.00%	100.00%	G 2
TL52	80% of sewage samples comply with effluent standard during the 2023/24 financial year	% of sewage samples compliant	All	86.95%	80.00%	80.00%	80.00%	80.00%	80.00%	80.68%	G 2
TL53	Spend 90% of the budget allocated towards the improvement of the sewerage system by 30 June 2024	% of budget spent	All	51.96%	0.00%	0.00%	30.00%	90.00%	90.00%	98.09%	G 2



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL56	Spend 90% of the budget allocated for the Regional Socio Economic Programme by 30 June 2024	% of budget spent	All	100%	0.00%	0.00%	60.00%	90.00%	90.00%	3.48%	R
Corrective actions		The target of 90% expenditure of the RSEP Grant by 30 June 2024, was not achieved. This is a result of a delay caused by the Western Cape Government's (WCG)'s concern of a deteriorating fiscal outlook which triggered budget cuts (even on certain gazetted grants). As a result, funding availability and confirmation of transfer payments were only received at the mid-year period of the municipal financial year (2023/24), which delayed the implementation scope by 6 months. As a result, the concept design (which informed the engineer appointed to execute the detailed design) was submitted by the WCG on the 6th of March 2024. A tender for the construction could thus not be awarded before 30 June 2024, resulting in a very limited flow of expenditure. An application for roll-over of the funds will be submitted to the WCG. If the application is successful, the detail design already completed by the engineer will be used for procurement and construction. Due to the design already being complete, no delays are anticipated in the 2024/25 financial year, thus full expenditure against the grant will materialise by 30 June 2025									

Table: 66 SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community

b) SO2: To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism

Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL57	The number of FTE's created through the EPWP programme by 30 June 2024	Number of FTE's created through the EPWP programme	All	339.54	0	169.5	0	167.5	337	395.2	G 2
TL61	Sign service level agreements (SLA's) with 4 Local Tourism Associations (LTA's) for their annual tourism operational expenditure by 30 September 2023	Number of SLA's signed	All	4	4	0	0	0	4	4	G

Table: 67 SO2: To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism



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c) SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people

Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL1	Plan & conduct 32 roadblocks by 30 June 2024	Number of roadblocks conducted	All	27	8	8	8	8	32	42	G 2
TL8	Conduct 1000 planned inspections in accordance with the Fire Protection Regulations and Fire Safety Bylaw during the 2023/24 financial year	Number of planned inspections conducted	All	1465	250	250	250	250	1 000	1 224	G 2
TL13	Spend 90% of the capital budget linked to the construction of the fence of Esselen Park Sport Facility by 30 June 2024	% of the budget spent	9	0	0.00%	20.00%	60.00%	90.00%	90.00%	64.63%	R
Corrective actions		64.63% (R1 667 425.98 / R2 579 950) of the capital budget assigned to the construction of the Esselen Park fence spent at 30 June 2024. The delays within the procurement process had a knock-on impact on the subsequent expenditure (and under performance) recorded in Q4. The works have commenced and are progressing well. Due to the late appointment and commencement of works, the allocated 2023/24 project budget could not be spent entirely. The department submitted a roll-over application to avail funds for continued implementation in 2024/25, equivalent to the anticipated budget needed to complete the works. As this is a multi-year project, Councils approval of the roll-over application is regarded a formality. The department anticipates that the works will be completed by no later than 31 December 2024 which will constitute full expenditure as measured in the KPI.									
TL20	Spend 90% of the capital budget allocated for the construction of speedhumps in the municipal area by 30 June 2024	% of the budget spent	All	99.99%	0.00%	0.00%	60.00%	90.00%	90.00%	95.28%	G 2
TL48	Complete the installation of the municipal cemetery fence located in De Wet Street, Worcester by 29 February 2024	Project completed	7	0	0	0	1	0	1	1	G
TL54	Recycle 80 tonnes of waste at the Worcester MRF by 30 June 2024	Tonnage of waste recycled	All	0	20	20	20	20	80	121.91	B
TL55	Plan and host a Waste Minimisation	Waste Minimisation	All	0	0	0	0	1	1	0	R



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
	Summit by 30 June 2024	Summit planned and hosted									
Corrective actions		A Waste Minimisation Summit (WMS) was not held by the 30th of June 2024. In the lead up to the deliverable due date, the user department and internal stakeholders reviewed the efficacy of hosting a WMS, informed by the progress made on implementing the core resolutions of the 2022/23 WMS. It was established that many of the agreed resolutions remained unresolved/not implemented. Subsequently, it was decided that the pursuit and execution of the initial resolutions should enjoy preference at this period of time, as opposed to hosting another WMS. The user department will, in accordance with adequate progress made on the implementation of the initial resolutions, determine an appropriate date to host a WMS									

Table: 68 SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people

d) SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government

Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL63	Review the 5th Generation IDP and submit to Council for approval by 31 May 2024	5th Generation IDP reviewed and submitted to Council for approval	All	1	0	0	0	1	1	1	G

Table: 69 SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government

e) SO5: Ensure a healthy and productive workforce and an effective and efficient work environment

Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL11	Spend 90% of the budget allocated to purchase traffic vehicles	% of the budget spent	All	0	0.00%	0.00%	0.00%	90.00%	90.00%	98.34%	G 2
TL58	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan and organisational	Number of people employed in the three highest levels of management	All	2	0	0	0	2	2	4	B



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
	structure during the 2023/24 financial year										
TL59	Spend 1% of the municipality's personnel budget on implementing its workplace skills plan by 30 June 2024	% of the budget spent	All	0.88%	0.00%	0.00%	0.00%	1.00%	1.00%	0.91%	O
Corrective actions		Performance of 0.91% achieved, which is an increase of the 0.88% achieved in the past financial period. The reason for the marginal underperformance is predominantly due to incumbents that have been approved for bursaries in 2023/24, but subsequently defaulted against the terms and conditions of the bursaries, hence the bursary payments was thus not made. The screening of bursary applicants will be refined to proactively identify applicants at risk of defaulting against the terms and conditions of the Bursary Policy. In addition, procurement and contract management officials will be invited to future training committee meetings to increase the oversight over bursary budgeting and expenditure									
TL60	Limit vacancy rate to 15% of budgeted posts by 30 June 2024	% vacancy rate	All	9.45%	0.00%	15.00%	0.00%	15.00%	15.00%	18.56%	R
Corrective actions		The target was not achieved (18.56%) due to the following factors (amongst others): (1) The executive decision taken to postpone the filling of 110 vacancies in the previous financial year (i.e. 2022/23) and reconvene with the recruitment and selection (R&S) processes in the 2023/24 financial period, thus creating a significant backlog of vacancies in the 2023/24 financial year; (2) Delays within the procurement of a qualifying service provider, earmarked to render initial health examinations for general assistants, due to SCM compliance issues; and (3) Certain vacancies could not be filled due to changes on the proposed organisational staff establishment. The following corrective measures will be applied to improve the vacancy rate: (1) Develop a strategy to expedite the filling of positions within 6 months as prescribed by the Municipal Staff Regulations; (2) Submit the proposed organisational staff establishment (micro structure) to Council within Q1 of the 2024/25 financial period coupled with all supporting correspondence submitted to the Minister of CoGTA depicting the request for input on the staff establishment. In the absence of input/feedback from the Minister, requesting Council's endorsement of the staff establishment in order to initiate the R&S processes linked to the remaining funded vacant positions									
TL62	Submit a request for approval, to dispose official documents, to the Provincial Archive Services by no later than 30 June 2024	Request for approval submitted to the Provincial Archive Services	All	1	0	0	0	1	1	1	G
TL65	Spend 90% of the budget allocated for the replacement of ICT equipment by 30 June 2024	% of the budget spent	All	95.38%	0.00%	10.00%	60.00%	90.00%	90.00%	98.72%	G 2

Table: 70 SO5: Ensure a healthy and productive workforce and an effective and efficient work environment



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f) SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices

Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL35	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2024	% of debt coverage	All	22%	0.00%	0.00%	0.00%	45.00%	45.00%	23.59%	B
TL36	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024	% of outstanding service debtors	All	14%	0.00%	0.00%	0.00%	16.50%	16.50%	10.19%	B
TL37	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024	Number of months it takes to cover fix operating expenditure with available cash	All	2	0	0	0	1.5	1.5	2	G 2
TL40	Submit the approved financial statements for 2022/23 to the Auditor-General by 31 August 2023	Approved financial statements for 2022/23 submitted to the AG	All	1	1	0	0	0	1	1	G
TL41	Achieve a payment percentage of above 95% as at 30 June 2024	% Payment achieved	All	93.81%	75.00%	90.00%	95.00%	95.00%	95.00%	96.48%	G 2
TL42	Review the MGRO Clean Audit Plan and submit to the Municipal Manager by 31 January 2024	MGRO Clean Audit Plan submitted	All	1	0	0	1	0	1	1	G
TL43	Achieve an unqualified audit for the 2022/23 financial year by 31 January 2024	Audit report signed by the Auditor-General for 2022/23	All	1	0	0	1	0	1	1	G



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Ref	KPI	Unit of Measurement	Wards	2022/23 Actual	Target					Overall performance for 2023/24	
					Q1	Q2	Q3	Q4	Annual	Actual	
TL44	Review the Revenue Enhancement Plan and submit to Council for approval by 31 May 2024	Reviewed Revenue Enhancement Plan submitted to Council	All	1	0	0	0	1	1	1	G
TL45	Compile a Risk Based Audit Plan and submit to the Audit Committee by 30 June 2024	RBAP submitted to the Audit Committee	All	1	0	0	0	1	1	1	G
TL46	Compile a strategic risk report and submit to Council by 31 May 2024	Strategic risk report submitted to Council	All	1	0	0	0	1	1	1	G

Table: 71 SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices

3.5 SERVICE PROVIDER STRATEGIC PERFORMANCE

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement and is defined as:

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

Section 121(b) of the MFMA and Section 46 of the MSA further state that a municipality should include the following related to service providers in its annual report:

- The performance of each service provider
- A comparison of the performance with targets set for and performances in the previous financial year; and
- Measures taken to improve performance

The purpose of this section is to provide information related to the performance of external service providers. Only services rendered and for goods delivered for an amount more than R200 000 are listed.

The tables below indicate service providers utilised according to functional areas:



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3.5.1 Office of the Municipal Manager

Bid No	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BVA 17/2021	Fully integrated governance risk compliance & audit software solution	01 July 2021 to 30 June 2024	Good	N/A	N/A
BVA 382/2021	ACL Software monitoring system	01 July 2021 to 30 June 2024	Good	N/A	N/A

Table: 72 Service provider performance: Office of the Municipal Manager

3.5.2 Financial Services

Bid No	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
RT 46/2020	Appointment of contractors for the provision of vehicle fleet management services to the state for a period ending 31 March 2026	01 April 2021 to 31 March 2026	Satisfactory	N/A	N/A
BVA 144/2021	The core financial system of the Municipality	01 July 2021 to 30 June 2024	Satisfactory	N/A	N/A
BVA 699/2021	Provision of debt collection services	01 July 2021 to 30 June 2024	Good	N/A	N/A
BV 881/2021 (A)	Supply and delivery of tissue paper products for the period ending 30 June 2024	12 August 2021 to 30 June 2024	Unsatisfactory	Due to current economic circumstances in the paper industry, suppliers were unable to deliver paper at their tendered price.	Affected suppliers were put on terms. Alternative SCM processes were followed to keep service delivery in motion
BV 881/2021 (B)	Supply and delivery of tissue paper products for the period ending 30 June 2024	12 August 2021 to 30 June 2024	Excellent	N/A	N/A
BV 846/2020 (A)	Supply and delivery of electrical pre – payment meters for the period ending 30 June 2024	12 August 2021 to 30 June 2024	Excellent	N/A	N/A
BV 846/2021 (B)	Supply and delivery of electrical pre – payment meters for the period ending 30 June 2024	12 August 2021 to 30 June 2024	Excellent	N/A	N/A
BV 846/2020 (C)	Supply and delivery of electrical pre – payment meters for the period ending 30 June 2024	21 August 2021 to 30 June 2024	Excellent	N/A	N/A
BV 846/2020 (D)	Supply and delivery of electrical pre – payment meters for the period ending 30 June 2024	12 August 2021 to 30 June 2024	Excellent	N/A	N/A
BV 846/2021 (E)	Supply and delivery of electrical pre – payment meters for the period ending 30 June 2024	12 August 2021 to 30 June 2024	Excellent	N/A	N/A
BV 883/2021 (A)	Supply and delivery of LED street and flood lights for a period ending 30 June 2024	25 August 2021 to 30 June 2024	Excellent	N/A	N/A
BV 883/2021 (B)	Supply and delivery of LED street and flood lights for a period ending 30 June 2024	25 August 2021 to 30 June 2024	Excellent	N/A	N/A



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Bid No	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 917/2021	Supply and delivery of protective clothing for the period ending 30 June 2024	01 October 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 908/2021 (A)	Supply and Delivery of Printing Paper for the period ending 30 June 2024	11 October 2021 to 30 June 2024	Unsatisfactory	Due to current economic circumstances in the paper industry, suppliers were unable to deliver paper at their tendered price.	Affected suppliers were put on terms. Alternative SCM processes were followed to keep service delivery in motion
BV 908/2021 (B)	Supply and Delivery of Printing Paper for the period ending 30 June 2024	11 October 2021 to 30 June 2024	Excellent	N/A	N/A
BV 908/2021 (C)	Supply and Delivery of Printing Paper for the period ending 30 June 2024	11 October 2021 to 30 June 2024	Good	N/A	N/A
BV 884/2021	Auctioneering services for the period ending 30 June 2024	29 November 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 914/2021	Provision of professional travel agency services for the period ending 30 June 2024	14 February 2022 to 30 June 2024	Good	N/A	N/A
BV 951/2022	Supply and delivery of high, medium and general security padlocks (inclusive of protected keys and accessories) for the period ending 30 June 2025	27 May 2022 to 30 June 2025	Excellent	N/A	N/A
BV 942/2022	Facilitation of third-party payments for a period ending 30 June 2025	01 July 2022 to 30 June 2025	Good	N/A	N/A
BV 941/2022	Supply and delivery of meter reading equipment and software solution (inclusive of support services) for a period ending 30 June 2025	01 July 2022 to 30 June 2025	Good	N/A	N/A
BVA 787/2022	Compilation and maintenance of the general valuation (GV) and supplementary valuation (SV) rolls	01 July 2022 to 30 June 2024	Good	N/A	N/A
BV 943/2022	Printing, folding and distribution of municipal accounts and newsletters for the period ending 30 June 2025	01 July 2022 to 30 June 2025	Good	N/A	N/A
BV 954/2022	Short term insurance services for the period ending 30 June 2025	01 July 2022 to 30 June 2025	Satisfactory	N/A	N/A
BV 924/2021	Accounting services to ensure completion of the GRAP/ MSCOA compliant AFS for a period ending 31 December 2023	23 June 2022 to 31 December 2023	Satisfactory	N/A	N/A
BV 890/2021	Acquisition of R300 million loan	30 June 2023	Good	N/A	N/A
BV 949/2022	Supply and Delivery of Electrical Cable and Wire Products for the period ending 30 June 2025	23 August 2022 to 30 June 2025	Excellent	N/A	N/A



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Bid No	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 950/2022 (A)	Supply and delivery of detergents and cleaning materials for the period ending 30 June 2025	01 July 2022 to 30 June 2025	Satisfactory	N/A	N/A
BV 950/2022 (B)	Supply and delivery of detergents and cleaning materials for the period ending 30 June 2025	01 July 2022 to 30 June 2025	Unsatisfactory	The service provider also requested to withdraw from supplying certain line items that they awarded due to inability to keep to their tendered prices.	Affected suppliers were put on terms. Alternative SCM processes were followed to keep service delivery in motion
BV 955/2022	Provision of Banking (and related) Services for a period not exceeding five (5) years	24 March 2023 to 01 April 2027	Satisfactory	N/A	N/A
BV 996/2023	Rental of plant, machinery and vehicles for period ending 30 June 2026	01 July 2023 to 30 June 2026	Satisfactory	N/A	N/A
BV 992/2023 (A)	Supply and delivery of plastic refuse bags (clear and blue) for the period ending 30 June 2026	17 July 2023 to 30 June 2026	Satisfactory	N/A	N/A
BV 992/2023 (B)	Supply and delivery of plastic refuse bags (clear and blue) for the period ending 30 June 2026	17 July 2023 to 30 June 2026	Satisfactory	N/A	N/A
RT57-2022	Supply and delivery of sedan, light and heavy commercial vehicles, busses, motorcycles, agricultural tractors, construction plant and equipment to the state for the period 1 July 2023 – 30 June 2026	01 July 2023 to 30 June 2026	Satisfactory	N/A	N/A
RT64-2022	Supply delivery of clothing to the state for the period 1 April 2023 to 31 March 2026.	01 April 2023 to 31 March 2026	Satisfactory	N/A	N/A
RT8-2022	Transportation of cargo and furniture relocation services for the state for the period 1 November 2020 to 31 December 2023	01 November 2020 to 31 November 2023	Satisfactory	N/A	N/A
BV 1027/2023	Provision of debt collection services for a period ending 30 June 2026	01 January 2024 to 30 June 2026	Satisfactory	N/A	N/A
BV 1033/2023 (A)	Supply and delivery of regulated battery units (inclusive of multiple alarms) for the period ending 30 June 2026	01 January 2024 to 30 June 2026	Satisfactory	N/A	N/A
BV 1033/2023 (B)	Supply and delivery of regulated battery units (inclusive of multiple alarms) for the period ending 30 June 2026	01 January 2024 to 30 June 2026	Satisfactory	N/A	N/A

Table: 73 Service provider performance: Financial Services



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3.5.3 Strategic Support Services

Bid No	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 880/2021	Support and maintenance services of wireless radio network	01 July 2021 to 30 June 2024	Good	N/A	N/A
BV 876/2021	Provision of professional interpretation and translation services for a period ending 30 June 2024	01 July 2021 to 30 June 2024	Excellent	N/A	N/A
BV 877/2021	Communication services for a period ending 30 June 2024	01 July 2021 to 30 June 2024	Excellent	N/A	N/A
BVA 141/2021	Document Archiving and automated process and workflow system	01 July 2021 to 30 June 2024	Excellent	N/A	N/A
BVA 117/2021	Performance management system	01 July 2021 to 30 June 2024	Good	N/A	N/A
BV 927/2021	Supply, installation and commissioning of telephone VOIP system solution for a period ending 30 June 2024	14 February 2022 to 30 June 2024	Good	N/A	N/A
BV 944/2022	Rendering of hygiene cleansing services for the period ending 30 June 2025	01 June 2022 to 30 June 2025	Excellent	N/A	N/A
BV 940/2022	Provision of a group life insurance for a period ending 30 June 2025	09 June 2022 to 30 June 2025	Excellent	N/A	N/A
BV 935/2022	Provision of training: minimum municipal competency levels for a period ending 30 June 2025	01 July 2022 to 30 June 2025	Excellent	N/A	N/A
BV 947/2022	Rental of multi-functional office machines (inclusive of related services) for a period ending 30 June 2025	01 August 2022 to 30 June 2025	Good	N/A	N/A
BV 887/2021	Provision and maintenance of internet and related services for a period ending 30 June 2025	01 July 2022 to 30 June 2025	Excellent	N/A	N/A
BV 1025/2023	Rendering of telecom reporting and cost management services for the period ending 30 June 2026	01 July 2023 to 30 June 2026	Good	N/A	N/A
BV 994/2023	Maintenance services for elevators at Breede Valley municipality office buildings for a period ending 30 June 2026	01 July 2023 to 30 June 2026	Satisfactory	N/A	N/A
BV 995/2022 (A)	Rendering professional legal services for the period ending 30 June 2026	23 July 2023 to 30 June 2026	Excellent	N/A	N/A
BV 995/2022 (B)	Rendering professional legal services for the period ending 30 June 2026	23 July 2023 to 30 June 2026	Excellent	N/A	N/A
BV 995/2022 (C)	Rendering professional legal services for the period ending 30 June 2026	23 July 2023 to 30 June 2026	Excellent	N/A	N/A
BV 995/2022 (D)	Rendering professional legal services for the period ending 30 June 2026	23 July 2023 to 30 June 2026	Excellent	N/A	N/A



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Bid No	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 1029/2023	Supply, delivery, implementation and management of an autonomous network, email and SAAS security solution for a period ending 30 June 2026	01 October 2023 to 30 June 2026	Excellent	N/A	N/A
BV 1057/2023	Supply and delivery of IT equipment	20 December 2023 to 29 February 2024	Satisfactory	N/A	N/A

Table: 74 Service provider performance: Strategic Support Services

3.5.4 Community Services

Bid No	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BVA 111/2021	Back-office fines system	07 July 01 to 30 June 2024	Satisfactory	N/A	N/A
BV 834/2021 (Cluster 1)	Security monitoring and armed response services for a period ending 30 June 2024	17 August 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 834/2021 (Cluster 3)	Security monitoring and armed response services for a period ending 30 June 2024	17 August 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 956/2022	Provision of speed law enforcement and back-office services for a period ending 30 June 2025	01 July 2022 to 30 June 2025	Satisfactory	N/A	N/A
BV 957/2022 (A)	Supply and Delivery of Protective Clothing: structural firefighting gear for the period ending 30 June 2025	03 March 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 957/2022 (B)	Supply and Delivery of Protective Clothing: structural firefighting gear for the period ending 30 June 2025	03 March 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 957/2022 (C)	Supply and Delivery of Protective Clothing: structural firefighting gear for the period ending 30 June 2025	03 March 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 957/2022 (D)	Supply and Delivery of Protective Clothing: structural firefighting gear for the period ending 30 June 2025	03 March 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 993/2022	Rental of chemical toilets for the period ending 30 June 2026.	01 July 2023 to 30 June 2026	Satisfactory	N/A	N/A
BV 1030/2023	Provision of security guarding services for a period ending 30 June 2026	01 February 2024 to 30 June 2026	Satisfactory	N/A	N/A
BV 987/2023	Construction of high security wall and relocation of services	04 April 2024 to 31 October 2024	Satisfactory	N/A	N/A

Table: 75 Service provider performance: Community Services



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3.5.5 Engineering Services

Bid no	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BVA 275228/2021	Works order system	01 July 2021 to 30 June 2024	Excellent	N/A	N/A
BV 879/2021	Supply, installation and management of a STS compliant prepayment electrical vending system for a period ending 30 June 2024	21 September 2021 to 30 June 2024	Good	N/A	N/A
BV 912/2021	Professional services for the upgrading of gravel roads at Zwelethemba	15 January 2021 to 30 June 2024	Good	N/A	N/A
BV 916/2021	Resurfacing of municipal roads for the period ending 30 June 2024 (Rawsonville, Worcester, De Doorns, Touwsrivier)	15 January 2022 to 30 June 2024	Good	N/A	N/A
BV 899/2021	Bulk Electrical Services for the Transhex Housing Development in Worcester – Phase 4 for the period ending 30 June 2024	14 February 2022 to 30 June 2024	Satisfactory	N/A	N/A
BV 929/2021	Professional services for the construction of traffic circle at high and Louis Lange Streets, Worcester	09 December 2021 to 30 June 2024	Good	N/A	N/A
BV 946/2022	Supply and delivery of advanced power quality measurement devices as well as monitoring of associated infrastructure for the period ending 30 June 2024	06 May 2022 to 30 June 2024	Excellent	N/A	N/A
BVA 566/2022	Professional services for the construction of erosion protection at Hex River, Worcester	01 July 2022 to 30 June 2024	Good	N/A	N/A
BVA 814/2022	Professional services for the extension of Rawsonville wastewater treatment works	01 July 2022 to 30 June 2024	Good	N/A	N/A
BV 816/2019	professional services for construction of reservoirs – preloads	01 July 2022 to 30 June 2024	Good	N/A	N/A
BV 936/2022	Maintenance of traffic signal equipment within the Breede Valley Municipality for the period ending 30 June 2025	01 July 2022 to 30 June 2025	Excellent	N/A	N/A
BV 939/2022	Maintenance of streetlights, high mast lights and stadium flood lighting for a period ending 30 June 2025	02 August 2022 to 30 June 2025	Excellent	N/A	N/A
BV 937/2022	Supply of services for jointing and termination of electrical cable within the Breede Valley Municipality for a period ending 30 June 2025	23 September 2022 to 30 June 2025	Excellent	N/A	N/A
BV 953/2022	Upgrading of gravel roads at Zwelethemba, Worcester for the period ending 30 June 2024	13 September 2022 to 30 June 2024	Good	N/A	N/A



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Bid no	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 960/2022	Replacement of electrical pre-payment meters and the removal of illegal electrical connections for a period ending 30 June 2025	03 October 2022 to 30 June 2025	Excellent	N/A	N/A
BV 975/2022	Construction of speed humps	03 October 2022 to 30 June 2025	Good	N/A	N/A
BV 904/2022 (A)	Repairs, maintenance and construction of medium voltage (MV) switchgear, transformers and protection equipment for a period ending 30 June 2025	01 January 2023 to 30 June 2025	Excellent	N/A	N/A
BV 904/2022 (B)	Repairs, maintenance and construction of medium voltage (MV) switchgear, transformers and protection equipment for a period ending 30 June 2025	01 January 2023 to 30 June 2025	Excellent	N/A	N/A
BV 904/2022 (C)	Repairs, maintenance and construction of medium voltage (MV) switchgear, transformers and protection equipment for a period ending 30 June 2025	01 January 2023 to 30 June 2025	Excellent	N/A	N/A
BV 952/2022	CONSTRUCTION OF TRAFFIC CIRCLE AT HIGH AND LOUIS LANGE STREETS_WORCESTER	07 October 2022 to 30 June 2024	Good	N/A	N/A
BV 938/2022	Maintenance of Low Voltage (LV) Reticulation networks and equipment for the period ending 30 June 2025	01 January 2023 to 30 June 2025	Excellent	N/A	N/A
BV 1011/2022	Erosion protection at Hex River: Zwelethemba - Phase 2	01 January 2023 to 03 September 2023	Good	N/A	N/A
BV 972_2022	Construction of 400v/11kv line and the removal of distribution networks within Zwelethemba area phase 1.1	24 March 2023 to 27 July 2024	Excellent	N/A	N/A
BV 1023/2023	Supply, delivery, installation and commissioning of hv switch gear at Traub substation, Worcester	12 May 2023 to 30 June 2024	Excellent	N/A	N/A
BV 1039/2023	Supply, delivery and installation of security fencing at various substations for period ending 30 June 2026	04 January 2024 to 30 June 2026	Good	N/A	N/A
BV 1050/2023	Upgrading of high mast and streetlights	04 January 2024 to 31 August 2024	Good	N/A	N/A
BV 1048/2023	Professional services for environmental impact assessments (s)	04 January 2024 to 30 June 2026	Good	N/A	N/A
BV 1040/2023 (A)	Upgrading of gravel roads at Avian Park, Worcester	04 January 2024 – 03 January 2025	Poor	Contractor rejected the award	2nd highest scoring bidder was considered and appointed
BV 1040/2023 (B)	Upgrading of gravel roads at Avian Park, Worcester	04 January 2024 to 03 January 2025	Satisfactory	N/A	N/A



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Bid no	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 1032/2023	Supply, deliver, installation, commission and hand over of new high mast lights within the Breede Valley Municipality	19 March 2024 to 30-06-2027	Satisfactory	N/A	N/A
BV 1042/2023	Construction of speed humps	21 February 2024 to 30 June 2024	Satisfactory	N/A	N/A
BV 1051/2023 (Leafy Space)	Upgrading of gravel roads at Touwsriver	18 April 2024 to 29 March 2026	Poor	Leafy Space (Pty) Ltd failed to submit documentation as required in the terms and conditions of the contract. Contract cancelled	New contractor JVZ Construction appointed as per BAC award
BV 1051/2023 (JVZ Construction)	Upgrading of gravel roads at Touwsriver	18 April 2024 to 29 March 2026	Satisfactory	N/A	N/A
BV 931/ 2021	Construction of civil engineering services to 38 erven at Johnsons Park	14 March 2022 to 31 August 2023	Satisfactory	N/A	N/A
BV1024/ 2023	Supply and delivery of advanced power quality measurement devices as well as monitoring of associated infrastructure for the period ending 30 June 2024	06 May 2022 to 30 June 2024	Satisfactory	N/A	N/A

Table: 76 Service provider performance: Engineering Services

3.5.6 Planning, Development & Integrated Services

Bid no	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 865/2020	Provision cleaning, collection, transportation and disposal of 3m3 skips (containers) within the Breede Valley municipal area for a period ending 30 June 2024	01 July 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 888/2021	Rendering of the street cleaning services (inclusive of open spaces) within the Worcester CBD and surrounding areas for the period ending 30 June 2024	05 July 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 885/2021	Supply and delivery of water purifying chlorine and related products for the period ending 30 June 2024	26 July 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 885/2021	Supply and delivery of water purifying chlorine and related products for the period ending 30 June 2024	26 July 2021 to 30 June 2024	Good	N/A	N/A
BV 886/2021	Supply and delivery of (hydrate) water purifying lime for the period ending 30 June 2024	26 July 2021 to 30 June 2024	Good	N/A	N/A
BV 892/2021	Supply and delivery of bitumen products for a period ending 30 June 2024	09 September 2021 to 30 June 2024	Satisfactory	N/A	N/A
BV 891/2021 (A)	Supply and delivery of road building material for a period ending 30 June 2024	06 December 2021 to 30 June 2024	Satisfactory	N/A	N/A



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Bid no	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 891/2021 (B)	Supply and delivery of road building material for a period ending 30 June 2024	06 December 2021 to 30 June 2024	Excellent	N/A	N/A
BV 894/2021	Professional consulting services for various engineering projects for the period ending 30 June 2024	19 January 2022 to 30 June 2024	Satisfactory	N/A	N/A
BV 918/2020	Bi-Annual maintenance and services of Worcester wastewater dewatering facility for the period ending 30 June	14 March 2022 to 30 June 2024	Good	N/A	N/A
BV 930/2021	Supply and delivery of concrete products for a period ending 30 June 2024	21 April 2022 to 30 June 2024	Satisfactory	N/A	N/A
BV 922/2021	Bi-Annual maintenance and services of chlorine stations for the Breede Valley Municipality for the period ending 30 June 2025	01 July 2022 to 30 June 2025	Good	N/A	N/A
BV 1008/2022	Upgrade replacement of sewer line (Rawsonville) -phase 1	30 October 2022 to 05 September 2023	Satisfactory	N/A	N/A
BV 963/2022	Supply and delivery of Bins (and related spare parts) for a period ending 30 June 2025	07 November 2022 to 30 June 2025	Satisfactory	N/A	N/A
BV 1000/2022	Service for quality compliance testing for water and water for a period ending 30 June 2025	09 January 2022 to 30 June 2025	Good	N/A	N/A
BV 1001/2022	Supply and delivery of microbial and chemical testing reagents for a period ending 30 June 2025	09 January 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 933/2021	Maintenance of all electrical and mechanical equipment at the water services division, Breede Valley Municipality for the period ending 30 June 2024	01 August 2022 to 30 June 2024	Excellent	N/A	N/A
BV 997/2022	Maintenance services for generator sets (including repair works) for period ending 30 June 2025	02 March 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 1021/2022	Mechanical and electrical upgrading of various sewer pumpstations (including safeguarding) within the Breede Valley Municipal area	13 March 2023 to 30 September 2023	Satisfactory	N/A	N/A
BV 1022/2022	Replacement of existing pipe systems through trenchless technology for a period ending 30 June 2025	13 March 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 998/2022	Lawn mowing, cleaning services and maintenance of firebreaks within the Breede Valley Municipality for a period ending 30 June 2025	12 May 2023 to 30 June 2025	Satisfactory	N/A	N/A
BV 1064/2023	Supply and delivery of pipeline video inspection system	06 February 2024 to 06 March 2024	Excellent	N/A	N/A



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Bid no	Description of services rendered	Term of contract	Performance progress	Performance comment	Corrective measures
BV 1046/2023	Supply, delivery and installation of security fencing at various stations within the water services department	28 February 2024 to 06 May 2024	Good	N/A	N/A
BV 1054/2023	Supply, delivery and installation of screw pumps at Worcester WWTW	04 April 2024 to 03 May 2025	Satisfactory	N/A	N/A
BV 1082/2024	Supply, delivery and installation of out-door gym equipment	21 June 2024 to 31 July 2024	Satisfactory	N/A	N/A
BV 981/2022	Supply and delivery of pumps, electrical panels and compressors for the period ending 30 June 2025	01 March 2023 to 30 June 2025	Satisfactory	N/A	N/A

Table: 77 Service provider performance: Planning, Development & Integrated Services

3.6 MUNICIPAL FUNCTIONS

3.6.1 Analysis of functions

The municipal functional areas are as indicated below:

Municipal function	Municipal function: Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes (Local & District Municipality)
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes (Local & District Municipality)
Local tourism	Yes (Local & District Municipality)
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No (Function of the District Municipality)
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	N/A (Applicable to coastal municipalities)
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	N/A (Applicable to coastal municipalities)



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Municipal function	Municipal function: Yes / No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes (Local & District Municipality)
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes (Local & District Municipality)
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	No (Function of the District Municipality)
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	N/A
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes (Local & District Municipality)
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table: 78 Municipal functions (functional areas)

3.7 OVERVIEW OF PERFORMANCE PER WARD

The tables below provide an overview of the performance per ward. The municipal capital budget, by implication, is drafted on the project-specific principle as opposed to ward-specific. In certain instances, a specific project may be directly rolled out in a particular ward. Furthermore, the capital budget clearly depicts the wards that may indirectly benefit as a result of an overarching capital project. On this premise, it should be noted that the top three capital projects per ward, may not necessarily be directly implemented within a particular ward, but also indirectly benefit the ward.



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3.7.1 Ward 1

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Augmentation Touwsrivier WWTW	July 2023	June 2024	22 712 533
2	Upgrading of Gravel Roads	July 2023	June 2024	2 567 832
3	Supply and Installation of Load Shedding Solution and Solar PV	July 2023	June 2024	2 151 541*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only.</i></p>				

Table: 79 Capital projects of ward 1

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	900 houses urgently needed near Hugo Street	This priority is captured in the Municipal Housing Pipeline and has been taken up with the Provincial Department of Infrastructure. The building of the houses will be prioritised after the bulk infrastructure has been upgraded
2	Upgrade of sewerage system for housing projects	The augmentation of the Touwsrivier Wastewater Treatment Works (WwTW) is currently under construction. The approximate project budget equates to R92 million and has been incorporated in the 2024/25 MTREF. The works commenced on 23 May 2024 and anticipated to be completed in January 2026. The augmentation of the bulk capacity of the WwTW is critical to unlock the feasibility of the envisaged housing & human settlement project earmarked for Touwsrivier
3	Reservoirs and upgrading of water system for future developments and housing projects	The upgrading of the water reservoir has been encapsulated in the Water Services Masterplan and will be prioritised for implementation in future financial years in accordance with the availability of financial resources. The augmentation of the bulk capacity of the Water Treatment Works is critical to unlock the feasibility of the envisaged housing & human settlement project earmarked for Touwsrivier. The community will, via appropriate community structures, be informed upon municipal readiness for implementation
4	Land for graveyards in Touwsrivier & investigate the appointment of a supervisor at the existing graveyard	The lease agreement linked to the municipal-owned site identified as an alternative location for a municipal cemetery, has been amended; thus, confirming that all applicable parties agreed to the exclusion of the identified site from the existing lease agreement to establish a new cemetery. An EIA will be initiated to access and confirm the environmental sustainability for establishing the municipal cemetery at the aforementioned location. In addition, BVM is investigating the viability of erf 716 (adjacent to the existing cemetery) as an alternative site for establishing a cemetery, per the recommendation and request of the community

Table: 80 Top four service delivery priorities for wards 1



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3.7.2 Ward 2

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	De Doorns Water Purification Works: Augmentation of DAF Unit (MIG funding)	July 2023	June 2024	744 784*
2	Fire Services - De Doorns Communication Equipment	July 2023	June 2024	70 284*
3	Supply and Installation of Load Shedding Solution and Solar PV	July 2023	June 2024	2 151 541*

The above analysis includes only the 3 largest capital projects of the ward

**Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only*

Table: 81 Capital projects of ward 2

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Tarring/Paving of Roads in Stofland: (1) Completion of paving or tarring in 3rd Avenue & Albert Luthuli Street in Stofland; (2) Block 1 avenues - 1st to eighth avenue, Brown Street, Joemat Peterson, Nkwini, Mkhize, Ntwanambi Sizana, Majola, Kodwa, Bapela, Godongwane. (3) Block 2 avenues - TitoMboweni, Philly, Senzeni, Dikeledi, Kebby, Winfred Mandela, Fikile Xhasa, Sam Mashinini, Dipuo, Lungi, Beauty Dzulane, Max, Thulas Nxesi, Susan Shabangu, Nathi Mtetwa, Edna Molewa, Joe Ndebele, Jackson Mtambu, Sefona Ntombela, Pam; (4) Block 3 avenues - Lubisi, Jenkins, Pandor, Hanekom, Duarte, Ebrahim, Cronlin, Mfeketho, Motlante, Mbete, Gwede, Modise, Phosa, Bengu, Mbalula, Madikizela, Gigaba, Chabane, Boo; (5) Block 4 avenues - Mpumelelo, Nzimande, Mabandla, Sisulu, Skweyiya, Yengeni, Sekrwale, Radebe, Ramaphosa, Dube; (6) Block 5 avenues - Stofland, Zizi Kodwa, Egie Motshekra, Joel Netshitenzhe	R9.5 million has been tentatively budgeted over the MTREF period (i.e. 2024/25 – 2026/27) for the upgrading of gravel roads in wards 1, 2, 3, 4, 16, 17 & 18. This priority will thus be considered for implementation in future budgetary periods subject to available funding and in accordance with the approved implementation schedule. Council has committed to systematically address the gravel road backlog throughout the BVM
2	Develop a sport field/ Netball court in Stofland in an open space near RDP houses in 3rd Avenue and in Mncebisi street near the dam	The priority request is currently unfunded, hence, for future budgetary consideration & incorporation within the Facilities Infrastructure Master Plan
3	Fencing of graveyard in Ward 2, dams in Stofland & Lubisi	This priority request is for future budgetary consideration subject to the feasibility thereof and in accordance with the availability of financial resources
4	Additional toilets in Stofland, Mpumelelo, Lubisi	Chemical toilets are available within the specified settlements, in accordance with the national norms and standards. The provision of additional chemical toilets will be considered in future financial periods, subject to the feasibility thereof and the availability of financial resources

Table: 82 Top four service delivery priorities for ward 2



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3.7.3 Ward 3

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	De Doorns Water Purification Works: Augmentation of DAF Unit (MIG funding)	July 2023	June 2024	744 784*
2	Fire Services - De Doorns Communication Equipment	July 2023	June 2024	70 284*
3	Municipal Roads (Ward 1, 2, 3, 4, 16, 17 and 18)	July 2023	June 2024	40 150*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 83 Capital projects of ward 3

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Investigate the possibility to provide services (electrical, water & sanitation services) in Hassie Square (to shacks not located in the flood line - approximately 52 shacks)	BVM reiterates that the area is located within the flood line; hence, installing services is prohibited. Relocation to suitably zoned, alternative housing/human settlement opportunities remains BVM's recommendation and method of approach. BVM notes that the priority description has been revised for the 2024/25 financial period and will consider the practicality thereof accordingly
2	Relocate outside toilets into houses (Gatjie area) in accordance with the qualification criteria	Council in principle decided that the outside toilets of all vulnerable citizens (i.e. pensioners and the disabled) residing in residential structures that formed part of a pre-1994 municipal housing development program, must be prioritised for relocation/rebuild within the structure. A full assessment of the vulnerable across the Breede Valley has been made and will be continuously reviewed as implementation progresses. Implementation in Ward 3 will be considered within the current MTREF period (i.e. 2024/25 – 2026/27), subject to the availability of financial resources. Council committed to avail funding annually until the backlog has been resolved
3	Upgrading of gravel roads - Leeubekkie Crescent, Vloksie Crescent, Malva Street, Gousblom Crescent, Daglelie Crescent, Jakob Regop Street and Ekuphumleni (new extension - Biko Street, Ayesha Dawood Street, Mbolekwa Street, Poqo Street, Thambo Street, Mandela Street)	Estimated cost for the upgrading of gravel roads in ward 3 amounts to R17 million. R9.5 million has been tentatively budgeted over the MTREF period (i.e. 2024/25 – 2026/27) for the upgrading of gravel roads in wards 1, 2, 3, 4, 16, 17 & 18. This priority will thus be considered for implementation in future budgetary periods subject to available funding and in accordance with the approved implementation schedule. To date, gravel roads in ward 3 were surveyed (R40 thousand spent by 30 June 2024). BVM is currently drafting the preliminary design and compiling the requisite procurement documentation to (amongst others) solicit future budget allocations. Council has committed to systematically address the gravel road backlog throughout BVM
4	Relook at the De Doorns East Sports Ground (Fencing, grass, repair all vandalised items & consider constructing a multi-purpose indoor sport court that can also be utilised as community hall)	The priority request is for future budgetary consideration subject to the feasibility thereof and availability of financial resources. The request has been incorporated into the Facilities Infrastructure Master Plan. It must be noted that sport facilities/assets were erected within the De Doorns East area, but unfortunately vandalised beyond repair. Communities must take ownership of



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
		assets developed within their respective areas, as it is not financially feasible to continuously replace vandalised assets

Table: 84 Top four service delivery priorities for ward 3

3.7.4 Ward 4

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	De Doorns Water Purification Works: Augmentation of DAF Unit (MIG funding)	July 2023	June 2024	744 784*
2	Upgrading of Open space - Kleigat	July 2023	June 2024	97 800
3	Fire Services - De Doorns Communication Equipment	July 2023	June 2024	70 284*

The above analysis includes only the 3 largest capital projects of the ward

**Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only*

Table: 85 Capital projects of ward 4

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Relocation of outside toilets into the houses in De Doorns East	Council in principle decided that the outside toilets of all vulnerable citizens (i.e. pensioners and the disabled) residing in residential structures that formed part of a pre-1994 municipal housing development program, must be prioritised for relocation/rebuild within the structure. A full assessment of the vulnerable across the Breede Valley has been made and will be continuously reviewed as implementation progresses. Implementation in Ward 4 will be considered within the current MTREF period (i.e. 2024/25 – 2026/27), subject to the availability of financial resources. Council committed to avail funding annually until the backlog has been resolved
2	Tarring of roads: Chris Hani Street, Jakaranda Street, Sir James Street, St Elmo Street, Balinga Street & Biko Street	R9.5 million has been tentatively budgeted over the MTREF period (i.e. 2024/25 – 2026/27) for the upgrading of gravel roads in wards 1, 2, 3, 4, 16, 17 & 18. This priority will thus be considered for implementation in future budgetary periods subject to available funding and in accordance with the approved implementation schedule. Council has committed to systematically address the gravel road backlog throughout the BVM
3	(1) Kleigat upgrading in De Doorns for cricket purposes and/or multi-purpose playing surface to encourage active youth development through sport; (2) Construct a sidewalk/ walk pave way from the corner of Dal Street up till the entrance gate of the FJ Conradie High School gate; (3) Construct 3 braai facilities within the Kleigat open space (operational maintenance needed); (4) Play park for children	R97.8 thousand spent on the upgrading of the Kleigat open space in the 2023/24 financial period. This included the construction of 3x4 braai stands, public seating areas and planting of trees. The development of a multi-purpose playing/ sport surface will be considered in future financial period subject to the feasibility thereof and availability of financial resources. R1.5 million has been budgeted for the development of playparks (i.e. procurement of equipment) in the 2024/25 MTREF (i.e. R500 thousand for the 2024/25, 2025/26 and 2026/27 financial periods). The remaining requests for development of open spaces along with the fencing thereof, will be considered in future budgetary years, subject to an assessment of the feasibility thereof and availability of



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
		financial resources. Areas that have not yet benefitted from the allotted budget, shall enjoy preference. Maintenance of open spaces will be done in accordance with the approved maintenance schedules
4	Community Hall in Orchard Sunny Side (Investigate the possibility to expand the existing creche facility in order to serve as a Community Hall) CIlr to provide erf nr to administration	The priority request is currently unfunded and for future budgetary consideration subject to the feasibility thereof and availability of financial resources

Table: 86 Top four service delivery priorities for ward 4

3.7.5 Ward 5

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Increase dam Level (Stetteynskloof Dam)	July 2023	June 2024	2 000 000*
2	De Doorns Water Purification Works: Augmentation of DAF Unit (MIG funding)	July 2023	June 2024	744 784*
3	Fire Services - De Doorns Communication Equipment	July 2023	June 2024	70 284*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 87 Capital projects of ward 5

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	That GG Camp be transferred to the municipality, included in the SDF & the urban edge be expanded to include it (GG Camp)	Notwithstanding numerous engagements and attempted follow-ups by BVM, feedback from the Department of Public Works (landowner) is still outstanding. BVM will continuously engage the department on this matter. In the interim, BVM facilitated engagements with various government departments and agencies to ensure that basic services (e.g. electrification and water provision) are supplied to GG-Camp
2	That the municipality engage with the private land owner (Silver Camp) on a potential transfer of this portion of land to the municipality	There is currently no consideration for the transfer of the land to the Municipality, as the area is privately owned and outside the urban edge. The provision of basic services is currently under consideration in accordance with national norms and standards
3	Provision of toilets at Silver Camp & GG Camp	There is currently no consideration for the transfer of the land to the Municipality, as the area is privately owned and outside the urban edge. The provision of basic services is currently under consideration in accordance with the national norms and standards
4	Upgrade (locker rooms, lighting and ablution facilities) & fence the Netball court. Erect shaded cover and spectator seats on cement slabs. Upgrade the cricket nets to accommodate 6 practice nets, improve lighting and erect a spectator's fence around De Wet Sportgrounds (Priority to be removed subject to completion)	R2.3 million has been budgeted in the 2024/25 financial period towards the upgrading of the De Wet (Fanie Otto) sport grounds. The project will be jointly funded through the Municipal Infrastructure Grant (MIG) and BVM.

Table: 88 Top four service delivery priorities for ward 5



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3.7.6 Ward 6

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Reservoirs: Pre-loads	July 2023	June 2024	13 341 649*
2	Reseal of Municipal Roads (Quellerie Rd, Haarlem and others)	July 2023	June 2024	2 440 000
2	Speed Humps	July 2023	June 2024	1 417 247*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 89 Capital projects of ward 6

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Transfer houses for ownership to tenants	The subdivision applications for Hospital Park, Russell Scheme and De Wet Street rental units were approved in 2016 with conditions. The Senior Manager: Town Planning confirmed the go-ahead regarding the registration of a new General Plan and transfer. The appointment of a surveyor will proceed with the registration and submission to the Surveyor General. The sale agreement will be concluded as soon as individual erf numbers are available
2	Resealing of Roads: (1) in Lyons Street between Van Der Merwe- & Pegel Street; (2) at the corner of Pegel-, Jordaan- & Sangster Street; (3) Culemborg Street; (4) Bains Street; (5) Plettenberg Road; (6) Drommedaris Crescent; (7) Libertas Street; (8) Reyger Street; (9) Botma Street; (10) Groeneveld Street	All roads (except Culemborg Street) have been resealed in the 2023/24 financial period (approximately 2.6km at a cost of R2.4 million). Culemborg Street requires rebuilding, which will be considered in future financial periods subject to the availability of financial resources
3	Speed calming mechanisms: (1) 1 speedhump between 9 and 15 Eike Avenue; (2) 1 speed hump in Bains Street (location TBC); (3) 1 speedhump at the Masters Way/Kolie Nelson Street (location TBC); (4) 1 speed hump in Janszen street; (5) 1 at the intersection of Taylor- and Eduard Philcox Street; (6) 1 in Luyt Street between Schonkens- and Lindenberg Streets; (7) 1 at the intersection of Heyns- and Lindenberg Street (subject to feasibility) (the speed hump priority, or subcomponents thereof, will be removed subject to completion)	Nine (9) speed humps have been constructed in ward 6, throughout the 2023/24 financial period (minimum 1 at each of the requested locations)
4	Development of Parks throughout ward 6: (1) Develop an outdoor gym in Janszen Street; (2) In Roux Road and Haarlem Street (irrigation & upgrading/replacement of existing play apparatus); (3) Erect a play park, plant trees and grass and consider the installation of irrigation at the open space between Leerdam- and Boschheuwel Street	Open air gym equipment (per sub-component 1) has been delivered and installed. R1.5 million has been budgeted for the development of playparks (i.e. procurement of equipment) in the 2024/25 MTREF (i.e. R500 thousand for the 2024/25, 2025/26 and 2026/27 financial periods). The remaining requests for development of open spaces, will be considered in future budgetary years, subject to an assessment of the feasibility thereof and availability of financial resources. Areas that have not yet benefitted from the allotted budget, shall enjoy preference. Maintenance of open spaces will be done in accordance with the approved maintenance schedules

Table: 90 Top four service delivery priorities for ward 6



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3.7.7 Ward 7

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Traffic Circles: (High and Louis Lange)	July 2023	June 2024	8 728 834
2	Reseal of Municipal Roads (De La Bat and others)	July 2023	June 2024	1 000 000
3	Upgrading of Gravel Roads (Smith str.)	July 2023	June 2024	20 984
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 91 Capital projects of ward 7

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	(1) Rescind and review Council decision to use Old Burgerspark Caravan Park for GAP Housing; (2) Subdivide Erf 172 and (3) consolidate half with Erven 19937, 13953 and 13594 and (4) advertise for development proposals	The matter is being processed internally. The intention is to table an item (after conclusion of all internal processes) for Council's consideration of rescinding and reviewing the existing Council decision taken and calling for development proposals linked to the referenced site
2	Construction of a traffic circle at De La Bat Road, Roux Road and Heyns Street	The De La Bat traffic circle is no longer deemed feasible, due to the future planned developments on the N1 (specifically the N1/Roux Avenue intersection & Worcester Eastern By-pass Road). The latter developments will significantly reduce the traffic at the particular intersection (amongst others)
3	Resealing of roads: (1) De Jongh Street, Esterhuyse Street, Klerck Street, and other half of Hugo Street – Meirings Park ; (2) Durban Street, Russell Street, Church Street and Meiring Street and Tulbagh Street intersection – Paglande ; (3) Chanel Street, Pascali Street, and Virgo Street – Roostuin ; (4) Waboom Road – Roux Park ; (5) Tarring of service road behind High Street 2, 4, 6, 8, 10, 12, 14 (TM Centre and Transcape Steel) that leads from Smith Street to the back entrances of these business as well as the new main entrance to Breerivier Bottelering – Industrial Area	Roads have been resealed within each of the sub-components, apart from sub-component 5, in the 2023/24 financial period (approximately 2.3km at a cost of R1 million). Esterhuyse-, Klerck-, other half of Hugo- and Waboom Street are for future budgetary consideration. R1.4 million has been budgeted in the 2024/25 financial period to address sub-component 5
4	Install irrigation and plant grass (phase 1) at Murray Street Park and Hans de Lange Park	This priority will be considered for implementation in future financial periods subject to the feasibility thereof and availability of financial resources

Table: 92 Top four service delivery priorities for ward 7

3.7.8 Ward 8

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Erosion Protection of Hex River: Phase 2 (300m @ R13,333.33/m)	July 2023	June 2024	15 297 791*
2	Upgrading of Gravel Roads – Industrial Area & (IDT)	July 2023	June 2024	10 319 547
3	Alternative Electricity Supply Zwelethemba	July 2023	June 2024	9 190 578*



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Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 93 Capital projects of ward 8

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Speedhumps for all streets in Traffic VD (Leipoldt Avenue, Marone Street, Van Zyl Avenue, November Street, Van Huyssteen Street, October Street, September Street & Viljoen Street)	Seven (7) speed humps have been constructed in ward 8, throughout the 2023/24 financial period (minimum 1 at each of the requested locations)
2	Development & maintenance of open spaces: recreational parks at Ndamoyi open space; Makaola open space - fencing hereof; Mpinda & Baartman open space - landscaping & construction of tarred playing surface; braai & recreational facilities at the park in Bentele Street	Equipment has been procured installed at the Ndamoyi open space. R1.5 million has been budgeted for the development of playparks (i.e. procurement of equipment) in the 2024/25 MTREF (i.e. R500 thousand for the 2024/25, 2025/26 and 2026/27 financial periods). The remaining requests for development of open spaces along with the fencing thereof, will be considered in future budgetary years, subject to an assessment of the feasibility thereof and availability of financial resources. Areas that have not yet benefitted from the allotted budget, shall enjoy preference. Maintenance of open spaces will be done in accordance with the approved maintenance schedules
3	High-mast light in Makoala Park	The electrical department awarded a 3-year tender (BV1050/2023: Upgrading of High Mast and Street Lights) throughout the municipal area. R798 000 has been budgeted for the construction of a high mast light at the Makoala Park in the 2024/25 financial period
4	Upgrade of Zwelethemba Sports Ground - taring of gravel road; provision of taps; upgrade entrance ticket booth; upgrade stadium seats & fence; repair & maintain the caretaker's house	It is imperative to note that the Zwelethemba swimming pool (approximate cost of R29.2 million) was completed in the 2021/22 financial period. The priority request linked to the upgrading of the Zwelethemba Sports Ground has been incorporated into the Sport Infrastructure Master Plan and will be prioritised for implementation in future financial periods in accordance with the availability of financial resources. In the interim, operational maintenance is conducted in accordance with the approved maintenance schedule linked to the facility

Table: 94 Top four service delivery priorities for ward 8

3.7.9 Ward 9

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Upgrading of various sewer pumpstations	July 2023	June 2024	8 905 124*
2	Sport: Esselen Park: Replacement of fence perimeter	July 2023	June 2024	1 667 425*
3	Speed Humps	July 2023	June 2024	1 417 247*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				



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Table: 95 Capital projects of ward 9

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Replacement of sewerage system	<p>Per the key findings/recommendations contained in the sewerage infrastructure study; linked to hotspot areas such as Rawsonville, Avian Park, Riverview, Roodewal and Zwelethemba, the following programmes have been implemented to date (certain initiatives remains ongoing): Upgrading & safeguarding of critical pumpstations within hotspot areas; Continuous in-line camera inspections, complimented with the upgrading of pipelines by means of pipe cracking (water & sewerage pipes) within hotspot areas; Sourcing alternative sewerage drain lids to mitigate theft and vandalism thereof, and prevent foreign objects/material entering the network; Procuring generators to ensure that pumpstations remain operational during loadshedding. In the 2023/24 financial period, approximately R38.6 million has been spent on upgrading the sewerage network and related infrastructure (including pipe cracking).</p> <p>It is important to note that Council resolved to systematically fund and implement solutions to eliminate sewerage issues within hotspot areas. These are therefore the first steps in a long-term commitment to resolve the problem. In the interim, regular proactive maintenance is prioritised and conducted</p>
2	Investigate the possibility to upgrade the storm water systems in ward 9: (1) from 109 - 119 Leipoldt Avenue; (2) 109 Leipoldt Avenue - 109 Van Zyl Avenue; (3) from Roodewal Primary School, through Neethling-, Rhode- and Paul Street (until 101 Paul Street); (4) form the c/o Van Huyssteen- & Stynder Streets to Rhode Street	The capacity of the stormwater infrastructure is adequate. Stormwater systems are periodically maintained in accordance with the approved maintenance schedule. In addition, stormwater blockages/complaints should be reported via the official channels (i.e. BVM Service Support Centre) upon which it will be prioritised in accordance with the unplanned maintenance schedule
3	Investigate the feasibility to allow ECD's and creches to erect mobile/container facilities at the following open spaces: (1) erf 4231 - between Van Huyssteen- & Taambay Street; (2) erf 4229 - adjacent to the Old Apostolic Church in Rhode Street; (3) erf 4230 - between Essop- & Panday Street; (4) erf 4228 between Wentzel- and Arendse Street	Facilities may only be erected at approved sites earmarked for intended use (informed by the integrated zoning scheme), for which facilities have an active lease agreement in place, and where authorisation has been granted for the erection of a mobile/container structure (i.e. approved building plan). ECD's and creches are welcome to visit the BVM Legal Department to ascertain the availability and status of the aforementioned erven. Subject to land use approval granted, and a lease agreement signed, an application should be lodged with the Town Planning department to review and approve the compliance of the anticipated structures
4	Tar the sidewalk in Fischer Street, Stynder Street, Van Huyssteen Aenue, Taambay & Rhode Street	Tarring of sidewalks will be considered in future financial periods, subject to the feasibility thereof and availability of financial resources. The sidewalk in Fischer Street has been paved, but unfortunately vandalised

Table: 96 Top four service delivery priorities for ward 9

3.7.10 Ward 10

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Sport: Esselen Park: Replacement of fence perimeter	July 2023	June 2024	1 667 425*
2	Reseal of Roads – Ward 10	July 2023	June 2024	1 000 000
3	Rental Unit Upgrade	July 2023	June 2024	1 000 000*



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Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 97 Capital projects of ward 10

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Upgrading, repair and maintenance of Roodewal and Hexpark municipal apartment blocks: (1) Hexpark Apartments - exterior lighting (communal areas between each block, not lit), washing lines need improved access, paint exterior walls and roofs; (2) Roodewal Apartments - upgrade stairs, install gutters; paint exterior walls and roofs; (3) Implement pest control measures in municipal rental stock (Roodewal and Hexpark) - use chemicals / methods that are environmentally friendly and non-hazardous to citizens; (4) Utilise locally sourced labour from Ward 10, via EPWP and skills training course	A Rental Unit Maintenance Plan has been drafted and submitted to Council. Furthermore, a revised implementation plan linked to the upgrade of the municipal rental units is being finalised for submission to Council. Upgrade and maintenance activities will be scheduled in accordance with the approved implementation plans and available financial resources. The deliverables encapsulated within the respective plans, will also underpin future budget proposals (annually) to ensure that upgrade and maintenance works are prioritised annually, in accordance with the approved plans
2	Sewerage system ward 10: (1) Upgrade the sewerage system in Ward 10 to increase capacity and prevent sewerage spills; (2) Regularly maintain the sewerage system; (3) Prioritise cleaning and unblocking of sewer pipes carrying industrial effluent across the open space between Springveldt Street and Hexpark; (4) Ensure manhole covers are secure, especially those close to Fischer Street; (5) Register a Sewerage Spill Cleaning Program through EPWP (10 persons)	<p>Per the key findings/recommendations contained in the sewerage infrastructure study; linked to hotspot areas such as Rawsonville, Avian Park, Riverview, Roodewal and Zwelethemba, the following programmes have been implemented to date (certain initiatives remains ongoing): Upgrading & safeguarding of critical pumpstations within hotspot areas; Continuous in-line camera inspections, complimented with the upgrading of pipelines by means of pipe cracking (water & sewerage pipes) within hotspot areas; Sourcing alternative sewerage drain lids to mitigate theft and vandalism thereof, and prevent foreign objects/material entering the network; Procuring generators to ensure that pumpstations remain operational during loadshedding. In the 2023/24 financial period, approximately R38.6 million has been spent on upgrading the sewerage network and related infrastructure (including pipe cracking).</p> <p>It is important to note that Council resolved to systematically fund and implement solutions to eliminate sewerage issues within hotspot areas. These are therefore the first steps in a long-term commitment to resolve the problem. In the interim, regular proactive maintenance is prioritised and conducted</p>
3	Identify & investigate the development of public open spaces: (1) a multi-purpose sport facility (i.e. cricket, netball and soccer fields) at the open spaces between Springveldt and Hexpark (above and below Robey Street) and beautify the area with trees, erect benches and install concrete bollards; (2) install playpark- and open air gym equipment at the Heatlie Park and beautify the area with trees, erect benches and install concrete bollards; (3) install playpark equipment at the Multana Park and beautify the area with trees, erect benches and install concrete bollards; (4) install an irrigation system at the Idlewinds Park and develop grassed surface, plant trees, erect benches and install concrete bollards; (5) install playpark equipment at the Orchard Park and beautify the	<p>The Heatlie Park (sub-component 2) is scheduled for implementation within the 2023/24 financial period and/or first half of the 2024/25 financial period. R1.5 million has been budgeted for the development of playparks (i.e. procurement of equipment) in the 2024/25 MTREF (i.e. R500 thousand for the 2024/25, 2025/26 and 2026/27 financial periods). The remaining requests for development of open spaces, will be considered in future budgetary years, subject to an assessment of the feasibility thereof and availability of financial resources. Areas that have not yet benefitted from the allotted budget, shall enjoy preference. Maintenance of open spaces will be done in accordance with the approved maintenance schedules</p>



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
	area with trees, erect benches and install concrete bollards; (6) develop a softball field at the Lombardi Park	
4	Reconstruct and develop Askamp Informal Settlement: (1) 50 additional chemical toilets; (2) 20 additional water standpipes; (3) waste management system; (4) install 250 prepaid meters in units within the settlement	It is imperative to note that the provision of basic services within informal settlements are done in accordance with the nationally prescribed norms and standards. The settlement, specifically structures located on the main sewer line, is not ideally located, and poses significant challenges from a servicing perspective. Ideally, the settlement/households should be relocated to suitable/alternative land and/or formal housing opportunities, taking cognisance of the procedural framework in this regard. Therefore, the priority request will be diligently considered based on the aforementioned context and complexities. The ward Councillor and committee will be informed accordingly on the way forward in this regard

Table: 98 Top four service delivery priorities for ward 10

3.7.11 Ward 11

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Speed Humps	July 2023	June 2024	1 417 247*
2	Reseal of Roads - Ward 11	July 2023	June 2024	1 000 000
3	Rental Unit Upgrade	July 2023	June 2024	1 000 000*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 99 Capital projects of ward 11

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Resealing of roads in Parkersdam and Riverview: (1) Cupido Street – Parkersdam; (2) roads at SAMWU Houses between Yssel-, January-, Sampson- and Arries Street - Riverview	All roads have been resealed in the 2023/24 financial period (approximately 1.2km at a cost of R1 million). The upgrading of Arries Street is scheduled for commencement in the 2024/25 financial period
2	Sidewalks & Walkways: (1) Construct a paved walkway connecting Yssel- and Sampson Street (perpendicular to Tim Street); (2) Construct foot bridges in Parker Street (locations TBC by ward Councillor) & fix the sidewalk at 10 Parker Street; (3) Repair/replace sidewalk (EPWP paving project) in Buitenkant Street from Pieterse- to Saunders Street; (4) Construct a sidewalk from the Riverview Cafe to Sampson Street (for scholars)	(1) This component has been completed in the 2023/24 financial period. (2) Residents may apply for the installation of a concrete slab/ 'motorbruggie' at their respective erven, through the approved tariffs. The repair of the sidewalk at 10 Parker Street, coupled with sub-components 3 & 4, are currently unfunded, hence for future budgetary consideration subject to the availability of financial resources. The project implementation methodology (e.g. EPWP) will be considered once budgetary approval has been granted for implementation
3	Development of open spaces: (1) Construct an open-air gym on erf 17248 (exact location to be confirmed with ward councillor); (2) Develop the open space located between Yssel- and Sampson Street	Sub-component 1 has been completed as requested. Sub-component 2 is currently unfunded and will be considered for future budgetary implementation subject to the feasibility thereof and the availability of financial resources
4	Investigate the possibility of providing pedestrian crossings or 3-way stop at the corner of Solon- &	The priority request has been implemented



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
	Buitenkant Street and the corner of Leipoldt Avenue and Parker Street	

Table: 100 Top four service delivery priorities for ward 11

3.7.12 Ward 12

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Upgrading of various sewer pumpstations	July 2023	June 2024	8 905 124*
2	Reseal of Municipal Roads - Ward 12	July 2023	June 2024	3 000 000
3	Land Infill Developments: Avian Park Industrial – Water, Sewer Pumpstation & Sewer	July 2023	June 2024	2 654 014*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 101 Capital projects of ward 12

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Upgrading of sewerage System throughout the ward	<p>Per the key findings/recommendations contained in the sewerage infrastructure study; linked to hotspot areas such as Rawsonville, Avian Park, Riverview, Roodewal and Zwelethemba, the following programmes have been implemented to date (certain initiatives remains ongoing): Upgrading & safeguarding of critical pumpstations within hotspot areas; Continuous in-line camera inspections, complimented with the upgrading of pipelines by means of pipe cracking (water & sewerage pipes) within hotspot areas; Sourcing alternative sewerage drain lids to mitigate theft and vandalism thereof, and prevent foreign objects/material entering the network; Procuring generators to ensure that pumpstations remain operational during loadshedding. In the 2023/24 financial period, approximately R38.6 million has been spent on upgrading the sewerage network and related infrastructure (including pipe cracking).</p> <p>It is important to note that Council resolved to systematically fund and implement solutions to eliminate sewerage issues within hotspot areas. These are therefore the first steps in a long-term commitment to resolve the problem. In the interim, regular proactive maintenance is prioritised and conducted</p>
2	Paint the exterior of the apartment blocks in Russell Scheme (T & U apartment blocks and Maisonette's A - F) & reseal parking areas	Painting of the apartment blocks will be considered in future financial periods, subject to the feasibility thereof and availability of financial resources (informed by the Rental Unit Maintenance Plan). The parking areas have been resealed
3	Completion of paving in Nightingale, Myna, Meeu, Mannikin, Magpie and Makou Streets in Ward 12	In 2021/22, 4km of gravel roads were upgraded in ward 12 (Avian Park) at a cost of R17.2 million. The remainder of the streets will be considered for implementation in future financial periods, subject to available financial resources. It is imperative to note that Council committed to address the gravel roads backlog in a phased approach



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
4	Resealing of roads: (1) in the Worcester CBD - particularly those carrying heavy traffic (i.e. all of Church Street, Tulbagh Street, Russell Street and De Wet Street); (2) the road between the T-A apartments (connecting with Trappes Street) in Russell Scheme; (3) Kirschbaum Street	Approximately 4.4km of roads resealed in ward 12 (including the requested areas) in the 2023/24 financial period, at a cost of R3 million

Table: 102 Top four service delivery priorities for ward 12

3.7.13 Ward 13

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Upgrading of Street Lights	July 2023	June 2024	2 600 000*
2	Speed Humps	July 2023	June 2024	1 417 247*
3	Reseal of Municipal Roads - Ward 13	July 2023	June 2024	1 000 000

The above analysis includes only the 3 largest capital projects of the ward

**Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only*

Table: 103 Capital projects of ward 13

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Construct tarred netball playing surfaces: (1) at the open space on Erf 9657 (Hex Park); (2) at the open space opposite 62 and 64 Jason Street	An assessment will be done to determine the feasibility, specifications and budgetary requirements linked to the priority, to make an informed decision. The Ward Councillor and committee will be informed accordingly upon the municipal readiness to implement the priority. This need will be considered for future budgetary implementation
2	Resealing of roads: (1) Gerrit Road and part of Duncan Way (Johnson Park 2), (2) part of Allister Way (Johnson Park 3); (3) Muskadel, Amandel, Kleinberg, Weltevreden and Fairview (Hex Park)	All roads have been resealed in the 2023/24 financial period (approximately 2.9km at a cost of R1 million)
3	Relocation of 7 outside toilets in houses at Riverview (addresses have been confirmed)	Council in principle decided that the outside toilets of all vulnerable citizens (i.e. pensioners and the disabled) residing in residential structures that formed part of a pre-1994 municipal housing development program, must be prioritised for relocation/rebuild within the structure. A full assessment of the vulnerable across the Breede Valley has been made and will be continuously reviewed as implementation progresses. Implementation in Ward 13 will be considered within the current MTREF period (i.e. 2024/25 – 2026/27), subject to the availability of financial resources. Council committed to avail funding annually until the backlog has been resolved
4	Construct a speed hump in: (1) in the centre of Muisvoel Street; (2) Alister Way; (3) Raise the height-level of the existing speed hump in Duncan Road	Two (2) speed humps have been constructed in ward 13, throughout the 2023/24 financial period. One (1) at each of the requested locations. A speed hump has already been constructed in Alister Way

Table: 104 Top four service delivery priorities for ward 13



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3.7.14 Ward 14

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Upgrading of various sewer pumpstations	July 2023	June 2024	8 905 124*
2	Speed Humps	July 2023	June 2024	1 417 247*
3	Rental Unit Upgrade	July 2023	June 2024	1 000 000*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 105 Capital projects of ward 14

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Reseal cul-de-sac in Kroon Street, Victoria Park (to be removed subject to completion)	R250 thousand budgeted in the 2024/25 financial period for the upgrading of the Kroon Street gravel cul-de-sac
2	Investigate the development of multi-purpose sport surfaces at the following open spaces: (1) erf 4694 between Martin-, Truter- and Edward Street; (2) erf 4958 between Truter-, Dickens- and Davids Street; (3) erf 4612 at the intersection of George- and Martin Street	The priority request is currently unfunded and is therefore for future budgetary consideration subject to the feasibility thereof coupled with the availability of financial resources
3	Rebuild washing line and installation of metal window sliding stay brass	The installation of new washing lines and window sliding stays will be prioritised under the operational maintenance plan in the 2024/25 financial year
4	Construct 1 speedhump in Queen Street; 2 in Le Sueur Street (opposite Victoria Park Butchery and the other side of Le Sueur Street) and 2 in Pieterse Street	Four (4) speed humps have been constructed in ward 14, throughout the 2023/24 financial period (minimum 1 at each of the requested locations)

Table: 106 Top four service delivery priorities for ward 14

3.7.15 Ward 15

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Reservoirs: Pre-loads	July 2023	June 2024	13 341 649*
2	Resealing of Municipal Roads - Worcester	July 2023	June 2024	9 178 900*
3	Land Infill Developments: Somerset Park - Electricity	July 2023	June 2024	100 000
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 107 Capital projects of ward 15



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Sportlights/floodlights at the following points: (1) Somerset Park at the train bridge projecting to the open space between Frere Street and railway, (2) Somerset Park at the open space across Governor Street park, (3) Langerug in Bosman Street into the veld between Langerug and Somerset Park/railway, (4) Langerug in Botha Crescent projecting towards open space, (5) Worcester-West behind Lavender Road, (6) Worcester-West at the intersection of Vicky Street/Orange Road, (7) Worcester- West behind Doreen Crescent into the veld, (8) spotlight/floodlight behind Morne Avenue into the veld	The priority will be considered for implementation in future financial periods, subject to the feasibility of the requests as well as the availability of financial resources
2	Maintenance and cleaning: All municipal open spaces in the three neighbourhoods cleaning of sidewalks and general area in Alec Craven crescent in Langerug, Veld behind & alongside Langerug (between railway and Langerug), between Somerset park & Langerug, behind Milner street & along Maitland street, Veld on western border of Worcester-West all open spaces in the three neighbourhoods maintenance & cleaning of stormwater drains, furrows & regular cleaning/clearing of sidewalks, cleaning of reeds in streams in all three neighbourhoods especially Somerset Park Maitland street border	Maintenance and area cleaning is planned and executed in accordance with the applicable maintenance schedule. In instances of service delays and/or interruptions, BVM will communicate accordingly
3	Fencing of public open spaces: (1) fencing both cul-de-sacs at Frere Street, Somerset Park; (2) closing off of Somerset Park border at Rabie Avenue	The priority request will be considered for implementation in future financial periods, subject to the feasibility thereof and availability of financial resources
4	Annual maintenance (during winter/prior to fire season) of firebreaks on the western boundary of Worcester West, Somerset Park & Langerug	Firebreaks are maintained annually, as part of the preparedness programme before the fire season. The works are scheduled to be completed before 30 November annually

Table: 108 Top four service delivery priorities for ward 15

3.7.16 Ward 16

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Alternative Electricity Supply Zwelethemba	July 2023	June 2024	9 190 578*
2	Zwelethemba removal of mid-blocks	July 2023	June 2024	3 500 872*
3	Speed Hump x 2 - Ward 16	July 2023	June 2024	50 000
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 109 Capital projects of ward 16

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Access to electricity, water and toilets in Mandela North & Aspad	BVM is currently prioritising for implementing/rendering basic municipal services within eMagwaleni, in accordance with the National norms &



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
		<p>standards. The locality is situated on private land and outside of the urban edge. BVM has applied to DoI linked to the planning for formalisation of the area, which will include the installation of basic services.</p> <p>The Ward Councillor referred the development of New Mandela to the National Parliament Portfolio Committee on Human Settlements for intervention. The Committee established a Technical Committee comprising of all spheres of government (National, Provincial and Local). The committee's proposal was submitted to the Western Cape Department of Infrastructure (Human Settlements Branch) (DOI) for evaluation & funding consideration. The DOI is currently assessing the proposal and we are awaiting feedback.</p> <p>The proposal includes the appointment of the implementation agent to address all the development projects in the area such as the 652-housing project, formalisation of North Mandela and Aspad and provision of basic services at eMagwaleni. The Housing Development Agency (HDA) has been proposed as the competent entity. The terms of reference can be summaries as follows.</p> <ol style="list-style-type: none"> 1. The packaging of all projects and implementation. 2. The proposed/anticipated implementation plan will include the following milestones: <ul style="list-style-type: none"> • Milestone 1: Project Implementation Readiness Report; • Milestone 2: Upgrading & Housing Master Plan; • Milestone 3: Aerial Imagery & Structure count/Verification; • Milestone 4: Decanting & Relocation Strategy Report; • Milestone 5: Internal Engineering Services Status Report.
2	Relocate outside toilets into houses – Matsila- & Fulang Avenues	<p>Council in principle decided that the outside toilets of all vulnerable citizens (i.e. pensioners and the disabled) residing in residential structures that formed part of a pre-1994 municipal housing development program, must be prioritised for relocation/rebuild within the structure. A full assessment of the vulnerable across the Breede Valley has been made and will be continuously reviewed as implementation progresses. Implementation in Ward 16 has been scheduled to commence in the 2023/24. A procurement process was initiated (BV 1076/2024: Relocation of Outside Toilets and Conversion into Bathroom Facilities in Zwelethemba) to appoint a service provider to execute the works, however, none of the bidders were deemed responsive. Subsequently, a new procurement process was initiated. BVM is hopeful that a successful bidder will be appointed and that the works will commence in the 2024/25 financial period</p>
3	Provision of housing in New Mandela	See feedback under priority 1 above
4	eMagwaleni to be formalised by the Municipality into the urban edge	See feedback under priority 1 above

Table: 110 Top four service delivery priorities for ward 16



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3.7.17 Ward 17

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Alternative Electricity Supply Zwelethemba	July 2023	June 2024	9 190 578*
2	Construction of Kwinana Street Bypass sewer	July 2023	June 2024	2 823 780
3	High Mast Light -Ward 17	July 2023	June 2024	268 801

The above analysis includes only the 3 largest capital projects of the ward

**Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only*

Table: 111 Capital projects of ward 17

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Upgrading of sewerage and sanitation system including the hostel houses' sewerage	<p>Per the key findings/recommendations contained in the sewerage infrastructure study; linked to hotspot areas such as Rawsonville, Avian Park, Riverview, Roodewal and Zwelethemba, the following programmes have been implemented to date (certain initiatives remains ongoing): Upgrading & safeguarding of critical pumpstations within hotspot areas; Continuous in-line camera inspections, complimented with the upgrading of pipelines by means of pipe cracking (water & sewerage pipes) within hotspot areas; Sourcing alternative sewerage drain lids to mitigate theft and vandalism thereof, and prevent foreign objects/material entering the network; Procuring generators to ensure that pumpstations remain operational during loadshedding. In the 2023/24 financial period, approximately R38.6 million has been spent on upgrading the sewerage network and related infrastructure (including pipe cracking). Specific reference is made to the construction of the Kwinana Street bypass sewer in ward 17 (R2.8 million).</p> <p>It is important to note that Council resolved to systematically fund and implement solutions to eliminate sewerage issues within hotspot areas. These are therefore the first steps in a long-term commitment to resolve the problem. In the interim, regular proactive maintenance is prioritised and conducted</p>
2	Speed humps in No 423 Tusha, No 15 Mazula, No 24 & No 32 Nzima, No 252 May, No 104 Dukulu, Tseoua (Next to AME Church), No 254 Vanryn, No 804 & No 84 Kutwana, No 124 Kwinana & No 62 Kolo Streets	Ten (10) speed humps have been constructed in ward 17, throughout the 2023/24 financial period (minimum 1 at each of the requested locations)
3	Paving of gravel roads: (1) Simanga, (2) Halam, (3) Baxa, (4) Mngxaji, (5) Mbutho, (6) May, (7) Makade, (8) Kwinana, (9) Kutwana, (10) Van Staden, (11) Kedama	R9.5 million has been tentatively budgeted over the MTREF period (i.e. 2024/25 – 2026/27) for the upgrading of gravel roads in wards 1, 2, 3, 4, 16, 17 & 18. This priority will thus be considered for implementation in future budgetary periods subject to available funding and in accordance with the approved implementation schedule. Council has committed to systematically address the gravel-road backlog throughout the BVM
4	Relocation of outside toilets	Council in principle decided that the outside toilets of all vulnerable citizens (i.e. pensioners and the disabled) residing in residential structures that formed part of a pre-1994 municipal housing development program, must be prioritised for relocation/rebuild within the structure. A full assessment of the vulnerable across the Breede Valley has been made and will be continuously reviewed as implementation progresses. Implementation in Ward 17 will be



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
		considered within the current MTREF period (i.e. 2024/25 – 2026/27), subject to the availability of financial resources. Council committed to avail funding annually until the backlog has been resolved

Table: 112 Top four service delivery priorities for ward 17

3.7.18 Ward 18

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Alternative Electricity Supply Zwelethemba	July 2023	June 2024	9 190 578*
2	Zwelethemba removal of mid-blocks	July 2023	June 2024	3 500 872*
3	Speed Humps	July 2023	June 2024	1 417 247*
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 113 Capital projects of ward 18

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Paving of roads in Asla phase 1 & phase 2 (Streets: Busika; Dyabooi; Fadana; Ekwindla; Ikhozi; Tshazimpuzi; Mroxisa; Malangeni & Hobe) & New Mandela (gravel road maintenance: Ashe Road & Ntlakohlaza Street)	R9.5 million has been tentatively budgeted over the MTREF period (i.e. 2024/25 – 2026/27) for the upgrading of gravel roads in wards 1, 2, 3, 4, 16, 17 & 18. This priority will thus be considered for implementation in future budgetary periods subject to available funding and in accordance with the approved implementation schedule. Council has committed to systematically address the gravel-road backlog throughout the BVM
2	Relocation of toilets (old location)	Council in principle decided that the outside toilets of all vulnerable citizens (i.e. pensioners and the disabled) residing in residential structures that formed part of a pre-1994 municipal housing development program, must be prioritised for relocation/rebuild within the structure. A full assessment of the vulnerable across the Breede Valley has been made and will be continuously reviewed as implementation progresses. Implementation in Ward 18 will be considered within the current MTREF period (i.e. 2024/25 – 2026/27), subject to the availability of financial resources. Council committed to avail funding annually until the backlog has been resolved
3	Water, toilets and electricity for Swartpad residents in Mandela Square	BVM is currently awaiting the final feedback from the Western Cape Department of Infrastructure (Human Settlements Branch) regarding its application for the appointment of the Implementing Agent. Subject to approval of the application, the works will be planned and scheduled for implementation. In the interim, BVM is engaging the Housing Development Agency (implementing agent) and finalising the terms of reference. Their appointment will include, amongst others, the packaging of all projects and implementation. The proposed/anticipated implementation plan will include the following milestones: •Milestone 1: Project Implementation Readiness Report; •Milestone 2: Upgrading & Housing Master Plan; •Milestone 3: Aerial Imagery & Structure count/Verification; •Milestone 4: Decanting & Relocation Strategy Report; •Milestone 5: Internal Engineering Services Status Report



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
4	Maintenance of sewerage system in ASLA	<p>Per the key findings/recommendations contained in the sewerage infrastructure study; linked to hotspot areas such as Rawsonville, Avian Park, Riverview, Roodewal and Zwelethemba, the following programmes have been implemented to date (certain initiatives remains ongoing): Upgrading & safeguarding of critical pumpstations within hotspot areas; Continuous in-line camera inspections, complimented with the upgrading of pipelines by means of pipe cracking (water & sewerage pipes) within hotspot areas; Sourcing alternative sewerage drain lids to mitigate theft and vandalism thereof, and prevent foreign objects/material entering the network; Procuring generators to ensure that pumpstations remain operational during loadshedding. In the 2023/24 financial period, approximately R38.6 million has been spent on upgrading the sewerage network and related infrastructure (including pipe cracking).</p> <p>It is important to note that Council resolved to systematically fund and implement solutions to eliminate sewerage issues within hotspot areas. These are therefore the first steps in a long-term commitment to resolve the problem. In the interim, regular proactive maintenance is prioritised and conducted</p>

Table: 114 Top four service delivery priorities for ward 18

3.7.19 Ward 19

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Rawsonville WwTW: Extension of WwTW (0,24 MI/day)	July 2023	June 2024	2 356 060*
2	Increase dam Level (Stetteynskloof Dam)	July 2023	June 2024	2 000 000*
3	Playpark - Ward 19	July 2023	June 2024	38 300
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 115 Capital projects of ward 19

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Investigate & identify land suitable for housing development and the construction of a community hall (250 - 300-seater with male & female ablution facilities and a side kitchen)	Engagements linked to the identification, obtainment and potential use of land for housing development within Rawsonville is still ongoing. The community is aware and informed of a range of engagements with multiple stakeholders on the subject matter. Once suitable land has been obtained, and a housing development project formally registered and approved, the municipality will consider the construction of a community hall as part of the development. It should be noted that this consideration will be informed by the availability of funding as well as appropriately zoned erf within the anticipated development.
2	Develop a play park at the public open space located in Goedeman Park, with the following specifications: (1) outdoor chess table, tarred roadway playground markings,	Outdoor gym equipment has been purchased and fencing enclosing the facility is anticipated to be completed in Q1 of the 2024/25 financial period. The remaining sub-components will be considered for



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
	jungle- and open-air gym equipment and a "jukskei" field; (2) an appropriate fence enclosing the facility; (3) an appropriate access gate to regulate access	implementation within future budgetary periods, subject to the availability of resources
3	Assist with hosting 4 sport events within ward	This priority is predominantly driven by the ward Councillor. Where required, a request for support may be issued to the Community Development department. The aforementioned department will consider and evaluate the request and may, subject to the requisite approval and budgetary availability, support the event. Examples of support may include (amongst others) logistical support, contributing to sport kit and jerseys and sponsoring trophies
4	Construct paved sidewalks: (1) in the Louwshoek-Boontjiesrivier Road, Rawsonville; (2) the corner of Goedeman Park to Goudini Winery/Vreedehef Farm; (3) in Goedeman Street; (4) in Cuttings Street	The priority request has been submitted to the CWDM for consideration and possible prioritisation. In terms of sub-components 2-4 further investigation will be done and considered for implementation in future financial periods subject to the viability thereof and availability of financial resources

Table: 116 Top four service delivery priorities for ward 19

3.7.20 Ward 20

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Rawsonville WwTW: Extension of WwTW (0,24 Ml/day)	July 2023	June 2024	2 356 060*
2	Increase dam Level (Stetteynskloof Dam)	July 2023	June 2024	2 000 000*
3	Fencing of Rawsonville Graveyard	July 2023	June 2024	48 780
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 117 Capital projects of ward 20

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Rehabilitation of Smalblaar river embankment at Riverbank and Spokiesdorp	Rehabilitation of the Smalblaar was not approved by the Department of Water Affairs, hence, BVM is not permitted to do any rehabilitation work in the river reserve. In instances of severe flooding and where works within the river embankments are required, the Department of Environmental Affairs & Development Planning and related government authorities will be engaged proactively
2	Install high mast light at Riverbank & 2 flood lights in Geelkampie	R700 000 has been budgeted in the 2024/25 financial period for the erection of a high mast light in ward 20. Therefore, the priority is anticipated to be completed by 30 June 2025
3	Install storm water system in Geelkampie (replace "watergat")	The request for the upgrading/augmentation will be further investigated, subject to the feasibility/practicality as well as the availability of financial resources. Maintenance of the stormwater system throughout ward 20 forms part of the routine maintenance plan and is cleaned periodically



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
4	Erect steel palisade fence on both sides of the Storm Water Channel in Mossie- & Le Seur Street	The priority is for future budgetary consideration pending a detailed investigation on the viability thereof

Table: 118 Top four service delivery priorities for ward 20

3.7.21 Ward 21

Capital Projects				
No.	Project Name and Detail	Start Date	End Date	Total Value R
1	Upgrading of various sewer pumpstations	July 2023	June 2024	8 905 124*
2	Land Infill Developments: Avian Park Industrial – Water, Sewer Pumpstation & Sewer	July 2023	June 2024	2 654 014*
3	Upgrading of gravel roads	July 2023	June 2024	2 252 398
<p><i>The above analysis includes only the 3 largest capital projects of the ward</i></p> <p><i>*Capital projects indicated by an asterisk are implemented across/benefits more than one ward, hence, the value depicted has not necessarily been spent within the mentioned ward only</i></p>				

Table: 119 Capital projects of ward 21

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
1	Upgrade / replace the sewerage system in Avian Park	<p>Per the key findings/recommendations contained in the sewerage infrastructure study; linked to hotspot areas such as Rawsonville, Avian Park, Riverview, Roodewal and Zwelethemba, the following programmes have been implemented to date (certain initiatives remains ongoing): Upgrading & safeguarding of critical pumpstations within hotspot areas; Continuous in-line camera inspections, complimented with the upgrading of pipelines by means of pipe cracking (water & sewerage pipes) within hotspot areas; Sourcing alternative sewerage drain lids to mitigate theft and vandalism thereof, and prevent foreign objects/material entering the network; Procuring generators to ensure that pumpstations remain operational during loadshedding. In the 2023/24 financial period, approximately R38.6 million has been spent on upgrading the sewerage network and related infrastructure (including pipe cracking).</p> <p>It is important to note that Council resolved to systematically fund and implement solutions to eliminate sewerage issues within hotspot areas. These are therefore the first steps in a long-term commitment to resolve the problem. In the interim, regular proactive maintenance is prioritised and conducted</p>
2	Upgrading of gravel roads (tarring): Glasogie-, Vink-, Mockingbird-, Kite-, Katlagter-, Kolgans-, Kwêvoël-, Kalkoen-, Kuiken-, Krestel and Kelkiewyn Street and roads in the Avian Park "camp" and construct 3 speed humps in Kalkoen Street at the following intersections: Mockingbird, Vink and Glasogie	<p>R4.5 million (adjusted) has been budgeted in the 2023/24 financial period for the upgrading of gravel roads in ward 21, of which R2.2 million has been spent as at 30 June 2024. Furthermore, R13.3 million has been budgeted in the 2024/25 financial period to continue with the scope of works. Council committed to allocate funds to the upgrading of gravel roads program on a yearly basis in order to systematically address all backlogs. The requested speed humps will be considered for construction in future financial periods, subject to the feasibility thereof</p>



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Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2023/24
3	Lighting & security cameras: (1) Erect a spotlight at the corner of Tinktinkie and Spreeu Street (to be removed subject to completion) ; (2) Provide adequate street lighting throughout ward 21 (camp - Kwêvoël specifically); (3) Investigate the feasibility to install security CCTV cameras on 3 high mast lights	The installation of a spotlight at the corner of Tinktinkie- and Spreeu Street has been completed. Three high mast light fittings have been replaced with LED fittings and adjusted to project in all directions (i.e. Mini Mall, Pumpstation & Tortelduif- & Mockingbird Streets). All other high mast lights within the ward does project in all directions. Streetlights have been installed throughout the camp area. If there is specific area/point not yet addressed, residents are advised to report it to the BVM Service Support Centre to be logged for further investigation. Six strategic locations were identified linked to the installation of CCTV security cameras, which have been procured.
4	Provision of 30 chemical toilets and 3 water points within the "camp" in Avian Park (components to be removed subject to completion) and implement a solution for the blocked stormwater pipe/ditch between Mockingbird- & Kite Street, adjacent to Tortelduif Street	After an assessment conducted by BVM, it was found that approximately 28 existing chemical toilets had been vandalised. The replacement of these toilets is being prioritised after which the request for 30 additional toilets will be considered. Standpipes were installed, but unfortunately vandalised. The Water Services department will investigate the viability to reinstall water standpipes. Cleaning and maintenance of the stormwater ditch forms part of operational maintenance works

Table: 120 Top four service delivery priorities for ward 21

COMPONENT A: BASIC SERVICES

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

3.8 WATER SERVICES

The Municipality is an authorised water service authority and as such must adhere to the relevant sections of the Water Services Act (No. 108 of 1997) and the MSA. The Municipality has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economic and sustainable access to water services that promote sustainable livelihoods and economic development.

Worcester obtains its water supply from two sources, namely the Stettynskloof Dam and the Fairy Glen Dam. The combined yield of the two dams is estimated as 26 000 ML/annum, of which the yield of the Stettynskloof Dam is approximately 25 000 ML/annum. The Stettynskloof Water Supply Scheme thus provides at least 90% of the total yield. The Stettynskloof Water Supply Scheme was implemented in 1955, when the original mass concrete gravity dam with capacity of 5 000 ML was constructed. The dam is located about 30 km Southwest of Worcester in the Holsloot River. During construction of the dam treatment facilities were also provided at the dam for stabilization of the water with lime and CO₂ before allowing it to gravitate to Worcester. Due to growing water demand, the dam wall was raised by 18m in 1981 by constructing a composite earth and rockfill embankment against the downstream face to increase the storage capacity to 15 000 ML. The catchment area of the dam is 55 km². The Fairy Glen Dam is situated on the Hartbees River in the Brandwacht Mountains. It has a concrete dam wall which is approximately 45m high. The Municipality maintains the water level at a maximum height of 29m. The capacity of the dam is 3 500 ML and the catchment covers 13.6 km². There are three outlets from the dam, from where the water then flows through a 100m long section



of 300mm diameter steel pipe to a pressure release sump. From there it gravitates via a 6 000m long asbestos-cement pipe to the De Koppen Water Treatment Works (WTW).

The Touwsrivier Water Scheme sources water from mountain-streams, springs and a borehole located approximately 30 km West of the Touwsrivier town on the Bokke River property, between the Matroosberg peak of the Hex River Mountain range and Verkeerdelei. About 66% of the raw water is sourced from stream diversions whilst 33% originates from natural springs. The contribution from the borehole is negligible, but in case of drought, this will be a valuable alternative. Raw water gravitates to the WTW via various masonry lined channels and pipes.

Worcester and Rawsonville are supplied with water from the Stettynskloof and the Fairy Glen Dam, with a total estimated yield of 26 000 ML/annum. The current and future demands do not surpass the available yield. De Doorns is supplied with water from Grootkloof and the Hex River Irrigation Board, with a total estimated yield of 850 ML/annum. The current and future demand surpass the available yield by 420 ML/annum. Touwsrivier is supplied with water from Waterkloof, Donkerkloof and Witklip borehole and springs, with a total estimated yield of 1 008 ML/annum. The current and future demand surpass the available yield by 192 ML/annum.

The Department of Water and Sanitation (DWS), as the national custodian of South Africa's water resources and the overall leader of the water sector, is responsible for the regulation of water services. Drinking water quality is an area of water services regulation where significant progress has recently been made. However, despite considerable improvements, there is still an unacceptably high incidence of poor drinking water quality in South Africa. The Department intends to mitigate this situation through self-regulation – an approach where Water Services Authorities (such as municipalities) has to manage the quality and quantity of drinking water by actively managing day-to-day issues relating to their water supply. The effectiveness of these management strategies is then evaluated through the Blue Water Services (Blue Drop) Assessments. The Blue Drop and No Drop Audits took place during August 2022 – February 2023 with the audit period 2021-2022 and alternate every year with the Green Drop Audit. The Blue Drop Report Scores for BVM was 60% and the No Drop Score 66%.

One of the biggest threats and concern are the vandalism and theft at the vulnerable sewer pump stations in the different areas. Safeguarding of municipal infrastructure and assets must be prioritised. Loadshedding also had a devastating effect on the water quality. The residual chlorine in the systems could not be guaranteed after 2 hours of loadshedding and no chlorination taking place. A boil water notice was issued for level 5 and 6 loadshedding. BVM implemented alternative disinfection solutions for future loadshedding interruptions. The national shortage of chlorine gas had a huge impact on the disinfection process and seen as a nationwide risk to water quality. Alternative measures to chlorinate with HTH and chlorine chips had to be implemented.

The most crucial threat currently is the lack of sufficient funding to maintain and or replace ageing infrastructure and this shorten the lifespan of assets. Limited capital funding for replacement is also a threat to service delivery and the protection of the environment.

During the 2023/24 financial year, the Water Master Plan, Water Services Development Plan (WSDP), Water Safety Plan and Dam Safety Inspection Reports were completed.



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Existing Pipelines, Reservoirs and Towers		
Existing Pipelines	Existing Reservoirs and Towers	
Rawsonville		
Bulk pipes	6 000	Rawsonville Reservoir
Network pipes	10 950	
Total (m)	16 905	
Worcester		
Bulk pipes	27 825	De Koppen, Langerug, Preloads, Worcester West Sump, Worcester West Upper
Network pipes	301 585	
Total (m)	329 410	
De Doorns		
Bulk pipes	8 880	De Doorns Lower, De Doorns Upper 1, De Doorns Upper 2, Orchard, N1 Reservoir 1, N1 Reservoir 1, Stofland Reservoir
Network pipes	26 565	
Total (m)	35 445	
Touwsrivier		
Bulk pipes	56 585	Crescent Lower, Crescent Lower Steenvliet
Network pipes	32 610	
Total (m)	89 195	

Table: 121 Existing pipelines, reservoirs and towers

3.8.1 Service delivery indicators: Water services

The key performance indicators for water services are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL31	Provide free basic water to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic water	All	6500	7999	8 200	7 133	O
TL22	Complete the construction of the 20ML service reservoir by 31 December 2023	Project completed	All	0	0	1	1	G
TL25	Complete Phase 2 erosion protection at the Hexriver by 31 March 2024	Project completed	8; 16; 17; 18	0	0	1	1	G



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL27	Number of formal residential properties that are billed for water as at 30 June 2024	Number of residential properties that are billed for residential consumption water meters charged residential domestic tariffs or residential flat rate tariffs using an erf as a household except municipal rental flats which will be measured by using the number of rental units.	All	21480	21483	21 500	21 628	G2
TL39	Limit unaccounted water losses to less than 25% by 30 June 2024	% unaccounted for water	All	25%	14.29%	25.00%	12.69%	B
TL50	Review the 5 year Water Service Development Plan IDP Water Sector Input Report and submit to Council for consideration by 31 March 2024	Water Service Development Plan IDP Water Sector Input Report submitted to Council for consideration	All	1	1	1	1	G
TL51	Spend 90% of the budget allocated towards the pipe cracking projects/works by 30 June 2024	% of budget spent	All	90%	39.90%	90.00%	100.00%	G2
TL49	Achieve 95% average water quality level as measured per SANS 241 criteria during the 2023/24 financial year	% water quality level per quarter	All	95%	95.33%	95.00%	95.33%	G2

Table: 122 Service delivery indicators: Water services

3.8.1.1 Water quality impact during load shedding:

In periods of load shedding at stage 5 and beyond, characterised by prolonged interruptions in electricity supply, the potential for contaminants entering the water distribution system increases, subsequently compromising the assured quality of water.



Furthermore, extended power outages adversely affect the microbiological integrity of treated water due to a decline in chlorine concentration. In the first quarter of the 2023/24 financial year, BVM encountered severe disruptions in water treatment operations during stage 6 load shedding, which resulted in a marginal drop below the targeted water quality level (i.e. 95%). Adhering to regulatory mandates and the context of responsible governance, BVM issued boil-water notices as a precautionary measure to apprise the public that chlorine-based water disinfection processes were ongoing, albeit with the possibility of reduced residual chlorine levels and compromised disinfection efficiency. BVM proactively communicated water quality updates, conducted rigorous testing and monitoring, and implemented mitigation measures, including the procurement of emergency generators, the integration of solar energy for Bokrivier treatment works, continuous manual booster chlorination, and disinfection using sodium hypochlorite chips with chip feeders independent of electrical dependence.

3.8.1.2 Water quality impacted by anomalously high rainfall:

Similarly, two major flooding incidents occurred in the 2023/24 financial period due to extraordinary rainfall events and storms in the Breede Valley, causing damage to infrastructure. Although the water supply was maintained, the colour of the water was affected by the influx of sand, silt, and organic materials into storage dams. The Breede Valley region relies on pristine mountain water stored in various dams, such as Stettynskloof Dam, Fairy Glen Dam, Osplaas Dam, Roode Elsberg Dam, Lakensvlei Dam, and Bokrivier Dam. Raw water from these sources undergoes minimal treatment, with the primary processes involving the removal of plant materials through screening, stabilisation with lime to adjust pH, and disinfection with chlorine. The low pH and alkalinity of mountain water are attributed to humic acids from Fynbos vegetation on mountain slopes, contributing to water discolouration when Fynbos leaves tint the water with tannins following rainfall.

Abnormal high rainfall exacerbates the presence of mud and sand residues in dams due to rock falls and mudslides, resulting in increased turbidity. Aesthetic concerns arise from the discolouration of water, leading to water quality failures concerning turbidity and colour – not quality. Continuous chlorination is employed to disinfect the water, and rigorous testing is conducted to ensure microbial safety for human consumption. BVM actively undertook measures to mitigate the impact of discolouration and turbidity, including the continuous flushing of affected areas. The BVM Laboratory regularly monitored water samples and conducted tests in response to reported complaints of aesthetically unpleasant water.

Given the mitigation measures implemented and subsequent success, BVM achieved an average water quality level above the 95% target, which is supported by laboratory evidence and aligned with service standards. The reported water quality results were also tested by the Auditor-General of South Africa (AG) as part of their audit of performance information. The AG did not raise any findings on the matter.

3.8.2 Augmenting water storage capacity

As the Breede Valley Municipality, Worcester in particular, is regarded as one of the fastest growing development corridors in the Western Cape; coupled with its promotion as an attractive destination for economic investment, the provision of bulk infrastructure needs to be timeously planned and implemented.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The existing Worcester preload water reticulation system has insufficient capacity to supply the existing and future development areas. Based on the Breede Valley Municipality's Water Master Plan, the need to augment the preload service reservoirs' storage capacity was identified.

The construction of a new (additional) reservoir next to the existing reservoirs at preloads triggered listed activities as per the scheduled activities listed in (GN) Reg No. 327 and 324 under NEMA. Before the mentioned development could take place, it was required that an environmental process be undertaken.

During 2019, an environmental consultant was appointed by the Breede Valley Municipality to undertake the Basic Assessment Report (BAR) and obtaining environmental authorisation of the proposed works from the Department of Environmental Affairs and Development Planning (DEA&DP). Environmental authorisation (reference 16/3/3/1/B2/32/1047/20) was issued on 16 March 2021.

BID BV 932/2021 Construction of 20 ML service reservoir at reloads was awarded to Murray and Dickson (Pty) Ltd on 1st of April 2022. Certificate of completion was issued on 7 February 2024.



LOCALITY OF NEW 20 ML SERVICE RESERVOIR AT PRELOADS RESERVOIRS

CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)



CONSTRUCTION PROGRESS OF PRELOADS

3.8.3 Water service delivery levels

Below is a table that specifies the different water service delivery levels per household **within the urban edge area** for the financial years 2022/23 and 2023/24.

Description	2022/23	2023/24
	Actual	Actual
Household		
Water: (above minimum level)		
Piped water inside dwelling	21 375	22 565
Piped water inside yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling)	13 365	13 365
Other water supply (within 200m)	0	0
Minimum service level and above sub-total	34 740	35 930
Minimum service level and above percentage	100	100
Water: (below minimum level)		
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
Below minimum service level sub-total	0	0

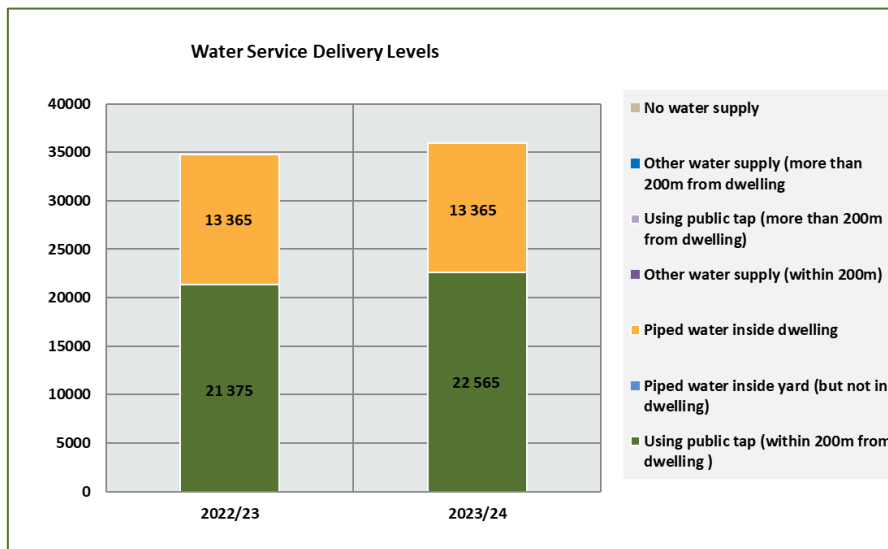


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Description	2022/23	2023/24
	Actual	Actual
Household		
<i>Below minimum service level percentage</i>	0	0
Total number of households (formal and informal)	34 740	35 930
<i>*Total reflects the total number of households including households not separately billed</i> <i># Data in line with SAMRAS and the Breede Valley Municipality database</i>		

Table: 123 Water service delivery levels

The graph below shows the different water service delivery levels per total household and the progress per year:



Graph 6: Water service delivery levels

3.8.4 Employees: Water services

The table below indicates the number of employees for water services:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	3	3	0	0%
Middle Management and Professionals	5	5	0	0%
Skilled Technical, Superintendents etc	28	22	6	21%
Semi-skilled	20	7	13	65%
Unskilled	89	60	29	33%
Total	146	98	48	33%



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Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23

Table: 124 Employees: Water services

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	1	1	0	0%
Middle Management and Professionals	4	4	0	0%
Skilled Technical, Superintendents etc	15	10	5	33%
Semi-skilled	41	32	9	22%
Unskilled	41	20	21	51%
Total	103	68	35	34%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 125 Employees: Water Treatment Works

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	0	0	0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	13	12	1	8%
Semi-skilled	16	14	2	13%
Unskilled	50	40	10	20%
Total	81	68	13	16%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 126 Employees: Water services and networks



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.8.5 Capital expenditure: Water services

The table below indicates the amount that was actually spent on water services projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Water - Furniture and Office Equipment	100 000.00	19 308.00	19 307.22	0.78	19 308.00
Upgrading of Offices (Fairbairn Street)	0.00	472 557.00	285 519.30	187 037.70	472 557.00
Reservoirs: Pre-loads	0.00	13 300 000.00	13 300 000.00	0.00	13 300 000.00
Reservoirs: Pre-loads	0.00	41 650.00	41 649.67	0.33	41 650.00
Pipe cracking (all wards)	3 000 000.00	6 518 796.00	6 518 796.00	0.00	6 518 796.00
De Doorns Water Purification Works : Augmentation of DAF Unit (MIG funding)	5 160 000.00	744 785.00	744 784.96	0.04	744 785.00
Water Connections	2 719 200.00	1 919 200.00	0.00	1 919 200.00	1 919 200.00
Avian Park Industrial - Water	146 043.00	146 043.00	146 043.00	0.00	146 043.00
Avian Park Industrial - Sewer Pumpstation	14 000 000.00	12 050 000.00	2 069 966.75	9 980 033.25	12 050 000.00
Uitvlug Industrial Zone - Water	100 000.00	100 000.00	100 000.00	0.00	100 000.00
Increase dam Level (Stetteynskloof Dam)	2 000 000.00	2 000 000.00	2 000 000.00	0.00	2 000 000.00
Total all	27 225 243.00	37 312 339.00	25 226 066.90	12 086 272.10	37 312 339.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)</i>					

Table: 127 Capital expenditure 2023/24: Water services

3.9 SANITATION SERVICES

In South Africa, local government is responsible for delivering services contributing to the quality of life for its citizens. These services include water supply, sewage collection and wastewater treatment. Sanitation tariffs are levied for sanitation services and must be managed in a sustainable and equitable way to ensure that enough income is generated for supporting ongoing operations, maintenance and upgrading of sanitation services. To achieve good management, it is important to have guidelines in place for properly planning, organizing, controlling, and executing service delivery to successfully run and control a business. Municipal by-laws contain such guidelines and are therefore important tools for good governance.

Sewage and wastewater are produced by a variety of industrial, commercial, and domestic activities. In terms of the Municipal Water Services By-laws, all discharges into the sewer system should be authorized and levied. Payment for this service is collected through sewerage charges on each rateable property. As industrial and commercial waste waters impose an additional load on the sewer system, thus also impacting on the operations and maintenance cost thereof, it must comply with the Municipal Industrial Effluent (Trade Effluent) By-laws. These by-laws regulate the composition and concentration of effluent, the cost associated with the treatment thereof and the type of pre-treatment applicable or required.



This legislation is a tool for good management practices, efficient administration and supplies working methods enabling municipalities to protect sewer infrastructure, safely collect and transport wastewater, monitor discharges to sewer systems and ensure that effluent from treatment works comply with set national standards.

Sewerage reticulation and wastewater treatment are some of the most expensive services that a municipality supplies to its residents. On this premise, it is imperative that these services are managed in a sustainable and equitable way ensuring that enough income is generated to pay for planning, designing, constructing, operating and maintaining the total service to the benefit of all residents. Financial sustainability of wastewater reticulation systems and treatment works are of prime importance. Tariffs need to reflect this and not be solely based on the transport and operating costs of wastewater treatment. A Wastewater Treatment Works (WWTW) has a certain lifespan and during this time there are many parts which will need replacement and others that will need extensive refurbishment. Also, the day-to-day maintenance of the expensive plant and equipment is imperative. It is crucial that these costs are included in the tariff. Like any complex operation, it is required that the personnel operating and managing the WWTW are skilled to do so. Investment in these Process Controllers will ensure better operation of the Works and a reduction in the use of power which is the most expensive commodity used.

One of the biggest threats and concern are the vandalism and theft at the vulnerable sewer pump stations in the different areas. Safeguarding of 4 pumpstations (Zwelethemba, Avian Park, Noble Park and Santa Weida) is in progress and will be fitted with concrete fence, new pipework, pepper spray security services and generators. The most crucial threat to sustainable sanitation services is the lack of sufficient funding to maintain and/or replace ageing infrastructure, which significantly shortens the lifespan of assets. Limited capital funding for replacement is also a threat to service delivery and the protection of the environment.

Sewer reticulation systems are designed for domestic sewerage only. Blockages are caused by social economic problems, limited resources and lack of maintenance. Vandalism, theft, inappropriate items, unlawful disposal of fats, oils and grease, illegal connections and water restrictions all contribute to blockages. With the increase in the number of sewer blockages, preventative maintenance of the sewer reticulation system is limited and subsequently the system is put under stress. Opening sewer blockages takes priority to limit nuisances, health risks and environmental pollution.

In the 2023/24 the Sewer Masterplan and Water Services Development Plan (WSDP) was reviewed and updated.

3.9.1 Upgrade of Wastewater Treatment Works (WwTW) – Rawsonville & Touwsrivier

As the Breede Valley Municipality, Worcester in particular, is regarded as one of the fastest growing development corridors in the Western Cape; coupled with its promotion as an attractive destination for economic investment, the provision of bulk infrastructure needs to be timeously planned and implemented.

The existing WwTW at Rawsonville and Touwsrivier have insufficient capacity to serve the existing and future development areas. Based on the Breede Valley Municipality's Sewer Master Plan, the need to augment these WwTW were identified.

BIDs BV 915/2021 (Civils & Structural Works) and BV 926/2021 (Mechanical & Electrical Works) for the augmentation of the WwTW at Rawsonville were awarded to Civils 2000 (Pty) Ltd and Lektratek Water Technologies (Pty) Ltd, respectively. The civil and structural works commenced on 29 March 2022. Certificate of completion for the civil and structural works was issued on 23 Aug 2023. The mechanical and electrical works commenced early 2023 with an anticipated completion date of August 2024.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

BIDs BV 1041/2023 (Civils & Structural Works) and BV 1044/2023 (Mechanical & Electrical Works) for the augmentation of the WwTW at Touwsrivier were awarded to Rods Construction (Pty) Ltd and Inenzo Water (Pty) Ltd, respectively. The civil and structural works, and mechanical and electrical works commenced on 7 May 2024 and 13 May 2024, respectively. The anticipated completion date of the works is 30 January 2026.



CONSTRUCTION PROGRESS AT WWTW

CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.9.2 Service delivery indicators: Sanitation services

The key performance indicators for sanitation services are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL33	Provide free basic sanitation to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic sanitation	All	6 500	7 999	8 200	7 133	O
TL23	Complete the upgrade of the Waste Water Treatment Works in Rawsonville by 31 March 2024	Project completed	20; 19	0	0	1	0	R
TL26	Appoint a contractor for the extension of the Waste Water Treatment Works in Touwsrivier by 31 March 2024	Contractor appointed	1	0	0	1	0	R
TL29	Number of formal residential properties that are billed for sanitation/sewerage services as at 30 June 2024	Number of residential properties that are billed for residential sewerage tariffs using the erf as property	All	19 245	19 461	19 480	19 476	O
TL52	80% of sewage samples comply with effluent standard during the 2023/24 financial year	% of sewage samples compliant	All	80%	86.95%	80.00%	80.68%	G2
TL53	Spend 90% of the budget allocated towards the improvement of the sewerage system by 30 June 2024	% of budget spent	All	90%	51.96%	90.00%	98.09%	G2

Table: 128 Service delivery indicators: Sanitation services



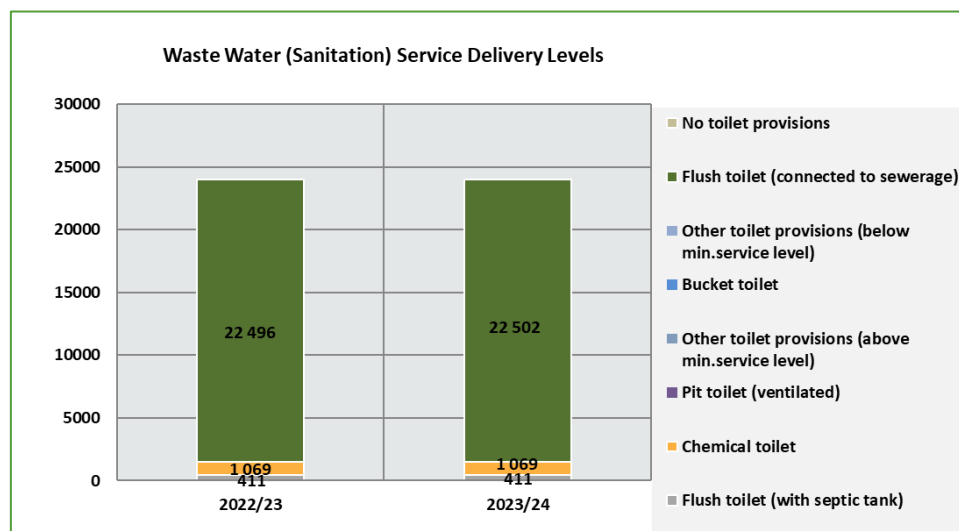
CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.9.3 Sanitation service delivery levels

Description	2022/23	2023/24
	Actual	Actual
Household		
<i>Sanitation/sewerage: (above minimum level)</i>		
Flush toilet (connected to sewerage)	22 496	22 502
Flush toilet (with septic tank)	411	411
Chemical toilet	1 069	1 069
Pit toilet (ventilated)	0	0
Other toilet provisions (below minimum service level)	0	
Minimum service level and above sub-total	23 976	23 982
Minimum service level and above percentage	100	100
Bucket toilet	0	0
Other toilet provisions (below minimum service level)	0	0
No toilet provisions	0	0
Below minimum service level sub-total	0	0
Below minimum service level percentage	0	0
Total number of households	23 976	23 982
*Total reflects the total number of households including households not separately billed		
# Data in line with SAMRAS and the Breede Valley Municipality database		

Table: 129 Sanitation service delivery levels

The graph below shows the different sanitation service delivery levels per total households and the progress per year:



Graph 7: Sanitation service delivery levels



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.9.4 Capital expenditure: Sanitation services

The table below indicates the amount that was actually spent on sanitation services projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Augmentation Touwsrivier WWTW (MIG)	14 195 122.00	22 769 428.00	21 960 021.51	809 406.49	22 769 428.00
Augmentation Touwsrivier WWTW	0.00	4 348 000.00	7 105.29	4 340 894.71	4 348 000.00
Augmentation Touwsrivier WWTW (HOUSING)	0.00	5 000 000.00	745 407.01	4 254 592.99	5 000 000.00
Augmentation of Water treatment works	0.00	179 000.00	0.00	179 000.00	179 000.00
WWTW and WTW Generators	800 000.00	121 453.00	121 452.64	0.36	121 453.00
WWTW Pump station upgrading and refurbishment	2 000 000.00	6 587 000.00	6 102 132.92	484 867.08	6 587 000.00
Rawsonville WwTW: Extension of WwTW (0,24 MI/day)	0.00	4 740 772.00	2 356 060.37	2 384 711.63	4 740 772.00
Upgrading of Sewer Network: External Loan	3 000 000.00	6 806 332.00	6 668 537.23	137 794.77	6 806 332.00
Upgrading of Sewer Network: CRR	10 000 000.00	7 470 253.00	7 466 834.02	3 418.98	7 470 253.00
Sewer Connections	1 120 000.00	1 120 000.00	0.00	1 120 000.00	1 120 000.00
Water - Machinery and Equipment	500 000.00	470 000.00	293 033.09	176 966.91	470 000.00
Upgrading of various sewer pumpstations	0.00	6 871 686.00	6 871 686.00	0.00	6 871 686.00
Upgrading of various sewer pumpstations	0.00	2 033 439.00	2 033 438.78	0.22	2 033 439.00
Construction of Kwinana Street Bypass sewer	0.00	2 824 000.00	2 823 780.20	219.80	2 824 000.00
Avian Park Industrial - Sewer	438 005.00	438 005.00	438 005.00	0.00	438 005.00
Avian Park Industrial - Sewer	438 005.00	438 005.00	438 005.00	0.00	438 005.00
Uitvlug Industrial Zone - Sewer	100 000.00	100 000.00	100 000.00	0.00	100 000.00
Total all	32 591 132.00	72 317 373.00	58 425 499.06	13 891 873.94	72 317 373.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 130 Capital expenditure 2023/24: Sanitation services

3.10 ELECTRICITY

Electricity and streetlighting are provided to all formal settlements and street or high-mast lights are provided to most informal areas in the Breede Valley Region.

Electricity usage forecast consumption (kWh) increase on average with 5.19% and the maximum demand decrease (kVA) on average with 5.28% during the 2023/24 financial year implementation of small-scale embedded generation and minimised load shedding.



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Public lighting maintenance has increased annually while the department effectively maintains street and area lighting within BVM, enhancing social upliftment to maintain and assure basic services. We will continuously improve the lighting network system to reduce maintenance and to improve the energy sufficiency within the area, to accommodate community needs.

The quality of electricity supply is dependent on the ability of the Municipality to properly maintain its assets. Cooperation of residents to ensure that electrical service stations/equipment are not vandalised and tampered with, is paramount. The Municipality has established a hotline for residents to report any illegal or unauthorised incidents that negatively affect the efficient service delivery across the Breede Valley Municipality.

For the financial period 2023/24 multiple maintenance and capital projects were executed and implemented as highlighted below in terms of upgrading streetlights, upgrading electrical infrastructure, refurbishment of substations, maintenance on switchgear, replacement of underground cables, upgrading of infrastructure, replacement & upgrade of prepaid meters, etc.

3.3.1 Electricity highlights

The table below gives a brief description of all the highlights for electricity during the 2023/24 financial year:

Highlights	Description
Implementation of LED Streetlights replacement	Replacement of approximately 1000 new LED streetlights throughout various wards
Refurbishment of Substations	Refurbishment of traub substations
Replacement Program of Residential Prepaid Meters	Replacement of approximately 70% of the meter base within all wards
Revenue Protection Audits, Inspections and Upgrade Prepaid Meters	Ongoing audits, inspections, and upgrades on conventional & prepaid meters within Worcester, De Doorns & Touwsrivier area
Distribution Metering Cubicle replacement	Upgrade distribution cubicles
Installation of High Mast Light – Transhex Circle	Construction and installation of high mast light at Transhex Circle
Upgrade of Main Supply at De Doorns intake point	Installation of medium voltage circuit breaker including protection
TID rollover of prepaid meter upgrades	Ongoing upgrades - 96% of upgrades completed within all wards
Implementation and execution of bulk supply for Transhex	Construction and installation of 66kV overhead lines, 66/11kV transformer provision for Transhex area
Alternative supply of Zwelethemba area	Additional 11kV feeder underground cable installed from Transhex to Zwelethemba substation
Removal and installation of mid-blocks within Zwelethemba area	Upgrades of overhead medium & low voltage lines within wards 8, 16, 17 and 18
Installation of Substation Fencing	Installation of substation fencing through various areas within all wards



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Highlights	Description
Upgrade of Traffic Signals	Back-up supply installed for all traffic signals on proclaimed roads

Table: 131 Electricity highlights



3.3.2 Electricity challenges

The table below gives a brief description of the electricity challenges during the 2023/24 financial year:

Challenge	Corrective action
Cable Theft and Vandalism Incidents	Replacement of underground cables with aluminium cables
Abnormal Weather Conditions	Ongoing maintenance program to ensure replacement and refurbishment of aging infrastructure to reduce breakdowns under abnormal weather conditions
Increase in Streetlight Complaints	Increase/Improve resource and maintenance planning programmes to improve streetlights
Failure of Aging Infrastructure	Prioritise and continuously improve the electrical infrastructure. Form part of the capital, maintenance program and electrical masterplan
Illegal, Bypassed and Tampered Connections	Continuously apply the ongoing audits, inspections, and upgrade. Applying disconnections and fines

Table: 132 Electricity Challenges



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3.10.3 Service delivery indicators: Electricity services

The key performance indicators for electricity are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL17	Spend 90% of the electricity capital budget by 30 June 2024	% of the budget spent	All	90%	64.60%	90.00%	91.73%	G2
TL18	Spend 90% of the electricity maintenance budget by 30 June 2024	% of the budget spent	All	90%	89.56%	90.00%	96.99%	G2
TL28	Number of residential properties which are billed for electricity or have pre-paid meters (excluding Eskom Electricity supplied properties) as at 30 June 2024	Number of residential properties that are billed for electricity or have pre-paid meters, charged on the residential tariffs for consumption and residential prepaid tariffs	All	22885	23045	22 885	23 271	G2
TL38	Limit unaccounted electricity losses to less than 10% by 30 June 2024	% unaccounted for electricity	All	10%	6.10%	10.00%	5.93%	B
TL32	Provide free basic electricity to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic electricity	All	6500	7999	8 200	7 133	O

Table: 133 Service delivery indicators: Electricity services



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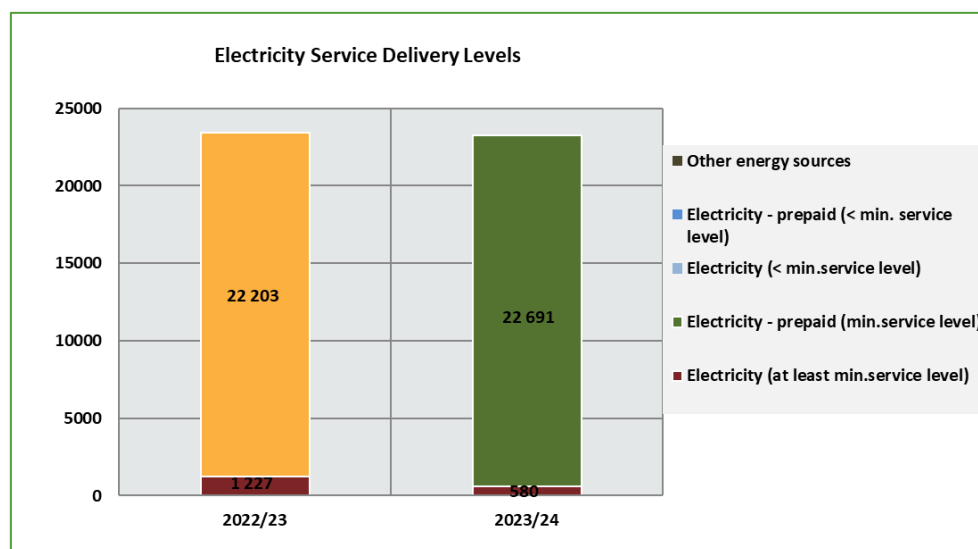
3.10.4 Electricity service delivery levels

The table below indicates the different service delivery level standards for electricity within the urban edge area of the Municipality:

Description	2022/23	2023/24
	Actual	Actual
Household		
<i>Energy: (above minimum level)</i>		
Electricity (at least minimum service level)	1 227	580
Electricity - prepaid (minimum service level)	22 203	22 691
Minimum service level and above sub-total	23 430	23 271
Minimum service level and above percentage	100%	100%
<i>Energy: (below minimum level)</i>		
Electricity (< minimum service level)	0	0
Electricity - prepaid (< minimum service level)	0	0
Other energy sources	0	0
Below minimum service level sub-total	0	0
Below minimum service level percentage	0	0
Total number of households	23 430	23 271
*Electricity service delivery include Eskom provision		
# Data in line with SAMRAS and the Breede Valley Municipality - ONTEC database		

Table: 134 Electricity service delivery levels

The graph below shows the different electricity service delivery levels per total households and the progress per year:



Graph 8: Electricity service delivery levels



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3.10.5 Employees: Electricity services

The table below indicates the number of employees for electricity services:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	2	1	1	50%
Middle Management and Professionals	8	5	3	38%
Skilled Technical, Superintendents etc	18	11	7	39%
Semi-skilled	40	30	10	25%
Unskilled	0	0	0	0%
Total	69	48	21	30%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 135 Employees: Electricity services

3.10.6 Capital expenditure: Electricity services

The table below indicates the amount that was actually spent on electricity services projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Klipvlakte : Electrical Reticulation - INEP	20 238 000.00	20 238 000.00	20 237 999.97	0.03	20 238 000.00
Klipvlakte : Electrical Reticulation	0.00	29 000 000.00	29 000 000.00	0.00	29 000 000.00
Refurbishment of electrical system	1 500 000.00	7 419 484.00	4 932 321.04	2 487 162.96	7 419 484.00
Robertson Road Substation	1 300 000.00	5 622 827.00	4 436 625.85	1 186 201.15	5 622 827.00
Alternative Electricity Supply Zwelethemba	0.00	11 682 618.00	9 190 578.42	2 492 039.58	11 682 618.00
Zwelethemba removal of mid-blocks	6 000 000.00	3 500 873.00	3 500 872.06	0.94	3 500 873.00
Supply and Installation of Load Shedding Solution and Solar PV	0.00	269 985.00	228 910.00	41 075.00	269 985.00
Electricity - Machinery and Equipment	600 000.00	600 000.00	553 978.51	46 021.49	600 000.00
Fencing of Substations	600 000.00	600 000.00	587 064.06	12 935.94	600 000.00
Electricity Connections	1 000 000.00	1 000 000.00	274 258.40	725 741.60	1 000 000.00
Avian Park Industrial - Electricity	990 000.00	990 000.00	0.00	990 000.00	990 000.00
Somerset Park - Electricity	100 000.00	100 000.00	100 000.00	0.00	100 000.00



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Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Uitvlug Industrial Zone - Electricity	100 000.00	100 000.00	54 500.00	45 500.00	100 000.00
Upgrading of High Mast Lights	1 400 000.00	1 400 000.00	1 400 000.00	0.00	1 400 000.00
Upgrading of Street Lights	2 600 000.00	2 600 000.00	2 600 000.00	0.00	2 600 000.00
Installation & Construction of High Mast Light - Transhex Circle	0.00	1 044 818.00	1 044 818.00	0.00	1 044 818.00
High Mast Light -Ward 17	0.00	331 193.00	268 801.00	62 392.00	331 193.00
Total all	36 428 000.00	86 499 798.00	78 410 727.31	8 089 070.69	86 499 798.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 136 Capital expenditure 2023/24: Electricity services

3.11 WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

The majority of households in Breede Valley have access to refuse removal services from the municipality or external service providers/private companies. Refuse removal takes place weekly in terms of a collection schedule compiled by the municipality.

Refuse collection are conducted within all the wards within the Breede Valley Municipality. However not all the wards are serviced with wheelie bins. There are still areas within the Breede Valley Municipality where wheelie bins must be rolled out. The informal areas are still serviced by the use of communal skips that are placed in designated areas. These areas are Spokies Dorp (Ward 19), Sewende Laan (Ward 10), eMagwaleni and New Mandela Square (Ward 16). These skips are supplied by a private company due to the challenges such as low hanging electrical wires and narrow roads that make it difficult for the Municipal trucks to enter. BVM currently has a skip loader (BVM 1159) and 176m3 skips placed in various areas across Worcester.

Illegal dumping of general waste as well as builder's rubble continues to be a challenge in most of the wards of the Breede Valley Municipality. Greater public support is needed to report such action to the Support Service Centre as well as to the local Law Enforcement for prosecution.

Middle and high-income groups take part in a separation at source initiative, where the BVM supply clear bags to the households to be used for recyclable materials. The bags are issued to the residents on a weekly basis. The clear recycling bags are collected by the Municipality on a weekly basis and transported to the local recycling companies, as well as the Municipal Material Recovery Facility (MRF).

Touwsrivier and surrounding areas make use of a black bag system. The black bags are placed outside the households and collected on a weekly basis as per the collection schedule.



Street Cleaning

Street cleaning in the CBD was successfully performed on a daily basis, by a private company (EGS Engineering and Maintenance (PTY/LTD)). The contractor provided excellent performance levels, which aided in promoting and maintaining a clean environment within the CBD. The tender concluded on 30 June 2024 and a new service provider will be appointed. The tender involved workers with street trolleys to sweep, clean and empty street refuse bins on the pavements within the CBD. BVM also had a successful 3-year skip removal tender that concluded on 30 June 2024. The new 3-year contract will also include illegal dumping collection and area cleaning around the skips.

The Clean and Green workers were also responsible for the sweeping of sidewalks, emptying of rubbish bins on the sidewalk and removal of all weeds on all sidewalks in their respective areas.

Illegal Dumping and Area Cleaning

The department makes use of tipper trucks and a digger loader to collect and remove illegally dumped material as and when required. Mini drop-off facilities were built in different suburbs (Zwelethemba and Avian Park). EPWP workers are appointed on a 12-month contract to assist BVM in sweeping the streets and removal of litter. All the teams were in their designated areas to tackle the battle against illegal dumping in the wards. Some of the workers requested to start earlier in the morning for litter picking. Areas such as the entrances to the town and other hot spot areas were focused on. The areas of Roodewal, Riverview and flats experienced high volumes of illegal dumping.

The EPWP workers face a lot of problems with the hotspots and the fight against illegal dumping continues. The EPWP project came to an end 30 June 2024 and another group of 45 EPWP's will be appointed for Area cleaning, Illegal Dumping and refuse collection from July 2024 for another year.

Landfill Sites

BVM has three landfill sites located in Worcester, De Doorns and Touwsrivier. The Municipality only uses the Worcester and De Doorns landfill sites to dispose of general waste, garden refuse and builder's rubble. Due to the close proximity of the informal settlement (Zion Park) in Touwsrivier, the landfill site has been closed for disposal. Refuse is now taken to the transfer station and transported to the De Doorns landfill site for disposal.

Since October 2015 waste disposed at the Worcester Landfill Site is separated and not mixed. Garden waste gets disposed at a separate disposal area. Builder's rubble is used for covering material and is stockpiled in a separate area. There are presently no unlawful reclamation taking place on the Worcester Landfill site. In February 2021 the Department of Environmental Affairs and Development Planning granted a height extension of 5 m to increase the maximum height above ground level to 20 m. This will allow the Municipality to extend the life expectancy with another 10 to 15 years. On average, the landfill site receives around 5000 tonnes of waste per month. With the establishment of the MRF we have managed to reduce the amount of recoverable waste that goes to landfill. Two 5m³ skips have been placed at Worcester Landfill Site for disposal of household hazardous waste. When the bins are full, the waste is then transported and disposed at the Vissershok Landfill Site. The Municipality does not cater for large quantities of specialised waste, but exclusively for small quantities of household medical and hazardous waste, these include



medicine, pesticides, paint cans, chemicals, etc. Industries that generate large quantities of medical and hazardous waste are serviced by the private sector and contractors, who remove such waste mainly to the Vissershok facility near Cape Town.

The general condition on the landfill site has improved and the waste is being covered as far as practically possible and is dependent on the amount of covering material received daily.

Public Awareness and Education

The Mascot Bin-Bin has been very busy spreading the word of responsible waste management in the local communities. An annual programme has been developed for awareness and education on responsible waste management. The awareness team regularly visit schools and creches to educate the learners.

The Municipality has invested a great deal of time and money to educate the public about the services rendered to the public. Emphasis was placed on public responsibility towards waste management and the municipal infrastructure. Two Awareness Educator were appointed to assist with recycling administration and conducting awareness campaigns.

Material Recovery Facility (MRF) and Recycling at Source

Since April 2015, BVM collects and distributes clear recycling bags to residents in Worcester, De Doorns and Rawsonville. New clear recycling bags are issued for each full bag of recyclable material to participating wards. Full bags with recycle material are placed at the curb side on the day of collection next to the black refuse bags or wheelie bins and are collected by a dedicated municipal truck.

The storms early in 2024 and also vandalism, caused a lot of damage to the MRF facility. The recycling facility is currently not processing the material, the facility is closed for repairs and all the material is taken to local recyclers as an interim arrangement. The weighbridge is currently operational, and all vehicles are being redirected to the scale for weighing in and out. Before the various damages occurred, there were 15 EPWP workers working at the facility, with a Team Leader. They will be utilized for area cleaning from July 2024.

Regional Landfill Site

The new regional landfill site is in the construction phase next to the existing Worcester landfill site. Due to the fact that the regional site will be financed and managed by CWDM, Breede Valley Municipality will have to make use of the regional site for disposal purposes. A new license application for the landfill site was submitted to DEA&DP in May 2023. It is envisaged that the opening and operation will commence July 2025. Residents only pay for refuse collection but with the new District Area Landfill Site, additional disposal levies will apply and the tariffs amended according to the contract between CWDM and BVM.

BVM Solid Waste and Area Cleaning Bylaw

The bylaw for solid waste and area cleaning was updated during 2022 and will be submitted to Council for approval. A draft bylaw was compiled and distributed to the various municipalities. The development of a new bylaw that is aligned to the NEWMA: Waste Act. All the BVM waste facilities are registered on the Provincial Integrated Waste and Pollution System and report monthly on the IPWIS system of DEA&DP.



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Integrated Waste Management Planning for BVM

An Integrated Waste Management Plan (IWMP) is a statutory requirement of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) which came into effect on 1 July 2009. Its goal is the transformation of the historic methodology of waste management, i.e. collection and disposal, to a sustainable practice focusing on waste avoidance and environmental sustainability. The development of an IWMP is necessary as it is an integral tool to identify current needs related to a municipality's waste management service and acts as a guide towards sustainable management of waste in a municipality.

This Integrated Waste Management Plan (IWMP) is the fourth generation IWMP of the Breede Valley Local Municipality (BVM). The third generation IWMP was updated with primary objective being to ensure that waste management practices in the BVM comply with the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008). Implementation of this IWMP will be facilitated through municipal bylaws and in accordance with an implementation schedule.

IWMP Monitoring and Review

Regular and ongoing monitoring of the implementation plan is required to ensure that the goals, objectives and targets of the IWMP are accomplished within the allocated timeframes. According to Section 13(2) of the National Environmental Management Waste Act (Act 59 of 2008), performance reports on the implementation of the integrated waste management plan must be prepared in terms of Section 46 of the Municipal Systems Act and must contain information such as the extent to which the plan has been implemented during the period, the level of compliance with the plan and the measures that have been taken to make any necessary amendments to the plan. The designated Waste Management Officer (WMO) is responsible for preparing the performance reports on the implementation of the IWMP on an annual basis.

As the IWMP forms part of the Integrated Development Plan required in terms of Chapter 5 of the Municipal Systems Act, this IWMP must be comprehensively reviewed after five years. Therefore, the next comprehensive revision of the IWMP should occur in 2025.

3.11.1 Service delivery indicators: Waste management (Refuse collections, waste disposal, street cleaning and recycling)

The key performance indicators for sanitation services are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL34	Provide free basic refuse removal to indigent households earning less than R4500 as at 30 June 2024	Number of indigent households receiving free basic refuse removal	All	6 500	7 999	8 200	7 133	O
TL54	Recycle 80 tonnes of waste at the	Tonnage of waste recycled	All	80	0	80	121.91	B



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
	Worcester MRF by 30 June 2024							
TL30	Number of formal residential properties that are billed for refuse removal as at 30 June 2024	Number of residential properties that are billed for refuse removal residential tariffs using the erf as a property	All	19 281	19 495	19 500	19 505	G2
TL55	Plan and host a Waste Minimisation Summit by 30 June 2024	Waste Minimisation Summit planned and hosted	All	1	0	1	0	R

Table: 137 Service delivery indicators: Waste management (Refuse collections, waste disposal, street cleaning and recycling)

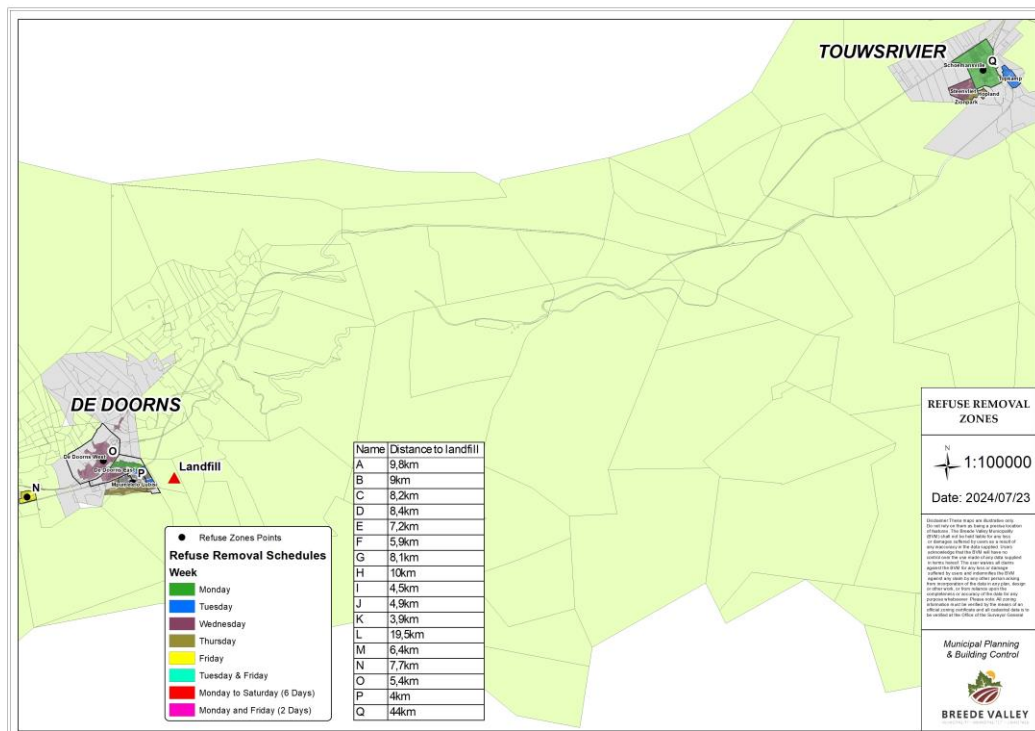
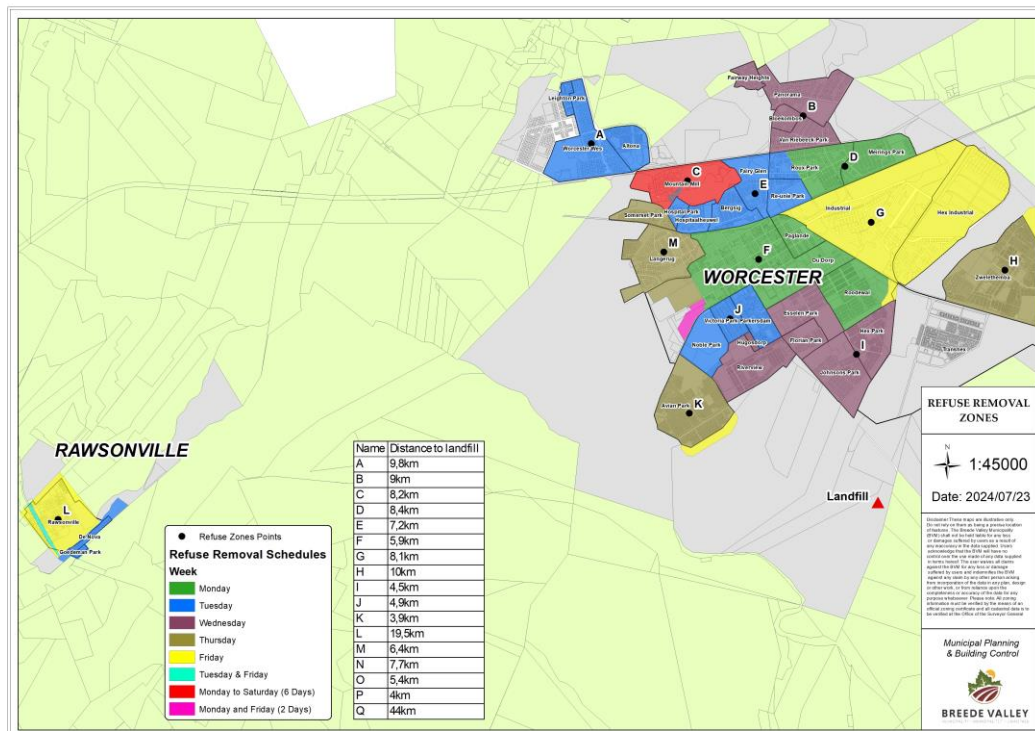
3.11.2 Refuse removal service delivery levels

BVM has 9 refuse compactors which forms part of the solid waste fleet. During the 2023/24 financial year BVM experienced a lot of mechanical breakdowns on the compactors related to the hydraulics of the vehicles. Refuse collection and recycling removal are being impacted by limited availability of compactors and recycling trucks. Most of the compactor's have hydraulic problems that can only be repaired by outsourced service providers. These problems are caused predominantly by foreign objects like building rubble, pieces of iron, branches, and other materials not suitable for compacting. BVM has an aged fleet and to replace the BVM fleet will be a costly exercise and hired vehicles are used to lighten the burden. Residents are urged not to dispose of any object that could harm the trucks. If the wheelie bins are too heavy with sand and building rubble or garden refuse, the hydraulic system is damaged.



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The graphics below indicates the different refuse removal service delivery areas and distance from the landfill sites within the urban edge area of the Municipality:



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3.11.3 Employees: Waste management (Refuse collections, waste disposal, street cleaning and recycling)

The table below indicates the number of employees for waste management (refuse collections, waste disposal, street cleaning and recycling):

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	1	0	1	100%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	9	8	1	11%
Semi-skilled	82	75	7	9%
Unskilled	25	20	5	20%
Total	119	105	14	12%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 138 Employees: Waste management (Refuse collections, waste disposal, street cleaning and recycling)

3.11.4 Capital expenditure: Waste management (Refuse collections, waste disposal, street cleaning and recycling)

The table below indicates the amount that was actually spent on waste management (refuse collections, waste disposal, street cleaning and recycling) projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Wheelie bins	1 000 000.00	1 000 000.00	976 449.35	23 550.65	1 000 000.00
Total all	1 000 000.00	1 000 000.00	976 449.35	23 550.65	1 000 000.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 139 Capital expenditure 2023/24: Waste management (Refuse collections, waste disposal, street cleaning and recycling)

3.12 HOUSING

The planning of projects marked a shift in policy at all levels of government regarding housing provision. This policy shift entails a move from housing construction to the creation of “sustainable human settlements, sustainable resource use; and housing resulting in real empowerment. The new policies are conceptualised in the National Housing Policy (Breaking New Ground) and in the Western Cape Integrated Human Settlements Policy (Isidima), as well as the new strategies formulated by the Western Cape



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Department of Infrastructure Strategic Plan 2020 - 2025, and includes the importance of human settlements in the promotion of social inclusion, economic growth and spatial restructuring.

Strategic Focus over the Five-Year Planning Period

For the period 2020-2025, the Department focus on providing *more opportunities for people to live in better locations* and to *improve the places where people live*. In this regard, the Department has targeted the Priority Housing Development Areas (PHDA), which will be used for high density, mixed-use, mixed-income, and mixed-tenure developments. Furthermore, the Department acknowledges that many people will continue to live in low-income formal and informal settlements, due to a range of reasons. With this in mind, the Department will continue to upgrade informal settlements, so that citizens can wait for a housing opportunity with dignity.

Breede Valley Municipality: Priority Human Settlement Development Areas (PHDA's)

The National Department of Human Settlements (NDoHS) declared and gazetted the Priority Human Settlements Development Areas (PHDA) on 15 May 2020 (Government Gazetted No. 43316) in the Western Cape. The declaration of PHSDAs is done in terms of Section 3 of the Housing Act, 1997, read in conjunction with Section 7(3) of the Housing Development Agency Act, 2008 (No. 23 of 2008), and the Spatial Planning and Land Use Management Act, 2013 (No. 16 of 2013).

The declaration is one of several interventions identified in the National Department of Human Settlements' (NDHS) Human Settlements Framework for Spatial Transformation and Consolidation (2018). The framework is based on the rationale that housing provides an important opportunity for restructuring and revitalising South African towns and cities, for overcoming apartheid spatial patterns, and for strengthen livelihoods. As a spatial targeting approach, the PHSDAs are intended to direct public investment and housing finance to areas that will promote spatial transformation objectives and create more inclusive residential markets.

The Breede Valley Municipality contains one of nineteen PHSDAs declared in the Western Cape (Gazette No: 43316, 15 May 2020). The PHSHDA is situated in Worcester and covers the built-up area to the south of the N1 freeway, including the proposed Transhex housing development area. The PHSHDA boundary itself is not gazetted and is intended as a guideline only.

BVM has a current housing backlog of 20 328 (2022/23: 20 193) households. The following housing demand list provides a further indication of the demand for housing in the municipal area:

BREEDE VALLEY MUNICIPALITY AREA	June 2023		June 2024		
	Total Waiting	Percentage (%)	Total Waiting	Percentage (%)	Percentage (%) Change in "Waiting" Status
Avian Park	2 429	12.03	1 468	7.22	-39.56
De Doorns	5 800	28.72	5 464	26.88	-5.79
Outside Municipal Area	63	0.31	2 644	13.01	4 096.83
Rawsonville	1 235	6.12	826	4.06	-33.12
Roodewal	37	0.18	37	0.18	0



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BREDE VALLEY MUNICIPALITY AREA	June 2023		June 2024		
	Total Waiting	Percentage (%)	Total Waiting	Percentage (%)	Percentage (%) Change in "Waiting" Status
Touwsrivier	1 026	5.08	967	4.76	-5.75
Worcester	5 695	28.20	6 750	33.21	18.53
Zwelethemba	3 908	19.35	2 172	10.68	-44.42
TOTAL	20 193	100	20 328	100	0.67
<i>*The numbers per area are accurate and system generated, variation is due to data cleansing</i>					

Table: 140 Housing demand list

The Municipality has conducted its own survey into informal settlement patterns in Breede Valley to gauge the extent of informal housing. Most settlements are located on publicly owned land except Zwelethemba, Emagwaleni. Many of the settlements are affected by flood lines. There is a large disparity in settlement size with the smallest containing 90 structures (Ebaleni) and the largest containing approximately 8 000 structures (Zwelethemba New Mandela including Emagwaleni). The average settlement size is 616 structures. All settlements have some water and sanitation facilities. Most are illegally connected to the electricity network. The status and number of these basic services is often an issue. Educational facilities are mostly available within a 5km radius to the settlements.

Town	Settlement Name/Location	2022/23 Settlement Statistics	2023/24 Settlement Statistics	Settlement Growth Trend (%)
Worcester	North Mandela Square	3 500	3 500	0
	Aspad	1 500	1 500	0
	Emagwaleni (New Mandela)	1 500	1 500	0
	Rolihlahla (Avian Park)	1 400	1 400	0
	Roodewal	250	250	0
	Worcester West	4	2	-50
	Langerug	13	0	-100
De Doorns	Stofland	3 200	3 200	0
	Hassie Square	150	150	0
	Mpumelelo	2 100	2 100	0
	Ebaleni	90	90	0
	GG Camp (Sandhills)	1 400	1 400	0
Touwsrivier	Zion Park	120	99	-17.5
Rawsonville	Hammat Square/Spokiesdorp/Geelkampie	680	680	0
TOTAL		15 907	15 871	-0.23
<i>Estimated figure derived from day-to-day assessments, prior years and report from the Western Cape Department of Infrastructure (Branch: Human Settlements). The growth of informal settlement is anticipated to be approximately ten percent based on previous trends</i>				

Table: 141 Informal settlement patterns in BVM



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The Housing Policy has been approved, making provision for people with disabilities. The municipal waiting list is linked to the provincial housing demand list. This has enabled the Municipality to actively trace applicants registered at other municipalities. In addition, it has enabled the Municipality to eliminate duplicate names from the system.

Council has approved a 5-year Integrated Human Settlement Plan, which sets out housing delivery in the Municipality.

3.12.1 Service statistics: Housing

Performance on housing projects for the year were as follows:

Projects	Revised delivery targets 2023/24		Performance 2023/24	
	Sites	Units	Sites	Units
Worcester Transhex Phase 1 Tops (800) (190 Transfers @R420)	0	0	0	0
Transhex Professional Fees	0	0	0	0
Worcester Fisher St Portion Erf 1-10253 (307 services - 307 units) IRDP FLISP (Planning)	0	0	0	0
Avian Park Albatross Str-Rem- Erf 1 (544 services - 900 units) IRDP FLISP (Planning)	0	0	0	0
Total	0	0	0	0

Table: 142 Performance on projects: Housing

Four (4) Planning Projects were funding in 2023/2024; hence no sites or units were delivered. Project planning occurs over multi-years and combines elements of urban planning, architecture, geography, and social sciences to create spaces that are functional, equitable, and resilient.

The table below indicates the number of households in BVM with access to basic housing:

Year end	Total estimated households (formal and informal settlements)	Estimated households in formal settlements	Percentage (%) of households in formal settlements
2022/23	66 616	50 709*	76.12
2023/24	67 421	51 550*	76.46

**Prior year reporting actual*

**Estimated figure derived from the 2024 household statistics presented for BVM in the 2021 Municipal Economic Review & Outlook (MERO)*

Table: 143 Households with access to basic housing



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The following table shows the number of people on the housing waiting list:

Housing waiting list	Number of people on housing waiting list	Percentage (%) housing waiting list increase/(decrease)
2022/23	20 193	1.28
2023/24	20 328	0.67

Table: 144 Housing waiting list

The table above, depicts a marginal increase in the number of persons on the housing waiting list. The increase represents the number of new applicants on the municipal demand database in 2023/24.

3.12.2 Service delivery indicators: Housing

The key performance indicators for housing are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL2	Develop an Implementation Plan for the upgrade of the municipal rental units and submit to Council by 31 May 2024	Implementation Plan developed and submitted to Council for approval	All	1	0	1	0	R
TL3	Spend 90% of the budget allocated for the maintenance of the municipal rental units by 30 June 2024	% of the budget spent	All	90%	88.02%	90.00%	96.55%	G2
TL4	Spend 90% of the budget allocated for the relocation of outside toilets of all properties that were previously owned by government by 30 June 2024	% of the budget spent	All	90%	35.50%	90.00%	0.00%	R

Table: 145 Service delivery indicators: Housing



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3.12.3 Title Deed Restoration Programme (TRP)

The following table shows the number of title deeds registered for ownership in various projects in 2023/24: Pre – 1994 refers to municipal rental stock while Post – 1994 refers to Project Linked Housing Subsidy Project.

Category	Target	Transferred	Outstanding	Percentage (%) Outstanding
Pre-1994	712	404	308	43.25
Post-1994	810	30	780	96.29

Table: 146 Title Deed Restoration Programme (TRP)

3.12.4 Employees: Housing

The table below indicates the number of employees for housing:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	0	1	100%
Senior Management	1	1	0	0
Middle Management and Professionals	0	0	0	0%
Skilled Technical, Superintendents etc	6	5	1	17%
Semi-skilled	10	10	0	0%
Unskilled	0	0	0	0%
Total	18	16	2	11%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 147 Employees: Housing

3.12.5 Capital expenditure: Housing

The table below indicates the amount that was actually spent on housing projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Human Settlements: Furniture & Equipment	0.00	5 000.00	2 990.00	2 010.00	5 000.00
Rental Unit Upgrade	1 000 000.00	1 000 000.00	1 000 000.01	-0.01	1 000 000.00
Total all	1 000 000.00	1 005 000.00	1 002 990.01	2 009.99	1 005 000.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 148 Capital expenditure 2023/24: Housing



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3.13 FREE BASIC SERVICES AND INDIGENT SUPPORT

In accordance with the approved indigent policy of the Municipality, all households earning less than R4 500 per month will receive free basic services, as prescribed by national policy. Indigent support includes water, electricity, rates, refuse, sewerage and rental.

3.13.1 Access to Free Basic Services

The access to free basic services is summarised into the different services as specified in the following table:

Free basic services to low income households									
Year	Number of households								
	Total	Households earning less than R4 500 per month							
		Free basic water		Free basic sanitation		Free basic electricity		Free basic refuse	
		Access	(%)	Access	(%)	Access	(%)	Access	(%)
2022/23	29 859	7 999	100	7 999	100	7 999	100	7 999	100
2023/24	30 085	7 133	100	7 133	100	7 133	100	7 133	100

Table: 149 Access to free basic services

The tables below identify the number of indigent /households with access to the different free basic services:

Electricity									
Financial year	Indigent households			Non-indigent households			Households in Eskom areas		
	No of HH	Unit per HH (kwh)	Value	No of HH	Unit per HH (kwh)	Value	No of HH	Unit per HH (kwh)	Value
			R'000			R'000			R'000
2022/23	6 862	50	5 640	16 183	0	0	1 137	50	1 789
2023/24	5 963	50	5 006	17 308	0	0	1 170	50	1 368

Please note that 6 814 is supplied by Eskom and 23 271 by BVM resulting in a total of 30 085 households within BVM boundaries having access to electricity

Table: 150 Free basic electricity services to indigent households

Water						
Financial year	Indigent households			Non-indigent households		
	No of HH	Unit per HH (kl)	Value	No of HH	Unit per HH (kl)	Value
			R'000			R'000
2022/23	7 999	10	8 738	12 417	6	3 495
2023/24	7 133	10	7 441	14 495	6	11 916

Table: 151 Free basic water services to indigent households



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Sanitation						
Financial year	Indigent households			Non-indigent households		
	No of HH	R value per HH	Value	No of HH	Unit per HH per month	Value
			R'000			R'000
2022/23	7 999	327.83	23 520	13 148	0	0
2023/24	7 133	350.65	20 849	15 369		

Table: 152 Free basic sanitation services to indigent households

Refuse removal						
Financial year	Indigent households			Non-indigent households		
	No of HH	R value per HH	Value	No of HH	Unit per HH per month	Value
			R'000			R'000
2022/23	7 999	206.30	14 943	13 182	0	0
2023/24	7 133	220.65	13 450	15 441	0	0

Table: 153 Free basic refuse removal services to indigent households per type of service

COMPONENT B: ROAD TRANSPORT

The White Paper on National Transport Policy (1996) spells out the following vision for South African transport: “provide safe, reliable, effective, efficient and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable.”

3.14 ROADS

Breede Valley Municipality consist of the towns of Worcester, Rawsonville, De Doorns and Touwsrivier. Breede Valley Municipality is responsible for the maintenance and operation of the road system within the urban edges of the aforementioned towns. Roads outside the urban edge, are the responsibility of the South African National Roads Agency Limited (SANRAL), the Western Cape Department of Infrastructure and the Cape Winelands District Municipality. The focal point of Breede Valley Municipality (BVM) is its major regional settlement of Worcester, followed by Rawsonville, De Doorns and Touwsrivier, which provides support to a series of rural towns and hamlets located across the municipal area and beyond. The main road system in the BVM consists of the N1 linking Rawsonville, Worcester, De Doorns and Touwsrivier with each other. Provincial roads include the R60 between Worcester and Robertson, R43 between Worcester and Villiersdorp and R43 towards Ceres.

Approximately 20.63 km of roads, known as Proclaimed Municipal Main Roads, are found within the urban edges of Worcester, De Doorns and Touwsrivier, for which Breede Valley Municipality receives a routine maintenance subsidy from the Western Cape Department of Infrastructure on an annual basis. Funds are allocated for maintenance done only on the ‘blacktop’, where an 80/20 ratio split is provided for by the Western Cape Department of Infrastructure and Breede Valley Municipality respectively.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The table below gives a brief description of all the highlights, within the Roads department, achieved during the 2023/24 financial year:

Highlight	Description
Filling of critical supervisory vacancies	Prioritised vacant supervisory posts were successfully filled to ensure that service delivery is performed satisfactorily
Implementation of a routine pothole repair programme	This ensures that potholes are routinely repaired across all suburbs within BVM
Skills development	Training was provided to equip internal staff with job specific and legislative skills. However, funding must be allocated to ensure development continues to address shortage of skills
Resealing of roads	16.36km resealed in the 2023/24 financial period
Upgrading of gravel roads	2.88km of gravel roads upgraded in the 2023/24 financial period
Construction of speed humps	59 speed humps constructed in the 2023/24 financial period

Table: 154 Roads highlight

The table below gives a brief description of the challenges, within the Roads department, experienced during the 2023/24 financial year:

Challenge	Corrective action
Inadequate resources for effective maintenance	Reprioritization of available resources and funding, and the utilising of external service providers, to provide effective maintenance according to norms and standards.
Insufficient workforce to respond to service complaint timeously.	Expanded Public Works Programmes and temporary appointments were utilised to supplement labour intensive operations and improve productivity.
High volumes of pipe breaks	An increase in sporadic pipe bursts which causes damage to road infrastructure was observed. These road repairs are prioritised, however this causes a backlog in other-related services.

Table: 155 Roads challenges

3.14.1 Municipal Road Network/Profile

The total length of the paved network within Breede Valley Municipal Area is approximately 296.6 km (286.8 km bituminous, 9.3 km block paving, 0.2 km concrete pavement and 0.3 km roundabout) and a total of 59.2 km of gravel roads, with an estimated replacement value of R1 120 million.

Municipality/Town	Road Type						Grand Total
	Paved - Flexible	Paved - Block	Paved - Concrete	Roundabout	Gravel	Earth	
De Doorns	20.0	2.7	0.0	0.1	22.1	1.2	46.1
Rawsonville	8.3	0.6	0.1	0.0	0.7	0.0	9.7



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Municipality/Town	Road Type						Grand Total
	Paved - Flexible	Paved - Block	Paved - Concrete	Roundabout	Gravel	Earth	
Touwsrivier	29.6	0.1	0.0	0.0	5.4	0.0	35.1
Worcester	228.9	5.9	0.1	0.2	29.8	0.0	264.9
Grand Total – Breede Valley	286.8	9.3	0.2	0.3	58.0	1.2	355.8

Table: 156 Length (km) of municipal road per road type

The BVM Road Asset Management Plan (RAMP) essentially serves as a network level tool for maintaining of the municipal roads system through an assessment of the network based on methodical visual rating of each road section. Visual assessment forms the basis of evaluating the condition of the road network, coupled with the subsequent identification of specific actions needed. Collected site information such as the type and degree of the defect, traffic volumes, historic information, and public engagements; is processed to inform top management's decision-making process linked to strategic planning and budgeting purposes, proactive maintenance schedules, technical planning and execution purposes. The type of road maintenance required (e.g. routine / normal maintenance and/or heavy rehabilitation), is derived from the specific portion of road. Possible project types range from routine maintenance (e.g. patching, blading, etc.), to normal maintenance (resurfacing) through to heavy rehabilitation (e.g. thick overlays and reconstruction or even upgrade).

In the context of budgetary constraints, it is important that funds allocated for road repair/maintenance/upgrade are spent at the right place and time to ensure optimum utilisation and impact thereof. The use of the RAMP is generally regarded as an essential tool for determining the maintenance and upgrade needs/programmes for pavements in a network of roads.

These programmes provide a good assessment of the funds required to meet the maintenance needs of the network and, in most cases, the type of maintenance required. The needs of individual projects should, however, be verified by further investigation to allow for additional unrecorded factors.

As stated, the total length of the paved network within Breede Valley Municipal Area (BVM) is approximately 296.6 km (286.8km bituminous, 9.3km block paving, 0.2km concrete pavement and 0.3km roundabout) with an estimated replacement value of R1 120 million. Road conditions are described mainly in terms of the visual condition index (VCI) of the road. This index represents a weighted average of the condition based on all defects present. In summary, around 69km of roads ($\pm 20\%$) are in a poor or very poor condition, whereas around 177km of roads ($\pm 50\%$) are in a very good or good condition in Breede Valley. The estimated funding backlog on the bituminous pavements at this stage is R77 million.

Project prioritisation has become critical in the process of optimally utilising scarce and limited funding resources. It is becoming increasingly important to determine which projects are the most feasible. All projects identified in the RAMP were prioritized together with the BVM representatives where each project was evaluated, scored and ranked. Projects were categorised based on project type and focus areas i.e. road infrastructure upgrade, road maintenance, planning and feasibility.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The availability of own funding for project implementation is limited. The need for rehabilitation and resealing of roads competes for funding with other essential services such as water, housing, sanitation, electricity and health services. In identifying the funding for the prioritised projects over the next 5 years, funding sources include public contributions and donations, borrowing, internally generated funds, capital transfers recognised and direct or indirect national and provincial grants (transfers). A lack of financial resources will adversely impact the ability to maintain and upgrade the requisite infrastructure to address current services backlog as well as cope with an increasing influx of people from other areas and the natural growth in population.

The MIG programme makes a valuable contribution to the funding of infrastructure for the poor communities of BVM, however, the quantum of funding provided is insufficient to address the current backlogs. Increasing the MIG allocations will allow the Municipality to address backlogs in a more economical and aggressive manner. Projects are implemented by BVM, Directorate Engineering Services who is responsible for the design, tender documentation, supervision and management of the projects.

3.14.1.1 Gravelled roads

During the 2022/23 financial year a contract for the upgrading of gravel roads at Zwelethemba (Ward 8) was awarded to Gqobo Investments cc. Due to underperformance this contract was terminated, and Barleda Plant & Civil SA was appointed for the completion of the works. The works were completed during April 2024.

During the 2023/24 financial year approximately 2.88km gravel roads were upgraded with segmented paving (refer to the tables below).

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar	Km gravel roads graded/ maintained
2022/23	55.2	0	0	55.2
2023/24	55.20	0	2.88	52.32

Table: 157 Gravelled roads

Ward	Town	Suburb	Street Name	Road Length (m)	Surfaced Area (sqm)
8	Worcester	Zwelethemba	Baardman Cres	415	2 075
			Baardman Cl	45	225
			Bodla Street	260	1 300
			Siqwela Street	100	500
			Mpinda Street	460	2 300
			Busa Street	455	2 275
			Bahumi Street	125	625
			Ndyalvan Cres	370	1 850
			Chris Hani Cres	330	1 650
			Simiolo Dyantyi Street	115	575
			Mtsha Street	40	200



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ward	Town	Suburb	Street Name	Road Length (m)	Surfaced Area (sqm)
			Mayinjana Ave	160	1 184
TOTAL				2 875	14 759

Table: 158 Gravel roads upgraded – 2023/24

BAARTMAN STREET



BEFORE



AFTER

BUSA STREET



BEFORE



AFTER

3.14.1.2 Tarred (Asphalted) roads

During the 2021/22 financial year a contract for the resurfacing of municipal roads for the period ending 30 June 2024 was awarded to Rorisang Holdings (Pty) Ltd. The works were completed on 30 April 2024.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

During the 2023/24 financial year approximately 16.36km surfaced roads were resealed/rehabilitated (refer to the tables below).

Financial year	Total km tarred roads	Km of new tar roads	Km existing tar roads re-tarred	Km tar roads maintained
2022/23	296.2	0	22.97	296.2
2023/24	296.2	0	16.36	296.2

Table: 159 Tarred (Asphalted) roads

Ward	Town	Suburb	Street Name	Road Length (m)	Surfaced Area (sqm)
6	Worcester	Bergsig	Lyons Street between Van Der Merwe- & Pegel Street	233.7	1 729
			Corner of Pegel-, Jordaan- & Sangster Street	96.5	714
			Pegel Street	214.2	1 585
			Bains Street	452.5	1 819
			Bains Street; (Link)	39.30	251.52
			Dewaal	16.00	118.40
			Jordaan	19.50	144.30
		Panorama	Mars	74.90	521.22
			Nassau Street (Drommedaris to Drommedaris)	218.50	1 399
			Plettenberg Road	269.80	1 996.52
		Van Riebeeck Park	Drommedaris Crescent	948.80	5 787.68
			Amersfoort Street (Drommedaris to Quellery)	72.30	530.94
			Haarlem Pothole repairs	2.50	11
7	Worcester	Meirings Park	De Jongh Street	160	912
			De Jongh Street	323	2 164.10
		Paglande	Russell Street (Riebeeck to Combrink)	456.20	3 375.88
			Russell Street (Riebeeck to Fairbairn)	190.70	1 868.86
			Meiring Street (Church to High)	200.46	1 483.42
			Meiring & Church Intersection	26.50	272.95
			Meiring Street (Church to Tulbagh)	169	1 250.60
			Meiring Street (Church to Telkom)	179.50	1 427.03
			Tulbagh Street (intersection)	49.50	376.20
			Tulbagh Street (Fairbairn Telkom Entrance)	100	840
			Tulbagh Street (Fairbairn Telkom Entrance)	20	154
			Tulbagh Street (Link next to bridge)	72	403.20
		Roostuin	Chanel Street	216.40	1 082



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ward	Town	Suburb	Street Name	Road Length (m)	Surfaced Area (sqm)
			Pascali Street	71	355
			Virgo Street	63.20	316
			Cardinal	65.10	325.50
8	Worcester	Hex Industrial	Louis Lange (Abattoir to Coke Cola)	353	3 106.40
			Rainbow Parking	35.60	170.88
			Rainbow entrance	19.20	153.60
			Entrance to Eskom	14.40	86.40
			Entrance to Eskom	7.90	46.61
			Traffic Services	38.60	343.54
10	Worcester	Hex Park	Nirvana Street	80.10	505.46
			Arkani Street	127.90	702.43
			Denau Street	210	1 099.80
			Denau Street	58.40	357.06
			Duncan (section from c/o Lafontein to c/o Fischer)	289.50	1 968.60
			Heatlie Street	302.60	1 664.30
			Heatlie Street (Bellmouth)	3	15
			Heatlie Street (Bellmouth)	6	36
11	Worcester	Parkersdam	Cupido Street – Parkersdam (Grey to Hartzenberg)	106.70	501.49
			Cupido Street – Parkersdam (Hartzenberg to Parker)	96.60	647.22
			Yssel - Riverview (Buitekant to Noble Street)	580	3 248
			Saunders	111	610.50
			Demas	158	537.20
			Willenberg	64.28	321.38
			Le Grange	130	442
12	Worcester	CBD	Kirschbaum Street	160.80	804
			Kirschbaum Street	15.20	334.40
			Porter Parking Area (c/o Porter and Durban)	33	178.20
			Tulbagh (Stockenstrom to Baring)	192.60	1 887.48
			Tulbagh Parking (Stockenstrom to Baring)	145.60	669.76
			Tulbagh (Stockenstrom to Fairbairn)	212.70	1 956.84
			Tulbagh Parking (Stockenstrom to Fairbairn)	95	427.50
			Tulbagh (Baring to Adderley)	221.40	2 169.72
			Fairbairn (Church to Tulbagh)	185	1 720.50
			Napier (Tulbagh to Church)	180.30	1 929.21



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ward	Town	Suburb	Street Name	Road Length (m)	Surfaced Area (sqm)
			Napier (High to Russel)	175	1 855
			Church (Napier to Rabie)	203.90	2 181.73
			Russel Street Flats (Napier to Rabie)	239.30	1 148.64
			Russel Street Flats (Parking Area)	142	610.60
			Church (Adderley to Porter)	213	2 300.40
			Church (Adderley to Porter)	13	22.10
			Church (Porter to Napier)	194.80	2 103.84
			Church (Porter Intersection)	13.10	145.41
			Church (Napier Intersection)	12.50	131.25
			Adderley (Tulbagh to Church)	191.40	2 047.98
			Stockenstrom (Church to Tulbagh)	181.70	2 234.91
			Stockenstrom (Russel to Durban)	186.70	2 268.41
			Russel (Fairbairn to Stockenstrom)	177	1 734.60
			Gie Avenue (Tulbagh to Gie PI)	449	4 849.20
			Gie Avenue (Gie PI to Rabie)	89.50	738.65
			Gie Link (Gie PI to Rail)	132	2 135.11
			Malan (Gie to Rabie)	210.20	1 702.62
			Malan (Gie to Rabie)	4.40	15.84
			Gie around POS (Gie / Malan)	21	155.40
			Gie around POS (Gie / Malan)	174.30	1 289.82
			Gie around POS (Gie / Malan)	5.75	57.50
13	Worcester	Johnsons Park	Alister	218	1 482.4
			Duncan	1073	7 296.4
			Duncan (Grey Bellmouth)	7.5	60
			Gerrit	361.1	1 805.5
			Jarque	59	295
			Kenneth	85	425
			Stettyn	80	440
			Fairview	137	685
			Weltevrede	189	945
			Muskadel	139	736.7
			Amandel	304	1 520
			Volmoed	50	275
			Kleinberg	273	1 419.60
15	Worcester	Langerug	Deon Brits	439.30	2 747.63
			Allen Graven	378.40	2 130.90



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ward	Town	Suburb	Street Name	Road Length (m)	Surfaced Area (sqm)
			Koos Henning	83.40	749.35
TOTAL				16 362	114 599

Table: 160 Roads resealed/rehabilitated

SUMMARY PER WARD				
Ward	Town	Suburb	Road Length (m)	Surfaced Area (sqm)
6	Worcester	Bergsig	1 072	6 362
6		Panorama	563	3 917
6		Van Riebeeck Park	1 024	6 330
7		Meirings Park	483	3 076
7		Paglande	1 464	1 1452
7		Roostuin	416	2 079
8		Hex Industrial	469	3 907
10		Hex Park	1 078	6 349
11		Parkersdam	1 247	6 308
12		CBD	4 672	41 807
13		Johnsons Park	2 976	17 386
13		Noble Park	0	0
15		Langerug	901	5 628
TOTAL			16 362	114 599

Table: 161 Resurfacing of municipal roads – summary per ward



RESURFACE ON MUNICIPAL ROADS



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3.14.1.3 Pothole & surface patching

In addition to the resurfacing and upgrading portfolio, the Municipality also prioritised the filling of potholes and the repairs of other defects, throughout the municipal area and commenced with building a database of works conducted in this regard. In this instance, departmental teams have been mobilised and used to conduct pothole and surface patching.

The table and subsequent information below depict the work conducted in relation to the pothole repair project.

Period	Potholes Repaired (square meters)
January 2024	229.4
February 2024	151.98
March 2024	239.23
April 2024	118.81
May 2024	100.60
June 2024	81.21
Total	921.23

Table: 162 Pothole repair statistics

A contractor was appointed during the 2023/2024 financial year to undertake repairs to the road surface. A total of 14 patches were completed by the end of February 2024 on Proclaimed Municipal Main Roads.



PATCH REPAIR ON HIGH STREET, BETWEEN BARING STREET AND ADDERLEY STREET (MAIN ROAD 301)





SURFACE PATCHING ON FAIRBAIRN STREET

3.14.1.4 Construction of speed humps

During the 2023/24 financial year a contract for the construction of speed humps was awarded to Nkutwala Construction. The due completion date of the contract is during the 2024/25 financial year.

During the 2023/24 financial year, 59 speed humps were constructed (refer to the table below).

Number	Ward	Town	Township	Location
1	4	De Doorns	De Doorns East	Kliniek Street
2				Dal Street
3				Retief Street
4				Retief Street
5			Sunny Side Orchards	Chris Hani Drive
6	6	Worcester	Hospital Park	Taylor Street
7			Hospital Heuwel	Luyt Street
8				Huyns Street
9			Bergsig	Bains Street
10			Roux Park	Denne Avenue
11			Van Riebeeck Park	Jansen Street
12				Quellerie Street (West Bound)
13			Bloekompos	Quellerie Street (East Bound)
14			Panorama	Kollie Nelson Street
15	8	Worcester	Roodewal	Van Zyl Avenue
16				Marone
17				September



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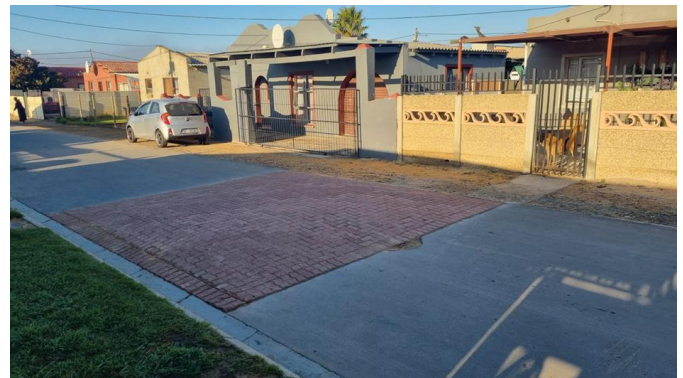
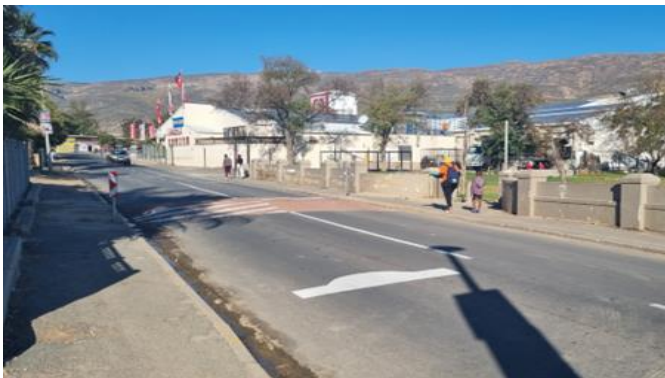
Number	Ward	Town	Township	Location
18				October
19				November
20				Van Huyssteen
21				Songhe Avenue (#1)
22	9	Worcester	Esselen Park	Leighpoldt Avenue
23				Fischer
24				Africa (AWENDRUS WELSYNS VERENIG & WORCESTER MOSLEM JAMAA)
25				Springveldt
26	11	Worcester	Riverview	Roman
27				Salie
28				Tim
29				Breërivier Crescent
30				Parker
31				Parker
32				Buitekant
33			Esselen Park	Sohnge Ave (Moslem School)
34	13	Worcester	Johnsons Park	Duncan
35			Avian Park	Muisvoel
36	14	Worcester	Victoria Park	Queen
37				Le Sueur
38				Pieterse
39				Pieterse
40	16	Worcester	Zwelethemba	Nkentsha
41				Nkentsha
42				Madiba
43				Yabo
44				Isitintelo
45				Isitintelo
46	17	Worcester	Zwelethemba	423 Tusha
47				15 Mazula
48				Mdzima
49				May
50				Dukulu
51				Tseoua
52				Van Rhyn
53				Kutwama



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Number	Ward	Town	Township	Location
54				Khwinana
55				Kolo
56	18	Worcester	Zweletemba	Mngqwebedu
57				Skafu
58				Mbotshelwa
59				Matroos

Table: 163 Speedhumps constructed



3.14.4 Service delivery indicators: Roads

The key performance indicators for roads are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL19	Spend 90% of the capital budget allocated for the resurfacing of roads by 30 June 2024	% of the budget spent	All	90%	99.10%	90.00%	99.17%	G2
TL20	Spend 90% of the capital budget allocated for the construction of speedhumps in the municipal area by 30 June 2024	% of the budget spent	All	90%	99.99%	90.00%	95.28%	G2
TL21	Spend 90% of the budget allocated for the upgrade of gravel roads by 30 June 2024	% of the budget spent	All	90%	99.90%	90.00%	45.72%	R



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL24	Complete the traffic circle in High and Louis Lange by 31 December 2023	Project completed	7	0	0	1	1	G

Table: 164 Service delivery indicators: Roads

3.14.5 Capital expenditure: Roads

The table below indicates the amount that was actually spent on roads projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Resealing of Municipal Roads - Worcester: CRR	1 000 000.00	9 335 150.00	9 178 900.04	156 249.96	9 335 150.00
Municipal Roads (Ward 1, 2, 3, 4, 16, 17 and 18)	5 000 000.00	100 000.00	40 150.00	59 850.00	100 000.00
Traffic Circles: (High and Louis Lange)	0.00	8 728 835.00	8 728 834.30	0.70	8 728 835.00
Speed Humps	1 500 000.00	1 490 000.00	1 417 247.64	72 752.36	1 490 000.00
Upgrading Gravel Roads Ward 1	7 716 829.00	3 810 487.00	2 567 832.91	1 242 654.09	3 810 487.00
Reseal of Municipal Roads (Quellerie Rd, Haarlem and others)	3 000 000.00	2 440 000.00	2 440 000.00	0.00	2 440 000.00
Reseal of Municipal Roads (De La Bat and others)	1 000 000.00	1 000 000.00	1 000 000.00	0.00	1 000 000.00
Upgrading of Gravel Roads (Smith str.)	750 000.00	1 403 000.00	20 984.00	1 382 016.00	1 403 000.00
Upgrading of Gravel Roads - Industrial Area	6 500 000.00	8 035 000.00	774 962.00	7 260 038.00	8 035 000.00
Upgrading of Gravel Roads (IDT)	4 550 871.00	2 449 006.00	2 007 536.83	441 469.17	2 449 006.00
Upgrading of Gravel Roads: Ward 8 - MIG	7 537 049.00	7 537 049.00	7 537 049.00	0.00	7 537 049.00
Upgrading of Gravel Roads	0.00	4 550 902.00	0.00	4 550 902.00	4 550 902.00
Reseal of Roads - Ward 10	1 000 000.00	1 000 000.00	1 000 000.00	0.00	1 000 000.00
Reseal of Roads - Ward 11	1 000 000.00	1 000 000.00	1 000 000.00	0.00	1 000 000.00
Upgrading of Gravel Road (Arries Street, Yssel to Sampson)	0.00	800 000.00	0.00	800 000.00	800 000.00
Reseal of Municipal Roads - Ward 12	3 000 000.00	3 000 000.00	3 000 000.00	0.00	3 000 000.00
Reseal of Municipal Roads - Ward 13	1 000 000.00	1 000 000.00	1 000 000.00	0.00	1 000 000.00
Building of Roads - Ward 14 (Kroon Street)	0.00	200 000.00	0.00	200 000.00	200 000.00
Speed Hump x 2 - Ward 16	50 000.00	50 000.00	50 000.00	0.00	50 000.00
Upgrading of gravel roads - Ward 21	2 000 000.00	1 529 800.00	0.00	1 529 800.00	1 529 800.00



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Upgrading of gravel roads - Ward 21:MIG	0.00	3 031 251.00	2 252 398.61	778 852.39	3 031 251.00
Roads - Machinery and Equipment	200 000.00	263 500.00	212 370.30	51 129.70	263 500.00
Uitvlug Industrial Zone - Roads	100 000.00	100 000.00	100 000.00	0.00	100 000.00
Total all	46 904 749.00	62 853 980.00	44 328 265.63	18 525 714.37	62 853 980.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 165 Capital expenditure 2023/24: Road

3.15 STORMWATER DRAINAGE

The stormwater drainage system forms an integral part of the municipal road network. The system consists of facilities for the collection, conveyance, storage and treatment of stormwater run-off from areas upstream of- and from within the township and discharge to the natural water course(s).

Breede Valley Municipality is responsible for the operation and maintenance of approximately 120 km of stormwater infrastructure. The stormwater infrastructure plays a vital role in the conveyance of stormwater to natural streams, as well as the protection of the road structure.

The table below give a brief description of the highlights for stormwater during the 2023/24 financial year:

Highlight	Description
Implementation of a proactive stormwater maintenance programme	This ensures that stormwater infrastructure is routinely cleaned across BVM
Repairs and restoration of various intersections to effectively convey stormwater	The ponding of stormwater was observed at various intersections. Where repairs to the existing stormwater infrastructure and road pavement yielded satisfactory in the conveyance of stormwater away from intersections

Table: 166 Stormwater highlights

A proactive stormwater programme was implemented during the 2023/24 financial year, with a crucial consideration for winter preparations. Resources were dedicated to not only undertake the routine cleaning of stormwater infrastructure before the winter season, but also to alleviate the operational deficiencies with regards to the functioning of the stormwater infrastructure. The underground stormwater pipe at Robertson Road experienced localised flooding because of deficiencies in the piped system. The deficiencies in the piped system prevented efficient maintenance which has caused build-up of excess soil, debris and other foreign objects. Service manholes were installed along the pipe system, which allowed high volumes of siltation to be removed which then conveyed stormwater effectively towards the Hex River.





SILTATION AND DEBRIS REMOVED FROM THE ROBERTNSON ROAD UNDERGROUND STORMWATER CONDUIT

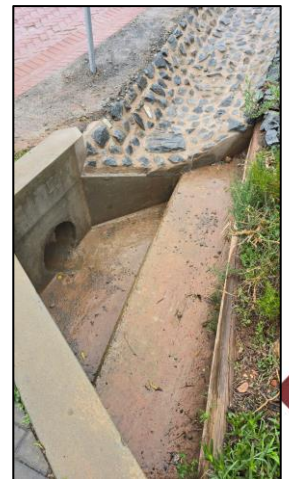
This example of resolving stormwater deficiencies plays a vital role in the overall operations of the stormwater network and is one of many other links in the network that was restored.

In addition, resources were allocated for the restoration and repairs of various intersections to effectively convey stormwater, in order to mitigate ponding within intersections. The ponding of stormwater not only causes aquaplaning, but also results in the formation of potholes and other defects which poses a risk to the road user.

Various intersections experienced ponding which was caused by deficiencies in the profile of the intersection, deterioration and damages, and the poor condition of stormwater infrastructure. The remedial works included adjusting the profile of the intersection, restoration of stormwater inlets and concrete channels across the intersection. This initiative has proved to accommodate stormwater adequately and convey stormwater away from the intersection, which eliminated the ponding of water. Intersections repaired were at the corner of:

- Joubert and Perkins Street
- Abattoir and Traub Street
- Bentele and Mayinjana Street

Further improvements to stormwater infrastructure included the stone pitching of open stormwater channels, where erosion and overgrown vegetation hindered the functioning of the infrastructure. The stone pitching prevented scouring at the outlets of conduits and prevented siltation and dense vegetation from blocking the flow in stormwater. Examples of stone pitching are at, but not limited to, Napier Street, Victory Way and Perkins Street.



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The table below give a brief description of the stormwater challenges during the 2023/24 financial year:

Challenge	Corrective action
Abnormal rainfall	Excessive rainfall and high precipitation were experienced during the 2023/24 financial year. Storm like events have caused damage to stormwater and road infrastructure. Maintenance and repairs of the damaged infrastructure were successfully completed and services were restored timeously. Future anticipated rainfall is closely monitored, where a warning system has been established to prepare in advance to mitigate the impacts better
Inadequate resources for effective maintenance	Reprioritisation of available resources and funding, and the utilisation of external service providers, to provide effective maintenance according to norms and standards
Insufficient workforce to respond to service complaint timeously	Expanded Public Works Programmes utilised to supplement labour intensive operations and improve productivity
Illegal dumping and vandalism of stormwater infrastructure	The dumping of litter and other objects into stormwater catchpits and manholes, as well as vandalism of infrastructure caused blockages and resulted in localised flooding. A hotline was established where public complaints can be logged to address illegal dumping and vandalised infrastructure to ensure complaints are attended to timeously

Table: 167 Stormwater challenges



LITTER, TYRES AND FOREIGN OBJECTS REMOVED FROM STORMWATER INFRASTRUCTURE

3.15.1 Stormwater erosion protection

On 29 June 2021 the South African Weather Service announced a level 6 warning for rain for the periods 29 June 2021 to 01 July 2021 over large parts of the province including parts of the Breede Valley Municipality. During the early hours of 01 July 2021, a significant amount of rain fell in the area. As a result, the Hex River that flows adjacent to Zwelethemba washed the soil away



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under the access road (Raymond Pollet) / bridge leading to Zwelethemba. Raymond Pollet is the only access road to Zwelethemba from Worcester Town. The damage to Raymond Pollet resulted in the closure of the access road to Zwelethemba by the Municipality's emergency services. The latter causing the isolation of approximately 26 774 people due to the road closure.

Due to the risk to human life, health and wellbeing and, in consultation with the District, Provincial and National Disaster Management Centres, this incident was declared as a Local State of Disaster in terms of section 55(1) of the Disaster Management Act, 2002 (Act 57 of 2002) in accordance with Council Resolution C59/2021 of 1 July 2021. Repairs to the access road to Zwelethemba and construction of Phase 1 of the erosion protection facilities at the Hex River commenced on 12 July 2021 and were completed on 24 January 2022.

Phase 2 of the erosion protection facilities at the Hex River commenced on 23 December 2022. The completion of the Works was certified on 30 November 2023.

The table below shows the number of new stormwater erosion measures installed:

Financial year	Total number of stormwater erosion measures	Number of new stormwater erosion measures	Number of stormwater erosion measures upgraded	Number of stormwater erosion measures maintained
2022/23	2	1	0	1
2023/24	2	1	0	1

Table: 168 New stormwater erosion measures installed

The table below give a brief description of the highlights for stormwater erosion protection during the 2023/24 financial year:

Highlight	Description
Construction of Hex River Erosion Protection	Stormwater Erosion Protection of east embankment up stream of the Raymond Pollet Drive bridge (Zwelethemba Access Road) as well Headwalls at the tow (2) bridges.

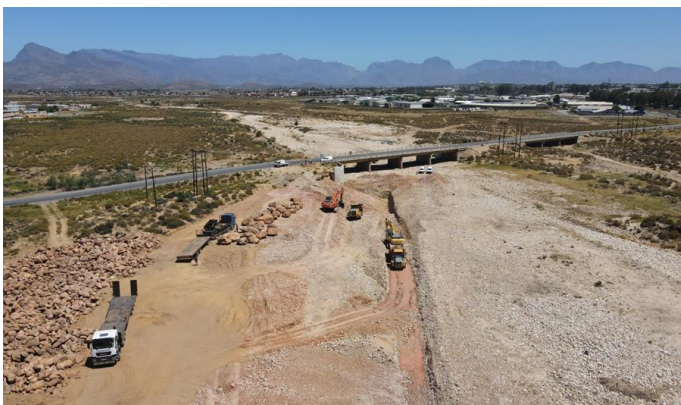
Table: 169 Stormwater erosion protection highlights



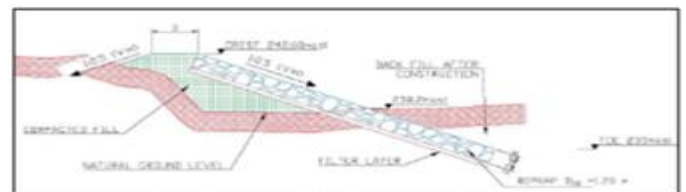
Figure 6: Locality MAP of Erosion Protection at the Hex River



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CONSTRUCTION OF EROSION PROTECTION (RIPRAP) AT THE HEX RIVER



TYPICAL DETAIL OF RIPRAP UPSTREAM OF HEADWALL 1

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CONSTRUCTION OF HEADWALLS UPSTREAM AND DOWNSTREAM OF ACCESS BRIDGE TO ZWELETHEMBA



TYPICAL DETAIL OF HEADWALL AT ACCESS BRIDGE TO ZWELETHEMBA

The table below give a brief description of the stormwater erosion protection challenges during the 2023/24 financial year:

Challenge	Corrective action
Adverse weather conditions (i.e. Abnormal rainfall, etc.)	Excessive rainfall and high precipitation were experienced during the 2022/23 financial year. Works were planned and executed to minimize the impact on construction
Flooding of the Works	Excessive rainfall and high precipitation were experienced during the 2022/23 financial year within the catchment area of Hex River, which caused flooding of and damage to the Works. These events have caused damage to various construction Works. Preventative measures were taken to reduce the impact on construction

Table: 170 Stormwater erosion protection challenges

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3.15.2 Stormwater infrastructure

The table below shows the total kilometres of stormwater maintained and upgraded as well as the kilometres of new stormwater pipes installed:

Financial year	Total km stormwater measures	Km new stormwater measures	Km stormwater measures upgraded	Km stormwater measures maintained
2022/23	120	0	0	120
2023/24	120	0.04	No data	120.04

Table: 171 Stormwater infrastructure

3.15.3 Capital expenditure: Stormwater

The table below indicates the amount that was actually spent on stormwater projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Erosion Protection of Hex River : CRR	0.00	6 918 199.00	6 918 198.17	0.83	6 918 199.00
Erosion Protection of Hex River : CNMDR	0.00	8 379 593.00	8 379 593.00	0.00	8 379 593.00
Avian Park Industrial - Stormwater	94 928.00	94 928.00	94 928.00	0.00	94 928.00
Uitvlug Industrial Zone - Stormwater	100 000.00	100 000.00	100 000.00	0.00	100 000.00
Total all	194 928.00	15 492 720.00	15 492 719.17	0.83	15 492 720.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 172 Capital expenditure 2023/24: Stormwater

3.15.4 Employees: Roads and stormwater

The table below indicates the number of employees for roads and stormwater:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	1	1	0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	2	2	0	0%
Semi-skilled	21	15	6	29%
Unskilled	27	17	10	37%
Total	53	37	16	30%



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Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 173 Employees: Roads and stormwater

COMPONENT C: PLANNING AND DEVELOPMENT

3.16 PLANNING

3.16.1 Planning strategies

The table below sets out the main elements of BVM planning strategies:

Strategy	Description
Spatial in-filling	The BVM: SDF identifies key vacant land for in-fill and housing development and we are continuing with this strategy of spatial in-filling and densification. Council is investigating an industrial node development adjacent to Avian Park. Council is also identifying land for middle income housing which it intends to develop internally
Historical core preservation	Historical cores of urban centres must be clearly demarcated. Priority should be given to the conservation of heritage buildings and precincts in redevelopment projects. Any proposals for the re-development of existing buildings should consider their heritage value, elements of the vernacular architecture and, where possible, retain these important elements. Similarly, the historical characteristics of existing buildings should be considered to draw from their elements that could be integrated into the design and construction of new buildings close by. Advertisement signage in these cores must be regulated through bylaws, with input from the said heritage bodies
CBD revival/Urban renewal	Special focus must be placed on CBD revival. This will require increasing the attractiveness of the area and providing sufficient and attractive signage, landscaping, urban design/building management, security, etc. This initiative must be closely aligned with the strategies of the LED section as CBD revival was identified as a key catalyst in the latest LED Strategy
Land use integration and interfaces/Spatial integration	Spatial integration should be the main underlying foundation for all spatial decision making and should be facilitated in the encouragement of the development of strategic mixed-use nodes, intensification corridors and spatial in-filling with gap housing developments. The intensification areas/corridors are the prime instruments for promoting integration



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Strategy	Description
	between different areas and is intended to promote a mutually supportive increase in residential (mixed income) and economic (mixed use) activity straddling the major routes of a settlement

Table: 174 Planning strategies

3.16.2 Achievements of the Planning Department for 2023/24

The tables below give a brief description of all the achievements in the Planning Division:

a) Town planning

Achievement/Highlight	Description
Key land use applications approved	Altona retirement village Commercial developments at Mountain Mill Mall
Tender for SDF Review Drafted	SDF to be reviewed in 2024/25

Table: 175 Planning highlights

b) Building control

Achievement/Highlight	Description
Barlinka Medical Centre	Final occupation date – 24 April 2024
Altona Village Development	Still busy with the 2 nd , 3 rd phase of the development
Mill House Development-Sportmans Warehouse, Cab Foods, Outdoor Warehouse	Temporary occupation date – 13 March 2024
Altona Retirement Village	Planning submission phase
Breedezicht Estate – Rawsonville	4 dwelling houses completed for the financial year of 2023/24 (ongoing)

Table: 176 Building control highlights

c) GIS

Achievement/Highlight	Description
Funding received for the updating and expansion of GIS	Grant funding amounting to R200 000 was received from the Western Cape Government for the updating and expansion of GIS. This will be used to migrate the existing software and GIS services to the ArcGIS Online platform. It also provides access to the ArcGIS Pro software which is the updated GIS desktop software with improved features and capabilities
Acquisition of a new large format plotter	A new plotter was purchased in order to replace the existing plotter which was broken and deemed unrepairable and had come to its end of life
Mapping of solar installations and SSEG applications	Google earth was used to digitize all rooftop solar installations. The SSEG (Small Scale Embedded Generation) applications were also digitized. These two datasets were then mapped



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Achievement/Highlight	Description
	and overlaid to determine the percentage of solar installations that had applied for SSEG
Additional spatial datasets were captured	Various new spatial datasets were captured/digitized and added to the map viewers. These include, but are not limited to, SSEG applications, solar installations, firebreaks, upgrade of gravel roads and pothole patching
Data cleanup	Certain datasets were identified for cleanup. This involves the verification and/or spatial adjustment of datasets. Two datasets that have been identified for cleanup are the street numbers and road centre lines datasets. The street numbers are in the process of being verified and moved to the inside of parcel boundaries. The road centre lines were spatially adjusted so that segments fall within the centre of a road and join, thereby removing under and overshoots. These are ongoing projects; however the road centre line cleanup is 90 percent complete

Table: 177 GIS highlights

3.16.3 Challenges of the Planning Department for the 2023/24 financial year

The tables below give a brief description of all the challenges of the Planning Division:

a) Town planning

Challenge	Corrective action
There is a lag in internal comment, pertaining to civil services, received on land use applications	Director tasked a designated person to co-ordinate internal comment on engineering services
We are far behind all the surrounding municipalities in the ratio of appointed Town Planners per number of properties and the shortage of staff is telling on the total scope of Planning Services	Application will be made again to review the current organogram and needs of the Department
Incline of staff morale has been perceived due to unrelated planning tasks being adjudicated to them and general lack of support from sister directorates and departments	Escalate the issue to the Director Public Services to take the matter up at executive level

Table: 178 Town planning challenges

b) Building control

Challenge	Corrective action
Communication with internal departments	Better collaboration
Illegal building work process delays-ownership information of late estate-& trust properties is a challenge due to general lack of support from sister directorates and departments	Appointment/delegate official for gathering the information for Municipal Court Prosecutor
Building plan filling safe/room life cycle overdue	Relocate Building Control offices and construct a bigger safe/room to safeguard building plans for next 10 to 20 years

Table: 179 Building control challenges



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3.16.4 Service delivery statistics for building control land use development

a) Building control

The table below depicts the application status of building plans:

Detail	Financial Year
	2023/24
Building plan applications received	531
Applications in circulation	30
Applications pending	53
Applications approved at year end	448

Table: 180 Application status of building plans

b) Land use planning

The table below displays the applications for land use development:

Detail	Formalisation of townships*		Rezoning**	
	2022/23	2023/24	2022/23	2023/24
Planning application received	23	18	57	59
Determination made in year of receipt	7	3	13	9
Determination made in following year	16	15	44	50
Applications withdrawn	0	0	0	0
Applications outstanding at year end***	16	15	44	50
* Formalisation of townships (includes all subdivisions, consolidations and lease areas) ** Rezoning (Includes all rezonings, consent uses, departures and additional dwellings) *** Submitted in this financial year				

Table: 181 Applications for land use development

The total number of applications received (i.e. formalisation of townships & rezoning) showed a marginal decrease of approximately 3.75%. The decrease may be due to the current economic climate as people are less likely to invest in large scale developments.

However, there has been an increase in applications for house shops and occupational use/professional use from single residential dwellings. The number of illegal secondary residential uses (guest houses/flats etc.) have also increased as well as the number of illegal house shops. This can be attributed to job losses and the current economic climate. The increase in the number of additional dwelling unit applications noticed in the previous financial years are still continuing and can be attributed to the fact that parents are making provision for their children to live with them or vice versa.

A total of 78 applications were approved in this financial year and includes applications which could not be finalised in the previous financial year. There are approximately 150 applications in process that cannot be finalised due to outstanding information (from



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applicants) and comments from internal and external departments. As stated in 3.16.3, one of the challenges experienced by the Town Planning department was the delay in internal comment pertaining to the civil engineering services received on land use applications. An external consultant was appointed to assist with the comments regarding civil engineering services and the calculation of development contributions in August 2023.

The Breede Valley Municipal Land Use Planning By-Law came into effect on the 1st of December 2015. The Municipality is thus the decision-making authority and is investigating certain changes in the By-Law to reduce red tape and to comply with changing trends and planning legislation. All land use applications are processed in terms of the said By-Law and must adhere to strict time frames as prescribed.

The Municipal Planning Tribunal was appointed as per resolution C82/2022, and the appointment was advertised in the Provincial Gazette on the 18th of November 2022. The term of office for the tribunal is three years and commenced on the date of publication of the advertisement in the Provincial Gazette.

3.16.5 Employees: Town Planning, building control and GIS

The table below indicates the number of employees for town planning, building control and GIS:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	3	3	0	0%
Middle Management and Professionals	3	3	0	0%
Skilled Technical, Superintendents etc	7	5	2	29%
Semi-skilled	3	3	0	0%
Unskilled	3	3	0	0%
Total	20	18	2	10%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 182 Employees: Town planning, building control and GIS

3.17 LOCAL ECONOMIC DEVELOPMENT (LED)

Municipalities should focus on the implementation of complimentary activities, whilst the private sector must be capacitated to ease commercial activities for profit. This work is easier said than done, as local and regional economies are complex and therefore not easy to develop, as the preferences of markets are constantly changing.

Careful decision making is essential to extract the best ideas with the highest probability to achieve a comparative or competitive advantage. Such ideas must help a broad base layer of citizens and should influence decision makers to allocate planning and capital funds in support of such ideas. It is essential that the political and administrative leaders recognize the importance of LED,



and to commit whole heartedly to the support projects and programmes to achieve LED outcomes. Besides being concerned about the welfare of citizens, the revenue base of the municipality is a key part to achieve economic growth.

LED is defined by the GIZ (German Agency for Technical Cooperation) as an ongoing process by which key stakeholders and institutions from all spheres of society, the public and private sector as well as civil society work together to achieve the following:

- a) Work jointly to create a unique advantage for the locality and its firms,
- b) Tackle market failures, Remove bureaucratic obstacles for local businesses.
- c) Provide excellent municipal service as it causes business expansion which have a pulling effect for new companies that must invest in the municipal economy.
- d) Maintain business zones through partnerships initiatives.
- e) Creating infrastructure through capital programmes to ignite economic growth.
- f) Strengthen the competitiveness of local firms/SMEs.

This financial year was allocated to design precinct plans to properly structure informal trade going forward.

In the 2023/24 financial year, the department were busy with precinct planning and design of the various SMME and informal trade zones it wants to implement in support of its long-term vision of economic inclusionary activities, as these initiatives emanate from the LED Strategy which is a long-term economic development plan. Strategy is the process of creating a framework aligned to the overall long-term vision. Planning is operational coherence with the medium-term strategic intent. Intended strategy is therefore robust despite uncertainty and the method followed to develop the 2022-2027 LED Strategy:

- a) Mobilizing and engaging local stakeholders with a focus on consulting with local champions of industry and not the general community.
- b) Analysis of regional competitiveness based on existing information and direct interaction with stakeholders.
- c) Embarking on an idea generating process that will be the basis in how the Breede Valley Municipality builds a strategy.
- d) Workshops with sector and thereafter with the full Council to effect ownership and thereby effect leadership that will ensure the prioritization and implementation of this strategy.
- e) The Breede Valley Municipality have an obligation to support economic growth activities. Section 152 of the Constitution prescribes that municipalities must arrange it budgets and resources in such a way to achieve economic development outcomes.



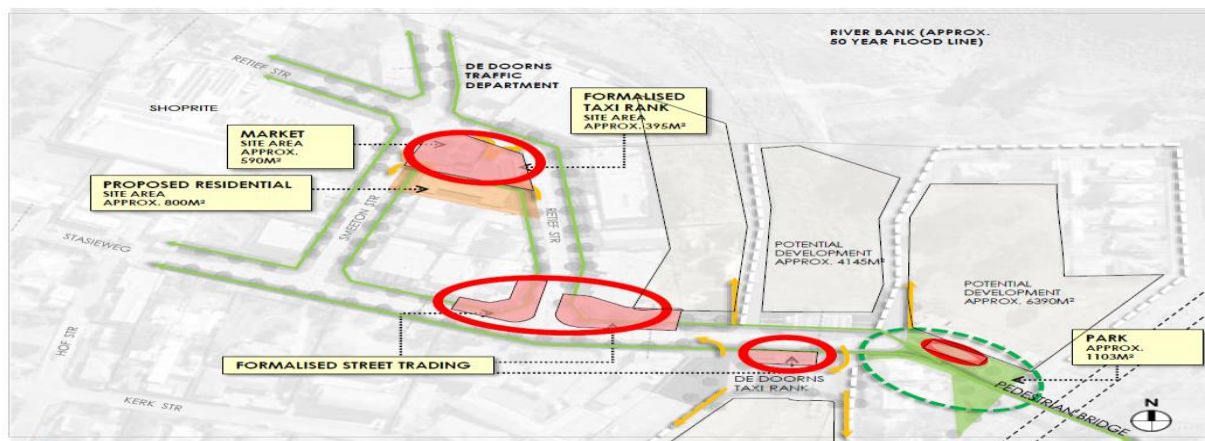
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The 2023/24 financial year was more centred on precinct plans and detailed plans with regards to economic inclusionary activities, whilst more detailed design and planning work is also happening pertaining to the larger industrial areas. Our urban management initiative is also happening, and it is primarily driven through partnerships.

TOUWSRIVIER MARKET FOCUS



BREDE VALLEY | PRECINCT PLANS
DE DOORNS | CONCEPTUAL FRAMEWORK



BREDE VALLEY | PRECINCT PLANS

AVIAN PARK | PRECINCT PLAN



BREDE VALLEY | PRECINCT PLANS



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The table below present the long-term project types which must contribute to economic development, these ideas are framed in the 2022-2027 LED strategy development workshops for the Breede Valley Municipality.

Reference	Strategic objectives	Description
1	Investing in infrastructure to unlock economic development	<p>The administrative and the political leadership need to facilitate high level commitment for a capital budget to finance the design and construction of the Eastern Bypass that will connect the R60 with the N1. This bypass is a major informant in the mobility framework and will ease investment from the private sector as it will reduce development cost.</p> <ul style="list-style-type: none"> • For the short term install bulk Infrastructure for land next to the Worcester prison to accommodate property developers with an immediate need. • Implement a project aimed at beautifying Zwelethemba township aimed at building supporting the development of the township economy. • Provision of bulk infrastructure that will enable the provision of bulk infrastructure an industrial park or cluster adjacent to the Worcester Prison • Compile a land audit and facilitate and encourage a series of infill developments for residential and commercial purposes. • Contractor development programmes as SANRAL plan massive road building by introducing another road close to the BVM passing Worcester • Continue with our City Improvement and crime prevention activities within the CBD.
2	Training and Apprenticeships	<ul style="list-style-type: none"> • Negotiate partnership to offer practical training and apprenticeship for youth in the BVM and prioritise young people from resource poor town to make them economically mobile • Form partnerships with organisation that can improve skills for the local economy
3	Reorganise informal trade markets and upscale the township economy	<ul style="list-style-type: none"> • Do a precinct plan to improve retail and small production facilities in the township economy and the small towns • Acknowledge the importance of the informal economy by designing innovative manner in how to position the informal economy as a possibility for new, young, and dynamic people
4	Ensure regional cooperation on business incubation services	<ul style="list-style-type: none"> • Initiate a business incubator that aim to develop entrepreneurs and connect them with large companies. Secondly this incubator can also link small and medium companies with training opportunities. • Facilitate learnership and apprenticeships in commensurate with the needs of various businesses
5	Strive to target LED over all towns in the BVM	<ul style="list-style-type: none"> • Initiate a strategy for small town regeneration and township by first designing a precinct plan, table it before Council for support and potential budget provision. • Develop a market infrastructure for more access to markets Investments in Clothing and Furniture Shops • Replicate a hydroponic project and negotiate access to larger retail stores when • Implement a campaign to encourage local buying as well as value adding at small and artisanal scale



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Reference	Strategic objectives	Description
		<ul style="list-style-type: none"> BVM to support the creation and maintenance of a multi stakeholder forum that will coordinate various economic development initiatives especially those that are driven by the private sector. Investigate the potential of accessing grant to expand the economic productive potential of the Touwsriver area as the town is resource poor. DeDoorns Cleansing department of the BVM facilitate the creation of a recycling plant where waste can be sorted and processed for its value. Develop a tourism hub around the table grapes as there is a lot of visitors and buyers but the area lacks a proper point of entry for buyers and people that just want to visit. Local Business and the local property owners initiate the Central business district to develop a CCTV camera and security response and to beatify the town. Develop a tourism hub around the table grapes as there is a lot of visitors and buyers but the area lacks a proper point of entry for buyers and people that just want to visit. Develop a tourism hub around the table grapes as there is a lot of visitors and buyers but the area lacks a proper point of entry for buyers and people that just want to visit. SMME development, Initiate the Hart of Worcester programme that will focus on how we create awareness such as social media, Printed Media, Video Productions, Active Networking. Trip Advisors, Electronic newsletters, Google Reviews. The private sector and Municipality must appoint an agency that can develop catchy phrases to market our tourism destination
6	Implement various activities in support of the BVM Tourism development objectives	<ul style="list-style-type: none"> Establish a partnership body that can facilitate dialogue. Develop a new website/portal with functions where bookings and reviews can be done online Breede Valley Broadcaster is about building an electronic website that can that have Multi Usage to allow (Bookings, Promotions, Reviews, Marketing. One platform for multiple destinations and Algorithms to attract searches Well-structured and clearly defined tourism routes We need a structured route to take tourist off the beaten track and to facilitate movement from its A – Z and to incorporate all aspects and experiences and role-player and to promote and showcase and diversify local products Create a competition or recognition and to promote child friendly facilities. By distributing awards to industry leaders. Allocate green flag status to companies that adhere to Care capital goal s by having facilities that is accommodative to the differently abled Establish a business incubator facility with proper linkage to bigger business BVM Business workshop: Appoint an investment attraction facility to attract big businesses in BVM



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Reference	Strategic objectives	Description
7	Business promotion and development activities	<ul style="list-style-type: none"> Local Business and the local property owners start the Central business district to develop a CCTV camera and security response and to beatify the town. SMME development, Initiate the Hart of Worcester programme that will focus on how we create awareness such as social media, Printed Media, Video Productions, Active Networking. Trip Advisors, Electronic newsletters, Google Reviews. The private sector and Municipality must appoint an agency that can develop catchy phrases to market our tourism destination. To develop the business community to create more job opportunities and create Community positive vibe. Big business with small business (Sustainable Job Creation must join hand on Job Creation and sustainability issues such Subcontracting, local money circulation., Create interactive platforms for all businesses and to agree with incentive with the Local Government to incentivize big businesses

Table: 183 LED strategic objectives

3.17.2 Service delivery indicators: LED

The key performance indicators for LED are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL61	Sign service level agreements (SLA's) with 4 Local Tourism Associations (LTA's) for their annual tourism operational expenditure by 30 September 2023	Number of SLA's signed	All	4	4	4	4	G
TL57	The number of FTE's created through the EPWP programme by 30 June 2024	Number of FTE's created through the EPWP programme	All	332	339.54	337	395.2	G2

Table: 184 Service delivery indicators: LED



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3.17.3 Activities/highlights: LED

The table below gives a brief description of all the activities/highlights for LED during the 2023/24 financial year:

Activities/Highlights	Outcome
Develop an informal trade plan which is prescribed by our informal trade Bylaw	A document that will be signed off by the Director once the delegation is finalised to approve new informal trading facilities
The Launch of the Zwelethemba Tourism Route	A tourism route which will serve as a vision along which a myriad of services and offerings will be added to build the tourism route
The development of a precinct plan for informal trade as we need practical suggestion as how we will facilitate economic inclusionary activities	Township don't have much economic activity as it lacks the infrastructure and precinct planning. This initiative is the building block on which future landscaping and development will be based
Develop a data base of electronic information of entrepreneurs.	Funding was received from the CWDM, and this information is essential to select the successful entrepreneurs in BVM as we wish to transfer knowledge on entrepreneurship, technical viability, and commercial viability
Doing the desktop work to develop an investment profile of the BVM	An investment brochure that will showcase on our web-based systems the investment potential, go to person and provide more contact pertaining to the economic development potential
Host the Winelands Tourism expo	This was the inaugural expo the idea is to develop market connection for various tourism and entry level entrepreneurs. This is a joint initiative between the Cape Winelands and the Breede Valley Municipality
Support a range of investigation to investigate food systems	To partner with national research programme in how to correct societal failures to introduce food producers from resource poor communities, even if it is only for subsistence use.
Delivering workshop on informal traders with the Western Cape coalition of informal traders	This is part of our longer vision to develop this sector, as it has the potential for economic inclusion
Doing a lot of consultations and workshop to craft an investment incentive policy, that will be tabled before Council in the next financial year.	A policy that seeks to encourage private sector investment, which will offer financial and non-financial incentives to encourage investment which can provide jobs and support livelihoods

Table: 185 LED activities/highlights

3.17.4 Challenges: LED

The table below gives a brief description of all the challenges for LED during the 2023/24 financial year:

Challenge	Corrective action
Synergy with internal departments as to the long-term economic development vision	Executive management should ensure that all departments play roles. The operational side of the investment incentive management arrangement will clearly force the organisation to cooperate



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Challenge	Corrective action
Need more long-term funding source to fund capital projects that will enable economic development in resource poor people	Make sure all information is in the IDP, and that various spheres are organised to ensure the long-term financial commitments in respect of these goal
Greater synergy between local government and District as to what activities can be made through a shared service model	Joint municipal district approach must be tasked to recommend projects that should consider prioritisation for technical and budgetary support

Table: 186 LED challenges

3.17.5 EPWP job creation

The Expanded Public Works Programme (EPWP) was launched in 2004. EPWP remains an important government intervention for contributing to reducing unemployment and tackling poverty. The EPWP Phase 4 aim is to supply work opportunities and income support to poor and unemployed people through the delivery of public and community assets and services, thereby contributing to development.

The core focus of EPWP is for those individuals in our communities that are unemployed and vulnerable. Despite numerous efforts undertaken by government, unemployment in South Africa has remained stubbornly high. The on-going global financial crisis and



economic downturn has made this even worse and has increased the number of unemployed in South Africa even further. This has increased the need for the EPWP even further as it provides a unique policy instrument for government to create work opportunities and alleviate unemployment. The BVM therefore acknowledges the programme as a critical tool to provide a temporary employment safety net, hence, often registers various EPWP projects throughout a particular financial year. Considering the above, our focus is to have each directorate make a systematic effort to target the unskilled and unemployed and develop a plan to utilise their budgets to draw significant numbers of the unemployed into productive work, in such a way that workers are given an opportunity to gain job-specific skills while they work to increase their chances of getting out of the pool of marginalised, unemployed people.

EPWP Progress against Annual National Target

National EPWP Targets: 2023/24		Achieved by 30 June 2024	
WO'S	FTE'S	WO'S	FTE'S
967	339	519	395.2

Table: 187 EPWP progress against annual national target



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The Municipality has shown an increase in the creation of work opportunities compared to previous years. Though it might seem as if the number of work opportunities is not reaching the National target, opportunities created in the Municipality are of a longer period. They are Full Time Equivalents (FTEs) meaning that they are more sustainable.

The table below, depicts the overall number of work opportunities and the full-time equivalents (FTE) per project registered in the 2023/24 financial period.

Temporary Employment Opportunities – 2023/24 EPWP Projects			
No.	Project Description	Work Opportunities	FTE's
1	Solid Waste Worcester	147	109.8
2	Solid Waste Rawsonville	10	5.5
3	Solid Waste De Doorns	38	34.1
4	Cleansing Touwsriver	30	24.1
5	Landfill (MERF) Worcester	19	16.3
6	Skip Monitors	17	13.0
7	Roads & Stormwater Worcester	38	23.3
8	Roads & Stormwater Touwsriver	3	3.0
9	Roads De Doorns	6	5.9
10	Roads & Stormwater Rawsonville	3	2.0
11	Waste Water Treatment De Doorns	4	3.5
12	Waste Water Treatment Touwsriver	3	2.9
13	Waste Water Treatment Worcester	17	11.3
14	Water & Sewerage De Doorns	2	1.7
15	Water & Sewerage Touwsrivier	4	2.2
16	Access Control	22	12.8
17	Community Facilities - Touwsrivier	1	1.0
18	Community Facilities - Worcester	33	22.6
19	Electricity Worcester	19	15.7
20	Electricity De Doorns	2	2.3
21	Electricity Touwsrivier	1	1.1
22	Parks & Cemeteries Worcester	19	14.6
23	Parks De Doorns	6	5.8
24	Parks Touwsrivier	5	5.4
25	Community Development	3	2.6
26	Finance Department	15	10.5
27	EPWP Data Capturers	7	6.6



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Temporary Employment Opportunities – 2023/24 EPWP Projects			
No.	Project Description	Work Opportunities	FTE's
28	Admin Support - Main Building	4	4.1
29	Buildings	7	5.5
30	ICT	2	2.1
31	Fire Department	14	6.5
32	Traffic - Technical Services	3	3.1
33	Animal Pound	3	1.4
34	Law Enforcement	12	13.0
Total Work Opportunities & FTE's		519	395.2

Table: 188 Job creation through EPWP projects



Unemployment and the high demand to participate on EPWP projects impact on the recruitment of participants. Thus, the principle of keeping a database is to ensure that local unemployed individuals are identified and categorized in wards; and their socio-economic conditions are established as defined for each one's status (youth, woman and physically challenged) to ensure transparency in the recruitment of EPWP participants.



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The figure below is indicative of the number of people that received EPWP opportunities in relation to the number of individuals registered on the EPWP unemployed data base.

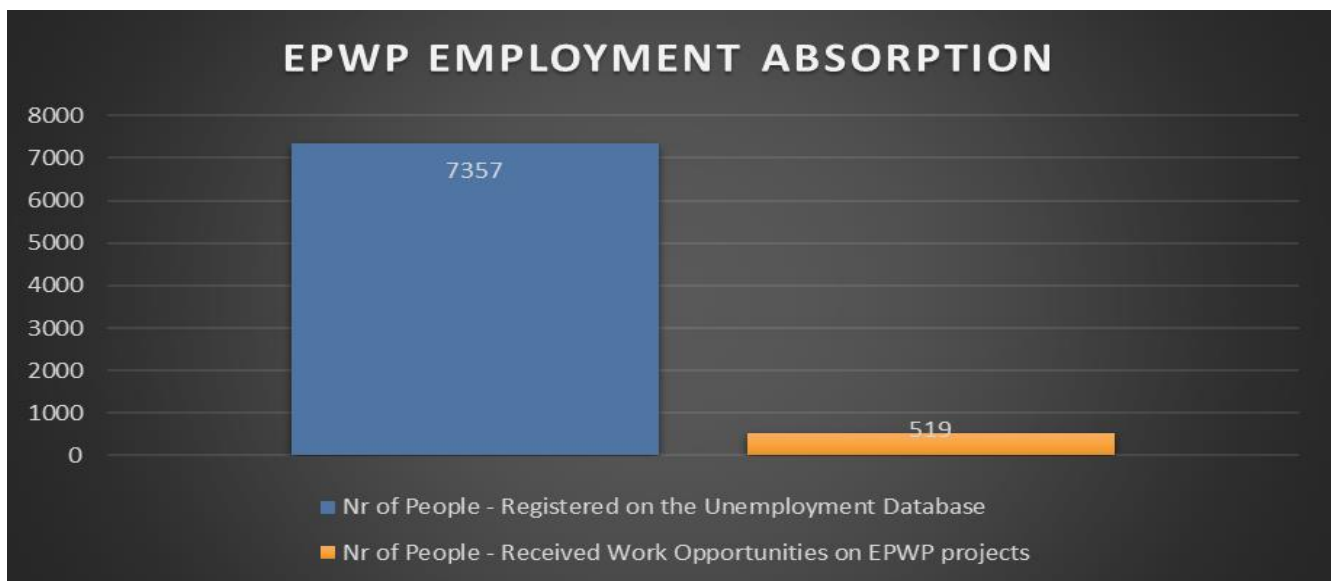


Figure 7: EPWP Employment Absorption

It should be noted that EPWP is one way in which the Municipality attempts to respond to the local unemployment situation. However, EPWP is limited in its ability to address the deeper problem due to the high number of unemployed people in the area.

All EPWP candidates are selected from the Breede Valley Municipality's EPWP Unemployment Database. It is open to unemployed and unskilled women and men, including youth (aged 18 to 35) and to people living with disabilities. Thus, the EPWP Office hosted a community outreach programme in Rawsonville, Worcester, De Doorns and Touwsrivier for people to verify and update their information registered on the unemployment database as well as new applicants to register their details for future EPWP employment opportunities.





3.17.6 Employees: LED, tourism and marketing

The table below indicates the number of employees for LED, tourism and marketing:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	1	1	0	0%
Middle Management and Professionals	0	0	0	0%
Skilled Technical, Superintendents etc	3	3	0	0%
Semi-skilled	1	1	0	0%
Unskilled	0	0	0	0%
Total	6	6	0	0%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 189 Employees: LED, tourism and marketing

3.18 TOURISM

3.18.1 Aim and function of tourism section

The Breede Valley Municipality (BVM) Tourism department is dedicated to enhancing the region's tourism industry through a structured and collaborative approach, anchored by several key objectives aimed at establishing Breede Valley as a premier destination for both local and international tourists.

Key Objectives

1. **Increasing Visitor Arrivals:** The BVM Tourism department is committed to increasing the number of visitors to the region by implementing an annual operational plan that aligns with the Local Economic Development (LED) 5-year strategy. This plan outlines specific actions and initiatives designed to attract more tourists, thereby boosting the local economy and enhancing the visibility of the Breede Valley as a destination of choice.
2. **Enhancing Destination Efficiency:** To ensure that Breede Valley remains competitive in the tourism market, the department focuses on improving the overall efficiency of the destination. This is achieved by offering various training and capacity-building programs to local tourism stakeholders. These programs are designed to equip them with the necessary skills and knowledge to provide exceptional service, thereby improving the overall visitor experience.
3. **Diversifying the Tourism Product:** Recognizing the importance of catering to a diverse range of tourists, BVM Tourism is actively working to expand and refine its tourism offerings. This involves developing new tourism products and enhancing existing ones to appeal to different market segments, from adventure seekers and cultural enthusiasts to wine lovers and eco-tourists.
4. **Building the BVM Brand:** A strong and recognizable brand is crucial for attracting tourists. To this end, BVM Tourism supports a variety of events and initiatives aimed at promoting the Breede Valley as a vibrant, busy, and welcoming destination. By associating the region with exciting and memorable experiences, the department aims to establish a positive and lasting impression on visitors.
5. **Exploring Innovative Ideas:** In an ever-evolving tourism landscape, innovation is key to staying ahead. BVM Tourism is continuously seeking new and creative approaches to attract additional tourists. This includes exploring digital marketing strategies, developing unique tourism experiences, and identifying new opportunities that can sustain and grow local tourism businesses.
6. **Supporting Local Tourism Associations (LTAs):** Collaboration with local stakeholders is a cornerstone of BVM Tourism's strategy. The department works closely with four local tourism associations—Breedekloof LTA, Worcester LTA, Hex River LTA, and Touwsrivier LTA. These LTAs receive financial support and guidance to enhance their operations, improve their capacity to host events, and effectively promote their respective areas within the Breede Valley.
7. **Developing Tourist Routes:** To further enhance the visitor experience, BVM Tourism is focused on creating and promoting tourist routes within the Breede Valley. These routes are designed to showcase the region's natural beauty, cultural heritage, and unique attractions, offering tourists a curated and immersive experience of the area.

Structure and Collaboration

BVM Tourism operates under the leadership of the Portfolio Councillor for LED and Tourism, alongside the Manager of Local Economic Development and Tourism. While the municipality holds the legal responsibility for tourism, its implementation is done in partnership with the private sector, particularly through Local Tourism Associations (LTAs).



LTAs, which primarily generate funds through internal membership fees, receive additional financial support from the municipality. This financial support is crucial, as the membership fees alone are often insufficient to cover the operational costs and capacity requirements linked to hosting key tourism events. The support provided by the municipality is governed by service level agreements under Section 67 of the Municipal Finance Management Act (MFMA), ensuring that LTAs can maintain their operations and continue to contribute to the region's tourism development.

In addition to financial support, BVM Tourism actively engages in marketing and promotional activities at major tourism trade shows. These events are vital for positioning the Breede Valley as a favourable destination for tour operators, who play a key role in facilitating travel arrangements for tourists.

Coordination and Impact

Regular consultations and quarterly meetings with LTAs are held to ensure effective coordination and promotion of tourism efforts. These meetings provide a platform for LTAs to discuss their activities, share insights, and collaborate on joint initiatives. LTAs are also required to provide quarterly reports on their operations, allowing BVM Tourism to monitor progress and address any challenges that may arise.

This collaborative approach has resulted in improved performance among LTAs, enabling them to host more tourism events and enhance the BVM tourism brand. By involving LTAs in the planning of publicity and marketing events, BVM Tourism fosters a sense of belonging and recognition for their efforts in building the BVM brand. This inclusive approach not only strengthens the relationship between the municipality and LTAs but also ensures that all stakeholders are working towards a common goal.

Long-term Vision and Support

The long-term support provided by the municipality has been instrumental in enabling LTAs to function at above-average levels. This support has strengthened their capacity to host various tourism events, which in turn contribute to a vibrant and responsive tourism sector within the Breede Valley. The municipality's commitment to the development of tourism is further demonstrated by its coordination with the Cape Winelands District Municipality (CWDm), which serves as the district coordinator of tourism. This partnership ensures that local tourism initiatives align with broader regional strategies, maximizing their impact.

Enhancing the Tourism Approach

Tourism is a significant contributor to the GDP within the Breede Valley Municipality. Events are a key model used to drive economic development, promote brand recognition, and support municipal infrastructure. Notable events like the Nekkies Easter Music Festival, Nuy Wine Festival, Annerkant-die-Berg Festival, and other local festivals have demonstrated the potential for tourism events to generate revenue, promote local culture, and strengthen community ties.

The BVM Tourism Department continues to prioritize and support events that have a positive impact on the local economy, subject to available resources. By focusing on events that align with the region's strategic objectives, the department ensures that tourism remains a key driver of economic growth and community development.

Additional Information



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The BVM Tourism Department acts as an umbrella body, overseeing the activities of LTAs and ensuring that their efforts align with the municipality's broader tourism strategy. The municipality has signed service level agreements with LTAs to undertake tourism marketing and development activities on its behalf. This approach has contributed to the growth of a mature local economic development system, where tourism plays a central role.

Conclusion

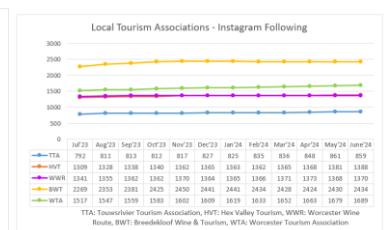
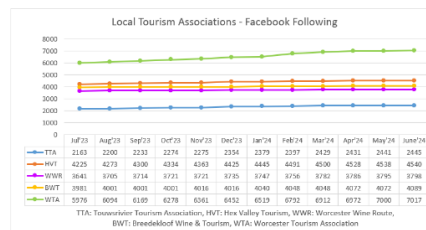
BVM Tourism's comprehensive approach, supported by strong partnerships, targeted marketing efforts, and strategic event hosting, is designed to establish Breede Valley as a dynamic and attractive destination for both local and international tourists. Through continuous innovation, collaboration, and strategic planning, the department aims to create a sustainable and thriving tourism sector that benefits the entire community.

The following activities have been implemented during the 2023/24 financial year:

- Hosted 4 educational field trips for media tour groups in the Breede Valley (Bredekloof, Worcester, Hex Valley & Tounsrivier) to present the destination and its offerings to various journalist and bloggers that work for tourism related media companies

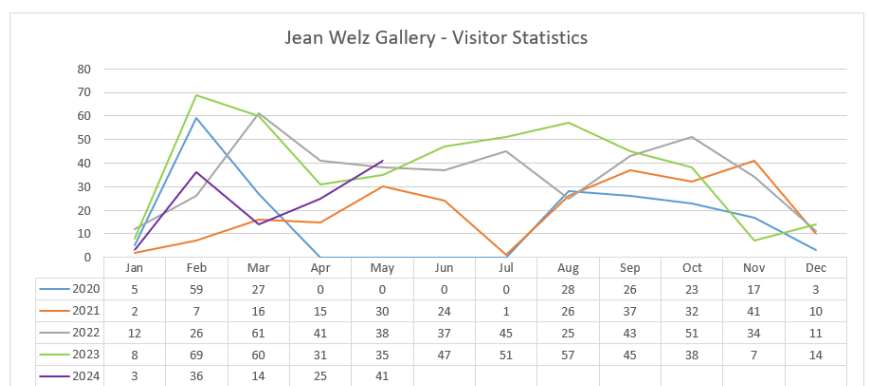


- Tracked followers and activity to LTA's social media pages (Facebook & Instagram)



- Collect and graph statistics monthly from LTA's
- Arranged the upgrade and continuous maintenance work at the Jean Welz Gallery and internal repairs to the building (Repair Front Pillar crack & leaking roof, appoint art valuer, service fire extinguishers)

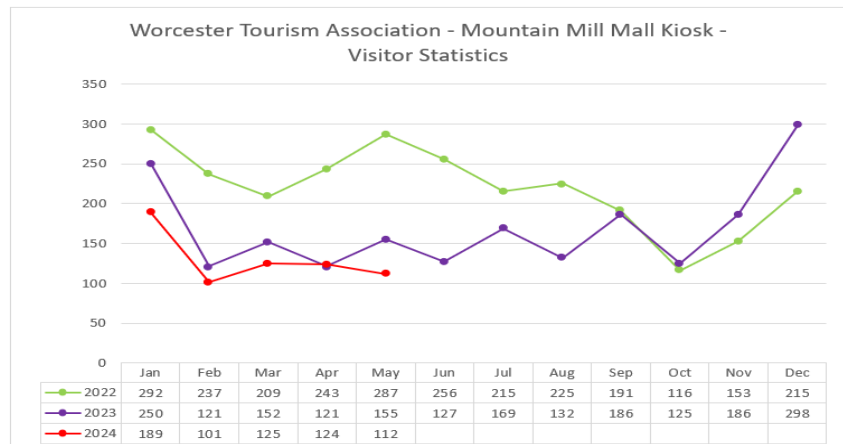
- Captured and interpreted visitor statistics for Jean Welz Gallery



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The following activities have been implemented during the 2023/24 financial year:

- Secured & utilised a space/kiosk in the Mountain Mill Mall at which visitor information activities, to the benefit of the Worcester Tourism Association, could be rendered



- Made representations on behalf of BVM at the Cape Winelands/Overberg quarterly RTLC meetings

- Represented the BVM at the Cape Winelands LTA meetings (quarterly)



- Represented the BVM at the WesGro RTO forums (quarterly)



- Hosted BVM LTO meetings (quarterly)



- Represented the BVM at CWDM, WesGro and National Department of Tourism workshops
- Distributed communication information through e-mails, websites and social media platforms regarding the different support schemes available to the industry

CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The following activities have been implemented during the 2023/24 financial year:

- Ongoing administrative duties such as compiling bi-annual reports, quarterly reports and monthly reports, revising internal budget and effecting virements
- Compiled endorsement letters towards event funding from WesGro to LTA's (3 applications)
- Represented the BVM as a panel member for the CWDM Business, Retention and Expansion Programme Evaluations (17 applications)
- Compiled and entered into service level agreements with LTA's in terms of Section 67 of the MFMA which include Worcester Tourism Association, Breedekloof Wine & Tourism, Hex Valley Tourism Association and Touwsrivier Tourism Association

- Launched the Zwelethemba Heritage Route – funding received from CWDM



- Compiled and entered into service level agreements in terms of Section 67 of the MFMA with:
 - Worcester Tourism Association – Student for the Kiosk
 - Breedekloof Wine & Tourism – Destination Marketing Video Project
- Represented the Breede Valley at a Trade Show (World Travel Market, Namibia Tourism Expo & Winelands Autumn Expo)

- Attended Strategic Support Services management meeting (monthly), LED, Tourism, EPWP Staff meetings (monthly) and quarterly Strategic Support Services staff meetings (quarterly)



- Represented BVM Tourism at the Worcester Tourism Madiba Day Outreach



- Represented the BVM at LTA's Annual General Meetings



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The following activities have been implemented during the 2023/24 financial year:

- Destination Marketing Video Project of the Breede Valley



- Assist the Mayor's office with organising of the Switching on of the Christmas Lights Market



- Assist organisers of the Easter Bazaar with marketing & logistical material

- Assist the CDI (Craft Design Institute) with logistical arrangements towards training of the crafters in the Breede Valley



- Part of organising committee for the inaugural Winelands Autumn Expo



3.18.2 Overview of the Breede Valley tourism product portfolio

The product portfolio of the Breede Valley area consists of eleven product types as exhibited in the table below together with a brief descriptive for each category.

Tourism product	Definition of product
4x4 & camping	Routes for 4x4 enthusiasts and camping enthusiasts which attract families that can spend on leisure
Wine routes that encourage food and drink	The Breede Valley boasts with two wine routes. The Breedekloof and the Worcester Wine Routes. It consists of 32 wineries
Craft beer, gin & brandy	The Breede Valley boasts with 4 craft beer, 4 craft gin and 2 craft brandy breweries
Hiking & cycling	MTB & hiking routes for enthusiasts who love nature and the outdoors



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Tourism product	Definition of product
Heritage	The Worcester Museum, Worcester Heritage Route , Hex Valley Heritage Route and Touwsrivier Heritage Route present excellent opportunities with its historical gems in the form of old buildings and museums
Arts & crafts	Art galleries, local markets and an arts & craft village
Shopping & casino	The Breede Valley boasts with a shopping mall and a casino, as well as a square with artisanal shops
Game reserves	The Breede Valley boasts with a big-five game reserve and numerous other game reserves with game viewing trips
Artisanal products	The Breede Valley boasts with two coffee roasters and an artisanal bakery
MICE (Meetings, Incentives, Conferences and Exhibitions)	Due to our geographic and central location in the Western Cape Province our destination is ideal for various meetings, conferences and training workshops which create downstream value adding income potential
Outdoor living and sports	The mountains, rivers and clear sky make our destination ideal for river rafting, fishing, canoeing and mountain climbing, especially targeting the middle class in Cape Town which is nearby. We are endowed with all the beautiful lakes and irrigation dams that is ideal for aquatic sports and triathlons or simple recreational yachting

Table: 190 Breede Valley tourism product portfolio

The tourism portfolio of Breede Valley is diverse and largely undiscovered. Not surprisingly, eco-tourism takes prime position, supplemented by strengths in adventure, leisure, tourism, and cultural attractions. Serenity, tranquillity, and hospitality are constant themes throughout the region, and it is the combination of these characteristics and the unspoilt and unpolluted environment, which should be maximised to entice tourists to the Breede Valley region. Significant effort has been made to finalise the marketing strategy to inform our plans in how we will market all the events and key propositions of our destination.

3.18.3 Training/development

The table below includes the training/development for the year:

Training/Development	
<ul style="list-style-type: none"> Cape Winelands/Overberg RTLC Road Signage Training 	
<ul style="list-style-type: none"> Worcester Tourism SME Workshop for Small and Medium Enterprises 	



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)



Training/Development	
<ul style="list-style-type: none"> WC Disaster Risk Reduction for Hospitality and Tourism Establishments Training (DMS NPC) 	
<ul style="list-style-type: none"> BVM SCM Specifications & Evaluations of Quotes training 	
<ul style="list-style-type: none"> BVM HR Policy Workshop 	

Table: 191 Training/development: Tourism

3.18.4 Tourism awareness/events

Annual events in the Breede Valley region included the following:

Annual event	Date
First Thursdays (Church Street) (Worcester) 	Every First Thursday of the Month
Pure Boland Market – Groen Stoor (Worcester)	Every First Saturday of the Month
Winelands Autumn Expo (Worcester)	May
Tour de Worcester Cycling (Worcester)	July
SANBI Karoo Gardens Outdoor Expo (Worcester)	October
Route43 Expo, Aan de Doorns Cellar (Worcester)	January



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Annual event	Date
 <p>The image shows a promotional poster for the 'ROUTE 43 EXPO - AAN DE DOORNS WYNKELDER' held from 25-27 January 2024. The poster lists various sponsors and activities. To the right, a musician wearing a cowboy hat is performing on stage, playing an acoustic guitar and singing into a microphone. The background features a large 'W' logo.</p>	
<p>Uncle Bob's Christmas Party (Worcester)</p>  <p>The image is a collage of three photos from the party. The first photo shows an older man with a beard and a hat interacting with a young child. The second photo shows a young girl in a pink fairy costume. The third photo shows a person in a Santa Claus costume sitting on a chair, surrounded by children.</p>	December
<p>Gravel & Grape MTB & Trail Run Event (Rawsonville)</p>	May & October
<p>Nuy Valley Festival (Worcester)</p>	May
<p>Touwsrivier Tourism Heritage Farm Fair</p>  <p>The image is a collage of four photos from the fair. The first photo shows a person in a Santa Claus costume standing next to a large black vehicle. The second photo shows a man playing a guitar on a stage. The third photo shows a table covered with a festive tablecloth featuring Santa Claus and other holiday-themed designs, with various items on display. The fourth photo shows a man standing in front of a blue tent.</p>	December
<p>Annerkant die Berg Food & Wine Festival (Rawsonville)</p>	July

Table: 192 Tourism awareness/events



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3.18.5 Expo's

We managed to attend the following expo's which market our destination to tour operators and the public attending:




Expo	
<ul style="list-style-type: none"> World Travel Market 2024 (April) 	
<ul style="list-style-type: none"> Namibia Tourism Expo 2024 (April) 	
<ul style="list-style-type: none"> Winelands Autumn Expo 2024 (May) 	

Table: 193 Expo's attended

3.19 INTEGRATED DEVELOPMENT PLAN (IDP)

The IDP section focused on the following functions:

Community participation:

The focus on community participation relates mainly to the participation of the local community in the planning activities of the Municipality, which informs the IDP and budget processes (amongst others).



A schedule of community participation engagements was approved by Council, based on the municipal IDP/budget time schedule and/or process plan. These engagements were published in the local press for community inputs and information. BVM engagements take place in accordance with the approved Public Participation Policy to promote and stimulate participatory democracy.

IDP and Budget Public Engagement Methodology

As part of influencing these strategic documents of Council, two formal IDP/Budget engagement opportunities are established, coordinated by the IDP department. The 1st round of public engagements is scheduled in October/November and held with each Ward Councillor and his/her ward committee. The purpose of the 1st round of engagements are: (1) for the Municipality to provide feedback, as at quarter 1, on the implementation of priorities identified and endorsed for implementation within that particular financial period (as approved in the prior planning cycle); and (2) identification of new-, and/or review of existing priorities for consideration in the forthcoming planning cycle and financial period, informed by community inputs solicited by the ward Councillor and his/her committee. In addition, the priority list within that particular financial period, serves as point of departure towards adding, removing and/or amending the priority lists earmarked for implementation in the forthcoming financial period. This thus serves as a focused engagement at which the ward Councillor and his/her committee collectively and strategically discuss and prioritise key developmental matters identified within their wards, with the intention of favourably influencing the municipal budget. The Municipality maintains the aforementioned methodology during the 1st round of IDP/Budget engagements as it allows for focused engagements to encourage meticulous developmental planning throughout wards.

The 2nd round of engagements is scheduled in March/April and held with the full constituent of a ward and/or geographical area. Traditionally, the purpose of the 2nd round of engagements are: (1) for the Municipality to provide feedback, as at quarter 3, on the implementation of priorities identified and endorsed for implementation within that particular financial period (as approved in the prior planning cycle); (2) for the Municipality to present key information to communities on Council's Draft Budget for the ensuing financial period; and (3) for the Municipality to provide feedback to communities on the priorities (identified and/or reviewed during October/November – 1st round of engagement) earmarked for implementation in the ensuing financial period. Importantly, it serves as a platform for the community to engage directly with the senior political and administrative leadership of the Municipality, on development issues that concerns the ward.

To solicit greater community participation and continuous improvement in its public engagements, the Municipality continuously revises the 2nd round engagement methodology. In April 2023, the engagements were hosted per geographical cluster, scheduled from 15:00 – 20:00. The transition to geographical engagements, enabled the Municipality to schedule one meeting per day, thus maximising the availability and productivity of municipal resources. Furthermore, the Municipality opted for interactive engagements as opposed to static presentations. Fundamentally, wards were consolidated in accordance with their geographical spread as well as similarity of priority need areas. Engagements were also commenced earlier, and over a longer period with the intention to attract a broader scope of the community to the engagements. The engagements were also conducted on a more interactive manner, hinging on the principles of a jamboree methodology as a deliberate attempt to encourage more direct participation of all members attending the sessions as opposed to domination of engagements by minority groupings. Prior to implementation, the proposed methodology was duly presented to- and workshopped with Council in order to obtain their views



and input as a tool of further refinement. The most important value proposition emanating from the revised methodology, was that the full complement of senior leadership's (political and administrative) attendance at each scheduled engagement. Through this change, the Municipality opened the opportunity for all members of society to engage and interact with senior municipal leadership on critical planning and budget-related matters, in a manner that permitted one-on-one dialogue if preferred by a member of a ward. The principle of the 2nd round engagement methodology (April 2024) remained the same, however, the geographical areas were split into sub-categories to allow for more focused engagements. This change was actioned through consultation and input provided by Council. Furthermore, the Municipality re-introduced the introductory presentation as a point of departure for setting the scene of the engagements, preceded by the interactive engagements as envisaged.

Public input and representations on the key strategic processes and documents (relating to the IDP & Budget amongst others) are facilitated through the following structures and processes:

Submission of ward priorities:

- Ward councillors are encouraged to engage their constituencies in order to solicit their (community) inputs on priority need areas for consideration in the new term of Council and/or financial period
- Citizens are (in advance) encouraged to submit input on their priority needs (for consideration in the period specified above) to their respective Ward Councillor and/or the municipal office
- Citizens are encouraged to utilize the following mechanisms to submit inputs:
 - Ward Councillor
 - 🌀 via ward Whatsapp groups, e-mail and telephone contact details, verbally, etc.
 - Municipal offices/officials
 - 🌀 via the official IDP e-mail address (idp@bvm.gov.za) or directly at the municipal office(s) for those unable to read and/or write
 - 🌀 via the link: <https://bvm.gov.za/page-templates-2/contact-us/> on the municipal website
 - 🌀 by commenting on the subject matter that was posted on the municipal Facebook page (comments solely relating to ward priority need areas, directly or indirectly, were considered)
 - 🌀 by participating in alternative participation methods created and communicated by the Municipality for this process

Public assessment and representations on the IDP & Budget:

- Hard copies of the draft IDP and Budget are circulated to each municipal head office per town as well as all libraries. In addition, electronic copies are uploaded on the municipal website for public access and scrutiny;
- An interactive video, providing a concise overview of the respective IDP and Budget, is produced and published on all municipal social media platforms as well as the municipal website;
- Citizens/stakeholders are encouraged to scrutinise the documentation/publication and submit their inputs/representations via the following mechanisms:



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- directly to their respective Ward Councillors, ward committee members via the ward Whatsapp groups, e-mail & telephone contact details, verbally, etc. for internal consideration;
- via the official municipal e-mail addresses:
- IDP Office;
- Budget Office;
- via the link: <https://bvm.gov.za/page-templates-2/contact-us/> on the municipal website;
- by commenting on the subject matter that will be posted on the municipal Facebook page (only comments relating to the subject matter and purpose, will be considered); and
- by visiting designated municipal officials at municipal offices to capture inputs (only applicable for citizens that cannot read and/or write, and unable to access any of the means mentioned above).

Upon collective endorsement of an engagement methodology, the IDP department facilitates the publication thereof and initiates the planning and execution of the scheduled engagements. The department further provides administrative and logistical support to ensure that members of the public/constituent are able to attend the engagements and participate in a fair, equitable and transparent manner, without fear or victimisation. Support offered by the department, include (amongst others) arranging loud hailing and pamphleteering services throughout wards (upon request) to further sensitise communities of the scheduled engagements and associated logistical arrangements and the provision of transport to citizens (upon request and subject to reasonability thereof). Through this, BVM envisage to promote fair and equal opportunity for all citizens to participate in the consultation process.

It is imperative to note that IDP/Budget engagements and its subsequent methodologies (particularly the 2nd round) are duly consulted with Council to ensure that the methodology remains conducive to- and entices the public's participation in the matters of local government (i.e. municipal affairs). The department further participates in various multi-sectoral and inter-governmental forums on Integrated Development Planning, which include strategic discussions on public participation best practices and guidelines (amongst others). This allows for continuous revision of methodologies for public benefit

2023/24 IDP & Budget Engagement Schedule & Statistics

The 1st review of the 5th Generation IDP (for the period 2023/24) and 2023/24 Budget planning and compilation cycle occurred throughout the 2022/23 financial period, and as specified under the IDP & Budget engagement methodology above. A detailed overview and analysis of the public engagements in preparation and planning for the 2023/24 IDP (revised) and Budget has been duly articulated in the 2022/23 Annual Report (pages 238 – 240). The 2022/23 Annual Report can be accessed via the following link: <https://bvm.gov.za/download/adopted-oversight-report-approved-annual-report-2022-23/?wpdmdl=17734&ind=1702897815513>

2024/25 IDP and Budget

The 2nd Review of the 5th Generation IDP (for the period 2024/25) and 2024/25 Budget planning and compilation cycle occurred throughout the 2023/24 financial period, and as specified under the IDP & Budget engagement methodology above.



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The tables below depict the meeting schedules and statistics for both rounds of engagements:

Date	Ward	Type	Venue	Attendance (Excl. Support Staff)
02-Oct-2023	1	Ward Committee	Touwsrivier Municipal Office Community Hall	7
03-Oct-2023	2	Ward Committee	De Doorns MPC	8
	3	Ward Committee	De Doorns Municipal Office	8
04-Oct-2023	18	Ward Committee	Zwelethemba MPC	6
05-Oct-2023	14	Ward Committee	BVM Council Chambers	5
	15	Ward Committee	BVM Smart Boardroom	4
09-Oct-2023	11	Ward Committee	BVM Council Chambers	7
	16	Ward Committee	Zwelethemba MPC	7
10-Oct-2023	9	Ward Committee	BVM Council Chambers	8
	10	Ward Committee	BVM Smart Boardroom	7
11-Oct-2023	6	Ward Committee	BVM Smart Boardroom	8
	7	Ward Committee	BVM Council Chambers	9
12-Oct-2023	20	Ward Committee	Rawsonville Municipal Offices	7
	21	Ward Committee	BVM Council Chambers	10
16-Oct-2023	4	Ward Committee	De Doorns MPC	9
	5	Ward Committee	De Doorns Municipal Office	7
17-Oct-2023	13	Ward Committee	BVM Council Chambers	10
	8	Ward Committee	Zwelethemba MPC	8
18-Oct-2023	19	Ward Committee	Rawsonville Municipal Office	10
19-Oct-2023	12	Ward Committee	BVM Council Chambers	11
	17	Ward Committee	Zwelethemba MPC	11

Table: 194 Ward committee/public meetings held in October 2023

Date	Ward	Type	Venue	Attendance (Excl. Support Staff)
10-Apr-2024	11; 13 & 14	Worcester South Cluster 1: Public Engagement	Maranatha Church	27
11-Apr-2024	17	Zwelethemba Cluster 2: Public Engagement	Zwelethemba Community Hall	24
15-Apr-2024	18	Zwelethemba Cluster 3: Public Engagement	Zwelethemba Community Hall	28
16-Apr-2024	19 & 20	Rawsonville Cluster: Public Engagement	VGK Goudini Church	145
17-Apr-2024	5; 6; 7; 12 & 15	Worcester North Cluster: Public Engagement	BVM Town Hall	40



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Date	Ward	Type	Venue	Attendance (Excl. Support Staff)
18-Apr-2024	12; 13 & 21	Avian Park Cluster: Public Engagement	Somerset High School	53
22-Apr-2024	8; 9 & 10	Worcester South Cluster 2: Public Engagement	Esselen Park Primary School	55
23-Apr-2024	16	Zwelethemba Cluster 4: Public Engagement	Zwelethemba MPC	6
24-Apr-2024	1	Touwsrivier Cluster: Public Engagement	Steenvliet Community Hall	104
25-Apr-2024	8	Zwelethemba Cluster 1: Public Engagement	Zwelethemba Community Hall	55

Table: 195 IDP/Budget consultation meetings held in April 2024

The recorded public attendance of ward 16 (6) is inaccurate as members refused to sign the attendance register. Notwithstanding, it is estimated that approximately 80 members of the ward attended the engagement. Furthermore, it should be noted that physical engagements in all De Doorns wards (i.e. 2, 3, 4 and part of 5) have been cancelled due to the posing threat of taxi and related shootings that were prevalent in the area at the time. The decision was taken in consultation with all the ward councillors of De Doorns. In the absence of physical engagements, the Municipality prepared and distributed an IDP & Budget Information Brochure per ward, depicting the key financial and budgetary implications linked to the 2024/25 financial period, as well as preliminary response on the top 5 ward priorities per ward, as identified by the communities for consideration in the 2024/25 financial period.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.20 LIBRARIES

The library service ensures the provision of library and information services to communities in a sustainable manner by promoting a culture of reading, library use and learning. The service is provided in co-operation with the Western Cape Provincial Library Service. Libraries are resource centres for adults and children. The public can access or borrow books, audio visual material, newspapers and periodicals at all the local libraries. We also offer a new electronic book loan system called Libby – a library reading app by OverDrive. Users must be a registered member of a library to borrow books electronically. Equipment was installed at Goudini Library to serve as an access point for the Library for the Blind/Illiterate users. New more user-friendly devices for the blind/partially sighted/illiterate readers, were received. The RLCP (Rural Libraries Connectivity Project) is a free computer/internet service to the public via the Provincial Library Service. This service is available at all service points except at Overhex Mini Library (due to limited space). Five mini-libraries (community libraries) were established during the past few years and deliver a service to rural areas.

In line with our skills training and development objectives, we remain steadfast in our commitment to promote staff advancement and skills transfer to the youth. To this effect, we are proud to highlight that two of our librarians successfully completed their Postgraduate Diploma qualifications in Management as recipients of the internal bursary programme aimed at creating a culture



of learning and building internal capacity. Furthermore, several skills development and training interventions were conducted for youth, including the appointment of twenty-four (24) young ICT and Reading Champions, affectionately known as Yeboneers, from May to December 2023. Working in collaboration with the Western Cape Government (WCG), the appointment of the interns was geared towards aiding with RLCP and literacy outreach projects at our libraries. In December 2023, an award ceremony was held to honour and pay homage to the interns for their service excellence and commitment in fulfilling their mandate aligned with the department's targets and objectives. In addition, in response to the high levels of unemployment among youth, the De Doorns library in collaboration with the Microsoft Imagine Academy (MIA), awarded eighty-eight (88) young people with certificates of completion as part of the Basic Digital Literacy course focusing on providing young people with digital skills to connect, learn, and have access to online job and skills training opportunities.

Working in collaboration with the BVM's Communications Unit, the department has made tremendous progress in leveraging social media platforms to advertise and promote its service offerings, programs, and outreach initiatives for the 2023/24 financial year. In observing World Read Aloud Day in February 2024, a series of educational activities were held in various libraries and coverage provided on social media generated a remarkable traction of approximately more than 50 000 views on the campaign. Similarly to the WRAD, the Library Week campaign in March also generated a notable traction of over 60 000 views in all the daily content curated from 18 – 23 March 2024.

In its bid to enhance service delivery to communities, BVM's Library Services department continues to develop organised systems with other relevant government departments and community organisations. Aligned with the department's mandate to increase its footprint and reach to a diverse target audience, a wide variety of outreach campaigns were conducted throughout the Municipality targeting senior citizens (elderly), people with disability, youth, and women.





Figure 8: MMC for Community Services, Cllr. Naomi Nel flanked by Community Services Director Mr. Seon Swartz, and Library Services Manager, Mrs. Christine Gerber with the 24-interns (Yeboneers) outside the Waterloo Library, Worcester.



Figure 9: Library Services Manager Christine Gerber, and Ward 2 Councillor Cynthina Nyithana with the beneficiaries of the Basic Digital Literacy course in De Doorns.

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Figure 10: A series of celebratory activities were held to observe Africa Day in Zwelethemba, Touwsrivier, and Esselen Park



Figure 11: Library Services staff with officials of the WordWorks (NGO), and BVM's Fire & Rescue Services Department

Through effective collaboration with a wide range of internal and external stakeholders such as the BVM's Fire & Rescue Services, Communications Services, and WordWorks (NGO), to mention a few, the Library Services played a crucial role in strengthening and building resilient communities by providing access to information through its outreach programs.

Membership and outreach	2022/23	2023/24
Total circulation statistics (Library material used during the financial year)	200 726 (The SLIMS system, used for circulation purposes, crashed on 15 November 2022. Circulation statistics have been counted manually since)	230 446 (Libraries started using SLIMS again on 23 August 2023 and since then the circulation statistics have been counted electronically)
In-house usage (People using libraries during the financial year)	213 182	298 295
Outreach programs/promotional activities/group visits/displays	854	1 002
New members	2385 (The SLIMS system, used for circulation purposes, crashed on 15 November 2022.	3420 (New members are counted manually. Patrons join the library and are registered on



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Membership and outreach	2022/23	2023/24
	Membership statistics have been counted manually since)	the electronic system but some do not collect their membership cards. Only members that collect membership cards, are counted as new members)

Table: 196 Membership and outreach statistics

3.20.1 Highlights: Libraries

The table below gives a brief description of all the highlights for libraries during the 2023/24 financial year:

Highlight	Description
New devices from the Library for the Blind	New devices were received from the Library for the Blind users. (Illiterate people, partially sighted people, the aged and blind people make use of the devices – managed by Goudini Library)
World Read Aloud Day	All libraries took part in World Read Aloud Day (7 February 2024) activities. Information was posted on social media
Africa Day	All libraries took part in Africa Month and Africa Day (25 May 2024) activities. Information was posted on social media
World Book Day	All libraries took part in World Book Day (23 April 2024) activities. Information was posted on social media
Ramp at Worcester Library	The ramp at Worcester Library was completed to comply with acceptable standards and the final completion certificate was issued on 8 May 2024

Table: 197 Library highlights

3.20.2 Challenges: Libraries

The table below gives a brief description of the library challenges during the 2023/24 financial year:

Challenge	Corrective action
Security Services	Some libraries have access control officials (EPWP and Chrysalis students). Libraries are public facilities and require properly trained and equipped security guards
Maintenance issues	Libraries experience problems re the maintenance of buildings and equipment in buildings. Assistance from internal departments with the identified needs
Vehicle	The Library Service does not have an assigned vehicle. The Library Service is using a very old pool vehicle. Urgent need for an assigned vehicle to transport staff to outreach programs and to transport material/equipment to various libraries

Table: 198 Library challenges



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.20.3 Service delivery indicators: Libraries

The key performance indicator for libraries is:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL9	Spend 95% of the Library Grant in accordance with the transfer payment agreement by 30 June 2024	% of grant funding spent	All	95%	100%	95.00%	92.84%	O
TL12	Purchase and installation of a modular library at Overhex by 30 June 2024	Project completed	18	0	0	1	0	R

Table: 199 Service delivery indicators: Libraries

3.20.4 Service statistics: Libraries

Type of service	2022/23	2023/24
Libraries		
Number of libraries	8 plus 5 mini libraries	8 plus 5 mini libraries
Library members	27 116 (June 2023)	16 497 (June 2024) A complete membership clean-up was done after the SLIMS crash was restored
Books circulated	200 726	230 446
Exhibitions held	488	461
Internet users	29 940	43 348
New library service points or Wheelie Wagons	No new service points introduced	None
Children programmes	366 (includes all outreach programs)	501 (includes all outreach programs)
Visits by school groups and crèches	366 (includes all outreach programs)	501 (includes all outreach programs)
Book group meetings for adults	366 (includes all outreach programs)	501 (includes all outreach programs)
Primary and secondary book education sessions	366 (includes all outreach programs)	501 (includes all outreach programs)

Table: 200 Service statistics: Libraries



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.20.5 Employees: Libraries

The table below indicates the number of employees for library services:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	0	1	100%
Senior Management	1	1	0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	10	10	0	0%
Semi-skilled	38	36	2	5%
Unskilled	0	0	0	0%
Total	51	48	3	6%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 201 Employees: Libraries

3.20.6 Capital expenditure: Libraries

The table below indicates the amount that was actually spent on library service projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Modular Library (Overhex)	850 000.00	950 000.00	75 931.00	874 069.00	950 000.00
Waterloo Library: Upgrade Ramp	0.00	80 000.00	71 917.39	8 082.61	80 000.00
Air conditioners - Variety of libraries	0.00	141 000.00	135 260.87	5 739.13	141 000.00
Total all	850 000.00	1 171 000.00	283 109.26	887 890.74	1 171 000.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 202 Capital expenditure 2023/24: Libraries

3.21 CEMETERIES

There are 14 cemeteries in the Breede Valley area that resort under the jurisdiction of the Municipality. Five cemeteries are operational (one in each of the four towns, as well as Sandhills and Zwelethemba and the pauper cemetery named Hartebees in Worcester), six officially closed and three are full.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Status of Cemetery Operations for 2023/24.

Cemetery	Air Space	Status		
		Open	Full	Closed
Hartebees	Sufficient	Yes		
De Wet	Insufficient burial space		Yes	
Cemetery (Worcester Prison)	Insufficient burial space			Yes
Old Cemetery Le Seuer Street	Insufficient burial space			Yes
Worcester New Cemetery	Sufficient	Yes		
Touwsrivier (Town Cemetery)	Insufficient burial space		Yes	
Steenvliet	80% insufficient burial space	Yes		
Zwelethemba	Insufficient burial space			Yes
Sandhills	Sufficient	Yes		
Aan De Doorns Cemetery	Insufficient burial space			Yes
Rawsonville Cemetery	Insufficient burial space		Yes	
De Nova Cemetery				Yes
Weltevrede, De Doorns	Sufficient	Yes		
Old De Doorns Municipal Cemetery	Insufficient burial plots			Yes
Total		5	3	6
A fully occupied cemetery signifies that graves have been purchased as double plots, yet there remains no available space for additional burials/plots. The term closed means that the cemetery is no longer accepting new graves, indicating that there are no available burial plots.				

Table: 203 Status of cemeteries

Total burials per area for 2023/24 are as follows:

Month	Area									
	Nuwe Worcester	Hartebees	Sandhills	Zwelethemba	De Doorns: Weltevrede	Touwsrivier: Steenvliet	Rawsonville	De Wet	Aan De Doorns	Total
July 2023	53	0	1	22	12	5	1	1	0	95
August 2023	76	0	4	14	20	5	0	1	0	120
September 2023	64	0	4	19	20	12	1	4	0	124
October 2023	67	0	4	15	19	13	0	0	0	118
November 2023	53	0	3	12	15	0	5	0	0	88
December 2023	44	10	2	7	11	10	4	0	0	88
January 2024	38	0	4	15	21	0	6	0	0	84



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Month	Area									
	Nuwe Worcester	Hartebees	Sandhills	Zwelethemba	De Doorns: Weltevrede	Touws-rivier: Steenvliet	Rawsonville	De Wet	Aan De Doorns	Total
February 2024	42	0	5	8	12	8	4	0	0	79
March 2024	47	1	2	8	22	6	5	2	0	75
April 2024	32	1	0	8	11	3	1	3	0	93
May 2024	48	0	5	1	8	7	3	0	0	72
June 2024	48	0	3	1	25	14	1	1	0	93
Total	612	12	37	130	196	83	31	12	0	1 129

Table: 204 Total burials per area

The table below gives a brief description of all the highlights for cemeteries during the 2023/24 financial year:

Highlight	Description
Monthly routine maintenance of cemeteries	The implementation of routine maintenance of all cemeteries monthly

Table: 205 Cemeteries highlights

The table below gives a brief description of the challenges experienced by the cemeteries department during the 2023/24 financial year:

Challenge	Corrective action
High water table at Worcester Cemetery, Zwelethemba, De Doorns & Rawsonville during the winter/rain season	Flooding alleviated by installing temporary stormwater channels and mechanical pumping

Table: 206 Cemeteries challenges

3.21.1 Service delivery indicators: Cemeteries

The key performance indicator for cemeteries is:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL48	Complete the installation of the municipal cemetery fence located in De Wet Street, Worcester by 29 February 2024	Project completed	7	1	0	1	1	G

Table: 207 Service delivery indicators: Libraries



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3.21.2 Capital expenditure: Cemeteries

The table below indicates the amount that was actually spent on cemetery projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Fencing of Cemeteries - De Wet Str.	107 000.00	207 000.00	169 050.00	37 950.00	207 000.00
Fencing of Rawsonville Graveyard	0.00	75 000.00	48 780.00	26 220.00	75 000.00
Total all	107 000.00	282 000.00	217 830.00	64 170.00	282 000.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 208 Capital expenditure 2023/24: Cemeteries

3.22 REGIONAL SOCIO-ECONOMIC PROGRAMME (RSEP)

BVM was selected as one of three municipalities to take part in the RSEP of the Western Cape Department of Economic Affairs and Development Planning (DEA&DP) with Saldanha- and Swartland municipalities. The aim of the programme is to improve personal safety and opportunity in the poorest areas with the highest crime rates. The suburbs of Avian Park, Riverview, Roodewal and Zwelethemba are included in the BVM focus areas.

A big part of the initial focus in the 2015/16 financial year was thrashing out the practical issues of the implementation in a series of workshops with colleagues from DEA&DP, Saldanha- and Swartland municipalities. Several public meetings were held to determine needs and identify projects to address these. On 16 November 2015 Council approved a Portfolio of Interventions for each of the four suburbs in the BVM focus area. DEA&DP also approved the Portfolio of Interventions which enabled BVM to move into the implementation phase of RSEP.

It soon became clear that the program could not be fully implemented within the four years originally budgeted by the Western Cape Government (WCG). Due to the success of the program in the three municipalities, the WCG decided to extend the programme to include more municipalities. Further funding to apply for on an annual basis was also made available to the original three municipalities. BVM has been successful with funding applications every year, and as a result RSEP is still being implemented.

During the 2016/17 financial year the following projects were completed:

- The construction of the Riverview neighbourhood centre
- Tar-surfaced netball courts in Avian Park, Riverview, Roodewal and Zwelethemba (one in each suburb)
- Construction of grassed soccer pitches in Avian Park and Riverview
- Fencing of the above



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During the 2017/18 financial year the following projects were completed:

- The fencing of various public facilities created through RSEP, at the communities' request. These include the Roodewal neighbourhood centre, Roodewal netball court, Roodewal mini-soccer astro-turf, Riverview netball court, Riverview mini-soccer astro-turf and Touwsrivier recreation area
- The construction of the Roodewal neighbourhood centre
- The construction of pedestrian walkways in Avian Park, Riverview and Roodewal
- The construction of braai stands with benches in Roodewal and Touwsrivier
- The installation of floodlights in dark passages which were dangerous for pedestrians in Touwsrivier
- The construction of mini-soccer astro-turf pitches in Avian Park, Riverview, Roodewal and Zwelethemba
- The construction of a concrete cricket pitch with a compacted outfield in Roodewal
- The engineering design of a pedestrian bridge over the Donkies River in Touwsrivier
- A review of the Portfolio of Interventions for Avian Park, Riverview, Roodewal and Zwelethemba was done, and one was compiled for Touwsrivier (which had been added to the programme). Both of these were approved by Council and DEA&DP.

During the 2018/19 financial year the following projects were undertaken:

- Construction of three tar-surfaced playing areas in Touwsrivier
- Construction of artificial grass mini-soccer pitches in Avian Park, Riverview, Roodewal and Zwelethemba (one in each suburb)
- Fencing of the above
- The purchase of steel playground equipment for Touwsrivier
- The upgrade of Mtwazi Street reserve for improved pedestrian, recreational and informal trading facilities (multi-year project earmarked for completion in 2021/22)
- The construction of a pedestrian bridge across the Donkies River in Touwsrivier (multi-year project earmarked for completion in 2021/22)

During the 2019/20 financial year the following projects were undertaken:

- The completion of the upgrade of Mtwazi Street reserve which commenced in 2019/20
- The completion of the pedestrian bridge across the Donkies Rivier in Touwsrivier which commenced in 2019/20
- Construction of an artificial grass mini-soccer pitch in Steenvliet in Touwsrivier
- The tender for the construction of traffic calming measures in Avian Park, Riverview, Roodewal, Touwsrivier and Zwelethemba (initially earmarked for construction during 2020/21) was only awarded in June 2020 due to delays caused by the Covid-19 pandemic. As a result, a budget roll-over application was submitted to the Provincial Department of Environmental Affairs & Development Planning (DEA&DP) in order to solicit approval and funding for project implementation within the 2020/21 financial year.

During the 2020/21 financial year the following projects were undertaken:

- The construction of a tar-surfaced netball court in De Doorns



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- The construction of a grass rugby field in Sunnyside-Orchard
- The upgrade of the sewer connection for the Riverview Neighbourhood Centre and the Women of Hope Soup Kitchen
- The installation of steel playground equipment in Avian Park, Riverview, Roodewal, Zwelethemba and at three locations in Touwsrivier
- The construction of traffic calming measures in Avian Park, Riverview and Zwelethemba

During the 2021/22 financial year the following projects were undertaken:

- Engineering design for the upgrade of pedestrian walkways and parking in a part of Mtwazi Street in Zwelethemba
- Successful application for funding of R800 000 for the above project in 2022/23

During the 2022/23 financial year the following project was undertaken:

- Upgrade of pedestrian walkways and parking in a part of Mtwazi Street in Zwelethemba

During the 2023/24 financial year the following project was undertaken:

- De Nova public space upgrade. Due to delays in the Western Cape government's confirmation of the amount of grant funding BVM would receive, only the public consultation and engineering and landscape design processes could be completed by 30 June 2024. Second phase funding for the project for 2024/25 has been approved by the WCG, and a roll-over of the 2023/24 funding will be applied for. Depending on the outcome of the latter, the scope of the project to be implemented in 2024/25 will be determined.

3.23 PARKS

The improvements and new developments to parks during 2023/24 can be seen from the table below:

Park	Suburb / Town
Installation of outdoor gym equipment	Wards 8, 17 & 18 – Zwelethemba: The installation of outdoor gym equipment is currently underway and will be carried over into the 2024/25 financial year
	Ward 10 - Heatley Street: Hex Park: The installation of outdoor gym equipment is currently underway and will be carried over into the 2024/25 financial year
	Ward 6 - Jansen Street: The installation of outdoor gym equipment is currently underway and will be carried over into the 2024/25 financial year

Table: 209 Improvements and developments to parks



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The table below gives a brief description of all the highlights for parks during the 2023/24 financial year:

Highlight	Description
Routine maintenance of parks	Implementation schedule of parks which includes cutting of grass, eradication on undesirable vegetation, cutting and pruning of trees, fertilisation, irrigation

Table: 210 Parks highlights

The table below gives a brief description of the challenges experienced by the parks department during the 2023/24 financial year:

Challenge	Corrective action
Illegal garbage dumping at open spaces	Community engagement to report any illegal dumping at the municipality's call centre. Additionally, no - dumping boards were placed in the open areas

Table: 211 Parks challenges

3.23.1 Employees: Parks

The table below indicates the number of employees for parks and open spaces (including cemeteries):

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	0		0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	7	4	3	43%
Semi-skilled	24	19	5	21%
Unskilled	23	22	1	4%
Total	56	47	9	16%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 212 Employees: Parks and open spaces (including cemeteries)

3.23.2 Capital expenditure: Parks

The table below indicates the amount that was actually spent on parks for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Playparks	500 000.00	537 000.00	20 248.56	516 751.44	537 000.00



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Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Upgrading of Open space - Kleigat	0.00	100 000.00	97 800.00	2 200.00	100 000.00
Playparks - Ward 10	120 000.00	120 000.00	0.00	120 000.00	120 000.00
Playpark - Ward 19	1 100 000.00	1 100 000.00	38 300.00	1 061 700.00	1 100 000.00
Parks - Machinery and Equipment	100 000.00	100 000.00	86 167.41	13 832.59	100 000.00
Total all	1 820 000.00	1 957 000.00	242 515.97	1 714 484.03	1 957 000.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 213 Capital expenditure 2023/24: Parks

3.24 COMMUNITY DEVELOPMENT

The department's primary goal is to enhance and promote sustainable improvements in the lives of the community within the Breede Valley Area, which includes the towns of Touwsrivier, De Doorns, Rawsonville, and Worcester, as well as the surrounding farms.

Our objective is to provide a comprehensive framework and guidance to the Breede Valley Municipality and other stakeholders on how to adopt a proactive and consistent approach to community development. We aim to empower vulnerable communities throughout the Breede Valley to fully and effectively engage in their development processes by:

- Improving decision-making
- Building stronger and more resilient communities
- Fostering stronger partnerships
- Enhancing mutual understanding
- Decreasing distances

3.24.1 Highlights: Community development

The table below gives a brief description of all the highlights for community development during the 2023/24 financial year:

Highlight	Description
18 Touwsrivier Mandela Day	Stakeholders support to take initiative to give back to the community. Awareness campaign was for the safety of Touwsrivier citizens. All participants at the campaign were served with food and stakeholders were responsible to serve community members
ECD draft Policy	The ECD Policy will be a guideline to all stakeholders. ECD service delivery and the clients to know the mandate



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Highlight	Description
Women's Day program August 2023	Focus on the empowerment of the Avian Park community to become foster and safety parents for the Department of Social Development
Arts and Culture Festival 2023	Yearly programme by the Department of Arts and Culture to implement the festival for the Western Cape Province. Breede Valley provided support teams to mobilise and promote the festival
ECD Fire training	90 ECD practitioners received training focused on how to develop their safety plan in the ECD sector/facility
Stakeholders Summit engagement September 2023	Breede Valley Municipality Community Development section implemented a partnership network summit
Gender Base Violence campaign November 2023	Gender based violence was implemented with stakeholders from 25 November -10 December 2023 in the different towns
Support of Holiday programs December 2023	BVM supports the holiday program in partnership with the Local Government Department and Department of Social Development
Elderly person program May 2024	Educational session earmarked to empower the elderly with information
Human Rights Day program March 2024	De Doorns Community, and arts and culture project, included dance performances by various groups
Rawsonville Youth Development program March 2024	Department of Labour registered unemployed youth and Boland College registered youth that want to be trained or study
ECD stakeholders' program 2023	BVM and Do More Foundation provided support to ECD practitioners
Child Protection Campaign May 2024	Awareness project in collaboration with the Department of Social Development and ECD forums
Golden Games April 2024	Elderly annual program collaboration between BVM, Cape Winelands District Municipality, BVM Elderly Forum and Drakenstein Municipality hosted the 2023/24 Golden Games
Youth Day Touwsrivier June 2024	Implemented with stakeholders, Community Development Programme (CDW) youth structures in Touwsrivier and Western Cape Department of Social Development (DSD). Various youth objectives were achieved and a plan to establish a Youth Forum was set up
Youth Day Zwelethemba June 2024	Implemented with stakeholders, Community Development Programme (CDW) youth structures and Western Cape Department of Social Development (DSD). Various youth objectives were achieved and a plan to establish a Youth Forum was set up

Table: 214 Community development highlights



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.24.2 Challenges: Community development

The table below gives a brief description of the community development challenges during the 2023/24 financial year:

Challenge	Corrective action
Insufficient resources (financial and non-financial)	Review of the current budget allocation Re-alignment of the Breede Valey Department of Community Development
Co-ordination of resources / projects	Signed memorandum of agreement with various stakeholders
Lack of support for the ECD in the Breede Valley	Development of the Breede Valley ECD facility
Insufficient administration support towards ward committee activities	Review of the current policy
Crime	Establishment of the Community Safety Forum (CSF)

Table: 215 Community Development Challenges

3.24.3 Service delivery indicators: Community Development

The key performance indicators for community development are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL7	Implement 22 approved community development projects by 30 June 2024	Number of approved projects implemented	All	8	22	22	18	O

Table: 216 Service delivery indicators: Community development

COMPONENT E: ENVIRONMENTAL PROTECTION

According to section 156(2) of the Constitution, a municipality may make and administer by-laws for the effective administration of matters that it has the right to administer. Air pollution is listed as a matter in which local government has authority and national and provincial government may not compromise or impede a municipality's right to exercise its powers or perform its functions.



3.25 POLLUTION CONTROL

Introduction

The National Environmental Air Quality Act, No. 39 of 2004 (NEM: AQA) states that air quality monitoring is a local municipality function, and the district municipality manages the licensing of listed activities. BVM must comply with the following statutory requirements:

- Appointment of an Air Quality Officer (AQO)
- Development of an Air Quality Management Plan (AQMP)
- Incorporation of the AQMP in the IDP of the Municipality.

Status Quo of Air Quality Management Plan

The AQMP of BVM was developed by the AQO and adopted by MayCo in June 2017 (Resolution EX17/2017). The “Implementation Plan” as described in the AQMP defines its goals and is divided into specific objectives. The following table summarises the current status quo as at 30 June 2024:

Requirement	Status	Comment
AQMP	Currently under review	In process
Air Quality By-Law	Developing stage	In process
Emissions Inventory	Updating	Continuous process
Capacity building	Attending forum meetings	Quarterly meetings

Table: 217 Status Quo – AQMP Implementation Plan

Air Quality By-law

The draft Air Quality By-Law is currently under review and amendments must be made to suit the town specific needs and ensure sustainable monitoring. A request for quotation (RFQ) was issued for the review of the Air Quality By-law. However, the bid received exceeded the available budget, so the RFQ will be re-advertised. Recent experience with the Vineaqua air pollution incident has put more focus on punitive regulation and a generic by-law will not suffice.

Quarterly Air Quality Forums

The purpose of these forum meetings is to facilitate ongoing collaboration between municipalities and the Air Quality Planning and Information Management Division of the Department of Environmental Affairs and Development Planning in the Western Cape.

Purpose: The meetings aim to raise awareness about air quality issues and ensure effective and consistent compliance monitoring and enforcement.

Contribution to skills/knowledge: In the forum meetings, you gain insights from other municipalities on handling various challenges, which helps expand your knowledge.



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The table below indicates the meeting/workshops that were attended by BVM officials.

Date	Place	BVM Official
31 August – 1 September 2023	Scientific Services, Athlone, Cape Town and via MS Teams	Abegail Arries
8 November 2023	Gene Louw Traffic College, Brackenfell	Abegail Arries, Rahim Mercuur
15 – 16 February 2024	MS Teams	Abegail Arries
9 – 10 May 2024	MS Teams	Abegail Arries

Table: 218 AQ Forum Meetings for the Period 1 July 2023 to 30 June 2024

Month/Year	Industry	Nature of complaint	Outcome
August 2023	Rainbow Chickens Farm on N1 direction Cape Town	Black smoke emitted	Upon visiting Rainbow Chickens farm, it was observed that the black smoke was a result of the ongoing cleanup processes
October 2023	Vinaqua	Foul odour	Investigated and continuously monitored similar complaints from neighbouring facilities
February 2024	Shalva farm Chavonnes	Smoke	Visited the agricultural site, restricted smoking to authorized startup periods, and conducted cleanup and blowing operations

Table: 219 Complaints received for the period 1 July 2023 to 30 June 2024

Challenges

The major challenges can be spilt into the following three items:

- Capacity in terms of human resources – The Chief Laboratory Analyst (Laboratory Manager) was appointed in November 2021 and continues to serve as BVM's temporary AQO until a permanent position is budgeted for and reflects on the staff establishment. While some employees have been designated to assist with AQM, this arrangement is inefficient because they have other primary responsibilities that require their attention. However, Air Quality Management training is required to ensure that the operational duties can be conducted effectively by the selected employees to perform air quality duties.
- Skills training – AQM is a new focus area within BVM and currently "on-the-job-training" experience is the only way to enhance our skill set within the subject matter. Air quality training is a priority so that Air Quality Management can be implemented effectively.
- Aligning the AQMP and by-laws with legislation and specific needs and lessons learned.



Emissions inventory

During February 2019, the department initiated an internal project relating to the compilation of a database of emission producers (inclusive of boilers, spray booth facilities and generators – particularly as the increased use hereof due to load shedding, result in greater emissions) in the Breede Valley Municipality.

As of January 2021, the Air Quality Survey was initiated (as an interim measure) as part of the industrial effluent applications process. In the industrial effluent application form, there is a section based on air quality emitters at the industries. The air quality section will be extended in the industrial effluent application form as a compulsory section to gather all relevant information required for the air quality survey.

This is to gather information and establish a database of emitters. This process will be followed up with a registration form for those industries that indicated that they are emitters of emissions that could adversely impact the air quality.

Once the registration forms have been checked against a pre-determined list of factors, a letter will be issued to the industry which states that its fuel burning appliance is registered with the Municipality. In addition, the letter also confirms that annual visits/inspections will be conducted to ascertain whether the status quo remains the same as per the completed application form by each respective industry.

As industries grow and upgrade, the emissions inventory list will be updated. Breede Valley Municipality is only responsible for the registration of small boiler as a controlled emitter.

3.26 BIODIVERSITY, LANDSCAPE AND OPEN SPACES

The relevant department is responsible for a large number of functions, including the:

- management and maintenance of trees;
- removal of unwanted and alien trees;
- planting of new indigenous trees;
- irrigation of trees and open spaces, as well as entrances to the towns;
- weeding and cleaning of sidewalks and open spaces;
- beautification of certain focus areas; and
- landscaping and the mowing of parks, open spaces and buffer zones.

Highlights for the year includes the following:

Highlight	Description
Implementation of the mowing and cleaning of maintenance plan as adopted by council	Sidewalks and open spaces are regularly maintained mowed, sprayed or shovelled as part of weed control

Table: 220 Biodiversity, landscapes & open spaces highlights



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The challenge for the year includes the following:

Challenge	Corrective action
Severe storms and high winds resulted in significant destruction to the trees	A team was placed on alert prior to each weather warning to swiftly address fallen trees and branches resulting from storms

Table: 221 Biodiversity, landscapes & open spaces challenges

COMPONENT F: SECURITY AND SAFETY

3.27 TRAFFIC AND LICENSING

The primary goal of BVM Traffic Services, is to render an effective and high-quality service through a process of transparency in all facets of the traffic services (i.e., traffic regulation & control, traffic licensing and municipal law enforcement & security), and in rendering a service to the community and its visitors by ensuring the free flow of traffic and creating a safe environment. The main priorities of traffic services are the following:

- The testing of applicants for driving licenses, learner's licenses and the application and renewal of professional driving licenses
- The registration and licensing of motor vehicles
- The promotion of road safety and law enforcement
- Traffic road school education and scholar patrol training

3.27.1 Highlights: Traffic and licensing

The table below gives a brief description of all the highlights for traffic and licensing during the 2023/24 financial year:

Highlight	Description
The appointment of Assistant Superintendents Law Enforcement	There is a shortage of management personnel; Mr. Hartnick commenced his duties in May 2024, Despite Mr. Eland signing his contract, he did not commence his duties until July 2024
6 New traffic vehicles were purchased	Certain traffic vehicles were considered outdated and needed to be replaced.
A generator was purchased to address potential electricity issues	It is essential to provide support to the community during periods of load shedding or potential electrical issues
Air conditioning units have been replaced.	The air conditioning units had become outdated and suffered damage over the years
The appointment of 3 Cashiers	Services to the public can be delivered quickly
The appointment 2 New Examiners	Traffic Officers who have received training to serve as Driving Licence Examiners
The appointment of 2 Student Traffic Officers	We successfully send two training officers to Gene Louw College for the 2023/24 academic year
The installation of flooring at the De Doorns Traffic department has been finalised	Issues were expressed concerning the condition of the office



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Table: 222 Traffic and licensing highlights

3.27.2 Challenges: Traffic and licensing

The table below gives a brief description of the traffic and licensing challenges during the 2023/24 financial year:

Challenge	Corrective action
Paint and signage	Provision of an allocated budget for the purchase of materials and supplies
Shortage of staff/ management representatives	Approve funded positions within the office
Insufficient storage space	Provision of a budget to purchase storage containers
Fencing at the De Doorns Traffic department	Provision of a budget for the installation of fencing at the De Doorns Traffic Department
Maintenance of the De Doorns Traffic Department	Provision of a budget to replace the pillars, maintain the front railing, and pay attention to the paving

Table: 223 Traffic and licensing challenges

3.27.3 Service statistics: Traffic services

The table below gives an indication of the statistics of traffic services for the financial year:

Details	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual no.	Actual no.	Actual no.	Actual no.	Actual no.	Actual no.
Number of infringements attended	16 705	29 220	18 693	10 386	48 375	49 541
Number of traffic officers in the field on an average day	4	4	5	8	9	7
Number of traffic officers on duty on an average day	12	12	10	16	15	15
Number of driver's licenses issued*	7 537*	2 037	1 335	4 469	1 411	10 045
Number of learner's licenses issued	2 748	2 316	2 206	5 589	5 632	3 008
Number of Temporary driver's licenses issued						7 203
Number of motor vehicle license transactions	95 363	92 639	95 501	96 080	94 253	91 539
*Includes renewals						

Table: 224 Service data for traffic services

3.27.4 Service delivery indicators: Traffic services

The key performance indicators for traffic services are:



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Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL11	Spend 90% of the budget allocated to purchase traffic vehicles	% of the budget spent	All	0	0	90.00%	98.34%	G2
TL1	Plan & conduct 32 roadblocks by 30 June 2024	Number of roadblocks conducted	All	24	27	32	42	G2

Table: 225 Service delivery indicators: Traffic services

3.27.5 Employees: Traffic services

The table below indicates the number of employees for traffic services:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	0	1	100%
Senior Management	1	1	0	0%
Middle Management and Professionals	6	5	1	17%
Skilled Technical, Superintendents etc	41	37	4	10%
Semi-skilled	25	20	5	20%
Unskilled	12	10	2	17%
Total	86	73	13	15%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 226 Employees: Traffic services

3.27.6 Capital expenditure: Traffic services

The table below indicates the amount that was actually spent on traffic services for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Traffic Vehicles	1 620 000.00	1 548 080.00	1 522 427.64	25 652.36	1 548 080.00
Traffic - Furniture and Office Equipment	0.00	20 000.00	16 395.65	3 604.35	20 000.00
Traffic - Air conditioners	0.00	100 000.00	86 836.56	13 163.44	100 000.00
Total all	1 620 000.00	1 668 080.00	1 625 659.85	42 420.15	1 668 080.00



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

Table: 227 Capital expenditure 2023/24: Traffic services

3.28 FIRE, RESCUE AND DISASTER MANAGEMENT SERVICES

Vision statement: *Making Life Safer*

Mission statement: *Protecting our community and the environment from fires and other emergencies*

Our Motto: *making a difference.... everyday*



Key strategies

- Δ Developing our staff and succession planning
- Δ Enhancing our community safety focus
- Δ Building partnerships
- Δ Building emergency response capacity
- Δ Building disaster management capacity
- Δ Planning for the future



3.28.1 Highlights: Fire services and disaster management

The table below gives a brief description of all the highlights for fire services and disaster management during the 2023/24 financial year:

Highlight	Description
	We are currently in the final stages of renovating a municipal house into a Firehouse to provide a 24-hour service from Touwsrivier
	We are currently in the final stages of renovating municipal offices section into a Firehouse to provide a 24-hour service from Rawsonville
Tehnnical Rescue Team	BVM Fire Department provided support to George Municipality by deploying a Rescue Team to aid in the aftermath of a building collapse



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Highlight	Description
	
Rescue operations 	Effected various rescue operations 
Dedicated long service 	<p>Station Commander Terblanche marked four decades of committed service</p>
Fire Safety Activities 	<ul style="list-style-type: none"> • 1 005 Regulatory fire inspections conducted • 243 Business Fire Clearances issued • 55 Public Events cleared • 145 Dangerous Goods classified activities registered (47 Transport permits; 54 Flammable Liquid registrations; 44 LPG Registrations.) • 5 104 Fire hydrants tested • 536 Building plans scrutinised • 573 Operational risk visits conducted
	<p>The Community Safety Programmes registered with the Department of Public Works EPWP has delivered great success.</p> <p>A total of 14 beneficiaries were approved to participate in these projects.</p> <ul style="list-style-type: none"> • Programme 1: Learner Fire Brigade Reservists Fire Fighters - 2 • Programme 2: Emergency Communications Operators - 8 • Programme 3: Fire and Life Safety Educators - 8 • Programme 3: General workers - 2
<p>Partnerships built with Western Cape Province Fire Brigade Services</p>	<p>This continuing partnership have created many training opportunities for staff throughout the year in various fields of Fire, Rescue and Disaster Management</p>



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Highlight	Description
Firebreaks created on municipal boundaries and other high risk areas	<ul style="list-style-type: none"> All firebreaks have been maintained New areas identified where clearing is required, are cleared This is a legal requirement in terms of the Veld and Forest Fire Act
Flammable Liquid Sites database	All sites mandated to register their flammable liquid due to the quantities that they keep, were captured on a database to ensure re-registration of these sites annually. Annual reregistration of the sites is in progress and closely monitored
Fire and Life Safety Education 	<p>The following Fire and Life Safety programmes are ongoing and coordinated by one of our senior firefighters specialising in this field:</p> <ul style="list-style-type: none"> Learn not to Burn (Early childhood development) Remembering When (old age homes and individual elderly residents) Prepare for emergency (business) Door-to-Door Smoke Alarms Training of local businesses in the use of fire extinguishers, fire safety and awareness 

Table: 228 Fire Services and Disaster Management highlights

3.28.2 Challenges: Fire services and disaster management

The table below gives a brief description of the Fire Services and Disaster Management challenges during the 2023/24 financial year:

Challenge	Corrective action
Municipal Staff Regulations	Difficult to comply with all aspects of the Municipal Staff Regulations. Assistance required from the Human Resource Department
Filling of key posts	<ul style="list-style-type: none"> Funding is required to fill all vacancies
Age of the Response Fleet with reduced reliability	<ul style="list-style-type: none"> Older vehicles to be replaced. Funding for a fire engine has been budgeted. The tender has been awarded and we are awaiting delivery
No 4x4 access vehicle for structural fire in rural and informal settlement fires	Funding received for 2024/25 financial year

Table: 229 Fire Services and Disaster Management challenges

3.28.3 Service statistics: Fire services and disaster management



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	Details	2022/23	203/24
		Actual no.	Actual no.
	Total fires attended in the year	890	1 180
	Total of other incidents attended in the year	375	205
	Fire-fighters in post at year end	44 + 10 Contract	47 + 9 Contract

Table: 230 Service data for Fire Services

3.28.4 Service delivery indicators: Fire services and disaster management

The key performance indicators for fire services and disaster management are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL8	Conduct 1000 planned inspections in accordance with the Fire Protection Regulations and Fire Safety Bylaw during the 2023/24 financial year	Number of planned inspections conducted	All	950	1465	1 000	1 224	G2

Table: 231 Service delivery indicators: Fire services and disaster management

3.28.5 Employees: Fire services and disaster management

The table below indicates the number of employees for fire services and disaster management:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	0	1	100%
Senior Management	2	2	0	0%
Middle Management and Professionals	5	3	2	40%
Skilled Technical, Superintendents etc	55	41	14	25%
Semi-skilled	17	16	1	6%
Unskilled	1	0	1	100%
Total	81	62	19	23%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 232 Employees: Fire services and disaster management



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3.28.6 Capital expenditure: Fire services

The table below indicates the amount that was actually spent on fire service projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Fire Services - De Doorns Communication Equipment	0.00	75 162.00	70 284.66	4 877.34	75 162.00
Total all	0.00	75 162.00	70 284.66	4 877.34	75 162.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 233 Capital expenditure 2023/24: Fire services

3.29 MUNICIPAL COURT

The main objective of the Municipal Court is to enforce compliance with National Building Regulations and Municipal By-Laws. It also handles the prosecution and adjudication of traffic-related offences reported by both the Provincial and Municipal Traffic Departments, provided these offences occur within the Breede Valley Municipality's jurisdiction. The overarching aim is to enable the Breede Valley community to thrive in a safe and healthy environment.



3.29.1 Highlights

The table below gives a brief description of all the highlights for the Municipal Court during the 2023/24 financial year:

Highlight	Description
Building transgressors complying	Individuals accused of transgressing the NBRSA 93/1977 are submitting building plans and complying with the law
Encroachments placed on court roll received from the legal department	Accused complied as the encroachment was removed



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Table: 234 Municipal Court highlights

3.29.2 Challenges

The table below gives a brief description of the challenges of the Municipal Court during the 2023/24 financial year:

Challenge	Corrective action
Court officer vacancy	Advertised vacancy: Law Enforcement assisting the court
Warrant of arrest printing backlog at Provincial Traffic Department	Meeting with Provincial Traffic Department. Printed warrants in bulk for Magistrate to issue
Storage of control documents not in order as per audit finding	Adequate storage space allocated and budgeted for

Table: 235 Municipal Court challenges

3.29.3 Service Statistics: Municipal Court

Month	Income	Municipal Fines on Court Roll	Provincial Fines on Court Roll	Total Warrants Issued
July 2023	R260 984	1 076	757	642
August 2023	R1 041 042	484	1 050	1 056
September 2023	R3 015 249	178	2 041	1 267
October 2023	R1 100 090	369	1 388	1 004
November 2023	R1 073 056	480	2 631	1 629
December 2023	R793 140	192	27	198
January 2024	R1 166 998	408	2 036	1 455
February 2024	R1 056 305	709	4 891	2 991
March 2024	R1 072 283	373	1 429	981
April 2024	R849 145	853	2 049	1 571
May 2024	R2 789 860	797	1 780	1 373
June 2024	R1 501 304	675	1 294	1 188
Total	R15 719 456	6 594	21 373	15 355

Table: 236 Service statistics Municipal Court

3.29.4 Municipal Court appearances

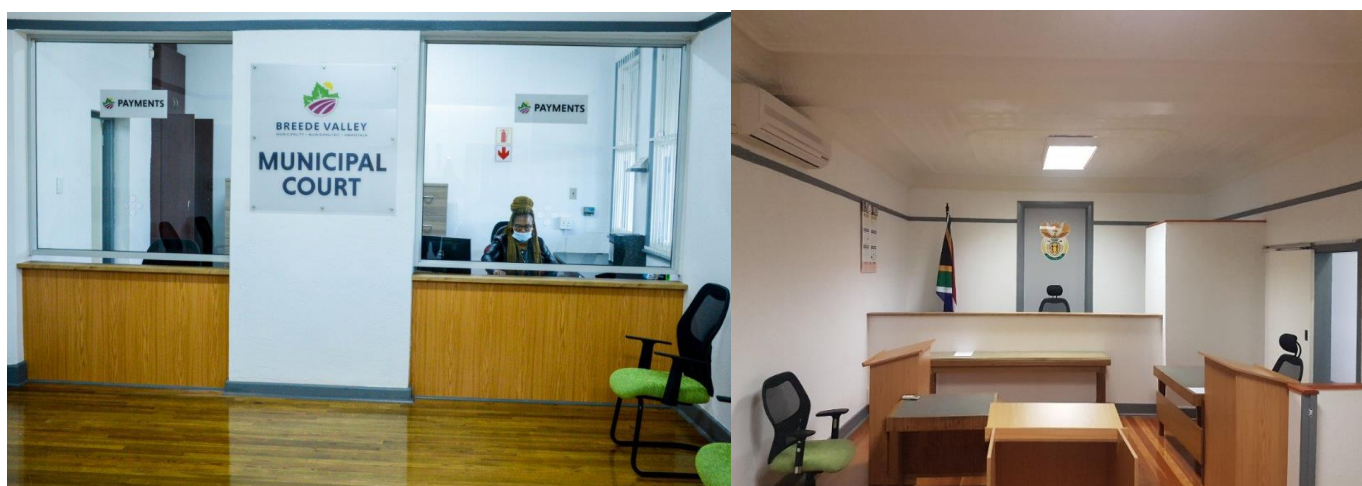
Category	Description	Number
Total court days	Total days the court was operational for the year (days matters were brought before the magistrate in the physical court room)	185
Total matters on court roll	Total matters brought before the Magistrate in court	1 577
Guilty	Total guilty pleas and accused found guilty after trial before the Magistrate in court	975
Not Guilty	Total accused found not guilty by the Magistrate after plea in court	0



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Category	Description	Number
Withdrawn: Complied	Total matters where accused remedied their action by complying with the various by laws and National Building Regulations	29
Postponements	Total matters remanded to future court date	484
Warrants issued in court	Total accused who failed to appear on their postponement date in court. Magistrate issued a bench warrant.	89
Warrants appearing in court	Accused who failed to appear in court, total charge sheets enrolled again	508
Court hours	Total court time spent on matters appearing before the Magistrate in court	135
Representations	Total written applications made by the public, for reduction or withdrawal of the fines	5 570

Table: 237 Municipal Court appearances



COMPONENT G: SPORT AND RECREATION

The Municipality has eight sportsgrounds, of which Boland Park and Esselen Park are the biggest. There are also four swimming pools, three in Worcester and one in Touwsrivier. Many sport clubs have been established in the Breede Valley area resulting in a high demand for facilities.

3.30 HOLIDAY RESORTS AND CAMPSITES

Nekkies Holiday Resort is an hour outside Cape Town near the town of Worcester. The Meer chalets consist of seventeen self-catering log chalets built on stilts overlooking the lake (Brandvlei Dam) with two bedrooms and two bathrooms, fully equipped kitchen, balcony and fireplace. The campsite has twenty power points for caravans and tents and eighty sites without power. All sites are on grass.

The resort caters for big events such as rock/motorcycle/trance at the grass campsite areas. Income generated from the resort can be summarised as follows:






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Resort	2022/23	2023/24
Nekkies Meer Chalets	R1 766 483	R1 648 897
Nekkies Resort	R1 363 761	R1 603 281

Table: 238 Income generated from the resort

The table below gives a brief description of all the highlights for holiday resorts and campsites during the 2023/24 financial year:

Highlight	Description
<p>Nekkies public swimming pool</p> 	Re-surfaced and painted
<p>Building of new braai stands</p> 	Additional day visitors and camping site
<p>Host of Easter music festival</p> 	29 March-1 April 2024
<p>Host of Swallows Motorcycle rally</p>	22-24 March 2024



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Highlight	Description
	
Upgrade of ablution facilities	Tiling/fit new doors and basins
Upgrade of CCTV camera system	Property protection on facilities
Upgrade of wooden deck-swimming pool and Lapa area	Fit new woods and rails on total area
	

Table: 239 Holiday resorts and campsites highlights

The table below gives a brief description of the holiday resorts and campsites challenge during the 2023/24 financial year:

Challenge	Corrective action
Road infrastructure to Nekkies Lake chalets and resort	A submission will be made for funding
Chalet appliances outdated	Needs to be written off/ need capital funding to replace
Conference centre leaking roof	To be fixed by professional contractor

Table: 240 Holiday resorts and campsites challenges

3.30.1 Employees: Holiday Resorts and Campsites

The table below indicates the number of employees for holiday resorts and campsites:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	0	1	100%
Senior Management	0	0	0	0%
Middle Management and Professionals	0	0	0	0%
Skilled Technical, Superintendents etc	2	1	1	50%



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Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Semi-skilled	11	11	0	0%
Unskilled	0	0	0	0%
Total	14	12	2	14%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 241 Employees: Holiday resorts and campsites



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.31 SWIMMING POOLS AND SPORT GROUNDS

BVM has a total of four public swimming pools. Three of these are situated in Worcester, whilst the fourth is situated in Touwsrivier. The pools are available for public use during season, which starts on the 1st of October and ends on the 31st of March the following year.

The table below gives a brief description of the highlight for swimming pools and sportsgrounds during the 2023/24 financial year:

Highlight	Description
No major incidents reported at swimming pools	Incident of missing child resolved within a matter of hours

Table: 242 Swimming pools and sportsgrounds highlights

The table below gives a brief description of the swimming pools and sportsgrounds challenge during the 2023/24 financial year:

Challenge	Corrective action
Vandalism and theft	CCTV cameras installed at sports grounds and swimming pools
Monitoring of cameras	Appoint a staff member to monitor cameras or a security company to assist
Shortage of chlorine nationally which caused challenges at swimming pools	Purchased sufficient stock that can be kept by Stores
Prepare of cricket pitches / rugby fields /soccer fields due to faulty equipment	Purchase of the correct equipment to prepare the fields
Transport of equipment to different facilities	Purchase/hire of vehicle to assist with delivery of equipment to different facilities

Table: 243 Swimming pools and sportsgrounds challenges

3.31.1 Service statistics: Swimming pools and sport grounds

Type of service	2022/23	2023/24
Swimming pools, stadiums and sport grounds		
Number of sport grounds/fields	8	9
Number of swimming pools	4	4
Number of stadiums	8	7
Number of complaints addressed – swimming pools	5	4

Table: 244 Statistics: Swimming pools and sport grounds



ESSELEN PARK SPORTSGROUNDS - SOCCER CLUBHOUSE

OUTSIDE

Before



After



INSIDE

Before



After



ESSELEN PARK SPORTSGROUNDS – TENNIS CLUB HOUSE

OUTSIDE

Before



After



INSIDE

Before



After



DE WET SPORTSGROUNDS – GATE ENTRANCE

Before



After



DE DOORNS WEST SPORTSGROUNDS NETBALL FIELD

Before



After



BOLAND PARK SPORTSGROUNDS – CRICKET CLUBHOUSE

OUTSIDE

Before



After

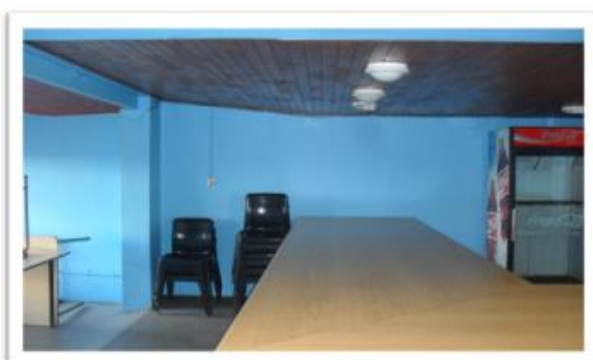


INSIDE

Before



After



DE LA BAT SWIMMINGPOOL FENCE

Before

After



3.31.2 Service delivery indicators: Swimming pools and sport grounds

The key performance indicators for swimming pools and sport grounds are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL13	Spend 90% of the capital budget linked to the construction of the fence of Esselen Park Sport Facility by 30 June 2024	% of the budget spent	9	1	0	90.00%	64.63%	R
TL56	Spend 90% of the budget allocated for the Regional Socio Economic Programme by 30 June 2024	% of budget spent	All	90%	100%	90.00%	3.48%	R

CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL14	Review the Sport Facilities Infrastructure Master Plan and submit to Council for approval by 31 May 2024	Final reviewed Sport Facilities Infrastructure Master Plan submitted to Council for approval	All	1	1	1	1	G
TL15	Develop a Maintenance Plan for Resorts and Sport Facilities and submit to Council for approval by 31 May 2024	Maintenance Plan developed and submitted for approval	All	0	0	1	0	R

Table: 245 Service delivery indicators: Swimming pools and sport grounds

3.31.3 Employees: Swimming Pools and Community Halls

The table below indicates the number of employees for swimming pools and community halls:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	0	1	100%
Senior Management	0	0	0	0%
Middle Management and Professionals	0	0	0	0%
Skilled Technical, Superintendents etc	3	3	0	0%
Semi-skilled	15	10	5	33%
Unskilled	15	10	5	33%
Total	34	23	11	32%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 246 Employees: Swimming pools and community halls



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.31.4 Capital expenditure: Swimming pools and sport grounds

The table below indicates the amount that was actually spent on swimming pools and sports grounds projects for the 2023/24 financial year:

Capital projects	2022/23				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Bowling Green - Renewal of Roof	0.00	150 000.00	115 108.03	34 891.97	150 000.00
Boland Park: Tartan Track	0.00	100 000.00	86 956.52	13 043.48	100 000.00
Esselen Park: Replacement of fence perimeter	3 000 000.00	2 579 950.00	1 667 425.98	912 524.02	2 579 950.00
De Doorns West SG - Fencing	0.00	150 000.00	146 739.13	3 260.87	150 000.00
Upgrading of Buildings and Facilities	0.00	60 000.00	52 173.92	7 826.08	60 000.00
Total all	3 000 000.00	3 039 950.00	2 068 403.58	971 546.42	3 039 950.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 247 Capital expenditure 2023/24: Swimming pools and sport grounds

COMPONENT H: CORPORATE POLICY, OFFICES AND OTHER SERVICES

3.32 EXECUTIVE AND COUNCIL

3.32.1 Service delivery indicators: Executive and Council

The key performance indicators for Executive and Council are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL62	Submit a request for approval, to dispose official documents, to the Provincial Archive Services by no later than 30 June 2024	Request for approval submitted to the Provincial Archive Services	All	1	1	1	1	G
TL63	Review the 5th Generation IDP and submit to Council for approval by 31 May 2024	5th Generation IDP reviewed and submitted to Council for approval	All	1	1	1	1	G

Table: 248 Service delivery indicators: Executive and Council



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.32.2 Employees: Executive and Council

The table below indicates the number of employees for executive and council:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	0	0	0	0%
Senior Management	0	0	0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	1	1	0	0%
Semi-skilled	7	7	0	0%
Unskilled	0	0	0	0%
Total	9	9	0	0%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 249 Employees: Executive and Council

3.32.3 Employees: Office of the Municipal Manager

The table below indicates the number of employees for the office of the municipal manager:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	0	0	0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	1	1	0	0%
Semi-skilled	0	0	0	0%
Unskilled	0	0	0	0%
Total	3	3	0	0%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 250 Employees: Office of the Municipal Manager



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.32.4 Capital expenditure: Executive and Council

The table below indicates the amount that was actually spent on executive and council projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Mayco: Furniture and Equipment	5 000.00	10 000.00	6 810.00	3 190.00	10 000.00
MM : Furniture and Equipment	155 000.00	173 100.00	173 016.47	83.53	173 100.00
Total all	160 000.00	183 100.00	179 826.47	3 273.53	183 100.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 251 Capital expenditure 2023/24: Executive and Council

3.33 FINANCIAL SERVICES

3.33.1 Service delivery indicators: Financial services

The key performance indicators for financial services are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL35	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2024	% of debt coverage	All	45%	22%	45.00%	23.59%	B
TL36	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024	% of outstanding service debtors	All	16.50%	14%	16.50%	10.19%	B
TL37	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024	Number of months it takes to cover fix operating expenditure with available cash	All	1.5	2	1.5	2	G2
TL40	Submit the approved financial	Approved financial statements for	All	1	1	1	1	G



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
	statements for 2022/23 to the Auditor-General by 31 August 2023	2022/23 submitted to the AG						
TL41	Achieve a payment percentage of above 95% as at 30 June 2024	% Payment achieved	All	95%	93.81%	95.00%	96.48%	G2
TL47	The percentage of the municipal capital budget spent on capital projects as at 30 June 2024	% of the municipal capital budget spent	All	90%	67.13%	90.00%	79.98%	O
TL42	Review the MGRO Clean Audit Plan and submit to the Municipal Manager by 31 January 2024	MGRO Clean Audit Plan submitted	All	1	1	1	1	G
TL43	Achieve an unqualified audit for the 2022/23 financial year by 31 January 2024	Audit report signed by the Auditor-General for 2022/23	All	1	1	1	1	G
TL44	Review the Revenue Enhancement Plan and submit to Council for approval by 31 May 2024	Reviewed Revenue Enhancement Plan submitted to Council	All	1	1	1	1	G

Table: 252 Service delivery indicators: Financial services

3.33.2 Employees: Financial services

The table below indicates the number of employees for financial services:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	9	9	0	0%
Middle Management and Professionals	13	12	1	8%



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Skilled Technical, Superintendents etc	35	30	5	14%
Semi-skilled	75	65	10	13%
Unskilled	2	2	0	0%
Total	135	119	16	12%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 253 Employees: Financial services

3.33.3 Capital expenditure: Financial services

The table below indicates the amount that was spent on financial services projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Revenue - Upgrading of Municipal Building	50 000.00	5 980.00	0.00	5 980.00	5 980.00
Revenue - Air conditioners	50 000.00	69 020.00	68 293.90	726.10	69 020.00
Revenue - Machinery and Equipment	150 000.00	5 000.00	0.00	5 000.00	5 000.00
Safeguarding of Assets	400 000.00	400 000.00	226 363.74	173 636.26	400 000.00
FS FP - Insurance claims : Other Assets	400 000.00	970 000.00	563 704.81	406 295.19	970 000.00
FS FP - Insurance claims : Mach & Equipment	500 000.00	500 000.00	0.00	500 000.00	500 000.00
FS FP - Insurance claims : Comp Equipment	100 000.00	100 000.00	68 763.30	31 236.70	100 000.00
Financial Planning - Furniture and Equipment	50 000.00	84 600.00	84 562.21	37.79	84 600.00
Total all	1 700 000.00	2 134 600.00	1 011 687.96	1 122 912.04	2 134 600.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 254 Capital expenditure 2023/24: Financial services

3.34 HUMAN RESOURCE SERVICES

The Human Resources Department deals with issues related to talent acquisition and retention, labour relations, compensation, performance management, organisational development, training and development, occupational health & safety, employee wellness and benefits.

All functionalities within human resources should be underpinned by ethical values which are supported by legislation, policies, rules and regulations. Ethical values are primarily focused on the human element as reflected by the behaviour of the stakeholders.



Hence, it becomes essential that all stakeholders i.e. line management, employees and the Human Resources Department operate in a collaborative and inclusive nature to ensure that the work environment is healthy and that a higher level of productivity is the resultant output of everyone's efforts and commitments.

The Human Resources Department must ensure that the right people with the right skills and competencies are appointed in the correct positions. The matching of human capital with the right skills and competencies to the right job will contribute to ensure that the short, medium and long-term objectives are achieved effectively, efficiently and economically.

The essential nature of human resources should therefore be clearly understood by all the stakeholders involved and it is crucial that there is a greater alignment to the strategic objectives within the integrated development plan of the Municipality.

The Human Resources Department established ten key objectives to provide a quality and professional support service:

- Annual review of the institutional structure (restructuring to ensure maximum efficiency, productivity and job satisfaction with resulting consequences being effective, efficient and economical service delivery);
- TASK grading and job evaluation (job descriptions with profiles, competencies and performance standards);
- Recruitment and selection (proper HR planning ensuring that the right people are appointed for the right jobs, competitiveness, scarcity allowances, succession planning and retention policy to retain staff);
- The implementation of employment equity targets to address the under representation of the designated groups across the various occupational levels within the demographic profile of BVM;
- Training and development of staff capacity (enhancing the current skills of employees, focusing on the development of employees from designated groups to ensure representivity, succession planning and coaching);
- Compiling standard operating procedures as guidelines for performance standards and identification of skills gaps;
- Compile critical HR policies, related procedures and control mechanisms (e.g. overtime management, succession planning, study bursaries for employees);
- Improved discipline management (provide advice and support to line management on how to manage staff, motivation of staff, addressing incapacity due to illness or poor performance);
- Sound and healthy industrial relations (promote and support effective working relationships with unions, maintain and invest in staff morale, address incapacity cases); and
- Health and safety (maintain a safe and healthy work environment, critical safety hazards addressed, maintain low levels of injury on duty, safety audit completed).

The Human Resources Department assisted in creating and maintaining sound working relations between management and unions through regular meetings of the Local Labour Forum and Training Committee, which directly leads to a healthier relation with employees.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.34.1 Highlights: Human resource services

The table below gives a brief description of all the highlights for human resource services during the 2023/24 financial year:

Highlight	Description
Establishment of an Employment Equity Committee	A new Employment Equity Committee was established, and members of the Committee were trained
Digitisation of recruitment (e-recruitment)	Re-instated an online recruitment portal to ease job application process
Initiate entry medical examination	All General Assistant appointees were subjected to a process of entry medical examination, to determine candidates' medical fitness
Training of initiator & chairperson for disciplinary	The human resources department provided in-house training to all managers and supervisors for capacity development within the subject matter
Decrease of Injury on Duty in past financial year	61 Injury on Duty (IOD) in 2022/23 decreased to 52 in 2023/24

Table: 255 Human resource services highlights

3.34.2 Challenges: Human resource services

The table below gives a brief description of the challenges for human resource services during the 2023/24 financial year:

Challenge	Description	Corrective Action
Bottleneck of filling vacancies due to pending approval of the organisational structure by Council	Vacancies who's scope of functions were hugely affected by the review of staff establishment cannot be filled until Council approves the organisational structure	An item will be submitted to Council to consider the approval of the organisational staff establishment, since Council is still awaiting feedback from the Minister of Cooperative Governance and Traditional Affairs (GoGTA) for more than seven (7) months

Table: 256 Human resource services challenges



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.34.3 Service delivery indicators: Human resource services

The key performance indicators for HR are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL58	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan and organisational structure during the 2023/24 financial year	Number of people employed in the three highest levels of management	All	2	2	2	4	B
TL59	Spend 1% of the municipality's personnel budget on implementing its workplace skills plan by 30 June 2024	% of the budget spent	All	1%	0.88%	1.00%	0.91%	O
TL60	Limit vacancy rate to 15% of budgeted posts by 30 June 2024	% vacancy rate	All	15%	9.45%	15.00%	18.56%	R

Table: 257 Service delivery indicators: Human resources

3.34.4 Employees: Human resource services

The table below indicates the number of employees for human resource services:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	1	1	0	0%
Middle Management and Professionals	7	6	1	14%
Skilled Technical, Superintendents etc	0	0	0	0%



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Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Semi-skilled	8	7	1	13%
Unskilled	0	0	0	0%
Total	17	15	2	12%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 258 Employees: Human resource services

3.35 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

Information technology (IT) plays a crucial role in modern government operations by enhancing efficiency, transparency, and accessibility and improving communication. IT systems facilitate the management of vast amounts of data, streamline administrative processes, and improve communication to better serve citizens, and make informed decisions. Digital platforms and online services enable citizens to access information and public services more conveniently, fostering greater civic engagement. To achieve this Breede Valley Municipality through IT supports various functions such as data management, communication networks, and cybersecurity measures to safeguard sensitive information. Through Information technology Breede Valley Municipality seeks to modernize operations, increase productivity, and foster innovation in the public sector.

The ICT department has therefore endeavoured to provide, within our means, reliable systems, reliable and easily accessible data, and support to the users.

During the 2023/24 financial year, following projects were implemented:

- Cyber Security tool.
- Information Security Management System.
- Vulnerability and penetration testing.
- Cyber Security Awareness Campaigns
- Backups to cloud

As part of the 5-year Strategic Plan, we intend to implement the following during 2024/25:

- Migration to cloud

The table below gives a brief description of all the highlights for ICT during the 2023/24 financial year:

Highlight	Description
Cyber security tool	Implemented a cyber security tool with Artificial Intelligence capabilities for network, email and SaaS, that detects anomalies and act on them



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Highlight	Description
Information Security Management System	Implemented an ISMS in order to streamline cybersecurity processes and manage risk. The system offers effective compliance and audit readiness
Cyber security awareness campaigns	Conducted cyber security awareness campaigns to educate and inform users about potential cyber threats, promote best practices, promote a culture of cyber vigilance and help to prevent cyber-attacks.
Vulnerability and penetration testing	Conducted vulnerability and penetration testing in order to identify security gaps before a malicious exploitation occurs and enhance security posture.
Backup to cloud	To add another layer of backups to the DR site and ensure that data can be recovered quickly and efficiently in case of data loss.

Table: 259 ICT highlights

The table below gives a brief description of the ICT challenges during the 2023/24 financial year:

Challenge	Corrective action
Staff capacity	Filling up specifically targeted roles within the department e.g., Security Officer, Desktop Support Technician

Table: 260 ICT challenges

3.35.1 Service statistics: ICT

Details	2022/23	2023/24
	Actual	Actual
	%	
ICT Policy Review	80%	100%

Table: 261 Service statistics: ICT

3.35.2 Service delivery indicators: ICT

The key performance indicators for ICT are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL65	Spend 90% of the budget allocated for the replacement of ICT equipment by 30 June 2024	% of the budget spent	All	90%	95.38%	90.00%	98.72%	G2

Table: 262 Service delivery indicators: ICT



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3.35.3 Employees: ICT

The table below indicates the number of employees for ICT:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	1	1	0	0%
Middle Management and Professionals	3	3	0	0%
Skilled Technical, Superintendents etc	3	3	0	0%
Semi-skilled	1	1	0	0%
Unskilled	0	0	0	0%
Total	9	9	0	0%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 263 Employees: ICT

3.35.4 Capital expenditure: ICT

The table below indicates the amount that was actually spent on information and communication technology services projects for the 2023/24 financial year:

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
ICT - Computer Equipment	500 000.00	873 000.00	861 796.51	11 203.49	873 000.00
ICT: Fibre Links	10 000.00	10 000.00	0.00	10 000.00	10 000.00
ICT: Call Centre & Telephone (PBX) System	50 000.00	50 000.00	0.00	50 000.00	50 000.00
ICT: Biometric system	150 000.00	150 000.00	0.00	150 000.00	150 000.00
ICT: Air conditioner (DR Site)	150 000.00	150 000.00	0.00	150 000.00	150 000.00
Total all					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 264 Capital expenditure 2023/24: ICT

3.36 INTERNAL AUDIT AND ENTERPRISE RISK MANAGEMENT

The Municipality has an Internal Audit Unit and an Enterprise Risk Management Unit. Both resort under the Office of the Municipal Manager.



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3.36.1 Service delivery indicators: Internal Audit and Enterprise Risk Management

The key performance indicators for internal audit and enterprise risk management are:

Ref	KPI Name	Unit of Measurement	Wards	2022/23		Overall Performance for 2023/24		
				Target	Actual	Target	Actual	R
TL46	Compile a strategic risk report and submit to Council by 31 May 2024	Strategic risk report submitted to Council	All	1	1	1	1	G
TL45	Compile a Risk Based Audit Plan and submit to the Audit Committee by 30 June 2024	RBAP submitted to the Audit Committee	All	1	1	1	1	G

Table: 265 Service delivery indicators: Internal Audit and Enterprise Risk Management

3.36.2 Employees: Internal Audit and Enterprise Risk Management

The table below indicates the number of employees for internal audit and enterprise risk management:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	2	2	0	0%
Middle Management and Professionals	1	0	1	100%
Skilled Technical, Superintendents etc	6	6	0	0%
Semi-skilled	1	1	0	0%
Unskilled	0	0	0	0%
Total	11	10	1	9%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 266 Employees: Internal Audit and Enterprise Risk Management



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3.37 LEGAL SERVICES

Legal Services render an advisory and support function to Council and Administration which includes *inter alia* providing efficient general legal advice, drafting and vetting of by-laws, policies and contracts as well as the management of litigious matters. Ultimately, the aim is to protect the interests of the Breede Valley Municipality from a legal perspective.

In addition, Legal Services receive and administer municipal property applications (alienations, leases, encroachments etc.) on a continuous basis, which are attended to in accordance with governing legislation and Council policies. The aforementioned requires ongoing in-depth liaison and good relations with the relevant internal user departments to ensure alignment with the constitutional obligations of local government.

During this period multiple lease agreements were approved in respect of Early Childhood Developments (ECD) utilising municipal property for such purpose. By availing property for ECD purposes, the Municipality equip and empower the relevant stakeholders. Furthermore, the ECD facilities offers a necessary service to the beneficiaries, in line with our Constitutional obligation set out in Schedule 4 B.

Council furthermore resolved to alienate municipal properties for various purposes which will enable the community to participate in a competitive bidding process. Examples of the aforementioned are illustrated below.



Figure 12: Erven availed for Residential purposes – Rawsonville (Auction 2 November 2023)





Figure 13: Erf availed for Agricultural purposes (Auction 2 November 2023)



Figure 14: Erven availed for Residential purposes – Johnsons Park Worcester (Auction 24 June 2024)



Figure 15: Erven availed for Residential purposes – Meirings Park Worcester (Auction 24 June 2024)

Legal Services, in preparation for the public auction for the sale of 34 municipal residential property, held a public information session. The purpose thereof was to adequately inform the public about the auction process, the conditions applicable to the sale and to explain the property transfer process.



Figure 16: Public auction 24 June 2024

Legal Services referred various matters to the Municipal Court for prosecution. These matters relate to the enforcement of the Encroachment By-Law. This resulted in the accused complying by removing the illegal encroachments and in some instances applying for approval of the encroachment from the Delegated Authority.

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Legal Services ensures compliance with the Promotion of Access to Information Act, 2 of 2000 (PAIA). It is required that Legal Services reports annually to the Information Regulator in terms of Section 32/Section 83(4) of PAIA. The table below illustrates the PAIA applications received and processed during this period:

#	Description	Volume
1	The number of requests for access received	7
2	The number of requests for access granted in full	0
3	The number of requests for access granted (in terms of section 46)	0
4	The number of requests for access refused in full	4
5	The number of requests for access refused partially	3
6	The number of cases in which the periods were extended (in terms of section 26(1), as stipulated in section 25)	0
7	The number of internal appeals lodged with the relevant authority	3
8	The number of cases in which, as a result of an internal appeal, access was given to a record	0
9	The number of internal appeals which were lodged on the ground that a request 15 for access was regarded as having been refused in terms of section 2	0
10	The number of applications to a court which were lodged on the ground that an internal appeal was regarded as having been dismissed in terms of section 77(7)	0

Table: 267 PAIA Applications Received

It is required that we examine whether liability can be attributed to the Municipality under the law of delict.

In addition, our department regularly assist in the capacity of initiators and chairperson in various disciplinary and incapacity matters.

3.37.1 Employees: Legal Services

The table below indicates the number of employees for legal services:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	2	2	0	0%
Middle Management and Professionals	2	2	0	0%
Skilled Technical, Superintendents etc	0	0	0	0%
Semi-skilled	2	2	0	0%
Unskilled	0	0	0	0%
Total	7	7	0	0%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 268 Employees: Legal Services



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3.38 EMPLOYEES: OTHER SERVICES

3.38.1 Employees: Planning, development - administration

The table below indicates the number of employees for planning, development - administration:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	2	1	1	50%
Middle Management and Professionals	2	2	0	0%
Skilled Technical, Superintendents etc	1	0	1	100%
Semi-skilled	3	2	1	33%
Unskilled	0	0	0	0%
Total	9	6	3	33%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 269 Employees: Planning, Development: Administration

3.36.2 Employees: Building maintenance

The table below indicates the number of employees for building maintenance:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	0	0	0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	4	4	0	0%
Semi-skilled	4	4	0	0%
Unskilled	1	0	1	100%
Total	11	10	1	9%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 270 Employees: Building maintenance



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3.38.3 Employees: Mechanical workshop

The table below indicates the number of employees for mechanical workshop:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	0	0	0	0%
Middle Management and Professionals	1	1	0	0%
Skilled Technical, Superintendents etc	3	3	0	0%
Semi-skilled	4	2	2	50%
Unskilled	1	0	1	100%
Total	10	7	3	30%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 271 Employees: Mechanical workshop

3.38.4 Employees: Administration and records management

The table below indicates the number of employees for the administration and records management:

Occupational Level	2023/24			
	Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
	Number			
Top Management	1	1	0	0%
Senior Management	1	0	1	100%
Middle Management and Professionals	0	0	0	0%
Skilled Technical, Superintendents etc	3	3	0	0%
Semi-skilled	5	5	0	0%
Unskilled	1	1	0	0%
Total	11	10	1	9%
Due to the review and restructuring of the staff establishment during the 2023/24 financial year, we are unable to provide comparative figures for 2022/23				

Table: 272 Employees: Administration and records management



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3.39 CAPITAL EXPENDITURE: OTHER SERVICES

3.39.1 Capital expenditure: Community Services: Other

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
Comm Serv :Furniture & Equipment	5 000.00	113 800.00	102 912.99	10 887.01	113 800.00
Total all	5 000.00	113 800.00	102 912.99	10 887.01	113 800.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 273 Capital expenditure 2023/24: Community services: Other

3.39.2 Capital expenditure: Strategic Support: Other

Capital projects	2023/24				
	Budget	Adjustment budget	Actual expenditure	Variance from adjustment budget	Total project value 2023/24
(R)					
LED - Furniture and Office Equipment	5 000.00	95 000.00	84 766.31	10 233.69	95 000.00
Strat Supp Serv: Furniture and Equipment	5 000.00	32 000.00	6 600.00	25 400.00	32 000.00
Supply and Installation of Load Shedding Solution and Solar PV	12 884 000.00	2 561 583.00	1 922 631.50	638 951.50	2 561 583.00
Upgrading of Municipal Buildings	100 000.00	875 000.00	678 211.66	196 788.34	875 000.00
Rawsonville offices - Air conditioners	0.00	30 000.00	0.00	30 000.00	30 000.00
Work Town Hall - Air conditioner	0.00	1 426 716.00	1 401 575.57	25 140.43	1 426 716.00
Total all	12 994 000.00	5 020 299.00	4 093 785.04	926 513.96	5 020 299.00
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

Table: 274 Capital expenditure 2023/24: Strategic support: Other



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COMPONENT I: ORGANISATIONAL PERFORMANCE SCORECARD

3.40 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2024/25

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

3.40.1 SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community

Ref	KPI Name	Unit of Measurement	Wards	Annual Target
TL2	Spend 95% of the budget allocated for the upgrade of the municipal rental units by 30 June 2025	% of the budget spent	All	95%
TL3	Develop a Human Settlement Priority Development Areas Plan and submit to Council for approval by 31 May 2025	Human Settlement Priority Development Areas Plan developed and submitted to Council for approval	All	1
TL4	Spend 95% of the budget allocated for the maintenance of the municipal rental units by 30 June 2025	% of the budget spent	All	95%
TL5	Spend 95% of the budget allocated for the relocation of outside toilets of all properties that were previously owned by government by 30 June 2025	% of the budget spent	All	95%
TL6	Implement 22 approved community development projects by 30 June 2025	Number of approved projects implemented	All	22
TL9	Spend 95% of the Library Grant in accordance with the transfer payment agreement by 30 June 2025	% of grant funding spent	All	95%
TL13	Spend 95% of the electricity capital budget by 30 June 2025	% of the budget spent	All	95%
TL14	Spend 95% of the budget allocated for the provision of alternative energy solutions for municipal buildings and infrastructure by 30 June 2025	% of the budget spent	All	95%
TL15	Complete the upgrade of the Rouxpark substation by 30 June 2025	Project completed	All	1
TL16	Complete the refurbishment of the Robertson substation by 30 June 2025	Project completed	All	1
TL17	Spend 95% of the electricity maintenance budget by 30 June 2025	% of the budget spent	All	95%
TL18	Spend 95% of the capital budget allocated for the resurfacing of roads by 30 June 2025	% of the budget spent	All	95%
TL20	Spend 95% of the budget allocated for the upgrade of gravel roads by 30 June 2025	% of the budget spent	All	95%
TL21	Spend 95% of the budget allocated for the upgrade of the Touwsrivier Waste	% of budget spent	All	95%



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Ref	KPI Name	Unit of Measurement	Wards	Annual Target
	Water Treatment Works by 30 June 2025			
TL22	Number of formal residential properties that are billed for water as at 30 June 2025	Number of residential properties that are billed for residential consumption water meters charged residential domestic tariffs or residential flat rate tariffs using an erf as a household except municipal rental flats which will be measured by using the number of rental units.	All	21 500
TL23	Number of residential properties which are billed for electricity or have pre-paid meters (excluding Eskom Electricity supplied properties) as at 30 June 2025	Number of residential properties that are billed for electricity or have pre-paid meters, charged on the residential tariffs for consumption and residential prepaid tariffs	All	22 885
TL24	Number of formal residential properties that are billed for sanitation/sewerage services as at 30 June 2025	Number of residential properties that are billed for residential sewerage tariffs using the erf as property	All	19 480
TL25	Number of formal residential properties that are billed for refuse removal as at 30 June 2025	Number of residential properties that are billed for refuse removal residential tariffs using the erf as a property	All	19 500
TL26	Provide free basic water to indigent households in terms of the approved tariffs earning up to R6000 as at 30 June 2025	Number of indigent households receiving free basic water	All	8 500
TL27	Provide free basic electricity to indigent households in terms of the approved tariffs earning up to R6000 as at 30 June 2025	Number of indigent households receiving free basic electricity	All	8 500
TL28	Provide free basic sanitation to indigent households in terms of the approved tariffs earning up to R6000 as at 30 June 2025	Number of indigent households receiving free basic sanitation	All	8 500
TL29	Provide free basic refuse removal to indigent households in terms of the approved tariffs earning up to R6000 as at 30 June 2025	Number of indigent households receiving free basic refuse removal	All	8 500
TL33	Limit unaccounted electricity losses to less than 10% by 30 June 2025	% unaccounted for electricity	All	10%
TL34	Limit unaccounted water losses to less than 25% by 30 June 2025	% unaccounted for water	All	25%
TL42	The percentage of the municipal capital budget spent on capital projects as at 30 June 2025	% of the municipal capital budget spent	All	95%
TL43	Achieve 95% average water quality level as measured per SANS 241 criteria during the 2024/25 financial year	% water quality level per quarter	All	95%
TL44	Review the 5 year Water Service Development Plan IDP Water Sector	Water Service Development Plan IDP Water Sector Input Report submitted to Council for consideration	All	1



CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Ref	KPI Name	Unit of Measurement	Wards	Annual Target
	Input Report and submit to Council for consideration by 31 March 2025			
TL45	Spend 95% of the budget allocated towards the pipe cracking projects/works by 30 June 2025	% of budget spent	All	95%
TL46	80% of sewage samples comply with effluent standard during the 2024/25 financial year	% of sewage samples compliant	All	80%
TL47	Spend 95% of the budget allocated towards the improvement of the sewerage system by 30 June 2025	% of budget spent	All	95%
TL49	Spend 95% of the budget allocated for the Regional Socio Economic Programme by 30 June 2025	% of budget spent	All	95%

Table: 275 Service delivery priorities for 2023/24: SO1: To provide and maintain basic services and ensure social upliftment of the Breede Valley community

3.40.2 SO2: To create an enabling environment for employment and poverty eradication through proactive economic development and tourism

Ref	KPI Name	Unit of Measurement	Wards	Annual Target
TL50	Review the SDF and submit to Council for approval by 31 March 2025	SDF reviewed and submitted for approval	All	1
TL51	The number of FTE's created through the EPWP programme by 30 June 2025	Number of FTE's created through the EPWP programme	All	166
TL55	Sign service level agreements (SLA's) with 4 Local Tourism Associations (LTA's) for their annual tourism operational expenditure by 30 September 2024	Number of SLA's signed	All	4
TL57	Table an item to Council for the disposal of Kleinplasie and De La Bat plots by 30 June 2025	Item to Council tabled	All	1
TL59	Develop an Investment Incentive Policy and submit to Council for approval by 31 December 2024	Investment Incentive Policy developed and submitted to Council for approval	All	1

Table: 276 Service delivery priorities for 2023/24: SO2: To create an enabling environment for employment and poverty eradication through proactive economic development and tourism

3.40.3 SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people

Ref	KPI Name	Unit of Measurement	Wards	Annual Target
TL1	Plan & conduct 48 roadblocks by 30 June 2025	Number of roadblocks conducted	All	48
TL7	Conduct 1000 planned inspections in accordance with the Fire Protection Regulations and Fire Safety Bylaw during the 2024/25 financial year	Number of planned inspections conducted	All	1 000



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Ref	KPI Name	Unit of Measurement	Wards	Annual Target
TL8	Purchase a complete fire engine with equipment by the end of February 2025	Fire engine with equipment purchased	All	1
TL10	Spend 95% of the capital budget linked to the construction of the fence of Esselen Park Sport Facility by 30 June 2025	% of the budget spent	All	95%
TL11	Spend 95% of the capital budget linked to the upgrade of the Fanie Otto and Rawsonville Sport Field by 30 June 2025	% of the budget spent	All	95%
TL12	Develop a Sport Policy for the management of sport facilities for the different sporting codes and submit to Council for approval by 31 March 2025	Sport Policy developed and submitted to Council for approval	All	1
TL19	Spend 95% of the capital budget allocated for the construction of speedhumps in the municipal area by 30 June 2025	% of the budget spent	All	95%
TL48	Recycle 80 tonnes of waste by 30 June 2025	Tonnage of waste recycled	All	80

Table: 277 Service delivery priorities for 2023/24: SO3: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people

3.40.4 SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government

Ref	KPI Name	Unit of Measurement	Annual Target	Wards
TL38	Achieve an unqualified audit for the 2023/24 financial year by 31 January 2025	Audit report signed by the Auditor-General for 2023/24	All	1
TL40	Compile a Risk Based Audit Plan and submit to the Audit Committee by 30 June 2025	RBAP submitted to the Audit Committee	All	1
TL41	Compile a strategic risk report and submit to Council by 31 May 2025	Strategic risk report submitted to Council	All	1
TL56	Submit a request for approval, to dispose official documents, to the Provincial Archive Services by no later than 30 June 2025	Request for approval submitted to the Provincial Archive Services	All	1

Table: 278 Service delivery priorities for 2023/24: SO4: Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government

3.40.5 SO5: Ensure a healthy and productive workforce and an effective and efficient work environment

Ref	KPI Name	Unit of Measurement	Wards	Annual Target
TL52	Number of people from employment equity target groups employed in the three highest levels of management in	Number of people employed in the three highest levels of management	All	2



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Ref	KPI Name	Unit of Measurement	Wards	Annual Target
	compliance with the municipality's approved employment equity plan and organisational structure during the 2024/25 financial year			
TL53	Spend 1% of the municipality's personnel budget on implementing its workplace skills plan by 30 June 2025	% of the budget spent	All	1%
TL54	Limit vacancy rate to 15% of budgeted posts by 30 June 2025	% vacancy rate	All	15%
TL58	Spend 95% of the budget allocated for the replacement of ICT equipment by 30 June 2025	% of the budget spent	All	95%

Table: 279

Service delivery priorities for 2023/24: SO5: Ensure a healthy and productive workforce and an effective and efficient work environment

3.40.6 SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices

Ref	KPI Name	Unit of Measurement	Wards	Annual Target
TL30	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2025	% of debt coverage	All	45%
TL31	Financial viability measured in terms of the outstanding service debtors as at 30 June 2025	% of outstanding service debtors	All	16.50%
TL32	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2025	Number of months it takes to cover fix operating expenditure with available cash	All	1.5
TL35	Submit the approved financial statements for 2023/24 to the Auditor-General by 31 August 2024	Approved financial statements for 2023/24 submitted to the AG	All	1
TL36	Achieve a payment percentage of above 95% as at 30 June 2025	% Payment achieved	All	95%
TL37	Review the MGRO Clean Audit Plan and submit to the Municipal Manager by 31 January 2025	MGRO Clean Audit Plan submitted	All	1
TL39	Review the Revenue Enhancement Plan and submit to Council for approval by 31 May 2025	Reviewed Revenue Enhancement Plan submitted to Council	All	1

Table: 280 Service delivery priorities for 2023/24: SO6: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices



CHAPTER 4



CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

The following table indicates the Municipality's performance in terms of the national key performance indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the national key performance area – municipal transformation and organisational development.

KPA and Indicators	Municipal achievement	Municipal achievement
	2022/23	2023/24
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	2	4
The percentage of a municipality's training budget actually spent on implementing its workplace skills plan	0.88%	0.91%

Table: 281 National KPIs: Municipal Transformation and Organisational Development

4.1 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Breede Valley Municipality recognises the significance role the workforce plays in enabling the organisation to provide quality and sustainable public services. Consequently, the delivery of effective, reliable, impactful, and sustainable public services is dependent on the capacity and effective functioning of the workforce, the institutional arrangements, modalities of delivery, systems, strategies, and policies that are implemented.

The Municipality employed 838 permanent staff members as at 30 June 2024, comprising of section 54A and 56 managers, permanent officials and contracted staff, who individually and collectively contribute to the achievement of the municipality's objectives. Municipal staff contribute valuable skills, knowledge, capabilities, and experience to drive organizational strategy and execution.

4.1.1 Employment equity

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

a) Employment Equity Targets/Actual

The monthly Employment Equity Reports during the 2023/24 period were submitted to the Local Labour Forum for consultation. Furthermore, the annual employment equity reports, that is EEA2 and EEA4, were consulted with the Employment Equity Committee and submitted to the Department of Labour on 10 January 2024.



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b) Employment Equity vs. Population

Description	Black African	Coloured	Indian or Asian	White	Total
Population numbers	2 882 777	3 124 727	84 327	1 217 337	7 309 168
% population	38.8%	42.1%	1.1%	16.4%	

Source : Stats SA – 2022 Community Survey

Table: 282 EE population 2023/24

c) Occupational Levels - Race

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

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	0	3	0	2	0	0	0	0	5
Senior management	6	12	1	5	1	4	0	4	33
Professionally qualified and experienced specialists and mid-management	6	23	0	9	3	8	1	3	53
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	26	98	1	13	27	55	1	13	234
Semi-skilled and discretionary decision making	57	134	1	2	53	104	1	9	361
Unskilled and defined decision making	40	63	0	2	18	29	0	0	152
Grand total	135	333	3	33	102	200	3	29	838

Table: 283 Occupational levels

4.1.2 Vacancy rate

The Municipality conducted a review of the staff establishment and approved only the macro staff establishment on 22 August 2023 in terms of sub-regulation 6 (8) (a) of the Local Government: Municipal Staff Regulations, 2021 (MSR). On the approved macro staff-establishment, the Directorate: Public Services was changed to Directorate: Planning, Development and Integrated Services.

The Municipality's approved macro and micro staff establishment as of 30 June 2024, pertaining to the 2023/24 financial year, depicted 1 029 budgeted positions (i.e. budgeted vacant- and filled positions as per the staff establishment). Of these 1 029 budgeted positions, a total of 838 were filled, whilst 191 were vacant.

Considering the above, the 2023/24 vacancy rate as a percentage (%) of fillable budgeted posts calculated to 18.56% $[(191 / 1029) * 100]$. The current vacancy rate is slightly above the 15% and can primarily be ascribed to the previously financial year executive



CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

decision taken to defer/postpone the recruitment and selection of 110 funded vacant positions to the current financial year (1 July 2023) and the review of the staff establishment.

The table below, depicts the number of positions filled (838) as well as the budgeted and fillable vacancies (191) as of 30 June 2024, by occupational- and functional level respectively.

Per occupational level		
Post level	Filled	Vacant
Top management	5	1
Senior management	33	8
Professionally qualified and experienced specialists and mid-management	53	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	234	45
Semi-skilled and discretionary decision making	361	67
Unskilled and defined decision making	152	57
Total	838	191
Per functional level		
Functional area	Filled	Vacant
Municipal Manager	12	1
Strategic Support Services	58	3
Financial Services	119	16
Community Services	210	35
Engineering Services	85	41
Planning, Development & Integrated Services	354	95
Total	838	191

Table: 284 Vacancy rate per post (salary) and functional level (June 2024)

The table below indicates the number of staff per senior level expressed as total positions and current vacancies as full-time staff equivalents:

Salary level	Number of current critical vacancies	Number total posts as per organogram	Vacancies (as a proportion of total posts per category)
Municipal Manager	0	1	0
Chief Financial Officer	0	1	0
Other Section 57	1	4	25%
Senior Management	8	41	20%
Total	9	47	19%

Table: 285 Vacancy rate per senior salary level



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4.1.3 Staff turnover rate

A high staff turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that reflect the staff turnover rate within the Municipality. The staff turnover rate indicates a decrease from 7.62% in 2022/23 to 6.44% in 2023/24.

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

Financial year	Total number of employees	New appointments	Terminations (excl. internal- and contractual movements) during the year	Staff turnover rate
2021/22	888	108	45	5.07%
2022/23	853	35	65	7.62%
2023/24	838	40	54	6.44%

Table: 286 Staff turnover rate as at 30 June 2024

The table below shows a breakdown of the different categories of terminations:

Month	Appointments			Terminations					
	Appointm ents	Internal movement s	Total*	Retiremen ts	Dismissals	Resignatio ns	Disability	Death	Total
July 2023	5	4	9	1	0	1	0	1	3
August 2023	5	1	6	1	1	1	0	0	3
September 2023	7	1	8	0	2	3	0	0	5
October 2023	5	1	6	2	0	3	0	0	5
November 2023	4	0	4	1	2	1	0	0	4
December 2023	0	1	1	2	0	1	0	0	3
January 2024	6	0	6	1	1	4	0	1	7
February 2024	1	0	1	0	0	3	0	0	3
March 2024	3	1	4	3	1	1	0	0	5
April 2024	2	1	3	4	0	2	0	0	6
May 2024	2	0	2	2	0	2	0	1	5
June 2024	0	0	0	2	0	1	1	1	5
Total	40	10	50	19	7	23	1	4	54
*The totals depicted, are aligned to the number of appointments per month and over the reporting period. The internal movements are included in the appointments, and should therefore not be summed horizontally									

Table: 287 Termination categories



4.2 MANAGING THE MUNICIPAL WORKFORCE

Managing the workforce entails carrying out a variety of processes aimed at improving the organisational performance and capability. Workforce management is primarily concerned with optimising worker productivity. The Breede Valley Municipality focuses its workforce management efforts on all actions aimed at developing and maintaining a productive workforce, as well as improving efficiency and production. In this regard, the municipality acknowledges that for effective workforce management, measures that monitor employee activity in accordance with data and improve performance are essential and must be implemented.

The municipality develops standard operating procedures (SOPs) as part of the continuous improvement process to assist staff perform more efficiently and effectively. The SOPs guide business processes from start to finish and define the roles and obligations of each key role player.

4.2.1 Injuries

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

A total of 52 injuries were reported during the period under review, which marks a decrease in the number of injuries in comparison to the prior reporting period (i.e. 61 in 2022/23).

Incidents are investigated to determine whether there was any negligence involved to ensure that it is an actual injury on duty.

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

Directorates	2022/23	2023/24
Municipal Manager	0	0
Strategic Support Services	0	1
Financial Services	5	4
Community Services	13	6
Engineering Service	4	3
Planning, Development & Integrated Services	39	38
Total	61	52

Table: 288 Injuries

There was a decrease in injuries for the period under review and can be attributed to more involvement of management and the OHS Officer to address reporting procedures and more frequent meetings with health and safety committees and employees.



CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.2.2 Sick leave

The number of days sick leave taken by employees has adverse service delivery and cost implications. Regular monitoring of sick leave enables the user departments and HR to proactively identify certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The table below indicates that the total number of sick leave days taken has decreased during the 2023/24 financial year when compared with the 2022/23 financial year:

Department	2022/23	2023/24
Municipal Manager	91.5	117
Strategic Support Services	852	490
Financial Services	1 388.5	1 289
Community Services	2 544.5	2 053
Public Services	4 868	3 817
Engineering Services	131	94
Total	9 875.5	7 860

Table: 289 Sick leave

4.2.3 HR policies and plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff. They establish a set of broad guidelines for both employers and employees. Policies are designed to address specific issues such as conduct among employees and to provide guidelines for the implementation of various subject matters.

The table below shows the human resource policies and plans that are approved and that still needs to be developed:

Approved policies		
Name of policy	Status	Responsible directorate
Acting Allowance Policy	Approved	Strategic Support Services
Employee under the Influence of Intoxicating Substances Policy	Approved	Strategic Support Services
Employment Equity Policy	Approved	Strategic Support Services
Employee Transfer Policy	Approved	Strategic Support Services
Exit Management Policy	Approved	Strategic Support Services
HIV and AIDS Policy	Approved	Strategic Support Services
Incapacity due to Ill Health/Injury Policy	Approved	Strategic Support Services
Incapacity due to Poor Work Performance Policy	Approved	Strategic Support Services
Induction & Onboarding Policy	Approved	Strategic Support Services
Legal Aid Policy	Approved	Strategic Support Services



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Approved policies		
Name of policy	Status	Responsible directorate
Medical Surveillance Policy	Approved	Strategic Support Services
Membership and Registration of Dependants on Accredited Medical Schemes Policy	Approved	Strategic Support Services
Occupational Health and Safety Policy	Approved	Strategic Support Services
Overtime Policy	Approved	Strategic Support Services
Organisational Performance Management Policy Framework	Approved	Strategic Support Services
Personnel Protective Equipment Policy	Approved	Strategic Support Services
Placement Policy	Approved	Strategic Support Services
Probation Policy	Approved	Strategic Support Services
Recruitment and Selection Policy	Approved	Strategic Support Services
Relocation Policy	Approved	Strategic Support Services
Sexual Harassment Policy	Approved	Strategic Support Services
Smoking Policy	Approved	Strategic Support Services
Standby Allowance Policy	Approved	Strategic Support Services
Telephone and Mobile Communication Devices Policy	Approved	Strategic Support Services
Transport Allowance Policy	Approved	Strategic Support Services

Table: 290 Approved HR policies

Policies in process of development/review	
Acting Policy	Strategic Support Services
Exit Management Policy	Strategic Support Services
Internship and Work Integrated Learning Policy	Strategic Support Services
Leave Policy	Strategic Support Services
Occupational Health and Safety Policy	Strategic Support Services
Personnel Protective Equipment Policy	Strategic Support Services
Recruitment and Selection Policy	Strategic Support Services
Scarce Skills and Retention Policy	Strategic Support Services

Table: 291 HR policies in process of development/review

4.3 CAPACITATING THE MUNICIPAL WORKFORCE

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



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Training and development take a comprehensive approach focusing on the competency levels with specific attention on outputs or productivity. This takes into account not solely technical abilities and job-related requirements, but also interpersonal skills and overall personal development. As the organisation grows and evolves with the necessary skills, an improvement in employee performance and organisational productivity must be considered. In the effort to develop employee competency, the training provided by the municipality was based on the requirements to address the priorities determined in accordance with the Workplace Skills Plan and relevant legislation.

4.3.1 Skills matrix

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year	Number of employees that received training
MM and S56 and Senior management	Female	12	9
	Male	50	31
Professionals	Female	42	24
	Male	50	26
Technicians and Trade workers	Female	35	29
	Male	75	54
Clerks	Female	81	61
	Male	45	13
Service and sales workers	Female	65	41
	Male	50	23
Plant and machine operators and assemblers	Female	12	7
	Male	62	42
Elementary occupations	Female	87	51
	Male	130	89
Sub total	Female	334	222
	Male	462	278
Total		796	500

Table: 292 Skills matrix

The supply chain process is lengthy, and it is difficult to get accredited training providers in the different training needs that were prioritised in the Skills Development Plan for the 2023/24 financial year.

The following training was implemented:

Type of training	Details
Small Plant Training	Training on Equipment used by Road department
Small Plant – Parks	Training on Brush cutters, mowing machines etc



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Type of training	Details
Advance Excel	Program for staff in finance
Working on Heights	Staff in electrical and parks that need to work on ladders
Working in Confined space	Staff working in Water section
EC Drivers	Drivers' license training
First Aid Level 2	Training on First Aid
First Aid Level 3	Training for Staff in Fire department
Customer Care	Training for staff in Finance dealing with customers
Digger Loader	Training for staff working with digger loaders
ERS	Training for staff on the ERS system
Mentoring and Coaching	Staff trained in terms of regulations regarding Mentoring and Coaching
Law Enforcement Equipment usage	Staff in Law enforcement section trained on the use of equipment
Truck mounted crane	Staff trained to have their permits updated
Recruitment and Selection	Staff trained to understand the methodology and how to implement the regulations
Employment Equity	EE Committee trained on their responsibilities
MMCL	Minimum Competency training in terms of Legislation
Traffic Officers training	Staff send to Gene Louw College to be certified
EDL and EOv	Traffic officers trained to do the different functions with traffic
OHS Representative	OHS representatives trained on their roles and Responsibilities
ICT training	Various ICT training were done example A+, COBOL, MASTERGRADE ,etc

Table: 293 Details of training implemented

4.3.2 Skills development: Training provided

The Skills Development Act (1998) and the Municipal Systems Act (2000) require employers to supply employees with the necessary training to develop its human resource capacity. Section 55(1) (f) states that as head of the administration the Municipal Manager is responsible for the management, utilisation, and training of staff.

Occupational categories	Gender	Number of employees as at the beginning of the financial year	Training provided within the reporting period						
			Learnerships		Skills programmes and other short courses		Total		
			Actual	Target	Actual	Target	Actual	Target	% Variance
	Female	12	0	0	9	12	9	12	75%



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Occupational categories	Gender	Number of employees as at the beginning of the financial year	Training provided within the reporting period						
			Learnerships		Skills programmes and other short courses		Total		
			Actual	Target	Actual	Target	Actual	Target	% Variance
MM and Senior Managers	Male	50	0	0	31	50	31	50	62%
Professionals	Female	42	0	0	24	42	24	42	57%
	Male	50	0	0	26	50	26	50	52%
Technicians and Trade workers	Female	35	0	0	29	35	29	35	83%
	Male	75	0	0	54	75	54	75	72%
Clerks	Female	81	0	0	61	81	61	81	75%
	Male	45	0	0	13	45	13	45	29%
Service and sales workers	Female	65	0	0	41	65	41	65	63%
	Male	50	0	0	23	50	23	50	46%
Plant and machine operators and assemblers	Female	12	0	0	7	12	7	12	58%
	Male	62	0	0	42	62	42	62	68%
Elementary occupations	Female	87	0	0	51	87	51	87	59%
	Male	130	0	0	89	130	89	130	68%
Sub total	Female	334	0	0	222	334	222	334	66%
	Male	462	0	0	278	462	278	462	60%
Total		796	0	0	500	796	500	796	63%

Table: 294 Skills development

4.3.3 Skills development: Budget allocation

The table below indicates that a total amount of R6 612 643 was allocated to the Workplace Skills Plan and that 54.55% of the total amount was spent in the 2023/24 financial year:

Total personnel budget (excluding remuneration of Councillors) R	Total allocated R	Total spent R	% Spent
398 390 256	6 612 643	3 606 908.34	54.55

Table: 295 Budget allocated and spent for skills development



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4.4 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

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

4.4.1 Personnel expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the Municipality is well beneath the national norm of between 35 to 40%:

Financial year	Total expenditure salary and allowances	Total operating expenditure	Percentage
	R'000		%
2022/23	385 318	1 236 383	31.2
2023/24	416 574	1 396 358	29.8

Table: 296 Personnel expenditure

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

Financial year	2022/23	2023/24		
Description	Actual	Original budget	Adjusted budget	Actual
	R'000			
Councillors (Political office bearers plus other)				
Salary	15 345	16 963	17 963	16 575
Pension contributions	1 168	1 277	1 277	1 230
Medical aid contributions	228	234	234	271
Motor vehicle allowance	389	426	426	359
Cell phone allowance	1 670	1 673	1 673	1 869
Housing allowance	0	0	0	0
Other benefits or allowances	267	148	148	164
In-kind benefits	0	0	0	0
Subtotal – Councillors	19 066	20 720	21 720	20 467
% increase/(decrease)		8.7%	13.9%	7.3%
Senior Managers				
Salary	5 822	9 331	9 330	12 144
Pension contributions	659	844	844	682
Medical aid contributions	45	109	109	59



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Financial year	2022/23	2023/24		
Description	Actual	Original budget	Adjusted budget	Actual
	R'000			
Motor vehicle allowance	1 507	1 404	1 404	1 478
Cell phone allowance	288	346	346	278
Housing allowance	0	0	0	0
Performance bonus	0	0	0	0
Other benefits or allowances	243	337	338	269
In-kind benefits	0	0	0	0
Subtotal - Senior managers	8 564	12 370	12 370	14 909
% increase/(decrease)		44.4%	44.4%	74.1%
Other municipal staff				
Basic salaries and wages	204 717	255 868	234 949	218 482
Pension contributions	38 540	47 534	47 534	40 874
Medical aid contributions	22 005	28 279	28 279	23 506
Overtime	24 355	16 637	17 961	25 032
Motor vehicle allowance	9 789	11 443	10 669	9 911
Cell phone allowance	1 362	1 405	1 405	926
Housing allowance	1 680	2 201	2 201	1 712
Other benefits or allowances	25 604	28 765	28 770	27 815
Long service awards	20 251	0	5 500	23 471
Post-retirement benefit obligations	6 818	7 028	7 135	7 134
Scarcity	0	0	0	13
Acting and post related allowance	2 567	1 617	1 617	2 322
Subtotal - Other municipal staff	357 687	400 778	386 020	381 197
% increase/ (decrease)		12.0%	7.9%	6.6%
Total Municipality	385 318	433 868	420 111	416 574
% increase/(decrease)		12.6%	9.0%	8.1%

Table: 297 Personnel expenditure



CHAPTER 5



CHAPTER 5: FINANCIAL PERFORMANCE

Component A: Statement of Financial Performance

The statement of financial performance provides an overview of the financial performance and focuses on the financial health of the Municipality. All financial information presented in this Chapter, aligns to mSCOA.

5.1 FINANCIAL SUMMARY

The table below indicates the summary of the financial performance for the 2023/24 financial year:

Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	R'000				%	
Financial Performance						
Exchange Revenue	777 768	850 663	845 928	871 574	2.46	3.03
Service charges - Electricity	474 632	544 474	541 774	543 810	-0.12	0.38
Service charges - Water	105 610	110 094	108 794	110 405	0.28	1.48
Service charges - Waste Water Management	90 274	90 530	88 230	99 186	9.56	12.42
Service charges - Waste management	46 941	48 900	47 800	54 422	11.29	13.85
Sale of Goods and Rendering of Services	5 521	6 939	6 524	5 736	-17.34	-12.08
Agency services	9 463	9 908	7 903	8 949	-9.68	13.23
Interest other	0	0	0	0	0.00	0.00
Interest earned from Receivables	13 266	13 376	13 376	13 962	4.38	4.38
Interest earned from Current and Non Current Assets	14 384	12 823	16 284	18 373	43.27	12.83
Dividends	0	0	0	0	0.00	0.00
Rent on Land	0	1 645	0	0	-100.00	0.00
Rental from Fixed Assets	7 478	6 981	7 483	8 979	28.63	20.00
Licence and permits	0	0	0	0	0.00	0.00
Operational Revenue	10 197	4 994	7 760	7 753	55.27	-0.09
Non-Exchange Revenue	494 476	623 178	519 472	482 199	-22.62	-7.18
Property rates	180 018	187 406	191 406	197 548	5.41	3.21
Surcharges and Taxes	0	0	0	0	0.00	0.00
Fines, penalties and forfeits	94 924	242 038	116 721	72 714	-69.96	-37.70
Licence and permits	3 123	4 259	4 259	2 926	-31.29	-31.29
Transfer and subsidies - Operational	171 643	186 796	194 730	185 954	-0.45	-4.51
Interest	2 785	1 196	3 473	3 436	187.19	-1.08
Fuel Levy	0	0	0	0	0.00	0.00
Operational Revenue	0	0	7 400	7 633	0.00	3.14
Gains on disposal of Assets	280	1 483	1 483	2 155	45.32	45.32



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Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Other Gains	41 703	0	(0)	9 834	100.00	100.00
Discontinued Operations	0	0	0	0	0.00	0.00
Total Revenue (excluding capital transfers and contributions)	1 272 244	1 473 841	1 365 400	1 353 773	-8.15	-0.85
Employee related costs	366 251	413 148	398 390	396 107	-4.12	-0.57
Remuneration of councillors	19 066	20 720	21 720	20 467	-1.23	-5.77
Bulk purchases - electricity	372 993	432 321	454 821	454 652	5.17	-0.04
Inventory consumed	50 978	45 712	50 294	50 154	9.72	-0.28
Debt impairment	116 518	209 734	141 000	115 605	-44.88	-18.01
Depreciation and amortisation	94 561	100 265	102 265	101 941	1.67	-0.32
Interest Charges	19 437	37 980	37 980	31 254	-17.71	-17.71
Contracted services	112 123	118 676	129 540	126 490	6.58	-2.35
Transfers and subsidies	3 419	6 138	10 066	3 069	-50.01	-69.52
Irrecoverable debts written off	0	18	18	0	-100.00	-100.00
Operational costs	78 862	95 257	98 756	94 100	-1.22	-4.72
Losses on Disposal of Assets	741	3 928	3 928	1 370	-65.12	-65.12
Other Losses	1 434	63	1 263	1 150	1724.99	-8.97
Total Expenditure	1 236 383	1 483 960	1 450 042	1 396 358	-5.90	-3.70
Surplus/(Deficit)	35 861	-10 119	-84 642	-42 585	320.85	-49.69
Transfers recognised - capital	67 525	66 797	106 961	97 746	46.33	-8.61
Contributions recognised - capital & contributed assets	17 917	0	0	0	0.00	0.00
Surplus/(Deficit) after capital transfers & contributions	121 303	56 678	22 319	55 162	-2.68	147.16
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	85 442	66 797	106 961	97 746	46.33	-8.61
Public contributions & donations	0	0	0	0	0.00	0.00
Borrowing	104 458	28 069	74 254	56 598	101.64	-23.78
Internally generated funds	80 918	95 665	112 144	80 276	-16.09	-28.42
Total sources of capital funds	270 819	190 531	293 359	234 621	23.14	-20.02
Financial Performance						
Total current assets	328 256	315 160	235 228	375 718	19.22	59.72
Total non-current assets	2 506 251	2 905 151	2 629 433	2 840 784	-2.22	8.04
Total current liabilities	203 114	212 142	190 882	251 040	18.34	31.52



CHAPTER 5: FINANCIAL PERFORMANCE

Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Total non-current liabilities	378 362	555 521	546 114	530 343	-4.53	-2.89
Community wealth/Equity	2 253 031	2 452 648	2 127 665	2 435 120	-0.71	14.45
Cashflows						
Net cash from (used) operating	114 947	83 211	110 240	256 108	207.78	132.32
Net cash from (used) investing	-150 848	-190 481	-293 207	-263 381	38.27	-10.17
Net cash from (used) financing	95 565	7 476	60 862	51 760	592.33	-14.95
Cash/cash equivalents at the year end	148 753	68 137	36 648	193 241	183.61	427.30
Cash backing/surplus reconciliation						
Cash and investments available	89 089	132 632	132 804	218 668	64.87	64.65
Application of cash and investments	60 265	12 698	14 023	93 897	639.43	569.57
Balance - surplus (shortfall)	28 824	119 933	118 781	124 771	4.03	5.04
Asset management						
Asset register summary (WDV)	2 698 000	2 902 512	2 626 794	2 834 693	-2.34	7.91
Depreciation & asset impairment	94 571	100 265	102 265	101 941	1.67	-0.32
Renewal of Existing Assets	72 664	97 487	130 707	106 142	8.88	-18.79
Repairs and Maintenance	76 832	84 124	95 188	88 057	4.67	-7.49
Free Services						
Cost of Free Basic Services provided	54 637	74 700	74 700	51 011	-31.71	-31.71
Revenue cost of free services provided	8 196	37 937	39 166	7 652	-79.83	-80.46
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1.</i>						

Table: 298 Financial performance 2023/24



CHAPTER 5: FINANCIAL PERFORMANCE

The table below shows a summary of performance against budgets

Financial year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000				R'000			
2022/23	1 507 403	1 357 686	-149 717	-10	1 396 920	1 236 383	160 536	11
2023/24	1 472 360	1 451 520	-20 841	-1	1 450 042	1 396 358	53 684	4

Table: 299 Performance against budgets

5.1.1 Revenue collection by vote

The table below indicates the revenue collection performance by vote:

Vote description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited outcome)	Original budget	Adjusted budget	Actual	Original budget	Adjustment budget
	R'000			%		
Vote 1 - Council General	739	105	1 106	1 055	905.32	-4.66
Vote 2 - Municipal Manager	500	500	500	500	0.00	0.00
Vote 3 - Strategic Support Services	1 024	2 225	991	1 051	-52.75	6.07
Vote 4 - Financial Services	280 581	260 475	272 078	283 665	8.90	4.26
Vote 5 - Community Services	184 098	310 090	184 869	138 665	-55.28	-24.99
Vote 6 - Technical Services	0	0	0	0	0.00	0.00
Vote 7 - Engineering Services	506 514	579 410	608 410	613 270	5.84	0.80
Vote 8 - Public Services	384 231	387 833	404 406	413 313	6.57	2.20
Total revenue by vote	1 357 686	1 540 638	1 472 360	1 451 520	-5.78	-1.42
Variances are calculated by dividing the difference between actual and original/adjustments budget by the original/adjustments budget						

Table: 300 Revenue by vote

5.1.2 Revenue collection by source

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

Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Exchange Revenue	777 768	850 663	845 928	871 574	2.46	3.03
Service charges - Electricity	474 632	544 474	541 774	543 810	-0.12	0.38
Service charges - Water	105 610	110 094	108 794	110 405	0.28	1.48
Service charges - Waste Water Management	90 274	90 530	88 230	99 186	9.56	12.42



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Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Service charges - Waste management	46 941	48 900	47 800	54 422	11.29	13.85
Sale of Goods and Rendering of Services	5 521	6 939	6 524	5 736	-17.34	-12.08
Agency services	9 463	9 908	7 903	8 949	-9.68	13.23
Interest other	0	0	0	0	0.00	0.00
Interest earned from Receivables	13 266	13 376	13 376	13 962	4.38	4.38
Interest earned from Current and Non Current Assets	14 384	12 823	16 284	18 373	43.27	12.83
Dividends	0	0	0	0	0.00	0.00
Rent on Land	0	1 645	0	0	-100.00	0.00
Rental from Fixed Assets	7 478	6 981	7 483	8 979	28.63	20.00
Licence and permits	0	0	0	0	0.00	0.00
Operational Revenue	10 197	4 994	7 760	7 753	55.27	-0.09
Non-Exchange Revenue	494 476	623 178	519 472	482 199	-22.62	-7.18
Property rates	180 018	187 406	191 406	197 548	5.41	3.21
Surcharges and Taxes	0	0	0	0	0.00	0.00
Fines, penalties and forfeits	94 924	242 038	116 721	72 714	-69.96	-37.70
Licence and permits	3 123	4 259	4 259	2 926	-31.29	-31.29
Transfer and subsidies - Operational	171 643	186 796	194 730	185 954	-0.45	-4.51
Interest	2 785	1 196	3 473	3 436	187.19	-1.08
Fuel Levy	0	0	0	0	0.00	0.00
Operational Revenue	0	0	7 400	7 633	0.00	3.14
Gains on disposal of Assets	280	1 483	1 483	2 155	45.32	45.32
Other Gains	41 703	0	(0)	9 834	100.00	100.00
Discontinued Operations	0	0	0	0	0.00	0.00
Total Revenue (excluding capital transfers and contributions)	1 272 244	1 473 841	1 365 400	1 353 773	-8.15	-0.85

Table: 301 Revenue by source



CHAPTER 5: FINANCIAL PERFORMANCE

5.1.3 Operational services performance

The table below indicates the operational services performance for the 2023/24 financial year:

Vote description	2022/23	2023/24			2023/24 Variance	
	Actual – (Audited outcome)	Original budget	Adjusted budget	Actual	Original budget	Adjust-ments budget
	R'000				%	
Operating cost						
Governance and administration	32 617	-34 581	-31 332	-15 836	-54.21	-49.46
Executive and council	-41 935	-41 625	-49 260	-48 898	17.47	-0.73
Finance and administration	78 308	11 660	22 534	37 247	219.43	65.29
Internal audit	-3 757	-4 616	-4 606	-4 185	-9.33	-9.15
Community and public safety	-48 901	-50 078	-60 881	-86 029	71.79	41.31
Community and social services	-20 105	-20 678	-22 809	-21 685	4.87	-4.93
Sport and recreation	-29 484	-22 881	-30 935	-32 823	43.45	6.10
Public safety	-36 436	-5 474	-5 271	-42 700	680.10	710.16
Housing	37 208	-951	-1 771	11 263	-1284.77	-735.95
Health	-83	-95	-95	-83	-12.88	-12.88
Economic and environmental services	-60 027	-69 456	-66 247	-61 346	-11.68	-7.40
Planning and development	-16 704	-20 793	-21 532	-21 013	1.06	-2.41
Road transport	-42 873	-48 224	-44 386	-40 121	-16.80	-9.61
Environmental protection	-450	-439	-329	-211	-51.86	-35.77
Trading services	198 013	211 920	182 400	219 640	3.64	20.42
Energy sources	41 635	51 918	56 047	73 498	41.57	31.14
Water management	55 168	68 118	45 017	43 486	-36.16	-3.40
Waste water management	88 901	70 439	73 166	88 078	25.04	20.38
Waste management	12 309	21 444	8 169	14 579	-32.02	78.45
Other	-399	-1 126	-1 622	-1 268	12.62	-21.82
Total expenditure	121 303	56 678	22 319	55 162	-2.68	147.16
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table: 302 Operational services performance



CHAPTER 5: FINANCIAL PERFORMANCE

5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

The tables below show the financial performance according to municipal functions:

5.2.1 Executive and Council

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	1 239	105	1 106	1 055	-4.66
Expenditure:					
Employees	10 346	8 019	8 126	10 321	27.01
Contracted Services	91	2 411	110	74	-32.40
Other	32 736	31 299	42 129	39 557	-6.10
Total operational expenditure	43 173	41 730	50 366	49 953	-0.82
Net Operational (Service)	-41 935	-41 625	-49 260	-48 898	-0.73

Table: 303 Financial performance: Executive and Council

5.2.2 Finance and Administration

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	288 171	266 302	275 734	290 130	5.22
Expenditure:					
Employees	102 159	118 452	116 618	133 229	14.24
Contracted Services	39 912	47 835	51 478	47 126	-8.45
Other	67 792	88 354	85 104	72 528	-14.78
Total Operational Expenditure	209 863	254 642	253 200	252 883	-0.12
Net Operational (Service)	78 308	11 660	22 534	37 247	65.29

Table: 304 Financial performance: Finance and administration



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5.2.3 Internal Audit

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total operational revenue	0	0	0	0	0.00
Expenditure:					
Employees	3 630	4 314	4 314	4 011	-7.02
Repairs and maintenance	94	117	117	108	-7.40
Other	34	185	176	66	-62.40
Total operational expenditure	3 757	4 616	4 606	4 185	-9.15
Net Operational (Service)	-3 757	-4 616	-4 606	-4 185	-9.15

Table: 305 Financial performance: Internal audit

5.2.4 Community and Social Services

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	13 184	14 101	14 923	13 760	-7.79
Expenditure:					
Employees	23 828	25 345	24 598	22 884	-6.97
Contracted Services	4 434	3 482	4 455	3 881	-12.89
Other	5 028	5 952	8 679	8 681	0.01
Total Operational Expenditure	33 290	34 778	37 732	35 446	-6.06
Net Operational (Service)	-20 105	-20 678	-22 809	-21 685	-4.93

Table: 306 Financial performance: Community and social services

5.2.5 Sport and Recreation

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	3 818	10 367	6 386	4 343	-32.00
Expenditure:					
Employees	20 836	25 298	24 998	21 766	-12.93
Contracted Services	6 379	2 588	2 943	7 884	167.91



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Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Other	6 088	5 362	9 381	7 517	-19.87
Total Operational Expenditure	33 303	33 248	37 321	37 166	-0.42
Net Operational (Service)	-29 484	-22 881	-30 935	-32 823	6.10

Table: 307 Financial performance: Sport and recreation

5.2.6 Public Safety

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	97 329	244 210	118 908	74 624	-37.24
Expenditure:					
Employees	55 388	60 959	56 725	54 942	-3.14
Contracted Services	4 076	1 815	3 508	2 791	-20.46
Other	74 303	186 909	63 946	59 591	-6.81
Total Operational Expenditure	133 766	249 684	124 179	117 324	-5.52
Net Operational (Service)	-36 436	-5 474	-5 271	-42 700	710.16

Table: 308 Financial performance: Public safety

5.2.7 Housing

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	56 606	27 547	32 721	33 717	3.04
Expenditure:					
Employees	5 479	6 366	6 366	5 895	-7.40
Contracted Services	3 587	8 845	7 170	3 490	-51.33
Other	10 333	13 286	20 955	13 068	-37.64
Total Operational Expenditure	19 398	28 498	34 492	22 454	-34.90
Net Operational (Service)	37 208	-951	-1 771	11 263	-735.95

Table: 309 Financial performance: Housing



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5.2.8 Health

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	0	0	0	0	0.00
Expenditure:					
Employees	0	0	0	0	0.00
Contracted Services	0	0	0	0	0.00
Other	83	95	95	83	-12.88
Total Operational Expenditure	83	95	95	83	-12.88
Net Operational (Service)	-83	-95	-95	-83	-12.88

Table: 310 Financial performance: Health

5.2.9 Planning and Development

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	2 515	2 959	2 059	1 586	-22.95
Expenditure:					
Employees	15 759	17 898	17 838	17 497	-1.91
Contracted Services	1 397	1 458	3 150	2 855	-9.36
Other	2 063	4 395	2 602	2 247	-13.64
Total Operational Expenditure	19 218	23 752	23 591	22 600	-4.20
Net Operational (Service)	-16 704	-20 793	-21 532	-21 013	-2.41

Table: 311 Financial performance: Planning and development

5.2.10 Road Transport

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	19 710	19 560	24 017	25 587	6.54
Expenditure:					
Employees	23 502	28 879	26 678	22 367	-16.16
Contracted Services	4 452	5 169	7 397	7 450	0.72



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Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Other	34 630	33 736	34 328	35 891	4.55
Total Operational Expenditure	62 583	67 784	68 403	65 707	-3.94
Net Operational (Service)	-42 873	-48 224	-44 386	-40 121	-9.61

Table: 312 Financial performance: Road transport

5.2.11 Environmental Protection

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	0	0	0	0	0.00
Expenditure:					
Employees	225	0	0	0	0.00
Contracted Services	61	120	110	64	-41.32
Other	165	319	219	147	-32.99
Total Operational Expenditure	450	439	329	211	-35.77
Net Operational (Service)	-450	-439	-329	-211	-35.77

Table: 313 Financial performance: Environmental protection

5.2.12 Energy Sources

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	502 036	579 425	608 425	610 439	0.33
Expenditure:					
Employees	27 402	28 615	28 919	23 363	-19.21
Contracted Services	17 655	16 616	18 202	17 933	-1.48
Other	415 344	482 276	505 257	495 645	-1.90
Total Operational Expenditure	460 402	527 507	552 378	536 941	-2.79
Net Operational (Service)	41 635	51 918	56 047	73 498	31.14

Table: 314 Financial performance: Energy sources



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5.2.13 Water Management

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	133 634	145 023	142 865	137 401	-3.83
Expenditure:					
Employees	29 680	33 609	30 240	30 728	1.61
Contracted Services	2 653	4 294	3 274	3 812	16.43
Other	46 133	39 002	64 334	59 374	-7.71
Total Operational Expenditure	78 466	76 906	97 848	93 915	-4.02
Net Operational (Service)	55 168	68 118	45 017	43 486	-3.40

Table: 315 Financial performance: Water management

5.2.14 Waste Water Management

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	170 156	156 997	171 457	178 969	4.38
Expenditure:					
Employees	24 106	29 088	28 710	24 052	-16.22
Contracted Services	16 745	17 121	16 982	15 392	-9.37
Other	40 404	40 349	52 599	51 448	-2.19
Total Operational Expenditure	81 255	86 558	98 291	90 891	-7.53
Net Operational (Service)	88 901	70 439	73 166	88 078	20.38

Table: 316 Financial performance: Waste water management

5.2.15 Waste Management

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	69 274	74 042	73 759	79 909	8.34
Expenditure:					
Employees	23 846	26 304	24 261	25 051	3.26
Contracted Services	10 583	6 583	9 457	12 602	33.26
Other	22 536	19 710	31 872	27 678	-13.16



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Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Expenditure	56 965	52 597	65 589	65 330	-0.39
Net Operational (Service)	12 309	21 444	8 169	14 579	78.45

Table: 317 Financial performance: Waste management

5.2.16 Other

Description	2022/23	2023/24			
	Actual (Audited outcome)	Original budget	Adjustment budget	Actual	Variance to budget
	R'000				%
Total Operational Revenue	13	0	0	0	0.00
Expenditure:					
Employees	67	0	0	0	0.00
Contracted Services	6	222	1 188	1 028	-13.39
Other	338	904	434	239	-44.87
Total Operational Expenditure	412	1 126	1 622	1 268	-21.82
Net Operational (Service)	-399	-1 126	-1 622	-1 128	-21.82

Table: 318 Financial performance: Other

5.3 GRANTS

5.3.1 Grant performance

The table below indicates the grant performance for the 2023/24 financial year:

Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Budget	Adjust-ments Budget	Actual	Original Budget	Adjust-ments Budget
	R'000				%	
Operating Transfers and Grants						
National Government:	222 618	233 922	239 482	240 382	2.76	0.38
Operational Revenue: General Revenue: Equitable Share	147 822	162 453	162 453	162 453	0.00	0.00
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	3 301	5 072	4 789	4 789	-5.58	0.00
Local Government Financial Management Grant [Schedule 5B]	1 550	1 550	1 550	1 550	0.00	0.00



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Description	2022/23	2023/24			2023/24 Variance	
	Actual (Audited Outcome)	Budget	Adjust-ments Budget	Actual	Original Budget	Adjust-ments Budget
	R'000				%	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	14 999	20 238	20 238	20 239	0.00	0.00
Municipal Infrastructure Grant [Schedule 5B]	44 987	40 609	37 893	37 893	0.00	0.00
Energy Efficiency and Demand Side Management Grant	3 752	4 000	4 000	4 248	6.20	6.20
Municipal Disaster Recovery Grant [Schedule 4B]	1 930	0	8 380	8 380	0.00	0.00
Water Services Infrastructure Grant [Schedule 5B]	4 275	0	179	832		364.53
Provincial Government:	19 089	18 551	59 421	43 610	135.08	-26.61
Housing	2 866	3 871	34 000	29 745	668.42	-12.51
Proclaimed roads	96	190	190	143	-24.75	-24.75
Fire Dept Capt Building	0	1 103	1 103		0.00	-100.00
Municipal Accreditation and capacity building grant	513		800		0.00	-100.00
Library Grant	11 254	12 073	12 395	11 509	-4.67	-7.15
Capacity Building	0	0	0		0.00	0.00
Capacity Building and Other	0	0	9 143	1 667	0.00	-81.76
Disaster and Emergency Services	200	0	15	15	0.00	0.00
Water resilient grant	321	0	379	260	0.00	-31.46
Thusong centre	150	120	120	120	0.00	0.00
CDW grant	119	94	176	113	0.00	-35.68
RSEP Projects	921	1 100	1 100	38	-96.52	-96.52
LG Public Employment Support	1 700	0	0	0	0.00	0.00
Emergency Muncipal Loadshedding relief	950	0	0	0	0.00	0.00
Other grant providers:	19 659	1 120	2 788	1 269	13.32	-54.48
Seta	704	500	1 580	769	0.00	0.00
Cape Winelands District Municipality	1 586	500	1 088	500	0.00	0.00
Fire Maintanace	0	120	120	0	0.00	0.00
Donated assets - capital portion	17 369	0	0	0	0.00	0.00
Total Operating Transfers and Grants	261 366	253 593	301 690	285 262	12.49	-5.45
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the original/adjustments budget.</i>						

Table: 319 Grant performance for 2023/24



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5.3.2 Conditional grants (excl. MIG)

The performance in the spending of conditional grants is summarised as follows:

Details	2022/23	2023/24			2023/24 Variance	
	Actual	Budget	Adjust- ments Budget	Actual	Variance	
	Actual (Audited Outcome)				Budget	Adjust- ments Budget
	R'000				%	
Operational Revenue: General Revenue: Equitable Share	147 822	162 453	162 453		0.00	0.00
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	3 301	5 072	4 789	4 789	-5.58	0.00
Local Government Financial Management Grant [Schedule 5B]	1 550	1 550	1 550	1 550	0.00	0.00
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	14 999	20 238	20 238	20 239	0.00	0.00
Energy Efficiency and Demand Side Management Grant	3 752	4 000	4 000	4 248	6.20	6.20
Municipal Disaster Recovery Grant [Schedule 4B]	1 930	0	8 380	8 380	0.00	0.00
Water Services Infrastructure Grant [Schedule 5B]	4 275	0	179	832	0.00	364.53
Housing	2 866	3 871	34 000	29 745	668.42	-12.51
Proclaimed roads	96	190	190	143	0.00	0.00
Fire Dept Capt Building	0	1 103	1 103	0	-100.00	-100.00
Municipal Accreditation and capacity building grant	513	0	800	0	0.00	0.00
Library Grant	11 254	12 073	12 395	11 509	-4.67	-7.15
Capacity Building and Other	0	0	9 143	1 667	0.00	-81.76
Disaster and Emergency Services	200	0	15	15	0.00	0.01
Water resilient grant	321	0	379	260	0.00	0.00
Thusong centre	150	120	120	120	0.00	0.00
CDW grant	119	94	176	113	20.47	-35.68
RSEP Projects	921	1 100	1 100	38	0.00	0.00
LG Public Employment Support	1 700	0	0	0	0.00	0.00
Emergecy Muncipal Loadshedding relief	950	0	0	0	0.00	0.00
Seta	704	500	1 580	769	0.00	0.00
Cape Winelands District Municipality	1 586	500	1 088	500	0.00	0.00
Fire Maintanace	0	120	120	0	0.00	0.00
Donated assets - capital portion	17 369	0	0	0	0.00	0.00
Total	216 379	212 984	263 797	247 369	16.14	-6.23
Variances are calculated by dividing the difference between actual and original/adjustments budget by the original/adjustments budget.						

Table: 320 Conditional grant (excl. MIG)



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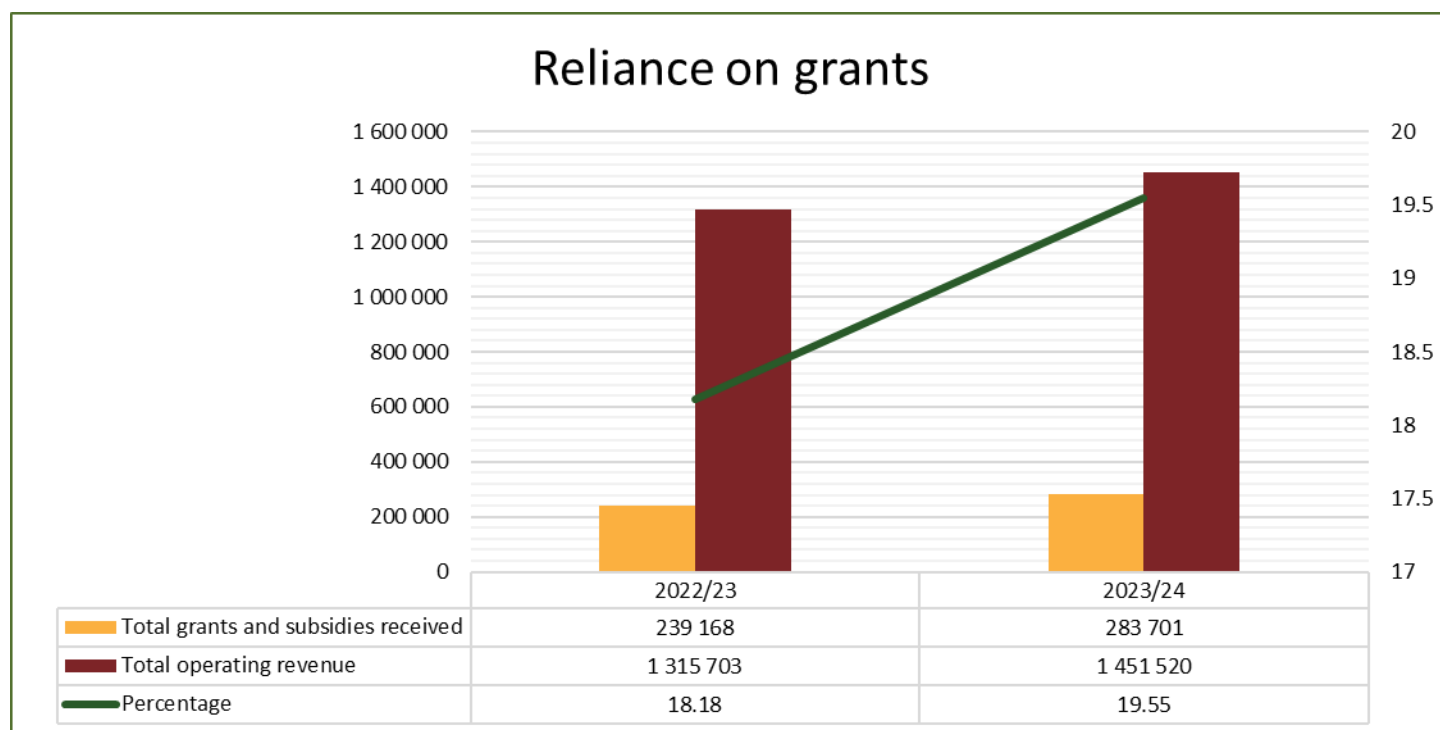
No grants have been held back over the financial year. All unspent grants after roll-over approval will be included in programs for the 2023/24 financial year.

5.3.3 Level of reliance on grants and subsidies

Financial year	Total grants and subsidies received	Total operating revenue	Percentage
	R'000		%
2022/23	239 168	1 357 686	17.62
2023/24	283 701	1 451 520	19.55

Table: 321 Reliance on grants

The following graph indicates the Municipality's reliance on grants for the last two financial years:



Graph 9: Reliance on grants

5.4 ASSET MANAGEMENT

The assets of the Breede Valley Municipality (BVM) are managed in accordance with the Asset Management Policy.

The policy is drawn up in line with the relevant statutory and regulatory frameworks and the relevant GRAP standards as set out by The Accounting Standards Board.



The key elements are:

Responsibilities of:

1. The Accounting Officer (Municipal Manager) - overall responsible for the assets of BVM
2. The Chief Financial Officer (Director: Finance) - delegated to ensure safeguarding of assets
3. The Asset Manager - accountable for asset under his/her directorate
4. The Asset Champions - senior officials responsible per department
5. The Asset Management Division - maintenance of the asset register, review and verifications
6. The Budgetary Division - providing detail on capital expenditure and funding

Financial management:

1. Planning
2. Funding
3. Acquisition

Accounting:

1. Capitalisation
2. Classification of the assets
3. Costing process
4. Depreciation method; impairment
5. Disclosure

Internal control:

1. Asset register
2. Transfer
3. Safeguarding – Lost, theft, destruction
4. Verification and review

Disposal

Key issues under development

The constant development in GRAP and the addition of GRAP 21 and 26 on impairment request reviews in the policy.

5.4.1 Treatment of the three largest assets

Asset 1	
Name	Worcester Waste Water Treatment Works
Description	WWTW
Asset type	Infrastructure (Sewer)
Key staff involved	Senior Manager: Water and Sanitation
Staff responsibilities	Managing and maintaining the daily operations of the plant



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Asset 1		
Asset value	2022/23 R million	2023/24 R million
	211 633	204 309
Capital implications	Augmentation of works	
Future purpose of asset	Treatment of sewerage water in order to comply with legislation	
Describe key issues	Budgets insufficiencies, minimum qualifications of process controllers, insufficient staff complement	
Policies in place to manage asset	Asset Management Policy, Water Services Development Plan	

Table: 322 Summary of largest asset

Asset 2		
Name	Reservoir Stettynskloof	
Description	Stettynskloof Water	
Asset type	Infrastructure (Water)	
Key staff involved	Senior Manager: Water and Sanitation	
Staff responsibilities	Operational and maintenance	
Asset value	2022/23 R million	2023/24 R million
	150 963	148 626
Capital implications	Augmentation of water supply system	
Future purpose of asset	Supply of potable water to the communities of Worcester and Rawsonville	
Describe key issues	Budgets insufficiencies, minimum qualifications of process controllers, insufficient staff complement	
Policies in place to manage asset	Asset Management Policy, Water Services Development Plan, Operational Plan, Safety Plan, Plant Operating Plan	

Table: 323 Summary of 2nd largest asset

Asset 2		
Name	Residential Consumers Pre-paid	
Description	Electric Pre-paid Meters	
Asset type	Infrastructure (Electricity)	
Key staff involved	Senior Manger Electrical Services	
Staff responsibilities	Operational and maintenance	
Asset value	2022/23 R million	2023/24 R million
	35 216	32 817
Capital implications	Augmentation of works	
Future purpose of asset	Revenue protection for municipality; ensure income	
Describe key issues	Budgets insufficiencies, minimum qualifications of process controllers, insufficient staff complement	
Policies in place to manage asset	Customer Care Policy, Municipal Bylaw, Asset Management Policy	

Table: 324 Summary of 3rd largest asset



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5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

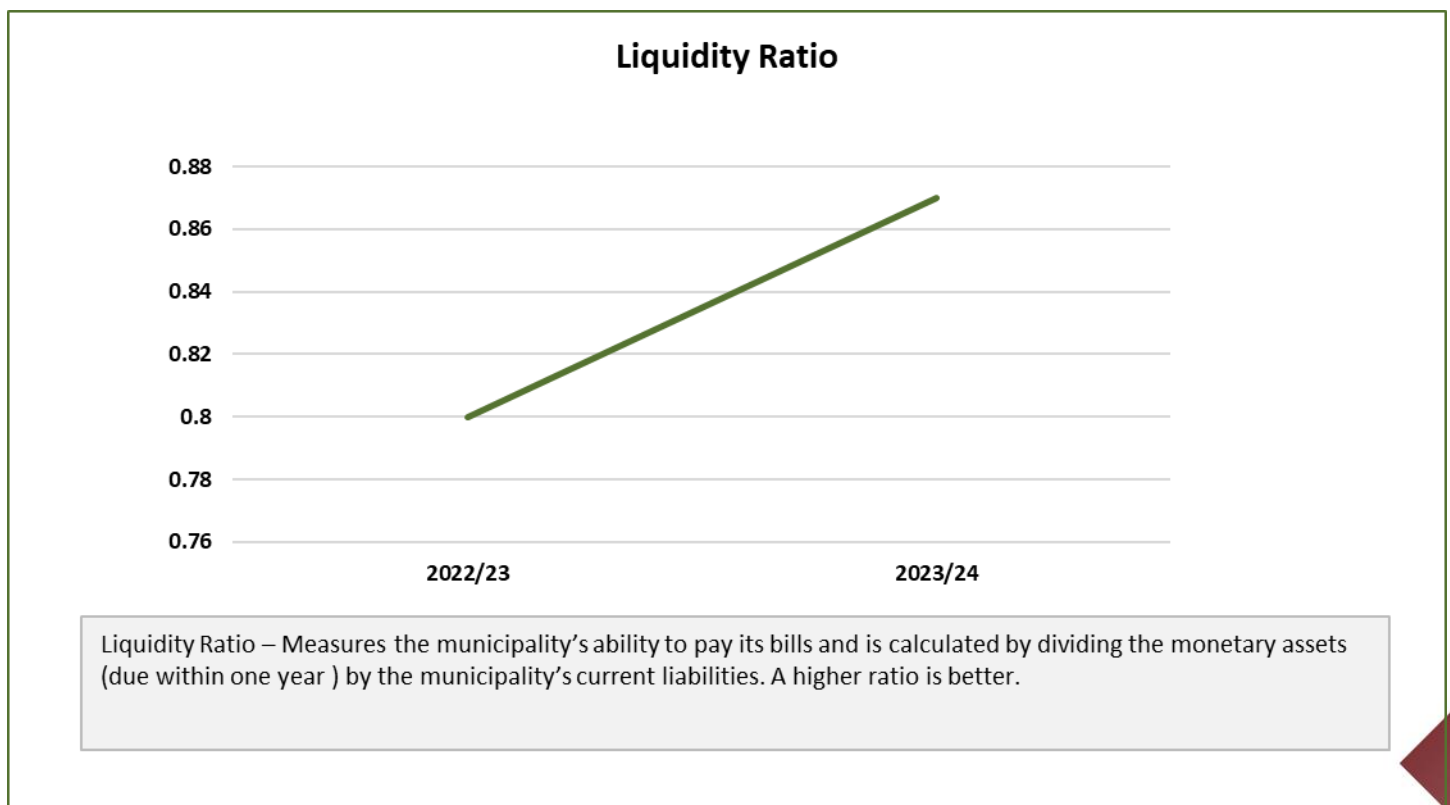
5.5.1 Liquidity ratio

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Pre-audit outcome
Current ratio	Current assets/current liabilities	1.68	1.50
Current ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.63	1.44
Liquidity ratio	Monetary assets/current liabilities	0.80	0.87

Table: 325 Liquidity financial ratio

The current ratio indicates a Council's ability to meet its financial obligations such as payment for goods and services supplied. A ratio of 1:1 indicates that unrestricted current assets are available on hand to meet unrestricted current liabilities.

The following graph indicates the liquidity financial ratio for 2023/24:



Graph 10: Liquidity ratio



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5.5.2 IDP regulation financial viability indicators

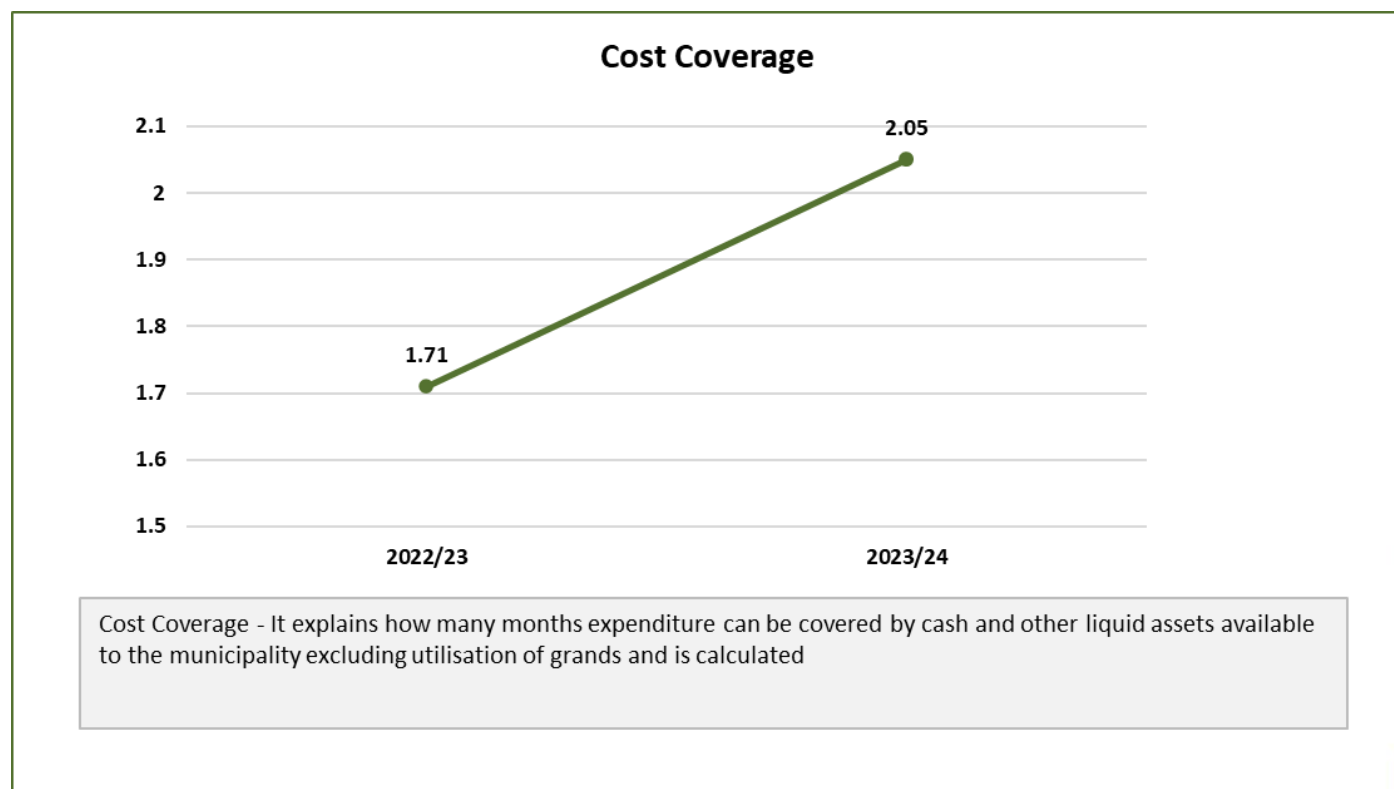
Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Pre-audit outcome
Cost coverage	(Available cash + investments)/monthly fixed operational expenditure	1.71	2.05
Total outstanding service debtors to revenue	Total outstanding service debtors/annual revenue received for services	14.00%	10.19%
Debt coverage	(Total operating revenue - operating grants)/debt service payments due within financial year)	33.28	24.86

Table: 326 Financial viability national KPAs

a) Cost Coverage

This ratio indicates the Municipality's ability to meet its short-term (monthly) expenditures. It takes into consideration all available cash at a particular time including income from investments. The ratio has to be in excess of 1:1 with 2.05:1 being an acceptable ratio, because the ratio is even more than 1:1. The Municipality might even consider reducing its cash levels to pay back its debt. However, this ratio should be read in conjunction to other ratios

The following graph indicates the cost coverage financial viability indicator:



Graph 11: Cost coverage

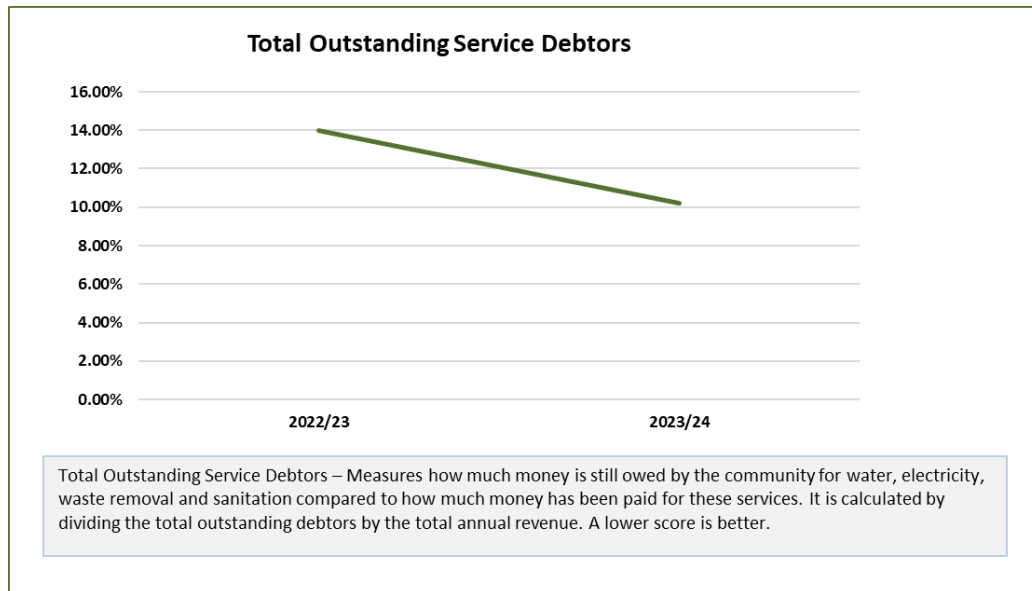


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b) Outstanding Service Debtors to Revenue

This ratio indicates how effective revenue collection is being executed by the Municipality. The current outstanding debt is 10.19% of revenue. The Municipality should continuously enhance revenue collection mechanisms and enforce debt collection policies.

The following graph indicates the outstanding service to revenue financial viability indicator:

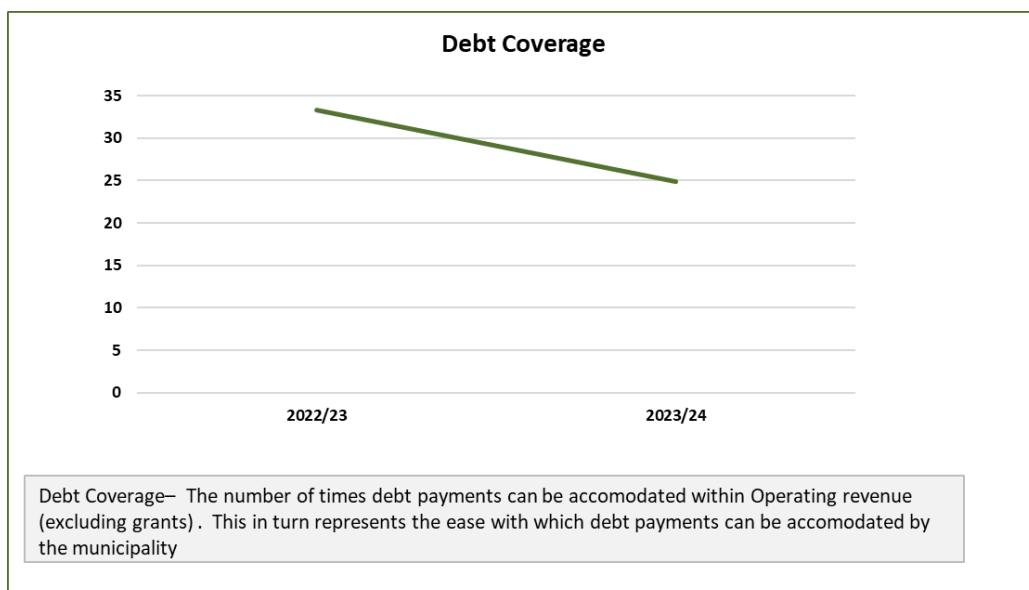


Graph 12: Total outstanding service debtors

c) Debt Coverage

The debt coverage ratio shows the Municipality's ability to service its debt payments.

The following graph indicates the debt coverage financial viability indicator:



Graph 13: Debt coverage



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5.5.3 Creditors management

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Pre-audit outcome
Creditors system efficiency	% of creditors paid within terms (within MFMA Section 65(e))	100%	100%

Table: 327 Creditors management

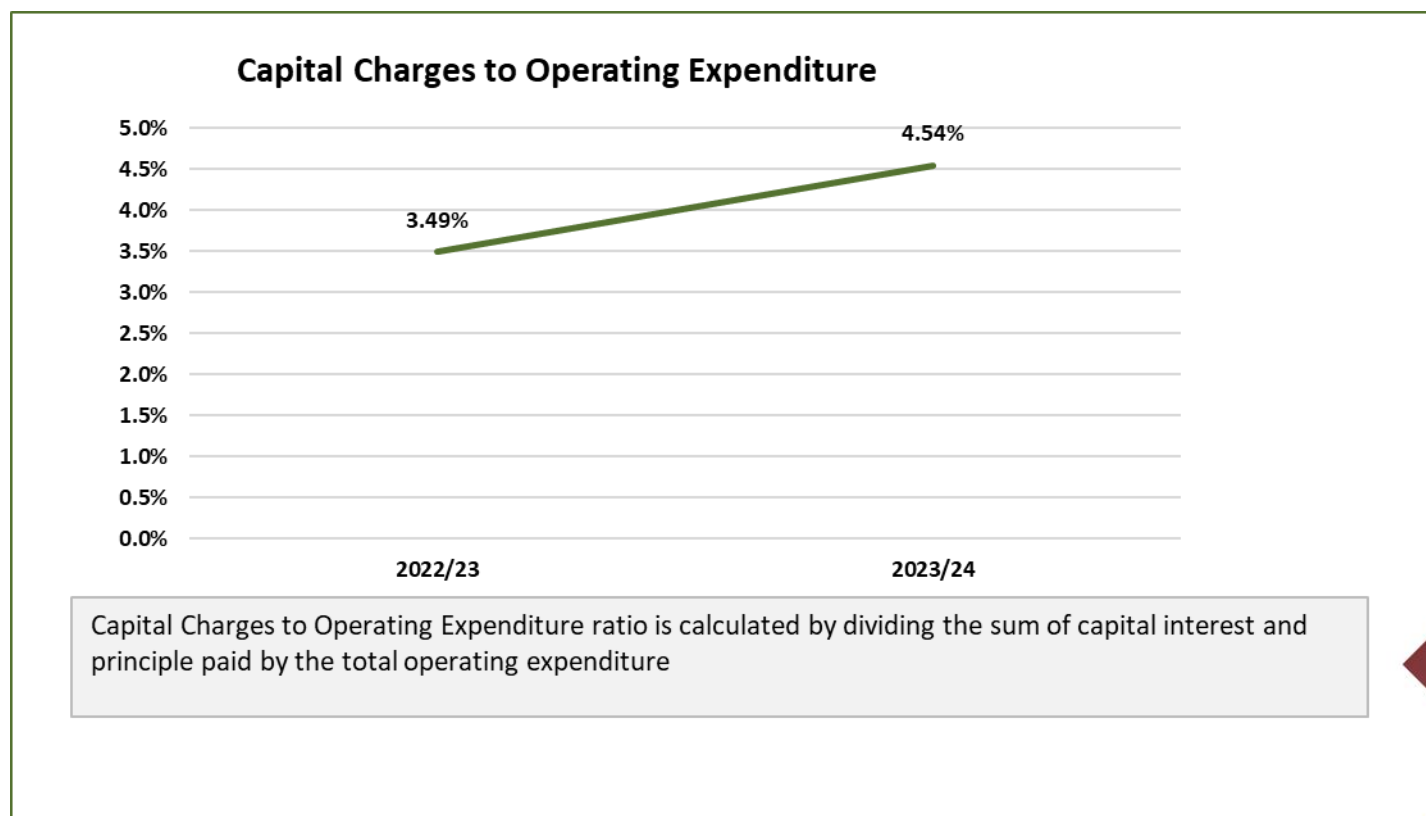
5.5.4 Borrowing management

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Pre-audit outcome
Capital charges to operating expenditure	Interest and principal paid /operating expenditure	3.49%	4.54%

Table: 328 Borrowing management

The ratio gives an indication of the total percentage paid on external loans. The ratio increased from 3.49% in 2022/23 to 4.54 % in 2023/24 which is within the norm of 18%.

The following graph indicates the ratio of capital charges to operating expenditure:



Graph 14: Capital charges to operating expenditure ratio



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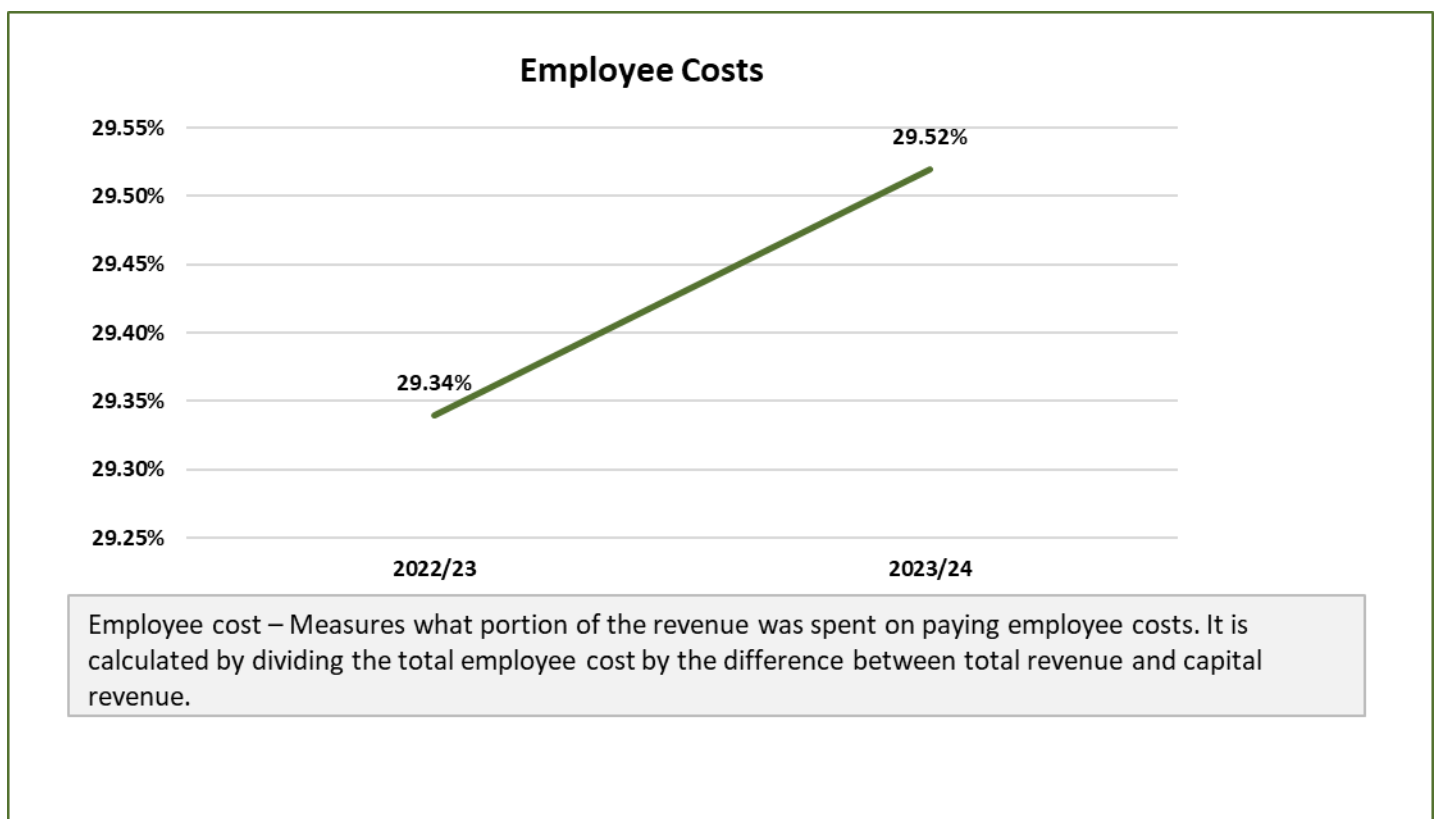
5.5.5 Employee costs

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Pre-audit outcome
Employee costs	Employee costs/ (Total Revenue - capital revenue)	29.34%	29.52%

Table: 329 Employee costs

The ratio gives an indication of the total percentage paid on employee cost. The ratio increased from 29.34 % in 2022/23 to 29.52% in 2023/24 and is still within the norm of 35%.

The following graph indicates the employee costs ratio:



Graph 15: Employee costs ratio



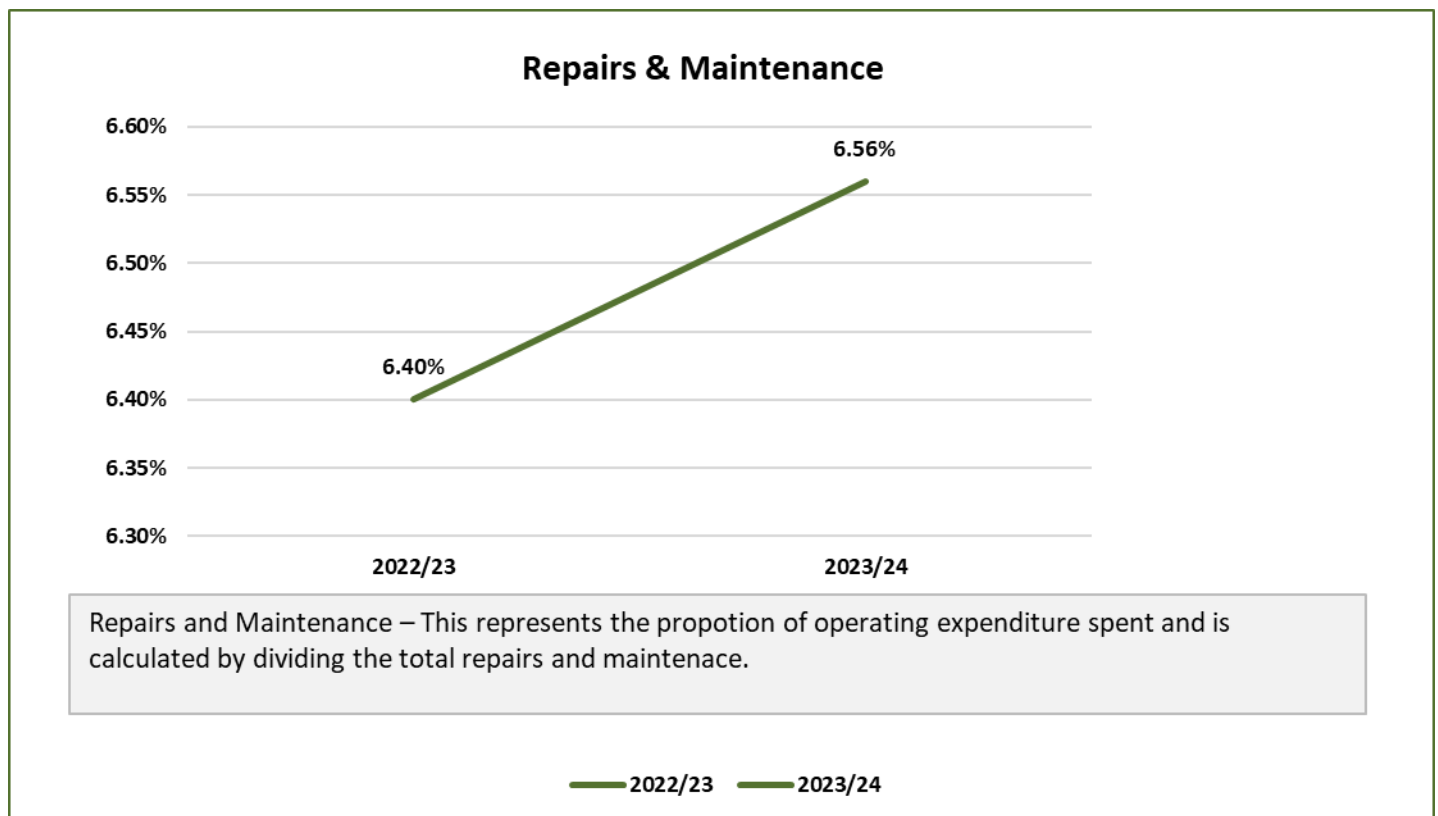
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.5.6 Repairs and maintenance

Description	Basis of calculation	2022/23	2023/24
		Audited outcome	Pre-audit outcome
Repairs and maintenance	RandM/ (Total revenue excluding capital revenue)	6.40%	6.56%

Table: 330 Repairs and maintenance

The following graph indicates the ratio of repairs and maintenance:



Graph 16: Repairs and maintenance ratio

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. Component B deals with capital spending indicating where the funding comes from and whether municipalities can spend the available funding as planned. In this component it is important to indicate the different sources of funding as well as how these funds are spent.



CHAPTER 5: FINANCIAL PERFORMANCE

5.6 CAPITAL EXPENDITURE

5.6.1 Capital expenditure by new assets programme

Description	2022/23	Current Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +3 2026/27
Infrastructure	109 939	65 739	151 592	120 956	72 389	63 984	52 061
Roads Infrastructure	13 790	1 750	10 369	10 296	600	500	1 000
<i>Roads</i>	573	100	100	100	100	500	1 000
<i>Road Structures</i>	13 217	1 650	10 269	10 196	500	0	0
<i>Road Furniture</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
Storm water Infrastructure	42	195	195	195	150	500	0
<i>Drainage Collection</i>	0	100	100	100	100	500	0
<i>Storm water Conveyance</i>	42	95	95	95	50	0	0
<i>Attenuation</i>	0	0	0	0	0	0	0
Electrical Infrastructure	27 885	25 318	70 709	65 195	32 745	36 934	19 518
<i>Power Plants</i>	0	0	0	0	0	0	0
<i>HV Substations</i>	0	0	0	0	0	0	0
<i>HV Switching Station</i>	0	0	0	0	0	0	0
<i>HV Transmission Conductors</i>	0	0	0	0	500	6 400	0
<i>MV Substations</i>	10 392	1 300	5 623	4 437	14 377	0	1 000
<i>MV Switching Stations</i>	0	0	0	0	0	0	0
<i>MV Networks</i>	117	0	12 727	10 235	798	1 603	0
<i>LV Networks</i>	17 057	24 018	52 028	50 254	16 370	28 931	18 518
<i>Capital Spares</i>	319	0	331	269	700	0	0
Water Supply Infrastructure	37 839	8 125	16 431	14 332	1 369	4 408	30 363
<i>Dams and Weirs</i>	0	0	0	0	0	0	0
<i>Boreholes</i>	0	0	0	0	0	0	0
<i>Reservoirs</i>	35 425	0	13 342	13 342	0	0	0
<i>Pump Stations</i>	0	0	0	0	0	0	0
<i>Water Treatment Works</i>	2 123	5 160	924	745	0	1 188	27 644
<i>Bulk Mains</i>	0	0	0	0	0	0	0
<i>Distribution</i>	291	2 965	2 165	246	1 369	3 219	2 719



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Description	2022/23	Current Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +3 2026/27
<i>Distribution Points</i>	0	0	0	0	0	0	0
<i>PRV Stations</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
Sanitation Infrastructure	28 001	30 291	53 828	30 938	37 465	21 583	1 120
<i>Pump Station</i>	0	14 000	12 050	2 070	0	0	0
<i>Reticulation</i>	3 601	2 096	4 920	3 800	1 270	1 620	1 120
<i>Waste Water Treatment Works</i>	24 400	14 195	36 858	25 069	36 195	19 963	0
<i>Outfall Sewers</i>	0	0	0	0	0	0	0
<i>Toilet Facilities</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
Solid Waste Infrastructure	0	0	0	0	0	0	0
<i>Landfill Sites</i>	0	0	0	0	0	0	0
<i>Waste Transfer Stations</i>	0	0	0	0	0	0	0
<i>Waste Processing Facilities</i>	0	0	0	0	0	0	0
<i>Waste Drop-off Points</i>	0	0	0	0	0	0	0
<i>Waste Separation Facilities</i>	0	0	0	0	0	0	0
<i>Electricity Generation Facilities</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
Rail Infrastructure	0	0	0	0	0	0	0
<i>Rail Lines</i>	0	0	0	0	0	0	0
<i>Rail Structures</i>	0	0	0	0	0	0	0
<i>Rail Furniture</i>	0	0	0	0	0	0	0
<i>Drainage Collection</i>	0	0	0	0	0	0	0
<i>Storm water Conveyance</i>	0	0	0	0	0	0	0
<i>Attenuation</i>	0	0	0	0	0	0	0
<i>MV Substations</i>	0	0	0	0	0	0	0
<i>LV Networks</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
Coastal Infrastructure	0	0	0	0	0	0	0
<i>Sand Pumps</i>	0	0	0	0	0	0	0
<i>Piers</i>	0	0	0	0	0	0	0
<i>Revetments</i>	0	0	0	0	0	0	0
<i>Promenades</i>	0	0	0	0	0	0	0



CHAPTER 5: FINANCIAL PERFORMANCE

Description	2022/23	Current Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +3 2026/27
<i>Capital Spares</i>	0	0	0	0	0	0	0
Information and Communication Infrastructure	2 382	60	60	0	60	60	60
<i>Data Centres</i>	0	0	0	0	0	0	0
<i>Core Layers</i>	0	0	0	0	0	0	0
<i>Distribution Layers</i>	2 382	60	60	0	60	60	60
<i>Capital Spares</i>	0	0	0	0	0	0	0
Community Assets	1 601	2 070	2 245	163	90	0	0
Community Facilities	1 601	2 070	2 245	163	0	0	0
<i>Halls</i>	0	0	0	0	0	0	0
<i>Centres</i>	0	0	0	0	0	0	0
<i>Crèches</i>	0	0	0	0	0	0	0
<i>Clinics/Care Centres</i>	0	0	0	0	0	0	0
<i>Fire/Ambulance Stations</i>	0	0	0	0	0	0	0
<i>Testing Stations</i>	0	0	0	0	0	0	0
<i>Museums</i>	0	0	0	0	0	0	0
<i>Galleries</i>	0	0	0	0	0	0	0
<i>Theatres</i>	0	0	0	0	0	0	0
<i>Libraries</i>	0	850	950	76	0	0	0
<i>Cemeteries/Crematoria</i>	0	0	75	49	0	0	0
<i>Police</i>	0	0	0	0	0	0	0
<i>Parks</i>	158	1 220	1 220	38	0	0	0
<i>Public Open Space</i>	102	0	0	0	0	0	0
<i>Nature Reserves</i>	0	0	0	0	0	0	0
<i>Public Ablution Facilities</i>	0	0	0	0	0	0	0
<i>Markets</i>	1 341	0	0	0	0	0	0
<i>Stalls</i>	0	0	0	0	0	0	0
<i>Abattoirs</i>	0	0	0	0	0	0	0
<i>Airports</i>	0	0	0	0	0	0	0
<i>Taxi Ranks/Bus Terminals</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
Sport and Recreation Facilities	0	0	0	0	90	0	0



CHAPTER 5: FINANCIAL PERFORMANCE

Description	2022/23	Current Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +3 2026/27
<i>Indoor Facilities</i>	0	0	0	0	0	0	0
<i>Outdoor Facilities</i>	0	0	0	0	90	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
<u>Heritage assets</u>	0	0	0	0	0	0	0
Monuments	0	0	0	0	0	0	0
Historic Buildings	0	0	0	0	0	0	0
Works of Art	0	0	0	0	0	0	0
Conservation Areas	0	0	0	0	0	0	0
Other Heritage					0	0	0
<u>Investment properties</u>	17 350	0	0	0	0	0	0
Revenue Generating	17 350	0	0	0	0	0	0
<i>Improved Property</i>	17 350	0	0	0	0	0	0
<i>Unimproved Property</i>	0	0	0	0	0	0	0
Non-revenue Generating	0	0	0	0	0	0	0
<i>Improved Property</i>	0	0	0	0	0	0	0
<i>Unimproved Property</i>	0	0	0	0	0	0	0
<u>Other assets</u>	327	400	400	226	1 040	400	400
Operational Buildings	327	400	400	226	1 040	400	400
<i>Municipal Offices</i>	327	400	400	226	400	400	400
<i>Pay/Enquiry Points</i>	0	0	0	0	0	0	0
<i>Building Plan Offices</i>	0	0	0	0	0	0	0
<i>Workshops</i>	0	0	0	0	0	0	0
<i>Yards</i>	0	0	0	0	640	0	0
<i>Stores</i>	0	0	0	0	0	0	0
<i>Laboratories</i>	0	0	0	0	0	0	0
<i>Training Centres</i>	0	0	0	0	0	0	0
<i>Manufacturing Plant</i>	0	0	0	0	0	0	0
<i>Depots</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0
Housing	0	0	0	0	0	0	0
<i>Staff Housing</i>	0	0	0	0	0	0	0
<i>Social Housing</i>	0	0	0	0	0	0	0
<i>Capital Spares</i>	0	0	0	0	0	0	0



CHAPTER 5: FINANCIAL PERFORMANCE

Description	2022/23	Current Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +3 2026/27
<u>Biological or Cultivated Assets</u>	0	0	0	0	0	0	0
Biological or Cultivated Assets	0	0	0	0	0	0	0
<u>Intangible Assets</u>	0	0	0	0	0	0	0
Servitudes	0	0	0	0	0	0	0
Licenses and Rights	0	0	0	0	0	0	0
<i>Water Rights</i>	0	0	0	0	0	0	0
<i>Effluent Licenses</i>	0	0	0	0	0	0	0
<i>Solid Waste Licenses</i>	0	0	0	0	0	0	0
<i>Computer Software and Applications</i>	0	0	0	0	0	0	0
<i>Load Settlement Software Applications</i>	0	0	0	0	0	0	0
<i>Unspecified</i>	0	0	0	0	0	0	0
<u>Computer Equipment</u>	180	480	703	497	0	0	0
Computer Equipment	180	480	703	497	0	0	0
<u>Furniture and Office Equipment</u>	1 138	21 734	6 164	5 113	280	10	5
Furniture and Office Equipment	1 138	21 734	6 164	5 113	280	10	5
<u>Machinery and Equipment</u>	6 368	2 620	1 548	1 522	17 040	14 005	0
Machinery and Equipment	6 368	2 620	1 548	1 522	17 040	14 005	0
<u>Transport Assets</u>	319				1 000	1 000	1 600
Transport Assets	319	0	0	0	1 000	1 000	1 600
<u>Land</u>	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0
<u>Zoo's, Marine and Non-biological Animals</u>	0	0	0	0	0	0	0
Zoo's, Marine and Non-biological Animals	0	0	0	0	0	0	0
<u>Living resources</u>	0	0	0	0	0	0	0
Mature	0	0	0	0	0	0	0
<i>Policing and Protection</i>	0	0	0	0	0	0	0
<i>Zoological plants and animals</i>	0	0	0	0	0	0	0
Immature	0	0	0	0	0	0	0
<i>Policing and Protection</i>	0	0	0	0	0	0	0
<i>Zoological plants and animals</i>	0	0	0	0	0	0	0



CHAPTER 5: FINANCIAL PERFORMANCE

Description	2022/23	Current Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +3 2026/27
Total Capital Expenditure on new assets	137 222	93 043	162 652	128 478	91 839	79 399	54 066

Table: 331 Capital expenditure: New assets programme

5.7 SOURCES OF FINANCE

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

Details	2022/23	2023/24			2023/24 Variance	
	Audited outcome	Original budget (OB)	Adjustment budget	Actual	Adjustment to OB variance	Actual to OB variance
	R'000				%	
Source of finance						
External loans	104 458	28 069	74 254	56 598	0.00	-23.78
Public contributions and donations	0	0	0	0	0.00	0.00
Grants and subsidies	85 442	66 797	106 961	97 746	46.33	-8.61
Own funding	80 918	95 665	112 144	80 276	-16.09	-28.42
Total	270 819	190 531	293 359	234 621	23.14	-20.02
Percentage of finance						
External loans	39	15	25	24		
Public contributions and donations	0	0	0	0		
Grants and subsidies	32	35	36	42		
Own funding	30	50	38	34		
Capital expenditure						
Water and sanitation	87 041	62 011	125 122	99 144	101.77	-41.89
Electricity	48 544	41 418	86 500	78 411	108.85	-19.53
Housing	17 350	1 000	1 005	1 003	0.00	0.00
Roads and storm water	48 133	49 625	64 422	45 867	29.82	-37.39
Other	69 751	36 477	16 310	10 195	-55.29	-16.76
Total	270 819	190 531	293 359	234 621	53.97	-30.83
Percentage of expenditure						
Water and sanitation	32	33	43	42		
Electricity	18	22	29	33		



CHAPTER 5: FINANCIAL PERFORMANCE

Details	2022/23	2023/24			2023/24 Variance	
	Audited outcome	Original budget (OB)	Adjustment budget	Actual	Adjustment to OB variance	Actual to OB variance
	R'000				%	
Housing	6	1	0	0		
Roads and storm water	18	26	22	20		
Other	26	19	6	4		

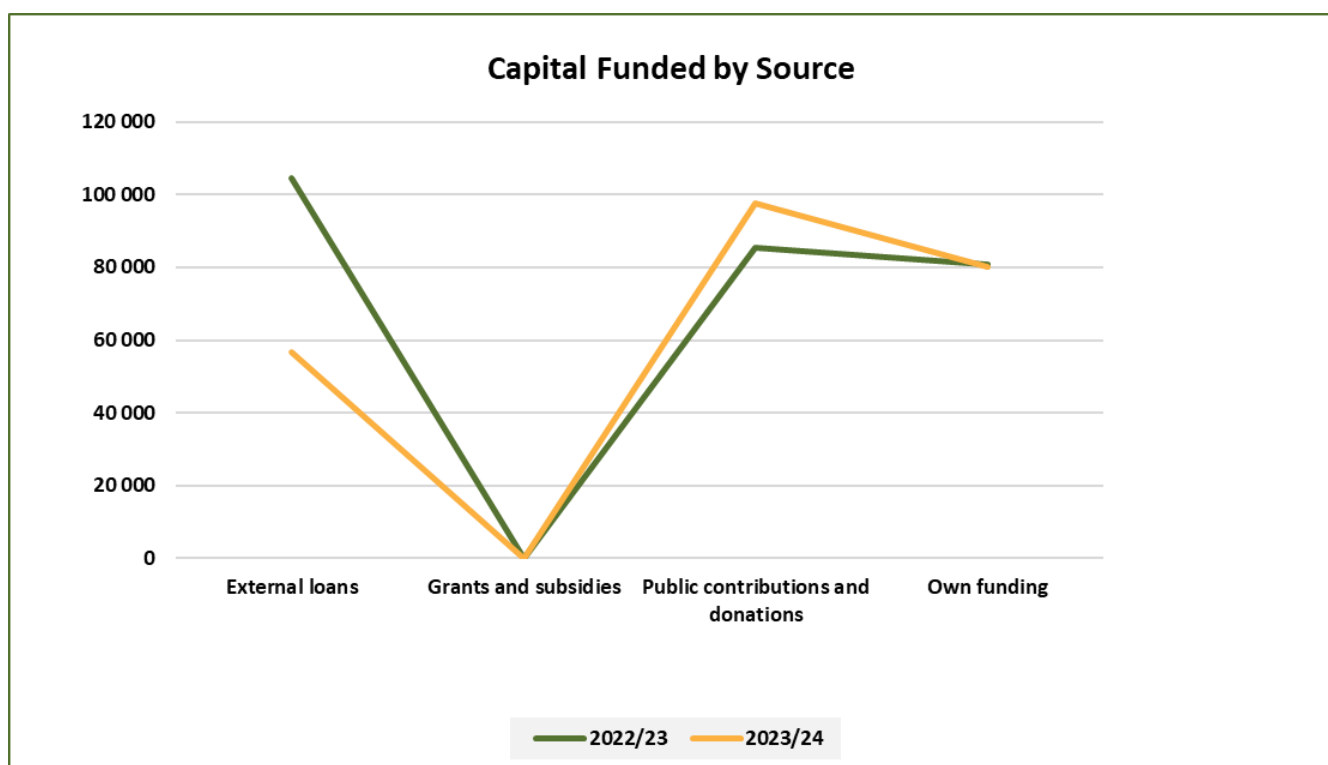
Table: 332 Capital expenditure by funding source

5.7.1 Capital funded by source

Description source	2022/23	2023/24
	R'000	
External loans	104 458	56 598
Grants and subsidies	0	0
Public contributions and donations	85 442	97 746
Own funding	80 918	80 276
Total capital expenditure	270 819	234 621

Table: 333 Capital funded by source

The following graph indicates capital expenditure funded by the various sources:



Graph 17: Capital funded by source



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5.8 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Projects with the highest capital expenditure in 2023/24

Name of project	2023/24			Variance current year: 2023/24	
	Original budget	Adjustment budget	Actual expenditure	Original variance	Adjustment variance
	R'000			%	
Transhex : Electrical Reticulation	20 238	49 238	49 238	-143.29	0.00
Touwsrivier: WwTW Augmentation	14 195	32 117	22 713	-60.00	-29.28
Erosion Protection of Hex River : Phase 2	0	15 298	15 298	0.00	0.00
Upgrading of Gravel Roads - Ward 8	12 088	14 537	9 545	21.04	-34.34
Upgrading of Sewer Network	13 000	14 277	14 135	0.00	-0.99

Table: 334 Capital expenditure on the 5 largest projects

5.9 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

5.9.1 Municipal Infrastructure Grant (MIG) expenditure on service backlogs

Municipal Infrastructure Grant (MIG)* Expenditure 2023/24 on Service backlogs					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjust- ments Budget
	R'000			%	%
Infrastructure - Water	5 160 000	744 785	744 785	-85.57	0.00
Reticulation	0	0	0	0.00	0.00
Water purification	5 160 000	744 785	744 785	0.00	0.00
Reservoirs	0	0	0	0.00	0.00
Infrastructure - Sanitation	14 195 122	22 769 428	21 960 022	54.70	0.00
Reticulation	0	0	0	0.00	0.00
Sewerage purification	14 195 122	22 769 428	21 960 022	0.00	0.00
Infrastructure: Road transport - Total	15 253 878	14 378 787	12 357 281	0.00	-14.06
Roads, Pavements & Bridges	15 253 878	14 378 787	12 357 281	0.00	-14.06
Storm water	0	0	0	0.00	0.00
Infrastructure - Refuse removal	0	0	0	0.00	0.00
Waste Processing Facilities	0	0	0	0.00	0.00
Infrastructure - Electricity	0	0	0	0.00	0.00
Reticulation	0	0	0	0.00	0.00
Street Lighting	0	0	0	0.00	0.00



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Municipal Infrastructure Grant (MIG)* Expenditure 2023/24 on Service backlogs					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjust- ments Budget
	R'000			%	%
Community Assets	0	0	0	0.00	0.00
Fire/Ambulance Stations	0	0	0	0.00	0.00
Other Specify: Recreational facilities	6 000 000	0	0	-100.00	0.00
Outdoor Sport facilities	6 000 000	0	0	-100.00	0.00
Operating	0	0	0	0.00	0.00
Total	40 609 000	37 893 000	37 893 000	-6.69	0.00

Table: 335 Municipal Infrastructure Grant (MIG) expenditure on service backlogs

Component C: Cash flow management and investments

- BVM ensure the availability at all times of adequate liquid resources for operational purpose and investment in assets.
- Obtain an optimal balance between available cash and cash investments.
- Attain the highest possible return at the lowest risk on investments
- Ensure the safety of public funds by proper stewardship and accountability of cash resources.
- Collect all monies as soon as possible after they become payable and deposit it into a bank account.
- Ensure effective control over expenditure and proper planning of payments.
- Cash receipts are balanced daily.
- All monies are banked promptly.
- Adequate internal control systems exist.
- Assets are safeguarded to prevent theft and fraud.
- Audit checks are carried out regularly.
- Bank reconciliations are prepared and certified regularly.
- Payment of creditors and salaries are controlled.



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5.10 CASH FLOW

Description	2022/23	2023/24		
	Audited outcome	Original budget	Adjusted budget	Actual
R'000				
Cash flow from operating activities				
Receipts				
Ratepayers and other	890 984	970 052	966 307	1 034 062
Government – operating	184 942	186 796	188 246	187 216
Government – capital	66 422	66 797	98 402	97 659
Interest	26 964	36 108	41 845	31 838
Dividends	0	0	0	0
Payments				
Suppliers and employees	-1 031 105	-1 129 843	-1 133 655	-1 063 381
Finance charges	-19 841	-40 560	-40 560	-28 217
Transfers and Grants	-3 419	-6 138	-10 345	-3 069
Net cash from/(used) operating activities	114 947	83 211	110 240	256 108
Cash flow from investing activities				
Receipts				
Proceeds on disposal of PPE	2 085	0	0	3 490
Decrease (Increase) in non-current debtors	0	0	0	0
Decrease (increase) in other non-current receivables	-4 482	50	50	-1 146
Decrease (increase) in non-current investments	81 794	0	0	-14 767
Payments				
Capital assets	-230 245	-190 531	-293 257	-250 957
Net cash from/(used investing activities)	-150 848	-190 481	-293 207	-263 381
Cash flows from financing activities				
Receipts				
Short term loans	0	0	0	0
Borrowing long term/refinancing	110 000	28 069	81 454	74 000
Increase (decrease) in consumer deposits	101	100	100	-31
Payments				
Repayment of borrowing	-14 536	-20 693	-20 693	-22 208
Net cash from/(used) financing activities	95 565	7 476	60 862	51 760
Net increase/(decrease) in cash held	59 664	-99 793	-122 106	44 488
Cash/cash equivalents at the year begin	89 089	167 931	158 753	148 753
Cash/cash equivalents at the year-end	148 753	68 137	36 648	193 241

Source: MBRR SA7



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Table: 336 Cash flow

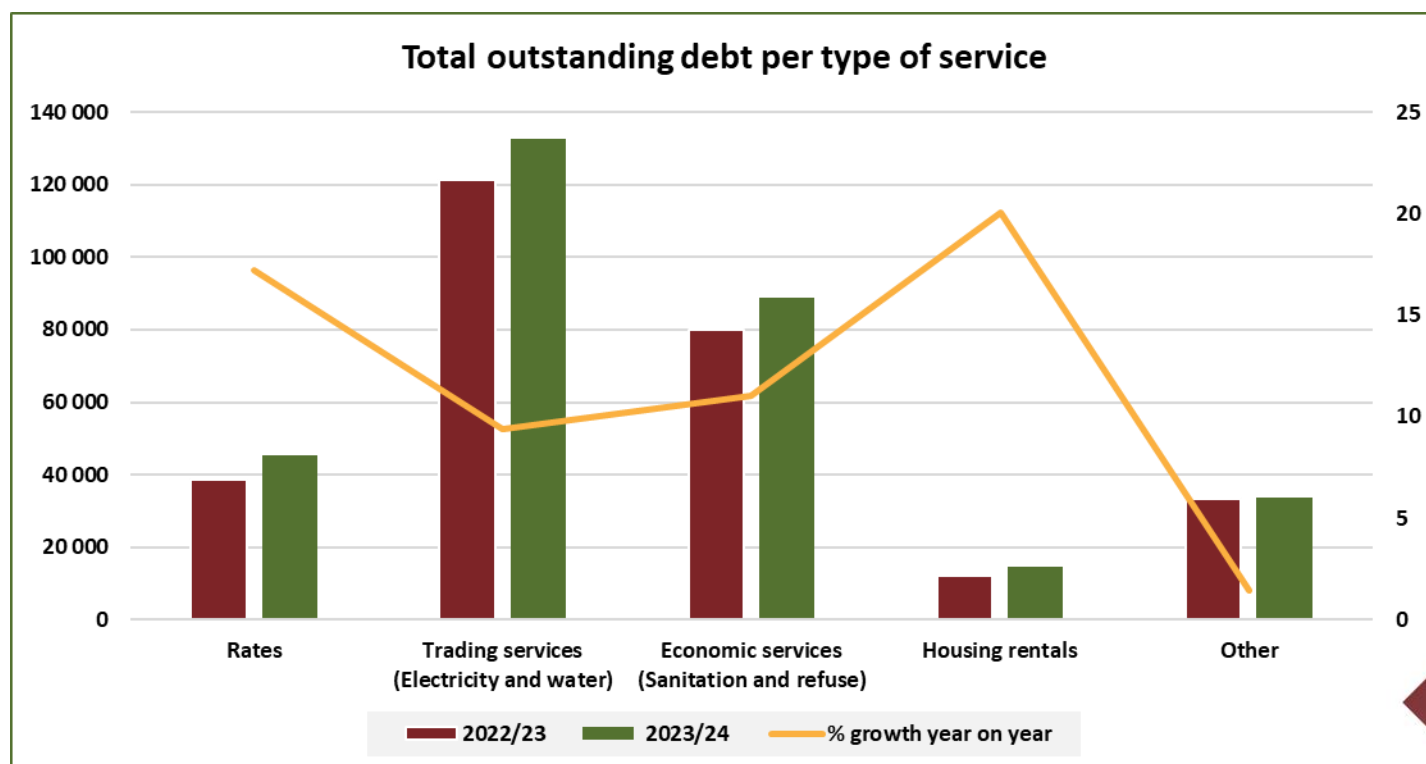
5.11 GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and water)	(Sanitation and refuse)			
	R'000					
2022/23	18 480	78 033	17 386	1 841	4 237	119 976
2023/24	12 721	64 247	13 616	1 745	4 408	96 738
Difference	(5 758)	(13 785)	(3 770)	(96)	172	(23 238)
% growth year on year	-31	-18	-22	-5	4	-19
Note: Figures exclude provision for bad debt						

Note: Figures exclude provision for bad debt

Table: 337 Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service and the increase from 2022/23 to 2023/24:



Graph 18: Debt per type of service



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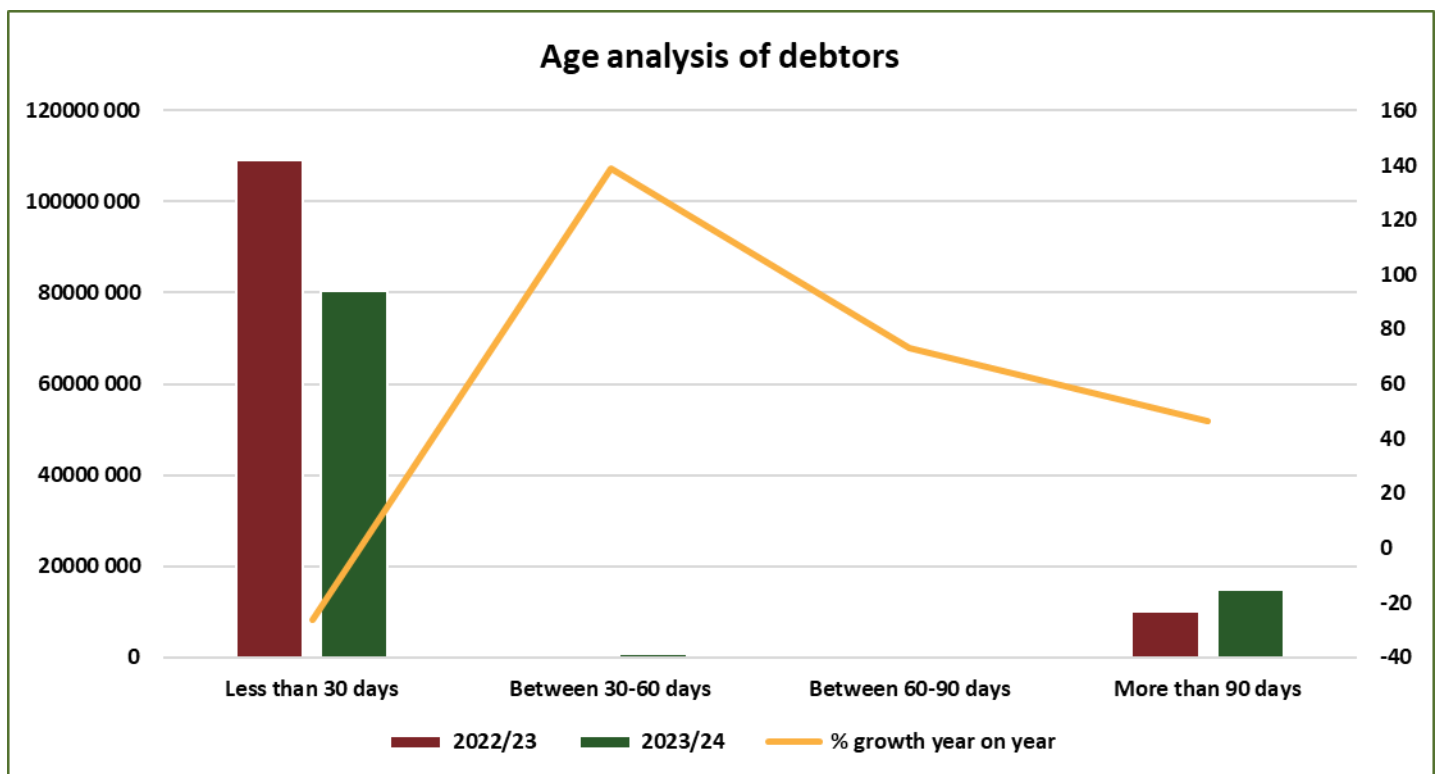
.12 TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000				
2022/23	109 118	331	312	10 215	119 976
2023/24	80 470	790	540	14 938	96 738
Difference	(28 649)	459	228	4 723	(23 238)
% growth year on year	-26	139	73	46	-19

Note: Figures exclude provision for bad debt

Table: 338 Service debtor age analysis

The following graph indicates the age analysis of debtors and the increase/decrease from 2022/23 to 2023/24:



Graph 19: Age analysis of debtors



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5.13 BORROWING AND INVESTMENTS

Money not immediately required is invested within a timeframe of 1 month to 12 months. The Investment Policy is approved and gives effect to regulations.

5.13.1 Actual borrowings

Instrument	2022/23	2023/24
	R'000	
Long-term loans (annuity/reducing balance)	252 462	301 250
Long-term loans (non-annuity)	0	0
Local registered stock	0	0
Instalment credit	0	0
Financial leases	0	0
PPP liabilities	0	0
Finance granted by Cap equipment supplier	0	0
Marketable bonds	0	0
Non-marketable bonds	0	0
Bankers acceptances	0	0
Financial derivatives	0	0
Other securities	0	0
Municipality total	252 462	301 250

Table: 339 Actual borrowings

5.13.2 Municipal investments

Investment* type	2022/23	2023/24
	R'000	
Securities - National government	0	0
Listed corporate bonds	0	0
Deposits – Bank	10 233	25 432
Deposits - Public investment commissioners	0	0
Deposits - Corporation for public deposits	0	0
Bankers acceptance certificates	0	0
Negotiable certificates of deposit – Banks	0	0
Guaranteed endowment policies (sinking)	0	0
Repurchase agreements – Banks	0	0
Municipal bonds	0	0
Other	0	0
Municipality total	10 000	10 000

Table: 340 Municipal investments



CHAPTER 5: FINANCIAL PERFORMANCE

The table below indicates the declaration of loans and grants made by the Municipality for the 2023/24 financial year:

All Organisation or Person in receipt of Grants provided by the municipality	Nature of project	Value 2023/24	Total Amount committed over previous and future years
		R'000	
ACVV Nuwerus Old Age Home	Financial Assistance: Community Development	10	0
ACVV Stilwaters Dienssentrum	Financial Assistance: Community Development	10	0
Baby Steps Educare Centre	Financial Assistance: Community Development	10	0
Charles and Catherine Scheepers Educare	Financial Assistance: Community Development	10	0
Eden School for Learners with Special Educational Needs	Financial Assistance: Community Development	10	0
Fit2Run	Financial Assistance: Community Development	10	0
Global Community Project	Financial Assistance: Community Development	10	0
Godfrey Maureen GM Educare	Financial Assistance: Community Development	10	0
Gratitude Catholic Pre-Primary School	Financial Assistance: Community Development	10	0
Hex Valley Care Home	Financial Assistance: Community Development	10	0
Hood Hop Africa	Financial Assistance: Community Development	10	0
Innovation for the Blind	Financial Assistance: Community Development	10	0
Johnsons Care House	Financial Assistance: Community Development	10	0
Jou Huis is my Huis	Financial Assistance: Community Development	10	0
Juweeltjies Playgroup	Financial Assistance: Community Development	10	0
Kleinbegin Dienssentrum vir Bejaardes	Financial Assistance: Community Development	10	0
Kolwyntjies & Dolfyntjies Dagsorg	Financial Assistance: Community Development	10	0
Little Buddies Playgroup	Financial Assistance: Community Development	10	0
Masibafikele Community Projects	Financial Assistance: Community Development	10	0
Our Hope Pre-School Day Care Centre	Financial Assistance: Community Development	10	0
Pelikaanstraat Sopkombuis	Financial Assistance: Community Development	10	0
Pioneer School for the Visually Impaired	Financial Assistance: Community Development	10	0
Siphumelele Educare Centre	Financial Assistance: Community Development	10	0
Siyahluma Creche & After Care	Financial Assistance: Community Development	10	0
Stars of Hope Christmas Choir	Financial Assistance: Community Development	10	0
Stepping Stones ECD Training Academy	Financial Assistance: Community Development	10	0
Total Impact Redeemers Academy	Financial Assistance: Community Development	10	0
Touwsrivier Brass Band	Financial Assistance: Community Development	10	0
Worcester Community Marching Band	Financial Assistance: Community Development	10	0
Worcester Ekumeniese Gemeenskapsdiens	Financial Assistance: Community Development	10	0
Worcester Suid Dagsorg & Naskool Sentrum	Financial Assistance: Community Development	10	0



CHAPTER 5: FINANCIAL PERFORMANCE

All Organisation or Person in receipt of Grants provided by the municipality	Nature of project	Value 2023/24	Total Amount committed over previous and future years
		R'000	
Youth With A Mission Worcester t/a YWAM	Financial Assistance: Community Development	10	0
Zanokhanyo Pre-School	Financial Assistance: Community Development	10	0
Zwelethemba Rotary Pre-School	Financial Assistance: Community Development	10	0
Total		340	0

Table: 341 Declaration of loans and grants

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SCM

The Municipality does have policies and practices that comply with the guidelines set by the SCM Regulations of 2005. The BVM has a fully operational SCM committee system and no councillor is a part of the SCM process or committee system. The Municipality is also focusing on the effective functioning of the SCM officials and enrolled the SCM manager, heads and accountants for the municipal minimum competency training.

5.15 GRAP COMPLIANCE

The Municipality does have policies and practices that comply with the guidelines set by the SCM Regulations of 2005. The BVM has a fully operational SCM committee system and no councillor is a part of the SCM process or committee system. The Municipality is also focusing on the effective functioning of the SCM officials and enrolled the SCM manager, heads and accountants for the municipal minimum competency training.

5.15 GRAP COMPLIANCE

The Municipality does have policies and practices that comply with the guidelines set by the SCM Regulations of 2005. The BVM has a fully operational SCM committee system and no councillor is a part of the SCM process or committee system. The Municipality is also focusing on the effective functioning of the SCM officials and enrolled the SCM manager, heads and accountants for the municipal minimum competency training.

BVM comply with the following GRAP statements:

- GRAP 1: Presentation of financial statements
- GRAP 2: Cash flow statement
- GRAP 3: Accounting policies, changes in accounting estimates and errors
- GRAP 4: The effects of changes in foreign exchanges rates
- GRAP 5: Borrowing costs



- GRAP 6: Consolidated and separate financial statements
- GRAP 7: Investments in associates
- GRAP 8: Interests in joint ventures
- GRAP 9: Revenue from exchanges transactions
- GRAP 10: Financial reporting in hyperinflationary economies
- GRAP 11: Contraction contracts
- GRAP 12: Inventories
- GRAP 13: Leases
- GRAP 14: Events after the reporting date
- GRAP 16: Investment property
- GRAP 17: Property, plant and equipment
- Grap 18: Segment Reporting
- GRAP 19: Provisions, contingent liabilities and contingent assets
- Grap 20: Related parties
- GRAP 21: Impairment of Non-Cash Generating Assets
- GRAP 23: Revenue from Non-exchange Transactions
- GRAP 24: Presentation of Budget Information in the Financial Statements
- GRAP 25: Employee Benefits
- GRAP 26: Impairment of Cash Generating Assets
- GRAP 27: Agriculture
- GRAP 31: Intangible Assets
- Grap 32: Service Concessions arrangement
- GRAP 100: Non-current assets held for sale and discontinued operations
- GRAP 103: Heritage Assets
- GRAP 104: Financial Instruments
- GRAP 105: Transfer of Functions Between Entities Under Common Control
- GRAP 106: Transfer of Functions Between Entities Not Under Common Control
- GRAP 107: Mergers
- GRAP 108: Statutory Receivables
- Grap 109: Accounting by Principals and Agents
- Grap 110: Living and Non-living Resources
- IGRAP 1: Applying the Probability Test on Initial Recognition of Revenue



CHAPTER 5: FINANCIAL PERFORMANCE

5.16 COST CONTAINMENT MEASURE AND ANNUAL COST SAVING

5.16.1 Municipal cost Containment Regulations (MCCR)

National Treasury first published the draft MCCR for public comment on 16 February 2018, with the closing date being 31 March 2018. Comment/input hereon was received from the Department of Cooperative Governance and Traditional Affairs, SALGA, municipalities, and other stakeholders. After extensive consultation and consideration of all comments received, the MCCR were finalised and promulgated on 7 June 2019 in the Government Gazette, with the effective date being 1 July 2020.

5.16.2 Municipal cost Containment Policy

The MCCR does not apply retrospectively, hence, contracts concluded prior to 1 July 2020 will not be impacted and/or applicable in this context. However, if municipalities and municipal entities decided to extend current contracts, these would have to be aligned with the principles outlined in the MCCR and SCM Regulations.

Regulation 4(1) of the MCCR requires municipalities and municipal entities to either develop or review their cost containment policies. The MCCR require municipalities to adopt the cost containment policies as part of their budget related policies prior to 30 September 2019. Breede Valley Municipality adopted its Cost Containment Policy on 30 September 2019.

5.16.3 Cost containment measure and annual cost saving

The effective implementation of the MCCR is the responsibility of the municipal council and the municipal accounting officer. In terms of the cost containment framework provided in the MCCR, which is consistent with the provisions of the MFMA and other government pronouncements, the following cost savings for the financial year are disclosed:

Cost Containment						
Cost Containment Measure	2022/23			2023/24		
	Budget	Total Expenditure	Saving	Budget	Total Expenditure	Saving
	R			R		
Use of consultants	15 655 851.00	12 508 762.43	3 147 088.57	12 736 916.00	7 619 252.01	5 117 663.99
Vehicles used for political office - bearers	0.00	0.00	0.00	0.00	0.00	0.00
Travel and subsistence	1 281 720.00	1 002 627.10	279 092.90	1 672 199.00	1 364 164.74	308 034.26
Domestic accommodation	144 996.00	74 260.86	70 735.14	275 713.00	212 488.05	63 224.95
Sponsorships, events, and catering	1 897 570.00	1 769 764.78	127 805.22	4 834 567.00	4 643 170.29	191 396.71
Communication	3 982 736.00	3 175 072.56	807 663.44	2 682 983.00	2 350 365.35	332 617.65



CHAPTER 5: FINANCIAL PERFORMANCE

Cost Containment						
Cost Containment Measure	2022/23			2023/24		
	Budget	Total Expenditure	Saving	Budget	Total Expenditure	Saving
	R			R		
Other related expenditure items	0.00	0.00	0.00	0.00	0.00	0.00
Total	22 962 873.00	18 530 487.73	4 432 385.27	22 202 378.00	16 189 440.44	6 012 937.56

Table: 342 Cost containment measure and annual cost saving



CHAPTER 6



CHAPTER 6: AUDITOR-GENERAL FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION 2022/23

The following tables provide the details on the audit outcomes for the past two financial years with the corrective steps implemented:

6.1.1 Financial performance 2022/23

Auditor-General Report on Financial Performance 2022/23	
Audit Report Status:	Unqualified with no findings
Non-Compliance Issues	Remedial Action Taken
<u>Emphasis of matter:</u>	
<u>Material Impairment of receivables:</u>	
As disclosed in note 4 to the financial statements, the Municipality provided for the impairment of receivables from exchange transactions to the amount of R150 569 822 (2021-22: R133 908 162). As disclosed in note 5 to the financial statements, the Municipality provided for the impairment of receivables from non-exchange transactions to the amount of R119 587 538 (2021-22: R49 122 577)	Strict credit controls are implemented to ensure revenues are collected despite adverse economic conditions. The debt collection rate improved from the prior year. The Municipality successfully implemented the vetting system and the indigents were decreased from 10 000 to 8 000
<u>Restatement of corresponding figures</u>	
As disclosed in note 53 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.	The Municipality strives to adhere to the accounting framework in order to minimise prior period errors. However when prior period errors are detected corrections are done within the set prescripts of the Accounting Framework with specific reference to Accounting Standards that deals therewith
<u>Contingent liability</u>	
With reference to note 45 of financial statements, the municipality is a defendant in a number of contractual claims amounting to R38 096 482 (2021-22: R37 596 523). The municipality is opposing the claims. The ultimate outcome of the matters cannot presently be determined	The matter is dormant. The status quo remains the same

Table: 343 AG report on financial performance 2022/23

6.2.2 Service delivery performance for 2022/23

The Auditor-General in its audit report as at 30 June 2023, did not raise any material findings on the usefulness and reliability of the reported performance information for the following strategic objectives:

- SO1 – To provide and maintain basic services and ensure social upliftment for the Breede Valley community



CHAPTER 6: AUDITOR-GENERAL FINDINGS

COMPONENT B: AUDITOR-GENERAL OPINION 2023/24

6.1 AUDITOR-GENERAL REPORT 2023/24

6.2.1 Financial performance 2023/24

Auditor-General Report on Financial Performance 2023/24	
Audit Report Status:	Unqualified with no findings
Non-Compliance Issues	Remedial Action Taken
<u>Emphasis of matter:</u>	
<u>Material Impairment of receivables:</u>	
<p>As disclosed in note 4 to the financial statements, the Municipality provided for the impairment of receivables from exchange transactions to the amount of R166.7 million (2022/23: R150.5 million).</p> <p>As disclosed in note 5 to the financial statements, the Municipality provided for the impairment of statutory receivables of R142.8 million (2022/23: R119.6 million).</p> <p>As disclosed in note 6 to the financial statements, the Municipality provided for the impairment of other receivables from non-exchange transactions to the amount of R18.1 million (2022/23: R15.4 million)</p>	<p>The Municipality has a fully capacitated credit control section who strictly enforce credit control measures in line with the Council approved credit control policies.</p> <p>The debt collection rate is well within the national norm of 95 % despite economic conditions.</p> <p>Continuous vetting is done of the indigent portfolio</p>
<u>Contingent liability</u>	
<p>With reference to note 46 of financial statements, the Municipality is a defendant in a number of contractual claims amounting to R42 582 442 (2022/23): R41 203 450). The Municipality is opposing the claims. The ultimate outcome of the matters cannot presently be determined</p>	<p>The matter is dormant. The status quo remains the same</p>

Table: 344 AG report on financial performance 2023/24

6.2.2 Service delivery performance for 2023/24

The Auditor-General in its audit report as at 30 June 2024, did not raise any material findings on the usefulness and reliability of the reported performance information for the following strategic objectives:

- SO1 – To provide and maintain basic services and ensure social upliftment for the Breede Valley community



ABBREVIATIONS

ABBREVIATIONS

AG	Auditor-General
ALD	Alderman
APD	Association for People with Disabilities
AQMP	Air Quality Management Plan
AQO	Air Quality Officer
B-BBEE	Broad-based Black Economic Empowerment
BVFD	Breede Valley Fire Department
BVM	Breede Valley Municipality
CAPEX	Capital Expenditure
CASIDRA	Cape Agency for Sustainable Integrated Development in Rural Areas
CBD	Central Business District
CBP	Community Based Planning
CCTV	Closed-circuit Television
CDW	Community Development Worker
CFO	Chief Financial Officer
CLLR	Councillor
COVAX	COVID-19 Vaccine
CSF	Community Safety Forum
CSIR	Council of Scientific & Industrial Research
CWP	Capital Works Program
CWDM	Cape Winelands District Municipality
DCAS	Department of Cultural Affairs and Sport
DCF	District Co-ordinating Forum

DEDAT	Department of Economic Development and Tourism
DLG	Department of Local Government
DoA	Department of Agriculture
DoE	Department of Education
DoH	Department of Housing
DoRA	Division of Revenue Act
DoRD	Department of Rural Development
DPLG	Department of Provincial and Local Government
DSD	Department of Social Development
DSBD	Department of Small Business Development
DTI	Department of Trade and Industry
DWAF	Department of Water Affairs and Forestry
ECD	Early Childhood Development
EE	Employment Equity
EIA	Environmental Impact Assessment
EM	Executive Manager
EME's	Exempt Micro Enterprises
EPWP	Extended Public Works Programmes
ERM	Enterprise Risk Management
EXECMAN	Executive Management
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross Domestic Product
GDPR	Gross Domestic Product Rate
GIS	Geographic Information Systems



ABBREVIATIONS

GRAP	Generally Recognised Accounting Practice	MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
HH	Household	MGRO	Municipal Governance Review Outlook
HOD	Head of Department	MHS	Municipal Health Services
HR	Human Resources	MIG	Municipal Infrastructure Grant
HVWUA	Hex Valley Water Users Association	MinMay	Minister and Mayoral
ICT	Information and Communication Technology	MM	Municipal Manager
IDP	Integrated Development Plan	MMC	Member of Mayoral Committee
IFRS	International Financial Reporting Standards	MPAC	Municipal Public Accounts Committee
IGR	Intergovernmental Relations	MPPR	Multiple Procedure Payment Reduction
IMFO	Institute for Municipal Finance Officers	MRF	Material Recovery Facility
IWMP	Integrated Waste Management Plan	MSA	Municipal Systems Act No. 32 of 2000
IZS	Integrated Zoning Scheme	mSCOA	Municipal Standard Chart of Accounts
JDA	Joint District Advisory	MTBPS	Medium Term Budget Policy Statement
JOC	Joint Operations Council/Committee/Communication	MTECH	Medium Term Expenditure Committee
KPA	Key Performance Area	MTOD	Municipal Transformation and Organisational Development
KPI	Key Performance Indicator	MTREF	Medium Term Revenue and Expenditure Framework
LED	Local Economic Development	NGO	Non-Governmental Organisation
LTA	Local Tourism Association	NT	National Treasury
LG	Local Government	NQF	National Quality Framework
MayCo	Executive Mayoral Committee	NWMS	National Waste Management Strategy
MBRR	Municipal Budget and Reporting Regulations	OPEX	Operating Expenditure
MCCR	Municipal Cost Containment Regulations	QME's	Qualifying Small Enterprises
MEC	Member of the Executive Committee	RAMP	Road Asset Management Plan
MERO	Municipal Economic Review and Outlook	PHP	Provincial Housing Plan
		RML	Remote Pilot License



ABBREVIATIONS

PMS	Performance Management System	SDBIP	Service Delivery and Budget Implementation Plan
PPE	Personal Protective Equipment	SDF	Spatial Development Framework
PPP	Public Private Partnership	SEDA	Small Enterprise Development Agency
PPPCOM	Provincial Public Participation and Communication Forum	SEFA	Small Enterprise Finance Agency
PT	Provincial Treasury	SIME	Strategic Integrated Municipal Engagement
RBAP	Risk Based Audit Plan	SLA	Service Level Agreement
ROC	Remote Operator Certificate	SMME	Small, Medium and Micro Enterprise
RSEP	Regional Socio-Economic Programme	STATSSA	Statistics South Africa
SAI	Supreme Audit Institute	TASK	Tuned assessment of skills and knowledge
SALGA	South African Local Government Association	VPN	Virtual Private Network
SAMDI	South African Management Development Institute	VTs	Vehicle Tracking Software
SANRAL	South African National Roads Agency Limited	VUCA	Volatility, Uncertainty, Complexity, Ambiguity
SAMRC	South African Medical Research Council	WCDP	Western Cape Department of Planning
SAPS	South African Police Services	WCDLG	Western Cape Department of Local Government
SASRIA	South African Special Risks Insurance Association	WESGRO	Western Cape Tourism, Trade and Investment Promotion Agency
SCM	Supply Chain Management	WWTW	Waste Water Treatment Works



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ANNEXURE A





BREED VALLEY MUNICIPALITY
Annual Financial Statements
for the year ended 30 June 2024

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

General Information

Nature of business and principal activities

The main business operation of the municipality is to provide democratic and accountable government for local communities, ensure the provision of services to communities in a sustainable manner, promote social and economic development; to promote a safe and healthy environment and to encourage the involvement of communities and community organisations in the matters of local government.

Mayoral committee for the year ended 30 June 2024

Executive Mayor

Antoinette Steyn

Mayoral committee members

J.Von Willingham (Deputy Executive Mayor)

J.F Van Zyl (Speaker)

P.H Marais (Chief Whip)

V.A Bedworth

J.R Jack

J.P Kritzinger

W.R Meiring

N.Nel

P.C Moso

E. Botha

F.Vaughan

Accounting officer

D. McThomas

Chief financial officer (CFO)

R. Ontong

Registered office

Baring Street

Worcester

6850

Postal address

Private Bag X3046

Worcester

6849

Bankers

Nedbank Limited

Auditors

Auditor-General of South Africa

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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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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BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
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)



BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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 responsible for reporting on the fair presentation of the annual financial statements and related financial information.

The annual financial statements have been prepared in accordance with 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).

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 2025 and, in the light of this review and the current financial position, he is satisfied that the municipality has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements are prepared on the basis that the municipality is a going concern and that the Breede Valley Municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

Although the Accounting Officer is primarily responsible for the financial affairs of the municipality, he is supported by the municipality's internal auditors.

The annual financial statements set out on page 8 to 111, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2024



Accounting Officer
31 August 2024



Report of the Auditor General

To the Provincial Legislature of BREEDE VALLEY MUNICIPALITY

Auditor-General of South Africa
Registered Auditors
Partner's name
Additional description
Additional description

01 March 1900

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Report

The accounting officer submits his report for the year ended 30 June 2024.

1. Review of activities

Main business and operations

Breed Valley Municipality is situated in the Western Cape Province, 120 km north-east of Cape Town. Included in its boundaries are Worcester, Rawsonville, De Doorns and Touwsrivier and surrounding rural areas. It covers 3 833 sq. km and is home to 212 682 people as per the 2022 census.

The municipality is set between three mountain ranges, incorporating some of the most valuable and fertile agricultural land in the country. The area is endowed with a diverse cultural history, regional accessibility and unique natural beauty that attract a great number of tourists.

The financial position of the municipality is described to be sound, with an accumulated surplus of R2 435 119 582 (2023: R2 374 603 847) at year-end.

Net surplus of the municipality was R55 161 839 (2023: net surplus R120 913 801). The overall summarised operating results for the municipality in comparison to the approved budget are shown in the Statement of Financial Performance and also reflect a summary of income and expenditure.

2. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of R 2 435 119 582 and that the municipality's assets exceed its total liabilities by R 2 435 119 582.

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. The solvency analysis shows that assets cover the liabilities by 412.67% (2023 : 457.92%). The coverage indicates that the municipality operates as a going concern. Refer to note 58 of the annual financial statements.

3. Subsequent events

The accounting officer is not aware of any matter or circumstance arising since the end of the financial year.

4. B-BBEE Performance

In terms of Section 13G read with regulation 12 of the B-BBEE Act, all spheres of government, public entities and organs of state must report on their compliance with broad-based black economic empowerment within their Annual Financial Statements and Annual Report. Refer to note 64 of the annual financial statements.

5. Accounting policies

The annual financial statements have been prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP), issued by the Accounting Standards Board as the prescribed framework by National Treasury.

6. Borrowing, investments and cash

The accounting officer may after approval of the Council, exercise all the powers of the municipality to borrow money, as he considers appropriate. Interest-bearing debt increased in the year ended 30 June 2024. In the financial year ended 30 June 2024 the municipality redeemed interest-bearing debt of R22 208 200. The interest paid on borrowings as a percentage of total expenditure is 2.44% (2023: 1.74%).

Investments as at 30 June 2024 amounted to R25 432 053 (2023: R10 232 534). Investments and cash and cash equivalents increased from R158 985 717 to R218 673 192. Additional information regarding cash and cash equivalents, investments and loans are provided in notes 3, 11, 20 and Appendix A to the financial statements.

7. Capital expenditure

The capital expenditure incurred during the year 2024 amounted to R234 620 530 (2023: R270 818 617) that represented 80% (2023: 66.08%) of the approved capital budget of R293 359 201 (2023: R409 826 108). A complete analysis of capital expenditure (budgeted and actual) per functional area is included in Appendix H (A5), while Appendix B contains detail according to the asset class. More details regarding external loans used to finance fixed assets are shown in Appendix A.

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Report

8. Cash flow analysis

Details of major changes in the nature of the municipality during the year were as follows:

Summary of net cash flows	2024	2023
Net cash flow from operating activities	256 108 478	114 946 608
Net cash flow from investing activities	(263 380 884)	(150 847 906)
Net cash flow from financing activities	51 760 362	95 565 146
Net increase in cash and cash equivalents	44 487 956	59 663 848

9. Credit rating

The municipality was rated by Moody's Investor Services during the 2019/20 financial year. Their rating and outlook for the municipality was a Ba2.za rating due to the negative outlook on South African sovereign rating. To monitor our credit rating and capacity for long-term financing we consider various qualitative and quantitative factors. At 30 June 2024 and 30 June 2023 the current ratio was 1.50 and 1.68 respectively. This reflects an decrease in the ratio.

10. Accounting Officer

The accounting officer of the municipality during the year under review of this report is as follows:

Name	Nationality
D. McThomas	South African

11. Auditors

Auditor-General of South Africa will continue in office for the next financial period as per the Public Audit Act.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

Figures in Rand	Note(s)	2024	2023
Assets			
Current Assets			
Cash and cash equivalents	3	193 241 139	148 753 183
Receivables from exchange transactions	4	84 016 638	101 496 560
Statutory Receivables	5	30 225 749	33 895 865
Other receivables from non-exchange transactions	6	2 276 382	2 326 795
Other receivables from exchange transactions	7	8 914 233	10 668 820
Inventories	8	19 272 793	15 605 176
VAT receivable	9	5 996 890	6 788 630
Short term investments	11	25 432 053	10 232 534
Long term receivables	16	6 219 489	4 662 834
Operating lease asset	10	122 398	341 391
		375 717 764	334 771 788
Non-Current Assets			
Investment property	12	99 934 000	96 156 600
Property, plant and equipment	13	2 694 267 507	2 561 275 241
Intangible assets	14	3 860 694	3 937 318
Heritage assets	15	36 631 059	36 631 059
Long term receivables	16	6 090 836	5 268 910
		2 840 784 096	2 703 269 128
Total Assets		3 216 501 860	3 038 040 916
Liabilities			
Current Liabilities			
Payables from exchange transactions	17	141 609 126	100 459 951
Consumer deposits	18	4 656 531	4 687 970
Unspent conditional grants and receipts	19	17 597 475	16 423 060
Long term liabilities	20	32 821 679	26 781 010
Employee benefit obligation	21	51 024 395	47 436 261
Provisions	22	3 330 547	3 160 365
		251 039 753	198 948 617
Non-Current Liabilities			
Long term liabilities	20	301 250 321	252 462 043
Employee benefit obligation	21	158 892 000	148 015 000
Provisions	22	70 200 204	64 011 409
		530 342 525	464 488 452
Total Liabilities		781 382 278	663 437 069
Net Assets		2 435 119 582	2 374 603 847
Accumulated surplus		2 435 119 582	2 374 603 847

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023
Revenue			
Revenue from exchange transactions			
Service charges	23	807 822 770	710 366 337
Sales of Goods and rendering of services	24	5 735 830	5 520 542
Income from agency services	25	9 189 197	9 690 278
Licenses and permits		2 926 066	3 123 467
Rental income	26	8 979 264	7 478 117
Operational Revenue	27	7 513 111	9 970 027
Finance Income	28	32 334 114	27 650 417
Total revenue from exchange transactions		874 500 352	773 799 185
Revenue from non-exchange transactions			
Taxation revenue			
Availability Charges		7 632 531	7 091 912
Property rates	29	197 547 809	180 017 883
Property rates - penalties imposed and collection		3 435 598	2 784 887
Transfer revenue			
Government grants & subsidies	30	283 700 552	239 168 397
Fines, penalties and forfeits	31	72 714 243	94 924 009
Donations in-kind	57	-	17 916 689
Total revenue from non-exchange transactions		565 030 733	541 903 777
Total revenue		1 439 531 085	1 315 702 962
Expenditure			
Employee related costs	32	(396 106 871)	(366 251 127)
Remuneration of councillors	33	(20 466 633)	(19 066 405)
Depreciation and amortisation	35	(101 941 158)	(94 571 263)
Bulk purchases	36	(454 652 107)	(372 992 719)
Finance costs	37	(31 253 855)	(19 436 796)
Inventory consumed	8	(50 292 465)	(50 877 550)
Contracted services	38	(124 781 490)	(109 354 532)
Operating lease		(10 561 260)	(9 185 135)
Grants and subsidies paid	39	(3 068 520)	(3 419 195)
Operational Costs	40	(78 815 638)	(65 945 843)
Agency fees paid	41	(6 431 948)	(6 521 026)
Total expenditure		(1 278 371 945)	(1 117 621 591)
Operating surplus		161 159 140	198 081 371
Gain/(loss) on disposal of assets and liabilities		784 747	(623 094)
Fair value adjustments	42	6 714 526	14 716 643
Actuarial gains	21	2 044 564	25 710 286
Debt Impairment	34	(115 604 855)	(116 517 766)
Inventory gains/(losses)		63 717	(453 639)
Total other (losses)		(105 997 301)	(77 167 570)
Surplus for the year		55 161 839	120 913 801

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	2 253 030 696	2 253 030 696
Balance at 30 June 2022	2 253 030 696	2 253 030 696
Changes in net assets	-	-
Fair value gains, net of tax: Land and buildings	-	-
Financial assets	-	-
Net income recognised directly in net assets	659 349	659 349
Surplus for the year *	120 913 802	120 913 802
Total recognised income and expenses for the year	121 573 151	121 573 151
Total changes	121 573 151	121 573 151
Balance at 30 June 2023	2 374 603 847	2 374 603 847
Changes in net assets	5 353 896	5 353 896
Net income recognised directly in net assets	55 161 839	55 161 839
Surplus for the year	60 515 735	60 515 735
Total changes	60 515 735	60 515 735
Balance at 30 June 2024	2 435 119 582	2 435 119 582

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023
Cash flows from operating activities			
Receipts			
Cash flows from services and rate payers		1 031 497 455	890 983 840
Cash flows from government and other grants		284 874 967	251 364 113
Finance income: investing activities		31 837 683	26 964 198
		<u>1 348 210 105</u>	<u>1 169 312 151</u>
Payments			
Cash paid to employees		(399 738 807)	(370 830 943)
Cash paid to suppliers		(661 077 592)	(660 273 955)
Finance costs		(28 216 708)	(19 841 450)
Grants paid		(3 068 520)	(3 419 195)
		<u>(1 092 101 627)</u>	<u>(1 054 365 543)</u>
Net cash flows from operating activities	44	<u>256 108 478</u>	<u>114 946 608</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(250 957 301)	(230 245 261)
Proceeds from sale of Investment properties		3 490 106	2 085 000
Long term receivables		(1 146 223)	(4 481 896)
(Increase)/ decrease in investment		(14 767 466)	81 794 251
Net cash flows from investing activities		<u>(263 380 884)</u>	<u>(150 847 906)</u>
Cash flows from financing activities			
Proceeds from long term liabilities		74 000 000	110 000 000
Repayment of long term liabilities		(22 208 200)	(14 535 651)
Movement in consumer deposits		(31 438)	100 797
Net cash flows from financing activities		<u>51 760 362</u>	<u>95 565 146</u>
Net increase in cash and cash equivalents		<u>44 487 956</u>	<u>59 663 848</u>
Cash and cash equivalents at the beginning of the year		148 753 183	89 089 335
Cash and cash equivalents at the end of the year	3	<u>193 241 139</u>	<u>148 753 183</u>

BREED VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2024
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
WC025 Breede Valley - Reconciliation of Table A1 Budget Summary

Description	2023/24							
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final Adjustments budget (28 February 2024)	Shifting of Funds (i.t.o. MFMA s31)	Virements (Budget Virement Policy 2023/2024)	Final Budget	Actual Outcome	Variance
R thousands	1	2	3	4	5	6	7	8
Financial Performance								
Revenue								
Exchange Revenue	850 663	(4 735)	845 928	-	-	845 928	871 574	25 646
Service charges - Electricity	544 474	(2 700)	541 774	-	-	541 774	543 810	2 037
Service charges - Water	110 094	(1 300)	108 794	-	-	108 794	110 405	1 611
Service charges - Waste Water Management	90 530	(2 300)	88 230	-	-	88 230	99 185	10 955
Service charges - Waste management	48 900	(1 100)	47 800	-	-	47 800	54 422	6 622
Sale of Goods and Rendering of Services	6 939	(414)	6 524	-	-	6 524	5 736	(788)
Agency services	9 908	(2 005)	7 903	-	-	7 903	8 949	1 046
Interest other	-	-	-	-	-	-	-	-
Interest earned from Receivables	13 376	-	13 376	-	-	13 376	13 962	585
Interest earned from Current and Non Current Assets	12 823	3 460	16 284	-	-	16 284	18 373	2 089
Dividends	-	-	-	-	-	-	-	-
Rent on Land	1 645	(1 645)	-	-	-	-	-	-
Rental from Fixed Assets	6 981	502	7 483	-	-	7 483	8 979	1 496
Licence and permits	-	-	-	-	-	-	-	-
Operational Revenue	4 994	2 767	7 760	-	-	7 760	7 753	(7)
Non-Exchange Revenue	623 178	(103 706)	519 472	-	-	519 472	482 199	(37 273)
Property rates	187 406	4 000	191 406	-	-	191 406	197 548	6 141
Surcharges and Taxes	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	242 038	(125 316)	116 721	-	-	116 721	72 714	(44 007)
Licence and permits	4 259	-	4 259	-	-	4 259	2 926	(1 333)
Transfer and subsidies - Operational	186 796	7 934	194 730	-	-	194 730	185 954	(8 776)
Interest	1 196	2 277	3 473	-	-	3 473	3 436	(38)
Fuel Levy	-	-	-	-	-	-	-	-
Operational Revenue	-	7 400	7 400	-	-	7 400	7 633	233
Gains on disposal of Assets	1 483	0	1 483	-	-	1 483	2 155	672
Other Gains	-	(0)	(0)	-	-	(0)	9 634	9 634
Discontinued Operations	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	1 473 841	(108 441)	1 365 400	-	-	1 365 400	1 353 773	(11 627)
Expenditure								
Employee related costs	413 148	(13 609)	399 539	-	(1 149)	398 390	396 107	(2 283)
Remuneration of councillors	20 720	1 000	21 720	-	-	21 720	20 467	(1 254)
Bulk purchases - electricity	432 321	-	432 321	-	22 500	454 821	454 652	(168)
Inventory consumed	45 712	1 605	47 317	-	2 976	50 294	50 154	(140)
Debt Impairment	209 734	(41 834)	167 900	-	(26 900)	141 000	115 605	(25 395)
Depreciation and amortisation	100 265	-	100 265	-	2 000	102 265	101 941	(324)
Interest Charges	37 980	-	37 980	-	-	37 980	31 254	(6 726)
Contracted services	118 676	12 258	130 934	-	(1 394)	129 540	125 490	(4 050)
Transfers and subsidies	6 138	4 206	10 344	-	(278)	10 066	3 069	(6 998)
Irrecoverable debts written off	18	-	18	-	-	18	-	(18)
Operational costs	95 257	2 557	97 815	-	942	98 756	94 100	(4 657)
Losses on Disposal of Assets	3 928	(0)	3 928	-	-	3 928	1 370	(2 558)
Other Losses	63	0	63	-	1 200	1 263	1 150	(113)
Total Expenditure	1 483 960	(33 816)	1 450 144	-	(103)	1 450 042	1 396 358	(53 684)
Surplus/(Deficit)	(10 119)	(74 626)	(84 744)	-	103	(84 642)	(42 589)	42 057
Transfers and subsidies - capital (monetary allocations)	66 797	40 164	106 961	-	-	106 961	97 746	(9 214)
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	56 678	(34 462)	22 216	-	103	22 319	55 162	32 843
Income Tax	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	56 678	(34 462)	22 216	-	103	22 319	55 162	32 843
Share of Surplus/(Deficit) attributable to Joint Ventures	-	-	-	-	-	-	-	-
Share of Surplus/(Deficit) attributable to Minorities	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	-	-	-	-	-	-	-	-
Share of Surplus/(Deficit) attributable to Associates	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	56 678	(34 462)	22 216	-	103	22 319	55 162	32 843
Reconciliation to statement of financial performance								
	-	-	-	-	-	-	-	-
Surplus/(deficit) per the statement of financial performance	56 678	(34 462)	22 216	-	103	22 319	55 162	32 843
Capital expenditure & funds sources								
Capital expenditure								
Transfers recognised - capital	66 797	40 164	106 961	-	-	106 961	97 746	(9 214)
Public contributions & donations	-	-	-	-	-	-	-	-
Borrowing	28 069	46 185	74 254	-	-	74 254	56 598	(17 656)
Internally generated funds	95 665	16 377	112 042	-	103	112 144	80 276	(31 869)
Total sources of capital funds	190 531	102 726	293 257	-	103	293 359	234 621	(58 739)
Financial position								
Total current assets	315 160	(79 932)	235 228	-	-	235 228	375 718	140 490
Total non current assets	2 905 151	(275 719)	2 629 433	-	-	2 629 433	2 840 784	211 351
Total current liabilities	212 142	(21 260)	190 882	-	-	190 882	251 040	60 158
Total non current liabilities	555 521	(9 407)	546 114	-	-	546 114	530 343	(15 771)
Community wealth/Equity	2 452 648	(324 963)	2 127 685	-	-	2 127 685	2 435 120	307 435
Cash flows								
Net cash from (used) operating	83 211	27 029	110 240	-	-	110 240	255 108	145 869
Net cash from (used) investing	(190 481)	(102 726)	(293 207)	-	-	(293 207)	(263 381)	29 826
Net cash from (used) financing	7 476	53 385	60 862	-	-	60 862	51 760	(9 101)
Cash/cash equivalents at the year end	68 137	(31 490)	36 648	-	-	36 648	193 241	156 594
Cash backing/surplus reconciliation								
Cash and investments available	132 632	172	132 804	-	-	132 804	218 668	85 864
Application of cash and investments	12 698	1 325	14 023	-	-	14 023	93 897	79 873
Balance - surplus (shortfall)	119 933	(1 153)	118 781	-	-	118 781	124 771	5 991
Asset management								
Asset register summary (WDV)	2 902 512	(275 719)	2 626 794	-	-	2 626 794	2 834 693	207 899
Depreciation	100 265	-	100 265	-	2 000	102 265	101 941	(324)
Renewal of Existing Assets	97 487	33 539	131 027	-	(320)	130 707	106 142	(24 564)
Repairs and Maintenance	84 124	2 839	86 963	-	8 225	95 188	88 057	(7 131)
Free services								
Cost of Free Basic Services provided	74 700	-	74 700	-	-	74 700	51 011	(23 689)
Revenue cost of free services provided	37 937	1 229	39 166	-	-	39 166	7 652	(31 515)

BREDE VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2024
Statement of Budget Comparison

Material Variance Explanations 30 June 2024

Description	Final Budget 30 June 2024	Revenue/ Opex/ Capex 30 June 2024	Variances greater than 10%/ R50 000 (over/(under))	Reasons for Material Deviations	Impact on Service Delivery
Operating Revenue					
Service charges - Waste Water Management	88 230 000.00	99 186 204.34	12.42	Income from refuse removal was higher than anticipated.	Positive effect on service delivery
Service charges - Waste management	47 800 000.00	54 421 758.27	13.85	Income from sewerage services was higher than anticipated.	Positive effect on service delivery especially with regard to future budget provisions
Sale of Goods and Rendering of Services	6 524 240.00	5 735 828.70	-12.08	Services such as gate takings, valuation services, cementry and burial were less than anticipated.	Limited Impact on service delivery as revenue is based on demand from public for related goods and services.
Agency services	7 903 200.00	8 948 895.98	13.23	Growth in agency services was higher than anticipated.	Positive effect on service delivery especially with regard to future budget provisions
Interest earned from Current and Non Current Assets	16 283 850.00	18 372 599.64	12.83	More funds were available for investments throughout the year which resulted in more interest received on investments received.	Positive effect on service delivery especially with regard to future budget provisions
Rental from Fixed Assets	7 482 820.00	8 979 263.71	20.00	There were more rentals revenue from resorts and the transfer of flats from the provincial government.	Positive effect on service delivery especially with regard to future budget provisions
Fines, penalties and forfeits	116 721 100.00	72 714 242.95	-37.70	It was anticipated that with the appointment of a traffic speed monitoring service provider there would be more fines issued. The result was less than anticipated.	The actual purpose of the item is to enforce proper road behaviour and protect lives. Although the decrease in income can have a limitation in the By-Law enforcement
Licence and permits	4 258 800.00	2 926 066.44	-31.29	Income from licences and permits was less than anticipated.	Limited Impact on service delivery as revenue is based on demand from public for related goods and services.
Gains on disposal of Assets	1 482 740.00	2 154 672.56	45.32	Proceeds on sale of assets was higher than anticipated.	Positive impact on service delivery
Other Gains	-40.00	9 833 854.21	100.00	Other gains like actuarial gains were more than anticipated.	Positive Impact on service delivery
Operating Expenditure					
Debt impairment	141 000 000.00	115 604 854.34	-18.01	Debt Impairment for 2023/24 was less than anticipated.	None
Interest Charges	37 980 000.00	31 253 855.06	-17.71	External loan was not fully taken up during the 2023/24 financial year.	It does have an Impact on the cashflow of the municipality but the prudent decision was to limit the payment on interest.
Transfers and subsidies	10 066 188.00	3 068 520.26	-69.52	Expenditure on Housing Projects was less than anticipated.	This aspect highly depends on the grant funding received from the National and Provincial fiscus. There is a big need for housing in our area and lessor funding does have a negative impact on the municipality and community
Irrecoverable debts written off	18 400.00		-100.00	Irrecoverable debts written off for 2023/24 were less than anticipated.	None
Losses on Disposal of Assets	3 927 570.00	1 369 925.40	-65.12	Losses on Disposal of Assets for 2023/24 were less than anticipated.	None
Capital Expenditure					
Engineering Services and Public Services					
Not Allocated to Wards					
Ramsonville WwTW					
Ramsonville WwTW: Extension of WwTW (0.24 Mld/day)	4 740 772	2 356 080.37	2 384 711.63	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None. Project in final stage of implementation
Upgrading of Sewer Network					
Upgrading of Sewer Network: External Loan	6 806 332	6 668 537.23	137 794.77	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	Its a multi-year project that will be finalised within the scope of the contractual agreement
Touws River: Waste Water Treatment Works (WwTW) Augmentation					

BREDE VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2024
Statement of Budget Comparison

Material Variance Explanations 30 June 2024

Description	Final Budget 30 June 2024	Revenue/ Opex/ Capex 30 June 2024	Variances greater than 10%/ R50 000 (over/(under))	Reasons for Material Deviations	Impact on Service Delivery
Augmentation Tounsvriver WWTW (MIG)	22 769 428	21 960 021.51	809 406.49		
Augmentation Tounsvriver WWTW	4 348 000	7 105.29	4 340 894.71	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	Its a multi-year project that will be finalised within the scope of the contractual agreement . Project will be completed June 2025
Augmentation Tounsvriver WWTW (HOUSING)	5 000 000	745 407.01	4 254 592.99		
Resealing of Municipal Roads - Worcester					
CRR	9 335 150	9 178 900.04	156 249.96	Savings	None, Project completed
Upgrading of Roads					
Municipal Roads (Ward 1, 2, 3, 4, 16, 17 and 18)	100 000	40 150.00	59 850.00	Professional Services for upgrading of gravel roads - Lokhozi Engineers	Upgrading of roads is a multi-year project that will be dealt within the scope of the contractual agreement . Project will continue for all gravel roads to be upgraded in the Breede Valley
Electricity (8112)					
Refurbishment of electrical system	7 419 484	4 932 321.04	2 487 162.96	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	This will have a positive impact on the electricity infrastructure and is part of proactive maintenance and upgrading
Robertson Road Substation	5 622 827	4 436 625.85	1 186 201.15	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	This will have a positive impact on the electricity infrastructure and is part of proactive maintenance and upgrading
Alternative Electricity Supply Zweekohamba	11 682 618	9 180 578.42	2 492 039.58	Savings	None, Project completed
Ward Priorities					
Speed Humps	1 490 000	1 417 247.64	72 752.36	Savings	Road safety are definitely improved
Playparks	537 000	20 248.56	516 751.44	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	Project will be completed before June 2025 and will have a positive impact on the recreational facilities
Ward 1					
Upgrading Gravel Roads	3 810 487	2 587 832.91	1 242 654.09	BV 894/2021(F) Professional Services for upgrading of gravel roads - Lokhozi Engineers	Its a multi-year project that will be finalised within the scope of the contractual agreement . Project will be completed June 2025
Augmentation of Water treatment works	179 000		178 000.00	Roll over approved, but subtracted from Equitable share	None
Ward 7					
Upgrading of Gravel Roads (Smith str.)	1 403 000	20 984.00	1 382 016.00	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	Its a multi-year project that will be finalised within the scope of the contractual agreement . Project will be completed June 2025
Ward 8					
Upgrading of Gravel Roads - Industrial Area	8 035 000	774 962.00	7 260 038.00	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	Its a multi-year project that will be finalised within the scope of the contractual agreement . Project will be completed June 2025
Upgrading of Gravel Roads (IDT)	2 449 008	2 007 538.83	441 469.17	Savings	None
Upgrading of Gravel Roads	4 550 902		4 550 902.00	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None
Ward 10					
Playparks - Ward 10	120 000		120 000.00	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None
Ward 11					
Upgrading of Gravel Road (Amies Street, Yssel to Sampson)	800 000		800 000.00	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	Its a multi-year project that will be finalised within the scope of the contractual agreement . Project will be completed June 2025
Ward 14					

BREED VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2024
Statement of Budget Comparison

Material Variance Explanations 30 June 2024

Description	Final Budget 30 June 2024	Revenue/ Opex/ Capex 30 June 2024	Variances greater than 10% / R50 000 (over/(under))	Reasons for Material Deviations	Impact on Service Delivery
Building of Roads - Ward 14 (Kroon Street)	200 000		200 000.00	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	Its a multi-year project that will be finalised within the scope of the contractual agreement . Project will be completed June 2025
Ward 17					
High Mast Light -Ward 17	331 193	268 801.00	62 392.00	Savings	None
Ward 19					
Playpark - Ward 19	1 100 000	38 300.00	1 061 700.00	Projected conditional grant rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None
Ward 21					
Upgrading of gravel roads	1 529 800		1 529 800.00	Contract BV 1041 / 2023: Upgrading of Gravel Roads awarded.	Its a multi-year project that will be finalised within the scope of the contractual agreement . Project will be completed June 2025
Upgrading of gravel roads	3 031 251	2 252 398.61	778 852.39		
SERVICE CONNECTIONS (Depending on Public Contr)					
Sewer Connections	1 120 000		1 120 000.00	Savings. Spending subject to demand for service connections	None
Electricity Connections	1 000 000	274 258.40	725 741.60	Savings. Spending subject to demand for service connections	None
Water Connections	1 018 200		1 018 200.00	Savings. Spending subject to demand for service connections	None
Water and Waste Water Treatment Works					
WWTW Pump station upgrading and refurbishment	6 587 000	6 102 132.92	484 867.08	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None
Water and Sewerage					
Water - Machinery and Equipment	470 000	293 033.09	176 966.91	Savings	None
Upgrading of Offices (Fairbairn Street)	472 557	285 519.30	187 037.70	Savings	None
ROADS AND STORMWATER					
Roads - Machinery and Equipment	283 500	212 970.30	51 128.70	Savings	None
Land Infill Developments					
Avian Park Industrial - Electricity	990 000		990 000.00	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None
Avian Park Industrial - Sewer Pumpstation	12 050 000	2 069 968.75	9 980 033.25	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None
SPORT: Esselen Park					
Replacement of fence perimeter	2 579 950	1 667 425.98	912 524.02	Rollover to 2023/24 financial year. Commitment in respect of the rollover amount	None
WATERLOO LIBRARY - 4506					
Modular Library (Overhex)	950 000	75 931.00	874 069.00	Project in adjudication stage. Various challenges experienced during the tender process (Specification and Evaluation) resulting in the process being cancelled in restarted.	None
FINANCIAL SERVICES					
Financial Planning					
Safeguarding of Assets	400 000	226 363.74	173 636.26	Budgeted on a needs basis. No needs for full budget. Savings	None
FS FP - Insurance claims : Other Assets	970 000	563 704.81	406 295.19	Budgeted on possible claims. No needs for full budget. Savings	None
FS FP - Insurance claims : Mach & Equipment	500 000		500 000.00	Budgeted on possible claims. No needs for full budget. Savings	None
STRATEGIC SUPPORT SERVICES					
Other Buildings					
Supply and Installation of Load Shedding Solution and Solar PV	2 561 583	1 922 631.50	638 951.50	Traffic light project completed. Solar conversion / renewable energy project in planning phase.	None
Upgrading of Municipal Buildings	875 000	678 211.66	196 788.34	Savings	None
INFORMATION TECHNOLOGY					
Call Center & Telephone (PBX) System	50 000		50 000.00	Savings. As and when needed basis	None
Biometric system	150 000		150 000.00	Savings. As and when needed basis	None
Airconditioner (DR Site)	150 000		150 000.00	Savings	None

BREEDE VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2024
Statement of Budget Comparison

Material Variance Explanations 30 June 2024					
Description	Final Budget 30 June 2024	Revenue/ Opex/ Capex 30 June 2024	Variances greater than 10%/ R50 000 [over/(under)]	Reasons for Material Deviations	Impact on Service Delivery
Veriments to Final Adjustment Budget (Reconciliation of Budget Summary)					
Operating Revenue					
Transfer and subsidies - Operational	Changes between the Final Budgeted amounts and the Approved Adjustment Budget of 28 February 2024: Virements was approved by the Municipal Manager and/or the Chief Financial Officer, and it was done in line with the Approved Budget Virement Policy of 2023/2024.				
Operating Expenditure					
Employee related costs	Changes between the Final Budgeted amounts and the Approved Adjustment Budget of 28 February 2024: Virements was approved by the Municipal Manager and/or the Chief Financial Officer, and it was done in line with the Approved Budget Virement Policy of 2023/2024.				
Bulk purchases - electricity					
Inventory consumed					
Debt impairment					
Depreciation and amortisation					
Contracted services					
Transfers and subsidies					
Operational costs					
Other Losses					
Capital Expenditure					
Total Capital Expenditure	Changes between the Final Budgeted amounts and the Approved Adjustment Budget of 28 February 2024: Virements was approved by the Municipal Manager and/or the Chief Financial Officer, and it was done in line with the Approved Budget Virement Policy of 2023/2024.				
Cash Flow					
Cash/ Cash Equivalents at the year end.	Changes between the Final Budgeted amounts and the Approved Adjustment Budget of 28 February 2024: Virements was approved by the Municipal Manager and/or the Chief Financial Officer, and it was done in line with the Approved Budget Virement Policy of 2023/2024.				

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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. All figures are rounded to the nearest Rand.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied except where exemption has been granted, are disclosed below.

The accounting policies applied are consistent with those used to present the previous year's financial statements.

The financial statements have been prepared on a going concern basis.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Materiality

Definitions

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. 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.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Conceptual Framework for General Purpose Financial Reporting states that users are assumed to have a reasonable knowledge of the municipality's activities and environment in which it operates in, to be able and prepared to read annual financial statements and to review and analyse its information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

Management has applied its judgement to assess materiality in the annual financial statements. Materiality is determined as 1% of total actual operating expenditure. This materiality is from management's perspective and does not correlate with the auditor's materiality.

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.

1.3 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. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Receivables

The municipality assesses its receivables for impairment at the end of each reporting period. The calculation of the impairment of trade receivables is based on a payment percentage assessment of the individual debtors of the municipality. If an individual debtor has a payment percentage of more than 80%, impairment is not considered. In instances where the payment percentage is less than 80% the individual debtor is impaired based on the actual non-payment percentage of the outstanding debt.

Allowance for slow moving, damaged and obsolete inventory

An assessment is made of net realisable value at the end of each reporting period. An allowance is made to write inventory down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell off certain inventory items. The write down is included in the surplus.

Fair value estimation

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

The fair value of long-term receivables is estimated by discounting the future contracted cash flows at the prime interest rate.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

Value in use of cash generating assets

Cash generating assets are assets held with the primary objective of generating a commercial return.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors such as inflation and interest.

Non-cash generating assets are assets other than cash generating assets.

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.

Provisions

Provisions were raised and management determined an estimate based on the following information: Professional engineers were utilised to determine the cost of rehabilitation of landfill sites, as well as the remaining useful life of each Landfill site. Additional disclosure of these estimates of provisions are included in note 22 - Provisions.

BREED VALLEY MUNICIPALITY

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Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Useful lives of Property, Plant and Equipment and Other Assets

The municipality's management determines the estimated useful lives and related depreciation charges for property, plant and equipment and other assets. This estimate is based on industry norm and on the pattern in which an asset's future economic benefits or service potential is expected to be consumed by the municipality.

At the end of each reporting period the municipality assesses whether there is any indication that the municipality's expectations about the residual value and the useful life of Property, Plant and Equipment has changed since the preceding reporting period. If any such indication exists, the municipality revises the useful life and/or the residual value. These changes are accounted for as a change in accounting estimate and are disclosed in the notes to the financial statements relating to the change in estimates in terms of the Standard of GRAP on accounting policies, changes in estimates and errors.

Post-retirement benefits and other long-term benefits

The present value of the post retirement obligation and other long-term employee obligations is actuarially determined by independent qualified actuaries on an annual basis. The present value depends on a number of factors, including but not limited to discount rates, expected rate of return on assets, future salary increases, mortality rates and future pension increases, that are determined on an actuarial basis. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the municipality considers market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the municipality uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

Other key assumptions for post-retirement and other long-term employee obligations are based on current market conditions. Additional information is disclosed in note 21.

Long Service Awards

Long Service Awards are provided to employees who achieve certain pre-determined milestones of service within the Municipality. The Municipality's obligation under these plans is valued by independent qualified actuaries on an annual basis and the corresponding liability is raised. Payments are set off against the liability, including notional interest, resulting from the actuarial valuation and are recognized in the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the adjustments and changes in actuarial assumptions are recognized in the Statement of Financial Performance in the period in which they occurs.

Staff Leave Accrual

The Municipality provides for annual leave as they accrue to employees. The liability is based on the total amount of leave days accrued to employees at year end and the total remuneration package of the employee.

Accumulating leave is carried forward and can be used in future periods if the current year's entitlement is not used in full. The provision will be realized as employees take leave or when employment is terminated, whereupon the leave accrued to the employee that has not been used, is paid out.

Performance Bonus Accrual

The Municipality recognizes a provision relating to the anticipated costs of performance bonuses payable to Section 57 employees, as the costs accrue to the specific employees. Municipal bonus provisions are based on the employment contract stipulations and previous performance bonus trends.

13th Cheque Accrual

The Municipality recognizes a provision relating to the anticipated costs of 13th Cheques as they accrue to employees. The liability at year-end is based on the bonus accrued to each employee at year-end.

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Effective Interest Rate

The municipality used the prime rate to discount future cash flows.

Allowance for impairment

On receivables an impairment loss is recognized in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or for
- administrative purposes; or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that is associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Subsequent to initial measurement investment property is measured at fair value.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.4 Investment property (continued)

Fair value

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on property, plant and equipment) until disposal of the investment property.

Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on property, plant and equipment.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (See Note 12).

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Accounting Policies

1.5 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost or fair value of the item can be measured reliably.

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the municipality is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent to initial measurement property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight line	
• Buildings		10 - 100 years
• Recreational facilities		15 - 100 years
Infrastructure	Straight line	
• Cemeteries		25 - 60 years
• Electricity		5 - 25 years
• Housing		20 - 100 years
• Landfill sites		1 - 55 years

BREEDE VALLEY MUNICIPALITY

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Accounting Policies

1.5 Property, plant and equipment (continued)

• Pedestrian Malls		20 years
• Roads and paving		50 - 80 years
• Security		3 - 25 years
• Sewerage		15 - 75 years
• Water		15 - 100 years
Other property, plant and equipment	Straight line	
• Furniture and fixtures		2 - 20 years
• Special property, plant and equipment		5 - 20 years
• Specialist vehicles		5 - 30 years
• Other equipment		5 - 20 years
• Other vehicles		5 - 30 years

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the municipality to amend the previous estimate unless expectations differ from the previous estimate.

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 is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Compensation from third parties for an item of property, plant and equipment that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the annual financial statements (see note 13).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements. See Note 13.

1.6 Site restoration and dismantling cost

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes:

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located;
- changes in the measurement of an existing decommissioning, restoration and similar liability that result from change 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 discount rate; and
- the obligation the municipality incurs for having used the items during a particular period for purposes other than to produce inventories during that period.

The related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

BREEDE VALLEY MUNICIPALITY

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Accounting Policies

1.7 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the municipality intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

Intangible assets are initially measured at cost.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an intention to complete and use or sell it;
- there is an ability to use or sell it;
- it will generate probable future economic benefits or service potential;
- there are available technical, financial and other resources to complete the development and to use or sell the asset; and
- the expenditure attributable to the asset during its development can be measured reliably.

Subsequent to initial measurement intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Right to access water	99 years
Computer software, other	3-5 years

BREED VALLEY MUNICIPALITY

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Accounting Policies

1.7 Intangible assets (continued)

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible assets is the difference between the net disposal proceeds and the carrying amount and is included in surplus or deficit when the asset is derecognised.

1.8 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Where the municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in note 15.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

Subsequent to initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage assets on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is the difference between the net disposal proceeds and the carrying amount and is included in surplus or deficit when the item is derecognised.

BREEDE VALLEY MUNICIPALITY

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Accounting Policies

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Long term receivables	Financial asset measured at fair value
Short term receivables	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transaction	Financial asset measured at amortised cost
Other receivables from non exchange transactions	Financial asset measured at amortised cost
Other receivables from exchange transaction	Financial asset measured at amortised 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
Long term liabilities	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost
Unspent conditional grants	Financial liability measured at amortised cost

Initial recognition

The entity 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.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus, in the case of a financial asset or a liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability

The municipality first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the municipality analyses a concessionary loan into its component parts and accounts for each component separately. The municipality accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

BREED VALLEY MUNICIPALITY

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Accounting Policies

1.9 Financial instruments (continued)

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the municipality uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectability of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Where financial assets are impaired through the use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such financial assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

BREED VALLEY MUNICIPALITY

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Accounting Policies

1.9 Financial instruments (continued)

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognises the asset; and
 - recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expired or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the municipality assesses the classification of each element separately.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as revenue and the contractual payments are recognised as an operating lease asset or liability

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in the statement of financial performance.

BREED VALLEY MUNICIPALITY

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Accounting Policies

1.10 Leases (continued)

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Any contingent rent is expensed in the period in which they are incurred.

1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Value-added Tax (VAT)

The municipality is registered with the South African Revenue Services (SARS) for VAT on the payments basis, in accordance with Section 15(2) of the VAT Act (Act No. 89 of 1991).

1.13 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

Cost plus or cost based contract is a construction contract in which the contractor is reimbursed for allowable or otherwise defined costs and, in the case of a commercially-based contract, an additional percentage of these costs or a fixed fee, if any.

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.

BREEDE VALLEY MUNICIPALITY

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Accounting Policies

1.13 Construction contracts and receivables (continued)

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

The entity assesses the terms and conditions of each contract concluded with customers to establish whether the contract is a construction contract or not. In assessing whether the contract is a construction contract, an entity considers whether it is a contractor.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by .

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected deficit is recognised as an expense immediately.

1.14 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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Accounting Policies

1.14 Impairment of cash-generating assets (continued)

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality uses management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the municipality does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

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Accounting Policies

1.14 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.15 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset is initially recognised during the current reporting period, that intangible asset is tested for impairment before the end of the current reporting period.

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Accounting Policies

1.15 Impairment of non-cash-generating assets (continued)

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

Include the criteria how non-cash generating assets are distinguish. This is a specific GRAP requirement

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

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Accounting Policies

1.16 Provisions and Contingencies

Provisions are recognised when:

the municipality has a present obligation as a result of a past event;

it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and a reliable estimate can be made of the obligation.

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.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when the municipality:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of a activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability is an:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality; or
- present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;
 - the amount of the obligation cannot be measured with sufficient reliability.

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Accounting Policies

1.16 Provisions and Contingencies (continued)

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 46.

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, are accounted for as follows:

The related asset is measured using the cost model:

- changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- if the adjustment results in an addition to the cost of an asset, the municipality considers 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 municipality 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 1.14 and 1.15.

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 are 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.

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Accounting Policies

1.17 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered a service to the municipality during a reporting period, the municipality recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measures the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the municipality has no realistic alternative but to make the payments.

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 the 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.

Multi-employer plans and/or State plans and/or Composite social security programmes

The municipality classifies a multi-employer plan and/or state plans and/or composite social security programmes as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms).

Where a plan is a defined contribution plan, the municipality accounts for it in the same way as for any other defined contribution plan.

Where a plan is a defined benefit plan, the municipality accounts for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan.

When sufficient information is not available to use defined benefit accounting for a plan, that is a defined benefit plan, the municipality accounts for the plan as if it was a defined contribution plan.

BREEDE VALLEY MUNICIPALITY

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Accounting Policies

1.17 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the municipality pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered services to the municipality during a reporting period, the municipality recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the municipality recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money are consistent with the currency and estimated term of the obligation.

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments Actuarial gains and losses comprise experience adjustments arising from changes in demographic and financial assumptions .

Demographic assumptions about the future characteristics of current and former employees (and their dependants) who are eligible for benefits and deal with matters such as:

- mortality
- rates of employee turnover, disability and early retirement,
- the proportion of plan members with dependants who are eligible for benefits,
- the proportion of plan members who will select each form of payment option available under the plan terms; and
- claim rates under medical plans.

Financial assumptions deal with matters such as:

- the discount rate,
- benefit levels, excluding any cost of the benefits to be met by employees, and future salary,
- in the case of medical benefits, future medical costs, including claim handling costs, and
- taxes payable by the plan on contributions relating to service before the end of the reporting period or on benefits resulting from that service.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the municipality recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise of assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

BREED VALLEY MUNICIPALITY

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Accounting Policies

1.17 Employee benefits (continued)

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement.

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The municipality determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The municipality uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the municipality attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the municipality attributes benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The municipality recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the municipality re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

BREED VALLEY MUNICIPALITY

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Accounting Policies

1.17 Employee benefits (continued)

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The municipality offsets an asset relating to one plan against a liability relating to another plan when the municipality has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other long-term employee benefits

The municipality has an obligation to provide long-term service allowance benefits to all of its employees.

The municipality's liability is based on an actuarial valuation. The Projected Unit Credit Method is used to value the liabilities. Actuarial gains and losses on the long-term service awards are recognised in the statement of financial performance.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality recognises the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses;
- past service cost; and
- the effect of any curtailments or settlements.

Termination benefits

The entity recognises termination benefits as a liability and an expense when the municipality is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

BREEDE VALLEY MUNICIPALITY

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Accounting Policies

1.17 Employee benefits (continued)

The entity is demonstrably committed to a termination when the municipality has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes (as a minimum):

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than twelve months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer.

1.18 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of the Standard of GRAP on Statutory Receivables) means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the accounting policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the accounting policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the accounting policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.18 Statutory receivables (continued)

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- significant financial difficulty of the receivable, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- it is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.
- a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 - derecognises the receivable; and
 - recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

BREEDE VALLEY MUNICIPALITY

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Accounting Policies

1.19 Revenue from exchange transactions

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

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.

Rendering of services

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.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

Interest, royalties and dividends

Revenue arising from the use by others of municipal assets yielding interest, royalties and dividends or similar distributions is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

1.20 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.20 Revenue from non-exchange transactions (continued)

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Property rates

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources.

Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Transfers

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Debt forgiveness and assumption of liabilities

The municipality recognises revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.20 Revenue from non-exchange transactions (continued)

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

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.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in-kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Services in-kind

Services in-kind that are significant to the municipality's operations and/or service delivery objectives are recognised as assets and the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

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.

Concessionary loans received

A concessionary loan is a loan granted to or received by the municipality on terms that are not market related.

The portion of the loan that is repayable, along with any interest payments, is an exchange transaction and is accounted for in accordance with the Standard of GRAP on Financial Instruments. The off-market portion of the loan is a non-exchange transaction. The off-market portion of the loan that is recognised as non-exchange revenue is calculated as the difference between the proceeds received from the loan, and the present value of the contractual cash flows of the loan, discounted using a market related rate of interest.

The recognition of revenue is determined by the nature of any conditions that exist in the loan agreement that may give rise to a liability. Where a liability exists the municipality recognises revenue as and when it satisfies the conditions of the loan agreement.

1.21 Borrowing costs

Borrowing costs are interest and other expenses incurred by the municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.22 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.22 Accounting by principals and agents (continued)

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

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.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.23 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.24 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.24 Fruitless and wasteful expenditure (continued)

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.25 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.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.26 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

1.27 Commitments

Items are classified as commitments when the municipality has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation are disclosed in a note to the financial statements, if both the following criteria are met:

- contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- contracts should relate to something other than the routine, steady, state business of the municipality – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.28 Grant in aid

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 or sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period that the events given rise to the transfer occurred.

1.29 Budget information

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01 July 2023 to 30 June 2024.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.30 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.30 Related parties (continued)

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

Remuneration of management includes remuneration derived for services provided to the municipality in their capacity as members of the management team.

The remuneration for councillors are within the upper limits as determined by the framework envisaged in section 219 of the Constitution.

In the case of permanent employees acting in management positions, only the remuneration received additionally for acting in that position closed.

Municipal service are provided to key management and councillors based on the approved tariffs that was advertised to the public.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.31 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality adjusts the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality discloses the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.32 Compound instruments

Compulsory convertible preference shares [Compulsory convertible debentures] are compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible instruments and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the municipality, is included in equity.

Combined units are compound instruments, consisting of a debenture (liability) component and a share (equity) component. The debentures are carried at amortised cost, and any premium or discount on issue is written off over the redemption period using the effective interest rate method.

Issue costs are apportioned between the liability and equity components of the compound instruments based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

1.33 Segment information

A segment is an activity of a municipality:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the municipality's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the municipality's financial statements.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.34 Living and non-living resources

Living resources are those resources that undergo biological transformation.

Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted.

Agricultural activity is the management by an municipality of the biological transformation and harvest of biological assets for:

- (a) sale;
- (b) distribution at no charge or for a nominal charge; or
- (c) conversion into agriculture produce or into additional biological assets for sale or distribution at no charge or for a nominal charge.

A bearer plant is a living plant that:

- (a) is used in the production or supply of agricultural produce;
- (b) is expected to bear produce for more than one period; and
- (c) has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Biological transformation (for purposes of this Standard) comprises the processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a living resource.

Carrying amount is the amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or development and, where applicable, the amount attributed to the asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Group of resources means a grouping of living or non-living resources of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

The residual value of an asset is the estimated amount that an municipality would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Useful life is the period over which an asset is expected to be available for use by an municipality, or the number of production or similar units expected to be obtained from the asset by an municipality.

GRAP 110 Living and Non-living Resources became effective on 1 April 2020 and, in accordance with the transitional provisions for the Standard provided in Directive 3, entities were not required to recognise and/or measure living resources for reporting periods beginning on or after a date within three years following the date of initial adoption of the Standard of GRAP subject to the provisions in Directive .3

The Municipality does not have any material living resources and therefore, no disclosures required by GRAP 110 has been made in respect of Living Resources. The municipality has however disclosed information about Non-living Resources in note 61.

1.35 Share capital / contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of the municipality after deducting all of its liabilities.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.36 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note 54 for detail.

1.37 Reclassifications

Reclassification of certain accounts were made in order to comply with the requirements of Municipal Standard Chart of Accounts (MSCOA). The reclassifications have no impact on the net asset value of the municipality.

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note 54.

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

The municipality has not adopted any new standards for the current financial year that are relevant to its operations. The following GRAP standards and Interpretations of the Standards of GRAP have been issued but are not yet effective and have not been early adopted by the municipality:

Reference	Topic	Effective Date
GRAP 1(amendments related to going concern)	Presentation of Financial Statement	Unknown
GRAP 103	Heritage Assets	Unknown
GRAP 104	Financial Instruments	1 April 2025
Guideline	The Application of Materiality to Financial Statements	Unknown

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	14 985	13 105
Bank balances	193 226 154	148 740 078
	193 241 139	148 753 183

For the purpose of the Cash Flow Statement, Cash and cash equivalents includes Cash on hand and cash in banks. Refer to note 62 on the additional disclosures required by the Municipal Finance Management Act where the detail regarding the bank is disclosed.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at banks and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating		
Nedbank Current Account (P-1)	193 226 154	148 740 078
Standard Bank (P-1)	10 172 973	-
ABSA (P-1)	10 176 470	5 116 438
FNB (P-1)	5 082 611	5 116 096
	218 658 208	158 972 612

P-1 Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short term debt obligations.

P-2 Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short term debt obligations.

P-3 Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short term debt obligations.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
4. Receivables from exchange transactions		
Gross balances		
Electricity	54 667 463	69 213 515
Housing rental	15 598 933	14 606 974
Housing Selling Schemes	266 391	257 532
Refuse	36 681 096	33 820 824
Sewerage	59 408 868	54 947 311
Sundries	17 928 433	15 751 886
Water	66 162 203	63 468 344
	250 713 387	252 066 386
Less: Allowance for impairment		
Electricity	(5 514 845)	(7 838 978)
Housing Selling schemes	(201 496)	(182 222)
Housing rental	(13 853 699)	(12 765 559)
Refuse	(31 468 740)	(27 332 080)
Sewerage	(51 005 598)	(44 050 344)
Sundries	(13 584 858)	(11 590 459)
Water	(51 067 513)	(46 810 184)
	(166 696 749)	(150 569 826)
Net balance		
Electricity	49 152 618	61 374 537
Housing rental	1 745 234	1 841 415
Housing selling schemes	64 895	75 310
Refuse	5 212 356	6 488 744
Sewerage	8 403 270	10 896 967
Sundries	4 343 575	4 161 427
Water	15 094 690	16 658 160
	84 016 638	101 496 560
Electricity		
Current (0 -30 days)	48 615 316	64 199 077
31 - 60 days	918 770	286 376
61 - 90 days	279 586	225 340
91 - 120 days	208 885	202 930
121 - 365 days	4 644 908	4 299 792
Less : Provision for Impairment	(5 514 847)	(7 838 978)
	49 152 618	61 374 537
Water		
Current (0 -30 days)	13 310 901	16 487 756
31 - 60 days	2 601 821	2 028 677
61 - 90 days	2 273 072	2 169 740
91 - 120 days	2 346 612	2 477 810
121 - 365 days	45 629 796	40 304 361
Less : Provision for Impairment	(51 067 512)	(46 810 184)
	15 094 690	16 658 160

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
4. Receivables from exchange transactions (continued)		
Sewerage		
Current (0 -30 days)	4 921 066	8 241 702
31 - 60 days	2 133 690	1 452 750
61 - 90 days	1 824 885	1 277 205
91 - 120 days	1 730 480	1 274 191
121 - 365 days	48 798 747	42 701 464
Less : Provision for Impairment	(51 005 598)	(44 050 345)
	8 403 270	10 896 967
Refuse		
Current (0 -30 days)	3 147 710	4 815 831
31 - 60 days	1 277 589	865 751
61 - 90 days	1 107 983	775 280
91 - 120 days	1 065 088	757 674
121 - 365 days	30 082 724	26 606 288
Less : Provision for Impairment	(31 468 738)	(27 332 080)
	5 212 356	6 488 744
Housing Selling Schemes		
Current (0 -30 days)	35 432	3 267
31 - 60 days	331	8 754
61 - 90 days	272	551
91 - 120 days	207	518
121 - 365 days	230 149	244 442
Less : Provision for Impairment	(201 495)	(182 222)
	64 896	75 310
Housing rental		
Current (0 -30 days)	560 888	936 899
31 - 60 days	445 749	278 547
61 - 90 days	333 918	202 813
91 - 120 days	313 673	228 848
121 - 365 days	13 944 700	12 959 868
Less : Provision for Impairment	(13 853 694)	(12 765 560)
	1 745 234	1 841 415
Sundries		
Current (0 -30 days)	3 554 115	2 520 612
31 - 60 days	894 070	469 860
61 - 90 days	193 877	252 282
91 - 120 days	130 302	500 204
121 - 365 days	13 156 068	12 008 928
Less : Provision for Impairment	(13 584 857)	(11 590 459)
	4 343 575	4 161 427

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4. Receivables from exchange transactions (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	65 234 219	79 658 075
31 - 60 days	7 277 844	4 417 605
61 - 90 days	5 290 846	4 018 104
91 - 120 days	5 098 741	4 459 777
121 - 365 days	137 679 609	114 010 790
	220 581 259	206 564 351
Industrial/ commercial		
Current (0 -30 days)	10 972 123	229 459
31 - 60 days	905 297	2 399 832
61 - 90 days	559 006	2 968 378
91 - 120 days	538 959	2 141 699
121 - 365 days	15 580 605	33 327 698
	28 555 990	41 067 066
National and provincial government		
Current (0 -30 days)	605 603	24 780
31 - 60 days	49 968	259 166
61 - 90 days	30 854	320 565
91 - 120 days	29 748	231 289
121 - 365 days	859 966	3 599 173
	1 576 139	4 434 973
Total		
Current (0 -30 days)	74 145 428	97 205 145
31 - 60 days	8 272 021	5 390 714
61 - 90 days	6 013 593	4 903 211
91 - 120 days	5 795 246	5 442 176
121 - 365 days	156 487 098	139 125 136
	250 713 386	252 066 382
Less: Allowance for impairment	(166 696 742)	(150 569 826)
	84 016 644	101 496 556
Less: Allowance for impairment		
31 - 60 days	(7 809 567)	(5 241 333)
61 - 90 days	(5 677 399)	(4 767 339)
91 - 120 days	(5 471 259)	(5 291 369)
121 - 365 days	(147 738 524)	(135 269 785)
	(166 696 749)	(150 569 826)
Total debtor past due but not impaired		
31 - 60 days	462 456	149 382
61 - 90 days	336 196	135 873
91 - 120 days	323 989	150 808
121 - 365 days	8 748 574	3 855 287
	9 871 215	4 291 350

BREEDE VALLEY MUNICIPALITY

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4. Receivables from exchange transactions (continued)

Receivables from exchange transactions impaired

As at 30 June 2024, receivables from exchange transactions with an amount of R 166 696 749 (2023: R 150 569 826) impaired and provided for.

Reconciliation of allowance for impairment

Balance at beginning of the year	(150 569 822)	(133 908 163)
Contribution to allowance	(52 008 772)	(42 905 753)
Debt impairment written off against allowance	35 881 852	26 244 094
	<u>(166 696 742)</u>	<u>(150 569 822)</u>

Receivables from exchange transactions past due but not impaired

The Council regards receivables from exchange transactions due for outstanding amounts more than 30 days to be past due. The impairment of receivables from exchange transactions is calculated based on the historic payment rate per individual receivable. It is expected that the trade receivables not impaired will be received by the municipality.

As of 30 June 2024 receivables from exchange transactions of R9 871 216 (2023: R4 291 350) were past due not impaired.

Credit quality of receivables from exchange transactions

The credit quality of consumer debtors 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.

BREED VALLEY MUNICIPALITY

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5. Statutory Receivables		
Gross balances		
Rates	43 497 923	45 438 498
Traffic fines	129 502 850	108 044 905
	173 000 773	153 483 403
Less: Allowance for impairment		
Rates	(30 776 625)	(26 958 790)
Traffic fines	(111 998 399)	(92 628 748)
	(142 775 024)	(119 587 538)
Net balance		
Rates	12 721 298	18 479 708
Traffic fines	17 504 451	15 416 157
	30 225 749	33 895 865
Rates		
Current (0 -30 days)	6 324 239	11 913 278
31 - 60 days	1 903 660	925 881
61 - 90 days	1 182 813	899 557
91 - 120 days	778 827	732 142
121 - 365 days	33 308 383	30 967 640
Less : Provision for impairment	(30 776 624)	(26 958 790)
	12 721 298	18 479 708
Summary of rates receivables by customer classification: Rates		
Consumers		
Current (0 -30 days)	5 509 394	9 286 702
31 - 60 days	1 658 383	721 748
61 - 90 days	1 030 414	701 228
91 - 120 days	678 480	570 723
121 - 365 days	29 016 777	24 140 061
	37 893 448	35 420 462
Industrial/ commercial		
Current (0 -30 days)	713 235	2 493 125
31 - 60 days	214 691	93 213
61 - 90 days	133 395	127 683
91 - 120 days	87 835	90 921
121 - 365 days	3 756 451	4 237 002
	4 905 607	7 041 944
National and provincial government		
Current (0 -30 days)	19 697	133 451
31 - 60 days	8 224	110 920
61 - 90 days	3 858	70 647
91 - 120 days	3 858	70 498
121 - 365 days	663 233	2 590 577
	698 870	2 976 093

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5. Statutory Receivables (continued)		
Total		
Current (0 -30 days)	6 324 239	11 913 278
31 - 60 days	1 903 660	925 881
61 - 90 days	1 182 813	899 557
91 - 120 days	778 827	732 142
121 - 365 days	33 308 383	30 967 640
	<u>43 497 922</u>	<u>45 438 498</u>
Less: Allowance for impairment	<u>(30 776 624)</u>	<u>(26 958 790)</u>
	12 721 298	18 479 708
Less: Allowance for impairment: Rates		
Current (0 -30 days)	-	-
31 - 60 days	(1 576 067)	(744 533)
61 - 90 days	(979 268)	(723 365)
91 - 120 days	(644 802)	(588 741)
121 - 365 days	(27 576 487)	(24 902 151)
	<u>(30 776 624)</u>	<u>(26 958 790)</u>
Total debtor past due but not impaired		
31 - 60 days	327 592	181 348
61 - 90 days	203 545	176 192
91 - 120 days	134 025	143 401
121 - 365 days	5 731 897	6 065 489
	<u>6 397 059</u>	<u>6 566 430</u>
Reconciliation of Traffic Fines		
Balance at beginning of the year	15 416 157	6 107 152
Issued fines	72 082 445	94 752 615
Withdrawals/Write-offs	(37 436 900)	(6 483 080)
Payment of fines	(13 304 499)	(10 417 080)
Provision for impairment Movement	(19 259 508)	(68 543 450)
	<u>17 497 695</u>	<u>15 416 157</u>
Statutory receivables impaired		
As of 30 June 2024, statutory receivables were impaired by R 142 775 023 (2023: R119 587 538) and provided for.		
Reconciliation of allowance for impairment: Rates		
Balance at the beginning of the year	26 958 791	23 536 356
Contribution to allowance	7 034 883	4 972 781
Debt impairment written-off against allowance	(3 217 050)	(1 550 346)
	<u>30 776 624</u>	<u>26 958 791</u>
Reconciliation of allowance for impairment: Traffic Fines		
Balance at the beginning of the year	92 628 748	25 586 222
Contribution to allowance	56 806 551	73 525 606
Debt impairment written-off against allowance	(37 436 900)	(6 483 080)
	<u>111 998 399</u>	<u>92 628 748</u>

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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5. Statutory Receivables (continued)

Credit quality of statutory receivables

The credit quality of receivables from non-exchange transactions 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.

Statutory receivables general information

Transaction(s) arising from statute

Property rates transactions arises from the Property Rates Act, Traffic fines transactions arises from the AARTO Act and Vat transactions arises from the VAT Act of 1991.

Determination of transaction amount

Property rates amounts are determined through tariffs approved yearly by council. Traffic fines amounts are derived from a standardised table of fines which is determined by a magistrate.

Interest or other charges levied/charged

Interest is charges on overdue consumer debtors (including property rates) at prime plus 1%.

Basis used to assess and test whether a statutory receivable is impaired

The calculation in respect of the impairment of property rates receivable is based on an assessment per account holder taking into account the payment rate, levies billed and payments made. An account with a payment rate of less than 80% is deemed to be impaired and an impairment is raised as the difference between the actual payment rate and 100%. The total collectability of property rates and other services were 96.48% (2023:93.81%).

The calculation in respect of the impairment of fines receivable is based on an assessment of the past payment history of fines per category. The total average collectability of fines were:

Section 341 Notice	9,85%	5,17%
Section 56 Notice	21,33%	25,64%
Traffic Management Technologies	16,99%	12,67%
Provincial Authority	9,06%	10,13%

6. Other receivables from non-exchange transactions

Gross balance

Availability Charges	20 404 480	17 695 575
Traffic revenue receivable	-	24 670
	20 404 480	17 720 245

Less: Allowance for impairment

Availability charges	(18 128 098)	(15 393 450)
Traffic revenue receivable	-	-
	(18 128 098)	(15 393 450)

Net balance

Availability Charges	2 276 382	2 302 125
Traffic revenue receivable	-	24 670
	2 276 382	2 326 795

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6. Other receivables from non-exchange transactions (continued)		
Availability charges		
Current (0-30 days)	575 467	991 746
31 - 60 days	390 586	352 245
61 - 90 days	371 719	341 936
91 - 120 days	364 646	342 093
121 - 365 days	18 702 063	15 667 554
Less: Allowance for impairment	(18 128 098)	(15 393 450)
	2 276 383	2 302 124
Summary of receivables by customer classification: Availability Charges		
Consumers		
Current (0-30 days)	575 467	991 746
31 - 60 days	390 586	352 245
61 - 90 days	371 719	341 936
91 - 120 days	364 646	342 093
121 - 365 days	18 702 063	15 667 554
	20 404 481	17 695 574
Total		
Current (0-30 days)	575 467	991 746
31 - 60 days	390 586	352 245
61 - 90 days	371 719	341 936
91 - 120 days	364 646	342 093
121 - 365 days	18 702 063	15 667 554
	20 404 481	17 695 575
Less: Allowance for impairment	(18 128 098)	(15 393 450)
	2 276 383	2 302 125
Less: Allowance for impairment : Availability Charges		
Current (0-30 days)	-	-
31 - 60 days	(357 082)	(324 612)
61 - 90 days	(339 834)	(315 112)
91 - 120 days	(333 367)	(315 257)
121 - 365 days	(17 097 816)	(14 438 469)
	(18 128 099)	(15 393 450)
Total receivables past due but not impaired: Availability Charges		
31 - 60 days	33 504	27 633
61 - 90 days	31 886	26 824
91 - 120 days	31 279	26 836
121 - 365 days	1 604 247	1 229 085
	1 700 916	1 310 378

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6. Other receivables from non-exchange transactions (continued)

Other receivables from non-exchange transactions impaired

As of 30 June 2024, other receivables from non-exchange transactions of R18 128 099 (2023: R15 393 450) were impaired and provided for.

Reconciliation of allowance for impairment: Availability Charges

Balance at beginning of the year	(15 393 450)	(12 770 333)
Contribution to allowance	(3 022 271)	(2 740 418)
Debt impairment written off against allowance	287 623	117 301
	(18 128 098)	(15 393 450)

Credit quality of receivables from non-exchange transactions

The credit quality of other receivables from non-exchange transactions 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.

7. Other receivables from exchange transactions

Loans granted	4 398	12 355
Other receivables	464 402	2 541 780
PAYE	-	1 145 403
Prepaid expenses	6 856 436	5 466 830
Recoverable expenses	551 882	516 441
Auxiliaries	20 023	48 590
Interest receivable	1 034 408	970 030
Less: Allowance for impairment	(17 316)	(32 609)
	8 914 233	10 668 820

The credit quality of other receivables from exchange transactions that are neither past nor due nor impaired can be assessed by reference to external ratings (if available) or to historical information about default rates.

Reconciliation of allowance for impairment

Opening Balance	(32 609)	(51 759)
Decrease in provision for the year	15 291	19 150
	(17 318)	(32 609)

8. Inventories

Consumable stores	18 643 998	15 122 557
Water stock	628 795	482 619
	19 272 793	15 605 176

Inventories recognised as an expense during the year	50 292 465	50 877 550
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The amount disclosed for inventory consumed are inclusive of inventory expensed from the stores during the year and other expenditure purchased from the materials and supplies accounts.

Inventory pledged as security

BREEDE VALLEY MUNICIPALITY

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8. Inventories (continued)

None of the above Inventory has been pledged as security.

9. VAT receivable

VAT Receivable	5 996 890	6 788 630
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The municipality is registered on the cash basis. No penalties and fines were incurred during the year.

Vat meets the definition of a statutory receivable as per the accounting policy. The statutory receivable amounts are as follows R113 988 (2023 : R12 005 302)

VAT Breakdown

VAT Control Receivable (As per VAT 201)	113 988	12 005 302
VAT Accrual (Receivable)	30 938 524	20 611 520
VAT Accrual (Payable)	(25 055 622)	(25 828 192)
	5 996 890	6 788 630

10. Operating lease asset (accrual)

Lease asset	122 398	341 391
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Operating leases - as lessor (income)

Certain of the municipality's properties are held to generate rental income. The escalation clauses for the lease income varies between 6% to 10%. Payments received under operating leases are recognised in the statement of financial performance on a straight-line basis over the period of the lease. The straight-lining of leases resulted in an decrease in income of R 218 994 (2023: decrease of R19 686).

Minimum lease payments Receivable

-within one year	72 745	70 280
-in second to fifth year inclusive	49 653	122 398
	122 398	192 678

11. Short term investments

Short term fixed deposits are made with various banks for a period from 1 - 12 months. The interest rates earned vary between 8.48 % and 9.39% per annum

Other fixed deposits	25 432 053	10 232 534
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Current assets

Short term portion of investment	25 432 053	10 232 534
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BREED VALLEY MUNICIPALITY

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12. Investment property

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	99 934 000	-	99 934 000	96 156 600	-	96 156 600

Reconciliation of investment property - 2024

	Opening balance	Disposals	Fair value adjustments	Total
Investment property	96 156 600	(1 887 033)	5 664 433	99 934 000

Reconciliation of investment property - 2023

	Opening balance	Additions	Disposals	Transfers received	Fair value adjustments	Total
Investment property	63 286 633	17 350 000	(2 607 033)	2 314 326	15 812 674	96 156 600

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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12. Investment property (continued)

Pledged as security

None of the above investment property have been pledged as security.

Details of property

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Details of valuation

The effective date of the revaluations was Sunday, 30 June 2024. Revaluations were performed by an independent valuer, Mr Coenraad Botha of HCB Property Valuations. Mr Botha is a Professional Valuer registered at SACVP. HCB Property Valuations is not connected to the municipality and have recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

Reconciliation of valuation obtained and the valuation included in the financial statements

Amounts recognised in surplus and deficit for the year.

Rental revenue from investment property	962 524	751 098
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Maintenance of investment property

In the current year the expenditure on investment property was incurred in one department which managed all repairs and maintenance of the municipality's structures and therefore an accurate split of operating expenditure incurred relating to investment properties could not be made.

BREEDE VALLEY MUNICIPALITY

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13. Property, Plant and Equipment

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	345 783 970	(209 659 611)	136 124 359	344 092 180	(203 485 177)	140 607 003
Infrastructure	3 609 190 829	(1 394 354 615)	2 214 836 214	3 402 203 151	(1 316 009 610)	2 086 193 541
Land	228 610 073	-	228 610 073	228 698 883	-	228 698 883
Other property, plant and equipment	203 987 518	(89 290 657)	114 696 861	184 898 872	(79 123 058)	105 775 814
Total	4 387 572 390	(1 693 304 883)	2 694 267 507	4 159 893 086	(1 598 617 845)	2 561 275 241

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers	Other changes, movements	Depreciation	Total
Buildings	140 607 003	2 484 764	(47 945)	(466)	-	(6 918 997)	136 124 359
Infrastructure	2 086 193 541	206 438 715	-	1 916 023	-	(79 712 063)	2 214 836 216
Land	228 698 884	-	(88 811)	-	-	-	228 610 073
Other property, plant and equipment	105 775 814	25 697 049	(983 582)	583 694	(1 142 642)	(15 233 474)	114 696 859
Total	2 561 275 242	234 620 528	(1 120 338)	2 499 251	(1 142 642)	(101 864 534)	2 694 267 507

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers	Other changes, movements	Depreciation	Total
Buildings	144 424 030	2 878 608	-	170 471	-	(6 866 106)	140 607 003
Infrastructure	1 935 654 843	222 653 314	-	2 423 246	-	(74 537 862)	2 086 193 541
Land	229 870 138	1 143 072	-	(2 314 327)	-	-	228 698 883
Other property, plant and equipment	89 757 846	26 793 623	(101 060)	(170 471)	2 586 756	(13 090 880)	105 775 814
Total	2 399 706 857	253 468 617	(101 060)	108 919	2 586 756	(94 494 848)	2 561 275 241

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13. Property, Plant and Equipment (continued)

Pledged as security

None of the above property, plant and equipment has been pledged as security.

Work in progress

The work in progress balances included in the property plant and equipment balance are as follows:

Buildings	2 244 172	2 436 507
Infrastructure	364 745 314	502 151 185
Other Assets	2 306 759	3 817 772
	369 296 245	508 405 464

Work in progress balances were mainly as result of projects being multi-year projects and projects not completed at year-end.

The following expenditure was incurred to repair and maintain property plant and equipment:

Repair and Maintenance per allocation to asset type

Infrastructure	49 655 723	52 803 024
General Vehicles	16 921 334	11 052 657
Plant and Equipment	7 548 287	7 092 753
Furniture and other Office Equipment	951 785	548 621
Other Building	12 979 419	8 370 380
	88 056 548	79 867 435

Repair and Maintenance per nature of expense

Contracted Services	66 441 651	59 446 440
Employee Cost	2 773 257	3 035 445
Inventory Consumed	18 841 640	17 385 550
	88 056 548	79 867 435

Change in Accounting Estimate

The effect of the change in accounting estimate is disclosed in note 53.

Other Information

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Refer to Appendix B for more detail on property, plant and equipment.

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Annual Financial Statements for the year ended 30 June 2024

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14. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	1 088 817	(818 884)	269 933	1 088 817	(785 130)	303 687
Right of use of water	4 275 264	(684 503)	3 590 761	4 275 264	(641 633)	3 633 631
Total	5 364 081	(1 503 387)	3 860 694	5 364 081	(1 426 763)	3 937 318

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
Computer software	303 687	(33 755)	269 932
Right of use of water	3 633 631	(42 869)	3 590 762
	3 937 318	(76 624)	3 860 694

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer software	337 352	(33 665)	303 687
Right of use of water	3 676 381	(42 750)	3 633 631
	4 013 733	(76 415)	3 937 318

Pledged as security

None of the above intangible assets have been pledged as security

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

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15. Heritage assets

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art	12 575 100	-	12 575 100	12 575 100	-	12 575 100
Books	585 959	-	585 959	585 959	-	585 959
Land	16 770 000	-	16 770 000	16 770 000	-	16 770 000
Buildings	6 700 000	-	6 700 000	6 700 000	-	6 700 000
Total	36 631 059	-	36 631 059	36 631 059	-	36 631 059

Reconciliation of heritage assets 2024

	Opening balance	Total
Art	12 575 100	12 575 100
Books	585 959	585 959
Land	16 770 000	16 770 000
Buildings	6 700 000	6 700 000
	36 631 059	36 631 059

Reconciliation of heritage assets 2023

	Opening balance	Total
Art	12 575 100	12 575 100
Books	585 959	585 959
Land	16 770 000	16 770 000
Buildings	6 700 000	6 700 000
	36 631 059	36 631 059

Other information

The municipality assessed whether there is an indication that heritage assets need to be impaired. No impairment loss on heritage assets was recognised for the period under review.

No expenditure was incurred to repair and maintain heritage assets.

None of the above heritage assets have been pledged as security.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

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16. Long term receivables		
Housing selling schemes loans		
Housing selling schemes	-	76 095
Less: Provision for impairment	-	(62 398)
	<u>-</u>	<u>13 697</u>
Housing loans - personnel		
Housing personnel	-	44 206
Less: Provision for impairment	-	-
	<u>-</u>	<u>44 206</u>
Arrangements		
Arrangements	15 929 993	13 540 396
Less: Provision for impairment	(3 619 667)	(3 666 555)
	<u>12 310 326</u>	<u>9 873 841</u>
Less: Current portion transferred to current receivables		
Housing selling schemes	-	(6 254)
Housing personnel	-	(9 265)
Arrangements	(8 048 236)	(6 380 082)
	<u>(8 048 236)</u>	<u>(6 395 601)</u>
Less: Current Portion of allowance for impairment transferred to current receivables		
Housing selling schemes	-	(5 128)
Arrangements	(1 828 747)	(1 727 639)
	<u>(1 828 747)</u>	<u>(1 732 767)</u>
Non-current assets		
Long term receivables- non current portion	6 090 836	5 268 910
Long term receivables - current portion	6 219 489	4 662 834
	<u>12 310 325</u>	<u>9 931 744</u>

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16. Long term receivables (continued)

Housing selling scheme loans

Housing loans are granted to qualifying individuals in terms of the provincial administration's housing programme. These loans attract interest of prime plus 1 % per annum and are repayable over a maximum period of 30 years.

Housing loans - Personnel

Housing loans were granted to personnel and attract interest at between 7.5% and 15% per annum and are repayable over periods not exceeding 30 years.

Arrangements

The arrangements consist of consumer receivables with whom the council has negotiated repayment terms. These arrangements attract no interest and the repayment periods vary between 15 and 30 years.

As of 30 June 2024 long term receivables of R1 790 919 (2023: R1 996 185) were impaired. The individually impaired receivables mainly relate to those receivables who have agreements with the municipality to pay their debt over a long period.

The ageing of these individually impaired receivables is more than 365 days based on the nature of long term receivables.

17. Payables from exchange transactions

Credit balances closed	-	36 960
Ex Retentions	-	290 039
Other payables	4 803 008	2 245 388
Payments received in advance	8 425 166	12 066 921
Retentions	9 889 711	14 289 406
Sundry deposits	875 941	850 227
Trade payables	117 615 300	70 681 010
	141 609 126	100 459 951

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Figures in Rand	2024	2023
18. Consumer deposits		
Electricity	2 134 728	2 242 859
Water	2 521 803	2 445 111
	4 656 531	4 687 970
Guarantees		
Guarantees held in lieu of Electricity and Water deposits	20 500	20 500
<p>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. Council policy dictates that all accounts are owner accounts. Consumer deposits are refunded to the owner when a house is sold after the municipality has issued a clearance certificate. A clearance certificate will only be issued to the existing owner if the municipal account is up to date.</p>		
19. Unspent conditional grants and receipts		
Balances at year end		
Unspent conditional grants and receipts		
Unspent grants	17 597 475	16 423 060
Movement during the year		
Balance at the beginning of the year	16 423 060	4 227 344
Total Government receipts	123 981 967	106 181 102
Conditions met-capital grants	(97 746 497)	(67 525 256)
Conditions met-operating grants	(23 501 218)	(23 821 141)
Repayments during the year	(480 000)	(2 638 989)
Other movement	(1 079 837)	-
	-	-
	17 597 475	16 423 060
<p>The allocations and subsidies received from National and Provincial Government as well the District Municipality, have been deposited into the Council's own bank account. The allocations received have been utilised in accordance with the conditions set. Where all the conditions have not yet been met, the total allocations have not been utilised. The outstanding conditions will be met prior to/or when the balance of the allocations is utilised. Also refer to Appendix D for further detail regarding unspent conditional grants.</p>		
20. Long term liabilities		
At amortised cost		
Annuity loans	334 072 000	279 243 053
Reconciliation of long term liabilities		
Opening balance	279 243 053	184 183 358
Additional loans taken	74 000 000	110 000 000
Loans redeemed	(22 208 200)	(14 535 651)
Interest accrued	7 676 998	4 639 851
Interest accrued prior year	(4 639 851)	(5 044 505)
	334 072 000	279 243 053
Non-current liabilities		
At amortised cost	301 250 321	252 462 043
Current liabilities		
At amortised cost	32 821 679	26 781 010

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21. Employee benefit obligation

Reconciliation of employee benefits - 2024	Opening Balance	Additions	Benefits paid during the year	Total
Post-retirement medical aid benefits	138 783 000	17 060 509	(7 133 509)	148 710 000
Long service awards	19 254 000	5 277 927	(3 118 927)	21 413 000
Performance bonus	1 084 317	1 875 643	(1 787 094)	1 172 866
Staff leave accrual	29 316 411	3 843 342	(2 055 360)	31 104 393
13th cheque accrual	7 013 530	502 603	-	7 516 133
	195 451 258	28 560 024	(14 094 890)	209 916 392
Reconciliation of employee benefits - 2023	Opening Balance	Additions	Benefits paid during the year	Total
Post-retirement medical aid benefits	148 572 000	(2 971 701)	(6 817 299)	138 783 000
Long service awards	18 909 000	2 666 414	(2 321 414)	19 254 000
Performance bonus	1 037 177	1 099 875	(1 052 735)	1 084 317
Staff leave accrual	31 225 864	480 731	(2 390 184)	29 316 411
13th cheque accrual	6 930 915	82 615	-	7 013 530
	206 674 956	1 357 934	(12 581 632)	195 451 258
Non-current employee benefits				
Provision for Post-retirement medical aid benefits			140 542 000	131 697 000
Long service awards			18 350 000	16 318 000
			158 892 000	148 015 000
Current employee benefits				
Provision for Post-retirement medical aid benefits			8 168 000	7 086 000
Long service awards			3 063 000	2 936 000
Performance bonus			1 172 867	1 084 318
Staff leave accrual			31 104 394	29 316 412
13th cheque accrual			7 516 133	7 013 531
			51 024 394	47 436 261
Post-Retirement medical aid benefit: Movements				
Opening balance			138 783 000	148 572 000
Benefits paid			(7 133 509)	(6 817 299)
Net expense recognised			17 060 509	(2 971 701)
			148 710 000	138 783 000
Post-Retirement medical aid benefit: Net expense recognised				
Current service cost			4 097 000	4 763 000
Interest cost			16 810 000	17 135 000
Actuarial Gains			(3 846 491)	(24 869 701)
			17 060 509	(2 971 701)
Post-Retirement medical aid benefit: Calculation of actuarial gains				
Actuarial (gains)/loss arising from financial assumptions			(3 846 491)	(20 737 701)
Actuarial (gains)/loss arising from demographic assumptions			-	(4 132 000)
			(3 846 491)	(24 869 701)

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Figures in Rand	2024	2023
21. Employee benefit obligation (continued)		
Long service awards: Movements		
Opening balance	19 254 000	18 909 000
Benefits paid	(3 118 927)	(2 321 414)
Net expense recognised	5 277 927	2 666 414
	21 413 000	19 254 000
Long service awards: Net expense recognised		
Current service cost	1 459 000	1 514 000
Interest cost	2 017 000	1 993 000
Actuarial (gains)/loss	1 801 927	(840 586)
	5 277 927	2 666 414
Long service awards: Calculation of actuarial (gains)/loss		
Actuarial (gains)/loss arising from financial assumptions	(302 000)	(732 586)
Actuarial (gains)/loss arising from demographic assumptions	2 103 927	(108 000)
	1 801 927	(840 586)

Defined benefit plan

Post retirement medical aid plan

Current and continuation members receive a 60% and 70% subsidy respectively of medical and contributions in retirement. The spouse and child dependants of an employee are entitled to a 60% and 70% subsidy respectively of their contributions in the event of the principal members' death in-service. In the event of the death of the principal member, the spouse becomes the principal member.

In 2024: 75% (2023: 75%) of the employees belonged to the above plan. The plan is defined as a post-retirement medical benefit plan.

Long service awards

Long service benefits are awarded in the form of a number of leave days awarded once an employee has completed a certain number of years in service. All permanent employees are entitled to a specified number of days additional leave days plus additional remuneration based on their completed years of service. The long service award are payable after 10 years of completed services and thereafter every 5 years of continuous service. The employee may convert the additional leave into a cash amount.

In 2024: 14.18% (2023: 14.25%) of the employees qualified for long service awards.

Risks

The plan exposes the Municipality to various risks. These include: salary inflation, benefit increase rates, discount rates, and changes in retirement age. The employer has little to no control over these risks.

Plan amendments, curtailments and settlements

There are no past service costs, curtailments or settlements to consider. The effects of exchange rates, transfer plans, mergers and disposals were also not considered

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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21. Employee benefit obligation (continued)

Key financial assumptions used

The municipality made use of an independent firm to perform the valuation of post-retirement medical aid benefits and long service awards. Julian van der Spuy (B.Comm.(CERA) (FIA)) from ZAQEN Actuaries (Pty) Ltd was the expert for the valuation. The key assumptions used by the experts are listed below for the last valuation on 30 June 2024:

Post Retirement Medical Aid Benefit:

Discount rate	13,57 %	12,42 %
CPI (Consumer Price Inflation)	7,98 %	8,03 %
Medical Aid Contribution Inflation	8,98 %	9,03 %
Net Effective Discount Rate	4,21 %	4,06 %

Long service awards:

Discount Rate	10,78 %	11,32 %
CPI (Consumer Price Inflation)	5,84 %	5,57 %
Normal Salary Increase Rate	5,84 %	6,57 %
Net Effective Discount Rate	4,67 %	4,45 %

The nominal and real zero curves as at 30 June 2024 supplied by the JSE are the basis used to determine the discount rate and CPI assumptions at each relevant time period.

Maturity Analysis	1 Year from Valuation Date	Between 1-5 years from Valuation Date	Longer than 5 years from Valuation Date	Total
Post Retirement Medical Aid Benefit	8 168 000	23 300 000	117 242 000	148 710 000
Long service awards	3 063 000	9 726 000	8 624 000	21 413 000

Key demographic assumptions used

Post Retirement Medical Aid Benefit:

Average retirement age	62	62
Normal retirement age	65	65
Mortality rates	SA 85-90	SA 85-90

Long service awards:

Average retirement age	62	62
Normal retirement age	65	65
Mortality rates	SA 85-90	SA 85-90

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21. Employee benefit obligation (continued)

Sensitivity analysis

Post Retirement Medical Aid Benefit:

In order to illustrate the sensitivity of the results to changes in certain key variables, the liabilities were recalculated using the following assumptions:

- 1% increase/decrease in the Medical Aid inflation
- 20% increase/decrease in the assumed level of mortality;

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in medical aid inflation assumption and a 20% change in the assumed level of mortality would have the following effects:

	1% increase in medical aid inflation	1% decrease in medical aid inflation
Effect on defined benefit obligation	167 664 000	132 830 000
Effect on defined interest cost	22 601 000	17 756 000
Effect on the service cost	5 775 000	4 031 000
	20% increase in mortality rate	20% decrease in mortality rate
Effect on defined benefit obligation	139 049 000	160 437 000
Effect on defined interest cost	18 631 000	21 581 000
Effect on the service cost	4 480 000	5 194 000

The cost of the subsidy after retirement is dependent on the assumed discount rate and average retirement age. The discount rate and average retirement age will thus have a direct effect on the liability of future retirees. A one percentage point change in the discount rate and average retirement age would have the following effects:

	1% increase in discount rate	1% decrease in discount rate
Effect on defined benefit obligation	133 536 000	167 014 000
Effect on defined interest cost	17 854 000	22 511 000
Effect on the service cost	4 065 000	5 741 000
	Retirement age +1yr	Retirement age 1yr
Effect on defined benefit obligation	157 844 000	140 440 000
Effect on defined interest cost	21 172 000	18 822 000
Effect on the service cost	4 967 000	4 349 000

Long service awards:

In order to illustrate the sensitivity of our results to changes in certain key variables, we have recalculated the liabilities using the following assumptions:

- 20% increase/decrease in the assumed level of withdrawal rates;
- 1% increase/decrease in the Normal Salary cost inflation

Assumed salary inflation trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed normal salary cost inflation rates and a 20 % change in the assumed level of withdrawal rates would have the following effects:

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21. Employee benefit obligation (continued)

	1% increase in salary inflation	1% decrease in salary inflation
Effect on defined benefit obligation	22 760 000	20 187 000
Effect on the current service cost	1 633 000	1 409 000
Effect on defined interest cost	2 388 000	2 099 000
	20% increase in withdrawal rate	20% decrease in withdrawal rate
Effect on defined benefit obligation	20 600 000	22 307 000
Effect on the current service cost	1 427 000	1 615 000
Effect on defined interest cost	2 144 000	2 338 000

Defined contribution plan

It is the policy of the municipality to provide retirement benefits to all 822 (2023: 842) of its employees. A number of defined contribution provident funds, all of which are subject to the Pensions Fund Act exist for this purpose.

The municipality is under no obligation to cover any unfunded benefits.

The last valuation of the Municipal Workers Retirement Fund (Previously the SAMWU National Provident Fund) was done on 30 June 2021.

The last valuation of the SALA Pension Fund was done on 1 July 2021.

The last valuation of the Consolidated Retirement Fund for Local Government (previously Cape Joint Retirement Fund) was performed on 30 June 2023.

The last valuation of the LA Retirement Fund (previously Cape Joint Pension Fund) was performed on 30 June 2023.

The valuers of the respective funds were satisfied that the plan is in a sound financial position.

Contributions by Council in respect of employees retirement funding. The contributions have been expensed which amounted to R 39 143 976 (2023: R 36 826 207).

Councillors who are elected are members of different pension schemes. The contributions have been expensed which amounted to R1 229 604 (2023: R1 168 080).

Contributions to medical aid funds

Contributions to medical aid funds for employees	23 564 514	22 048 089
Contributions to medical aid funds for councillors	270 655	227 606
Contributions to medical aid funds for pensioners	7 133 509	6 819 243
	30 968 678	29 094 938

Consolidated Retirement Fund

This multi-employer fund was established with effect from 1 May 1996 to provide insured death, disability and pension benefits to its members.

The contribution rate for members is 9% of basic salary, whilst the respective Local Authorities are contributing 18%.

This defined benefit plan is accounted for as a defined contribution plan as the municipality's liability in the proportionate share of actuarial gains and losses cannot readily be determined.

The last statutory valuation performed as at 30 June 2023 revealed that the funding level of the share account was 100.2 % and the pension account was 120.1%. At the valuation date the municipality had 823 members (Fund: 54 103 members) and nil pensioners (Fund: 496 pensioners) belonging to the fund.

BREED VALLEY MUNICIPALITY

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Figures in Rand	2024	2023
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22. Provisions: Landfill Site

Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Change in discount factor	Total
Provision for the rehabilitation of landfill site	64 011 409	(1 142 642)	-	7 331 437	70 200 204
Closure site	3 160 365	-	170 182	-	3 330 547
	67 171 774	(1 142 642)	170 182	7 331 437	73 530 751

Reconciliation of provisions - 2023

	Opening Balance	Additions	Utilised during the year	Change in discount factor	Total
Provision for the rehabilitation of landfill site	55 224 177	2 586 756	-	6 200 476	64 011 409
Closure site	3 084 771	-	75 594	-	3 160 365
	58 308 948	2 586 756	75 594	6 200 476	67 171 774

Non-current liabilities	70 200 204	64 011 409
Current liabilities	3 330 547	3 160 365
	73 530 751	67 171 774

The provision for landfill site for De Doorns was done for a 16 year period and the Worcester site for a period of 13 years. Touwsriver is a closure site and is expected to be closed in the following 5 year period. No expenses have been incurred to date and the only movement is the contribution for the year. An assessment was done by JPCE (Pty) Ltd (Specialist Waste Management Consultants), an independent expert.

The unwinding of the provision for landfill site for the current year amounting to R7 331 437 (2023: R6 200 476) was included in the rehabilitation figure in the statement of financial performance as well as the Touwsriver closure cost as a contribution to the provision of R170 182 (2023: provision of R75 594).

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
23. Service charges		
Electricity	543 810 279	472 095 946
Water	110 404 529	104 272 763
Sewerage and sanitation	99 186 204	88 069 363
Refuse removal	54 421 758	45 928 265
	807 822 770	710 366 337

The above service charges are net of free basic services and rebates for the different services. The total rebates provided to consumers amounts to R58 662 143 (2023:R62 832 475).

24. Sales of Goods and Rendering of Services

Advertisement	127 229	116 877
Building Plan Approval	1 158 163	1 408 382
Camping Fees	126 866	322 890
Cemetery and Burial	1 528 339	1 496 356
Clearance Certificate	261 158	246 026
Entrance Fees	2 074 995	1 344 337
Fire Services	147 765	247 141
Photocopies and Faxes	64 957	62 841
Prints	38 582	32 437
Tender Documents	6 600	9 800
Sub-division and Consolidation Fees	96 539	113 015
Recycling of Waste	13 554	11 430
Valuation Services	91 083	109 010
	5 735 830	5 520 542

25. Income from agency services

Vehicle Registration	8 948 896	9 463 077
Insurance	240 301	227 201
	9 189 197	9 690 278

The municipality entered into an arrangement with the Western Cape Mobility Department to collect revenue in respect of the registration and licencing of motor vehicles. The municipality has assessed the criteria set out in GRAP 109 par 25 as well as the arrangements entered into and concluded that the municipality is an agent for both of the arrangements. At reporting date the municipality had no amounts receivable for the vehicle registration.

Reconciliation of the carrying amount of the receivable:

Opening balance	-	-
Revenue received	52 091 103	55 328 920
Payments made to the department	(52 091 103)	(55 328 920)
	-	-

26. Rental income

Premises		
Housing Rentals	6 672 091	4 989 637
Other rental revenue	2 307 173	2 488 480
	8 979 264	7 478 117

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Figures in Rand	2024	2023
27. Operational revenue		
Incidental Cash surpluses	3 005	2 252
Breakages and losses recovered	4 374	6 611
Administrative handling fees	4 893 069	6 382 262
Insurance refund	1 287 832	1 825 139
Merchandising jobbing and contracts	22 561	2 908
Municipal information and statistics	8 550	6 407
Development Charges	1 217 289	1 669 270
Staff Recoveries	76 431	75 148
Request for information	-	30
	7 513 111	9 970 027
28. Finance income		
Interest revenue		
Bank	18 372 600	14 384 007
Outstanding debtors	13 961 514	13 266 410
	32 334 114	27 650 417
29. Property rates		
Rates received		
Residential Properties	92 989 410	87 277 266
Mining, Business and Commercial Properties	50 962 698	43 130 808
Public Service Purposes Property	21 764 210	20 108 718
Agricultural Properties	18 556 377	17 288 811
Public Benefit Organisation	1 334 315	1 258 526
Industrial Properties	11 940 799	10 953 754
	197 547 809	180 017 883
Valuations		
	R'000	R'000
Land	11 017 344	11 050 825
Improvements	22 306 783	22 012 759
	33 324 127	33 063 584

The valuations for land and improvements include De Doorns, Rawsonville, Touwsriver, Worcester and rural areas. Valuations on land and buildings are performed every five years. The last general valuation came into effect on 1 July 2021. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations, subdivision and categories.

Rates are levied on an annual and monthly basis with the annual date for payment being 30 September 2024. Interest at prime plus one per annum and a collection fee, is levied on rates outstanding two months after due date. A differentiated rebate up to 100% is granted to owners under certain circumstances. The basic rates for the above mentioned areas were charged for land and improvements at 0.008682 c/R (2023: 0.008118 c/R) and for industrial and commercial sites at 1.73650 c/R (2023: 1.6236 c/R).

BREEDE VALLEY MUNICIPALITY

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
30. Government grants and subsidies		
Operating grants		
Equitable share	162 452 839	147 822 000
Financial management grant	1 550 000	1 550 000
Other grants and donations	4 789 000	3 301 000
Provincial government	17 162 217	18 970 140
	185 954 056	171 643 140
Capital grants		
Capital grants	97 746 497	67 525 256
Total Government grants & subsidies	283 700 552	239 168 397
Conditional and Unconditional		
Included in above are the following grants and subsidies received:		
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
Balance unspent at beginning of year	-	-
Current-year receipts	162 452 839	147 822 000
Transferred to revenue	(162 452 839)	(147 822 000)
	-	-
Financial Management Grant		
Balance unspent at beginning of year	-	-
Current-year receipts	1 550 000	1 550 000
Conditions met - transferred to revenue	(1 550 000)	(1 550 000)
	-	-
EPWP		
Balance unspent at beginning of year	-	-
Current-year receipts	4 789 000	3 301 000
Conditions met - transferred to revenue	(4 789 000)	(3 301 000)
	-	-
Housing projects		
Balance unspent at beginning of year	2 144 588	2 460 493
Current-year receipts	2 771 840	2 505 000
Conditions met - transferred to revenue	(298 471)	(360 412)
Other	-	(2 460 493)
	4 617 957	2 144 588

Conditions still to be met - remain liabilities (see note 19).

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
30. Government grants and subsidies (continued)		
LGWSETA Staff Development Grant		
Balance unspent at beginning of year	-	-
Current-year receipts	769 155	762 580
Conditions met - transferred to revenue	(769 155)	(762 580)
Other	-	-
	<u>-</u>	<u>-</u>
Provincial government		
Balance unspent at beginning of year	4 355 736	752 098
Current-year receipts	13 973 972	16 303 521
Conditions met - transferred to revenue	(12 763 678)	(12 322 213)
Other	(478 696)	(377 670)
	<u>5 087 334</u>	<u>4 355 736</u>
Conditions still to be met - remain liabilities (see note 19).		
Cape Winelands		
Balance unspent at beginning of year	461 999	895 049
Current-year receipts	1 726 000	605 000
Conditions met - transferred to revenue	(500 000)	(1 038 050)
	<u>1 687 999</u>	<u>461 999</u>
Conditions still to be met - remain liabilities (see note 19).		
Capital Grants		
Balance unspent at beginning of year	9 460 737	74 878
Current-year receipts	98 402 000	99 070 689
Conditions met - transferred to revenue	(97 746 497)	(85 441 945)
Other	(3 912 056)	(4 242 885)
	<u>6 204 184</u>	<u>9 460 737</u>

Conditions still to be met - remain liabilities (see note 19).

Services in kind

The municipality received services in kind under voluntary or non voluntary schemes which included free training, workshops, cleaning services and technical assistance from government departments and entities. These services have not been recognised as they were assessed not to be significant to the municipality's operations and/or basic service delivery objectives. The cost and fair value of these services in-kind could also not be measured reliably

BREEDE VALLEY MUNICIPALITY

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Figures in Rand	2024	2023
31. Fines, penalties and forfeits		
Damaged meters	281 741	243 320
Library	20 622	17 729
Traffic fines	72 084 880	94 662 960
Retentions	327 000	-
	72 714 243	94 924 009
32. Employee related costs		
Basic Salary	230 626 747	210 538 876
Group life insurance	3 281 066	2 552 575
Bonus	17 923 763	16 895 669
Medical aid contributions	30 698 023	28 867 332
Unemployment Insurance Fund	1 803 306	1 784 053
Service Related Benefits	23 668 281	20 454 922
Travel and car allowances	11 388 130	11 296 713
Overtime payments	22 343 534	21 825 450
Acting allowances	2 358 808	2 566 626
Housing benefits and allowances	1 711 588	1 679 538
Other Allowances	10 550 691	10 374 617
Contribution to employee benefits	39 752 934	37 414 756
	396 106 871	366 251 127

On 14 May 2024 the Municipality received a letter from National CoGTA granting waiver approval for the Municipal Manager and Directors. The waiver applications are effective from the date of appointment as Municipal Manager or Director. Below is the impact of the waiver in the respective financial years.

Municipal Manager: D Mc Thomas

Annual Remuneration	1 563 721	1 481 592
Car Allowance	219 566	288 369
Performance Bonuses	248 608	241 367
Contributions to UIF, Medical and Pension Funds	65 454	62 210
Group life insurance	16 903	12 588
	2 114 252	2 086 126

Waiver Approval

2016/17	17 223	-
2017/18	57 049	-
2018/19	94 448	-
2019/20	222 221	-
2020/21	357 134	-
2021/22	408 361	-
2022/23	465 714	-
2023/24	434 733	-
	2 056 883	-

BREEDE VALLEY MUNICIPALITY

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Figures in Rand	2024	2023
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32. Employee related costs (continued)

Chief Financial Officer: R Ontong

Annual Remuneration	1 136 822	1 089 157
Car Allowance	182 013	242 882
Performance Bonuses	208 927	202 842
Contributions to UIF, Medical and Pension Funds	246 660	211 630
Other	-	12 885
	1 774 422	1 759 396

Waiver Approval

2016/17	36 757	-
2017/18	76 634	-
2018/19	106 044	-
2019/20	177 107	-
2020/21	283 952	-
2021/22	326 437	-
2022/23	373 815	-
2023/24	359 694	-
	1 740 440	-

Director - Engineering Services: J Steyn

Annual Remuneration	1 258 493	1 228 139
Car Allowance	304 878	326 290
Performance Bonuses	208 927	202 842
Contributions to UIF, Medical and Pension Funds	2 125	2 125
	1 774 423	1 759 396

Waiver Approval

2016/17	18 379	-
2017/18	76 634	-
2018/19	106 044	-
2019/20	171 526	-
2020/21	283 952	-
2021/22	326 437	-
2022/23	373 815	-
2023/24	355 168	-
	1 711 955	-

BREEDE VALLEY MUNICIPALITY

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Figures in Rand	2024	2023
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32. Employee related costs (continued)

Director - Strategic Support Service: R Esau

Annual Remuneration	1 008 931	956 633
Car Allowance	309 095	373 973
Performance Bonuses	208 927	202 842
Contributions to UIF, Medical and Pension Funds	247 469	225 948
Group Life Insurance	-	-
	1 774 422	1 759 396

Waiver Approval

2016/17	42 255	-
2017/18	76 634	-
2018/19	106 044	-
2019/20	171 526	-
2020/21	283 952	-
2021/22	326 437	-
2022/23	373 815	-
2023/24	355 168	-
	1 735 831	-

Jean DeVilliers was appointed as Director: Planning, Development and Integrated Service from 1 May 2024.

Director - Planning, Development and Integrated Service: J.De Villiers

Annual Remuneration	239 523	-
Car Allowance	20 000	-
Performance Bonuses	-	-
Contributions to UIF, Medical and Pension Funds	60 588	-
	320 111	-

Director - Community Service: S. Swartz

Annual Remuneration	704 720	1 066 083
Car Allowance	142 065	275 973
Performance Bonuses	208 927	202 842
Contributions to UIF, Medical and Pension Funds	149 504	201 897
Group Life Insurance	-	12 601
	1 205 216	1 759 396

BREEDE VALLEY MUNICIPALITY

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Remuneration costs as percentage of total expenditure for 2024 is 32.59% (2023: 34.48%). The industry norm is between 25-40%. This figure includes employee related cost and the remuneration of councillors, as disclosed in note 32 and 33 to the Financial Statements.

The remuneration of the employees is within the upper limits of the SALGA Bargaining Council determinations.

33. Remuneration of councillors

Executive mayor	889 122	829 188
Deputy Executive Mayor	720 045	671 251
Chief whip	792 276	737 608
Speaker	712 809	664 555
Mayoral committee members	5 641 104	5 217 069
Councillors	9 787 154	9 551 048
Section 79 Committee Chairperson	423 863	-
Councillors pension contribution	1 229 605	1 168 080
Councillors medical aid contribution	270 655	227 606
	20 466 633	19 066 405

Remuneration of Councillors:

The remuneration of the political office-bearers and councillors are within the upper limits as determined by the framework envisaged in section 219 of the Constitution.

Executive Mayor	Salary	Allowances	Pension fund and Medical Aid	Total
A Steyn	755 663	133 458	151 133	1 040 254
Deputy Executive Mayor				
JJ Von Willingh	614 468	105 577	122 660	842 705
Speaker				
JF Van Zyl	646 523	66 286	129 305	842 114
Chief Whip				
PH Marais	742 668	49 608	-	792 276
Mayco Members				
	Salary	Allowances	Pension fund and Medical Aid	Total
VA Bedworth	608 478	49 608	134 190	792 276
JR Jack	715 556	76 720	-	792 276
JP Kritzinger	612 977	56 704	122 595	792 276
WR Meiring	615 410	53 784	123 082	792 276
N Nel	626 642	84 422	81 212	792 276
PC Ramokhabi	676 275	49 608	62 869	788 752
E van der Westhuizen	620 644	53 814	118 006	792 464
F Vaughan	690 854	49 608	51 814	792 276
	5 166 836	474 268	693 768	6 334 872
Section 79 Committee Member				
	Salary	Allowances	Pension fund and Medical Aid	Total
HC Titus	374 255	49 608	28 069	451 932

BREEDE VALLEY MUNICIPALITY

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Notes to the Annual Financial Statements

Figures in Rand		2024	2023	
33. Remuneration of councillors (continued)				
Councillors	Salary	Allowances	Pension fund and Medical Aid	Total
WM Blom	313 500	49 608	-	363 108
MN Bushwana	249 421	94 980	18 706	363 107
GL Daames	313 500	49 608	-	363 108
R Farao	246 569	67 225	49 314	363 108
MA Goedeman	291 628	49 608	21 872	363 108
EN Isaacs	271 545	71 197	20 366	363 108
C Ismail	268 128	94 980	-	363 108
RT Johnson	291 628	49 608	21 872	363 108
MR Jacobs	303 225	48 306	5 275	356 806
J Joseph	291 628	49 608	21 872	363 108
D Judge	313 500	49 608	-	363 108
SK Madlolo	292 207	49 608	21 293	363 108
ZM Mangali	291 628	49 608	21 872	363 108
TS Manuel	291 628	49 608	21 872	363 108
SJ Mei	273 269	49 608	40 231	363 108
JM Mokgosi	294 159	49 608	21 099	364 866
CT Nyithana	313 500	49 608	-	363 108
J Pieters	313 500	49 608	-	363 108
A Pietersen	282 345	59 587	21 176	363 108
O Ralehoko	313 500	49 608	-	363 108
M Sampson	273 739	64 608	24 761	363 108
TP Sibozo	313 500	49 608	-	363 108
SS Steenberg	313 500	49 608	-	363 108
M Swartz	313 500	49 608	-	363 108
MT Williams	313 500	49 608	-	363 108
CF Wilskut	291 628	49 608	21 872	363 108
NJ Wullschleger	291 628	49 608	21 872	363 108
LR Yayi	313 500	49 608	-	363 108
	8 244 503	1 542 651	375 325	10 162 479
34. Debt impairment				
Impairments				
Receivables from exchange transactions			50 608 055	36 767 878
Receivables from non-exchange transactions			64 996 800	79 749 888
			115 604 855	116 517 766
35. Depreciation and amortisation				
Property, plant and equipment			101 864 534	94 494 848
Amortisation: Intangible assets			76 624	76 415
			101 941 158	94 571 263
36. Bulk purchases				
Electricity - Eskom			454 652 107	372 992 719
37. Finance costs				
External borrowings			31 253 855	19 436 796

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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38. Contracted services		
Consultants and Professional Services		
Accounting and Auditing	3 166 671	3 815 143
Audit Committee	106 473	93 824
Human Resources	261 866	1 136 244
Legal Advice and Litigation	2 306 931	6 077 411
Medical Examinations	37 613	28 292
Research and advisory	273 422	448 270
Laboratory Services	127 223	13 691
Infrastructure and planning	1 517 022	896 374
	7 797 221	12 509 249
Outsourced Services		
Burial Services	1 121 825	936 900
Business and Advisory	818 854	468 884
Call Centre	46 200	48 000
Catering Services	308 458	529 528
Clearing and Grass Cutting Services	2 313 391	443 032
Cleaning Services	9 768	174
Drivers Licence Cards	747 498	805 958
Litter Picking and Street Cleaning	3 807 855	4 086 112
Hygiene Services	336 488	308 710
Personnel and Labour	27 543 400	21 867 632
Refuse Removal	2 262 640	1 578 593
Sewerage Services	7 406 435	11 044 725
Security Services	29 402	-
Translators Scribes and Editors	85 057	108 129
Valuer	380 219	311 174
Transport Services	315 517	381 002
	47 533 007	42 918 553
Contractors		
Catering Services	13 537	9 000
Electrical Services	12 757 412	12 342 428
Employee Wellness	1 616	-
Event Promoters	4 166 677	1 203 491
Gardening Services	174 460	86 529
Graphic Designers	333 496	336 801
Maintenance of Buildings and Facilities	3 788 598	3 663 849
Maintenance of Equipment	14 429 723	10 395 175
Maintenance of Unspecified Assets	17 312 636	11 636 757
Medical Services	50 961	89 931
Pest Control and Fumigation	8 633	6 000
Plants Flowers and Other Decorations	3 335	-
Tracing Agents and Debt Collectors	62 994	-
Safeguard and Security	16 347 184	14 156 769
Mint of decorations	-	-
	69 451 262	53 926 730
	124 781 490	109 354 532

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
39. Grants and subsidies paid		
Other subsidies		
Grants in aid	3 068 520	3 419 195
40. Operational cost		
Achievements and Awards	360 960	24 674
Advertising, Publicity and Marketing	344 944	212 817
Assets less than the Capitalisation Threshold	349 988	221 269
Drivers Licences and Permits	13 197	18 644
Bank Charges	1 959 511	1 961 798
Bargaining Council	116 816	113 141
Cleaning services	3 049	7 050
Communication - Postage/Stamps	1 378 896	1 275 541
Communication - Telephone and fax	937 740	1 359 627
Courier and Delivery Services	363	1 361
Entertainment	20 148	12 147
External Audit Fees	4 500 713	4 734 889
External Computer Service	18 511 333	14 163 991
Full Time Union Representative	178 333	217 333
Hire Charges	10 449 420	7 183 344
Insurance (Premiums)	6 268 215	6 084 467
Insurance (excess payments)	797 548	382 015
Learnerships and Internships	2 430 174	1 949 992
Licences (Radio and Television)	7 774	6 986
Motor Vehicle Licence and Registrations	937 328	939 932
Municipal Services	2 907 229	2 601 854
Printing Publications and Books	35 799	84 955
Professional Bodies Membership and Subscription	3 928 242	3 725 110
Provisions for rehabilitation of landfill sites	7 501 618	6 276 070
Registration fees	114 589	28 246
Remuneration to Ward Committees	1 196 580	1 207 200
Protective clothing	2 450 369	1 798 024
Skills Development Fund Levy	4 099 411	3 808 791
Travel and Subsistence	1 355 629	991 370
Water Resource Management Charges	1 765 858	698 744
Workmen's Compensation Fund	2 105 814	1 942 529
Bursaries	1 705 325	1 379 014
System Access and Information Fees	-	-
Communication - SMS Bulk Message Service	25 955	532 918
Signage	56 770	-
	78 815 638	65 945 843
41. Agency fees paid		
Prepaid electricity - Ontec	4 394 020	3 391 820
Easypay	328 979	334 026
Traffic Fine Management	1 708 949	2 795 180
	6 431 948	6 521 026

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Notes to the Annual Financial Statements

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41. Agency fees paid (continued)

The Municipality is the principal in arrangements with various service providers. The following service providers acted as agents on behalf of the municipality:

Prepaid electricity vending:

The municipality is the principal in arrangement with ONTEC who sell prepaid electricity on their behalf. Prepaid vendors earn commission on the value of each transaction. ONTEC acts as an agent on behalf of the municipality since 01 November 2021.

Easypay:

Easypay has been appointed by the municipality to act as an agent in the 3rd party collection of municipal services. All monies collected by Easypay are paid over to the municipality. Easypay issues an invoice to the municipality for the transaction fees owed to them.

Traffic Fine Management (TMT):

TMT has been appointed by the municipality for the provision of speed law enforcement and related back office services. TMT issues an invoice to the municipality for the transaction fees owed to them.

There are no resources of the municipality under custodianship of the agents.

There are no cost implication for the municipality at termination of the contracts.

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42. Fair value adjustments		
Fair value adjustment on investment property	5 687 434	15 812 674
Other financial assets		
• Discounting of long term receivables: Movement for the year	1 027 092	(1 096 031)
	6 714 526	14 716 643
43. Service related benefits		
Performance Bonus	1 875 643	1 099 875
Post retirement medical aid benefit	9 927 000	(9 789 000)
Long service awards	5 277 927	2 666 414
Provision for leave payments	3 843 343	480 731
Provision for 13th cheques	502 604	82 615
Actuarial gain/(loss)	2 044 564	25 710 286
In kind benefits : Senior Management	197 200	204 000
	23 668 281	20 454 921
44. Cash generated from operations		
Surplus	55 161 839	120 913 802
Adjustments for:		
Depreciation, amortisation and impairment	101 941 158	94 571 261
Loss/ (Profit) on sale of assets and liabilities	(784 747)	623 094
Fair value adjustments	(6 714 526)	(14 716 643)
Operating lease straight lining	218 993	19 696
Debt impairment	115 604 855	116 517 766
Actuarial gain	(2 044 564)	(25 710 286)
Movements in retirement benefit assets and liabilities	30 929 591	27 068 224
Rehabilitation	7 501 619	6 276 070
Inventory losses	(63 717)	453 639
Donated assets	-	(17 916 689)
Other non-cash items	5 353 896	659 344
Changes in working capital:		
Inventories	(6 103 148)	(6 660 677)
Receivables from exchange transactions	(72 423 357)	(48 646 325)
Receivables from non-exchange transactions	(18 725 631)	(86 075 958)
Short term investments	(432 053)	(232 534)
Interest	3 037 147	(404 655)
Other receivables from non-exchange transactions	(914 355)	(5 715 022)
Payables from exchange transactions	57 485 957	(45 691 581)
Unspent conditional grants and receipts	1 174 415	12 195 716
Employee benefit obligation	(14 094 894)	(12 581 634)
	256 108 478	114 946 608

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45. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Infrastructure	107 496 373	132 375 757
• Community	-	-
	107 496 373	132 375 757

Total capital commitments

Already contracted for but not provided for	107 496 373	132 375 757
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All capital commitments excludes VAT

This committed expenditure relates to infrastructure projects and will be financed through external loans, reserves and grants.

This Expenditure will be financed from:

External loans	9 363 353	36 616 694
Government grant	54 490 189	54 399 117
Capital replacement reserve	43 642 832	41 359 946
	107 496 374	132 375 757

46. Contingent liabilities

Vat on library grants:

The Breede Valley Municipality received a legal opinion from its lawyers on the 5th of June 2024. The municipality is aware of the non-binding ruling which was issued to a Municipality in the district. The reason for the legal advice being pursued is because an audit finding (COMAF 14 of 2023) was issued and the municipality was advised to seek advice on treatment there of. The Municipality has opted to seek legal advice. In summary it was concluded that "VAT consequences are determined with reference solely to the nature of the entity, the nature of the receipt, and the intended use of the grant. The VAT Act clearly contemplates a Municipality's receipt of a grant falling within the ambit of section 8(5A), which attracts the benefit of zero-rating under section 11(2)(t). In the premises, the Municipality has a good argument in support of the applicability of section 11(2)(t) of the VAT Act to the Agreements".

Guarantees

Guarantee Eskom (Nedbank)	63 400	63 400
Guarantee South Africa Post Office Limited (Nedbank)	180 000	180 000
	243 400	243 400

Legal Matters

Worcester Land Trust/BVM Case No.3168/6- Contractual claim against the municipality	31 037 841	31 037 841
Public Liability Insurance Claims based on quotations and could result in a lesser amount or more. It is the view of management that it is unlikely that these claims will be paid out but might realise due to past experiences.	2 670 737	1 761 927
Ngadlela/BVM - brought a review application in the Cape High Court for an order against certain decisions taken by BVM i.r.o the valuation of the above property.	16 767	16 767
Victor Daniel Jonas / BVM - Public liability claim	25 864	-
Vat treatment of library grant	8 831 233	8 386 915
	42 582 442	41 203 450

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47. Disclosures made in terms of Supply Chain Management Regulation 45

The following disclosures were made in terms of Supply Chain Management Regulation 45.

Awards and payments to persons with relatives in the service of Breede Valley Municipality

Company name	Names of Directors which are related to municipal officials	Municipal Officials's name	Relationship with municipal official	Family member employment details		
Kiewiet Petrus Oliphant	Kiewiet Petrus Oliphant	Candice Joslyn Oliphant	Daughter to Kiewiet Petrus Oliphant	Traffic Officer at the Breede Valley Municipality	3 500	18 000
Mahdie & Daughters	Zeenat van der Merwe	Lyle Gerard van der Merwe	Spouse to Lyle Gerard van der Merwe	Housing Inspector at Breede Valley Municipality	11 791	15 000
Golimas	Goliath Jacobs	Brumilda Jacobs	Daughter of Goliath Jacobs	Internal Auditor at the Breede Valley Municipality	150 561	-
Lee-Handro	Sheryl Kock	Frederick Kock	Spouse to Sheryl De Kock	Process Controller at WWTW Breede Valley Municipality	190 185	95 950
Lynette Minaar Psychologist K2020067664 (SOUTH AFRICA) T/A GR Cleaning and Supply X-Zito Entertainment	Lynette Minaar	Melissa Kafaar	Daughter of Lynette Minaar	Superintendent at solid waste Breede Valley Municipality	-	4 450
	Gerald Leisa	Letitia Leisa	Sister of Gerald Leisa	Senior Clerk SCM at Breede Valley Municipality	445 900	831 284
	Xolile Vas	Nontando Vas	Spouse to Xolile Vas	Clerk at HR Office	-	4 800
					801 937	969 484

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47. Disclosures made in terms of Supply Chain Management Regulation 45 (continued)

Awards and payments to persons with relatives in the service of other Municipalities:

Company name	Name of Directors which are related to employee in service of the state	Name of employee in service of the state	Relationship to employee in service of the state	Family member employment details		
JPCE (Pty) Ltd	Jorina Minnie	Johan Adriaan Minnie	Spouse to Jorina Minnie	Disaster Management Manager at City of CapeTown	110 549	-
Mindspring Computing	Renata Hendriks	Brintley Hendriks	Spouse to Renata Hendriks	Artisan at City of Capetown	55 632	55 189
						-
					166 181	55 189

Awards and payments to persons with relatives in other state departments :

Company name	Name of Directors which are related to employee in service of the state	Name of employee in service of the state	Relationship to employee in service of the state	Family member employment details		
Fairbridges Werheim Becker Attorneys Masiqhame Trading 77 cc	Adela Petersen	Saheed Hofmeester	Brother of Adela Petersen	Educator at the Western Cape Education Department	-	-
	Sandile Gxilishe	Bongiwe Gxilishe	Daughter of Sandile Gxilishe	Officer at Department of Agriculture and Forestry	-	-
Sannicare cc	Izak Majiet	Charlton Majiet	Son of Izak Majiet	Supervisor at the Department of Transport	118 908	115 442
Total Client Services	Lindikhaya Sipoyo	Rachel Tsipa-Sipoyo	Spouse of Lindikhaya Sipoyo	CEO at the Western Cape Department of Transport	-	-
XKK Corporation (Pty) Ltd	Xola Magwevana	Noxolo Magwevana	Sister to Xola Magwevana	Correctional Officer at the Department of Correctional Services	278 245	68 325
Fancy Affairz	Ash Maharaj	Clarke Marais	Spouse of Ash Maharaj	Police Officer at the South African Police Service	46 147	56 595
JVZ Construction (Pty) Ltd	Marissa Mathee	Mr R.E Mathee	Spouse to Marissa Mathee	Correctional Officer at the Department of Correctional Services	39 710 516	52 340 962
Elton Shortles Attorneys Inc	Elton Shortles	Anthea Shortles	Spouse of Elton Shortles	Lecturer at the CPUT	-	10 732

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Notes to the Annual Financial Statements

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47. Disclosures made in terms of Supply Chain Management Regulation 45 (continued)						
Terence Harker Architecture	Terence Harker	Jeanette Harker	Spouse of Terence Harker	Educator at the Western Cape Education Department	-	36 800
Motheo Construction	Lettie Mashau	Martin Ndlovu	Brother of Lettie Mashau	Statistician at the Department of Statistics	-	2 422 662
Awam K	Awamodien Karriem	Majieda Karriem	Spouse to Awamodien Karriem	Lecturer at Boland College	9 000	6 000
Lungisapho	Vusumzi Mooi	Luyanda Mooi	Brother to V Mooi	Correctional Officer at the Department of Correctional Services	-	26 500
Harry Upholestry	Willie Du Toit	Bertronise April	Daughter to Willie Du Tiot	Traffic Officer at Provincial Traffic	-	102 196
Elzeek Construction and Servcies	Elton Phukule	Jillian Phukule	Spouse to Elton Phukule	Teacher at Avainpark Primary at Department of Education	771 230	87 000
Indecon	Trevor Barnard	Lizette Barnard	Spouse of Director Trevor Barnard	Teacher at De Hoop Primary at Department of Education	276 940	57 489
Nedbank Limited	Stanley Subramoney	Venisha Subramoney	Spouse to Stanley Subramoney	Educator at the Gauteng Education Department	-	-
Adapt IT	Nombail Mbambo	Dudley Muziwamadod a Mbambo	Spouse to Nombali Mbambo	Operation Manager at Sanral	145 057	195 163
Webber Wenzel Attorneys Ian Dickie	Sheena Dias	Nicolas Dias	Spouse to Sheena Dias	Senior Legal Advisor at City of Cape Town	-	37 088
Marce Projects (Pty) Ltd	Marcia Samuels	Deon Samuels	Spouse to Maria Samuels	Warrant Officer at SAPS	-	205 820
Zanamanzi Services (Pty) Ltd	Lapson Seale	Maggie Seale	Spouse to Lapson Seale	Employee at Eskom	8 536 172	-
1 World Consultants	Dumezweni Luthuli	Gloria Luthuli	Daughter of Dumezweni Luthuli	Head of Desmond Tutu Child and Youth Centre	Rate based	-
	Mohamed Abdul Peer	Fatima Peer	Spouse to Mohamed Peer	Medical Doctor at the Department of Health	52 009	-
					49 944 224	55 768 774
					50 912 342	56 793 447

The total SCM regulation 45 awards amounted to R50 912 342 (2023: R56 793 447) and are inclusive of rate based awards of which the value cannot be determined upfront.

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48. Fruitless and wasteful expenditure

No fruitless and wasteful expenditure were incurred during the financial year. There were no fruitless and wasteful expenditure balance as at 30 June 2024.

49. Unauthorised expenditure

No unauthorised expenditure were incurred during the financial year. There were no unauthorised expenditure balance as at 30 June 2024.

50. Irregular expenditure

No irregular expenditure were incurred during the financial year. There were no irregular expenditure balance as at 30 June 2024.

51. Deviation from supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Accounting Officer and noted by Council.

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the Accounting Officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them in the next council meeting and includes a note to the annual financial statements.

During the financial year under review goods/services totalling R4 391 138 (2023: R43 130 815) were procured and the process followed in procuring those goods/services deviated from the provisions of paragraph 12(1)(d)(i) as stated above. The reasons for these deviations were documented and reported to the Accounting Officer that considered them and subsequently approved the deviation from the normal supply chain management regulations. The reasons were categorised as sole suppliers, emergency as well as exceptional and impractical cases. The deviations are inclusive of awards that are rate based. The rate based deviations are kept at anticipated cost and available budget. In the individual deviations the anticipated cost and budget will be detailed.

A detailed list of deviations is disclosed in Appendix J and available on the municipality's website.

Deviations for year

Emergencies	2 102 287	10 223 553
Sole provider	589 773	21 191 483
Impractical or impossible to follow the SCM process	1 699 078	11 715 779
	4 391 138	43 130 815

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52. Material losses		
Water distribution losses		
Units supplied	14 798 413	14 119 937
Units sold	(12 921 004)	(12 102 246)
	1 877 409	2 017 691
Electricity distribution losses		
Units bought	260 153 569	247 318 166
Units sold	(244 759 758)	(232 221 706)
	15 393 811	15 096 460
Percentage loss in distribution		
Water distribution losses	12,69 %	14,29 %
Electricity distribution losses	5,92 %	6,10 %

53. Change in estimate

Property, plant and equipment

Property, plant and equipment: A review of useful lives was done on assets. During the review, certain infrastructure, buildings, motor vehicles and other property plant and equipment with R nil book values and nil remaining lives were identified. The municipality's management considered how to account for the change in the estimated useful lives. The effect of a change in accounting estimate is required to be recognised prospectively by including it in surplus or deficit in the period of the change, if the change effects that period only; or the period of the change in future periods, if the change effects both. Management concluded that it should apply the change in estimate prospectively from the start of 2023 and therefore the depreciation charge was applied prospectively from 1 July 2023 over the remaining useful life of these assets.

	2023	2024	2025
Decrease/(Increase) in depreciation on other assets for the year	(173)	58	58
Decrease/(Increase) in depreciation on infrastructure for the year	(1 032)	206	206
	(1 205)	264	264

The effect in future periods is not disclosed because estimating it is impracticable as the useful life is assessed annually.

Property, plant and equipment - Review of Landfill Site available Airspace

During the year experts were appointed to evaluate the available airspace remaining on the landfill sites being used by the municipality to store solid waste. The review of the airspace resulted in a decrease of the estimated number of years for the Worcester landfill site from 14 years to 13 years the De Doorns landfill site remains 16 years. The decrease in the remaining number of years resulted in an decrease of depreciation of R503 945 (2023:R598 176).

The effect on the current year is an decrease in the carrying amount of property, plant and equipment by R94 231 and increase the depreciation expense by R94 231.

The effects of the change in estimate provision for landfill sites has been disclosed in note 22.

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53. Change in estimate (continued)

Statutory receivables - Traffic fines reductions

During the current financial year the municipality received representations from drivers who has been fined for various road traffic law infringements. After consideration of the representations a decision was made to reduce some of the fines with an amount of R2 606 355

The effect on the current year is a decrease in Fines, Penalties and Forfeits income by R2 606 355 and a decrease in Debt Impairment expenditure by R2 606 355.

54. Prior Period Errors

Management did not identify any material errors in the prior period. The figures of the prior year were thus not restated:

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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55. Financial instruments disclosure

Categories of financial instruments

2024

Financial assets

	At fair value	At amortised cost	Total
Cash and cash equivalents	-	193 241 139	193 241 139
Receivables from exchange transactions	-	84 016 638	84 016 638
Other receivables from non- exchange transactions	-	2 276 382	2 276 382
Other receivables from exchange transactions	-	2 086 364	2 086 364
Long term receivables	12 310 325	-	12 310 325
Short term investments	-	25 432 053	25 432 053
	12 310 325	307 052 576	319 362 901

Financial liabilities

	At amortised cost	Total
Long term Liabilities	334 072 000	334 072 000
Consumer deposits	4 656 531	4 656 531
Payables from exchange transactions	133 183 961	133 183 961
Unspent conditional grants	17 597 475	17 597 475
	489 509 967	489 509 967

2023

Financial assets

	At fair value	At amortised cost	Total
Cash and cash equivalents	-	148 753 183	148 753 183
Receivables from exchange transactions	-	101 496 560	101 496 560
Other receivables from non- exchange transactions	-	2 326 795	2 326 795
Other receivables from exchange transactions	-	5 201 990	5 201 990
Long term receivables	9 931 744	-	9 931 744
Short term investments	-	10 232 534	10 232 534
	9 931 744	268 011 062	277 942 806

Financial liabilities

	At amortised cost	Total
Long term Liabilities	279 243 053	279 243 053
Consumer deposits	4 687 970	4 687 970
Payables from exchange transactions	88 393 031	88 393 031
Unspent conditional grants	16 423 060	16 423 060
	388 747 114	388 747 114

56. Risk management

Liquidity risk

BREED VALLEY MUNICIPALITY

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Figures in Rand	2024	2023
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56. Risk management (continued)

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities. Prudent liquidity risk management implies maintaining sufficient cash and investments, the availability of funding for service delivery through effective budgeting and availability of credit facilities. The municipality manages its risks through effective and efficient budgeting and credit control. The liquidity risk is thus limited.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	133 183 961	-	-	-
Consumer deposits	4 656 531	-	-	-
Long term liabilities	61 267 747	61 237 797	172 910 239	302 425 315
Unspent conditional grants	17 597 475	-	-	-
	-	-	-	-
	216 705 714	61 237 797	172 910 239	302 425 315

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	88 393 031	-	-	-
Consumer deposits	4 687 970	-	-	-
Long term liabilities	55 082 469	50 502 519	144 218 526	252 164 387
Unspent conditional grants	16 423 060	-	-	-
	-	-	-	-
	164 586 530	50 502 519	144 218 526	252 164 387

Credit risk

Credit risk is managed by debt collection department. The credit risks, rates and consumer receivables, are managed in terms of the credit control and debt collection as well as the indigent relief policies.

Credit risk consists mainly of cash deposits, cash equivalents and receivables. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Receivables arise from a widespread customer base. Management evaluated credit risk relating to receivables on an ongoing basis. If receivables are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the receivable, taking into account past experience with the client's payment rate. Sales to customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

BREED VALLEY MUNICIPALITY

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Notes to the Annual Financial Statements

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56. Risk management (continued)		
Financial assets exposed to credit risk at year end were as follows:		
Financial instrument		
Receivables from exchange transactions	84 016 638	101 496 560
Other receivables from non-exchange transactions	2 276 382	2 326 795
Other receivables from exchange transactions	2 086 364	5 201 990
Long term receivables	12 310 325	9 931 744
Short term investments	25 432 053	10 232 534
Cash and cash equivalents	193 241 139	148 753 183
	<u>319 362 901</u>	<u>277 942 806</u>

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.

A potential interest rate risk may arise from the short term deposits, cash and cash equivalents, consumer receivables, other receivables and long term receivables.

The short term deposits and cash and cash equivalents has limited exposure as the municipality interacts with well-established financial institutions of high credit standing. The investments are further of a short term nature.

Consumer receivables comprise of receivables dispersed over a large geographical area. The receivables are constantly analysed and evaluated for their financial condition. Receivables are disclosed net of the allowance for impairment. Where the accounts of the receivables become in arrears, they are collected through the levying of a penalty, the charging of interest at prime or the handing over for collection.

Long term receivables comprise mainly of the deferred consumers which shown at a fair value. The remaining long term receivables if required are charged interest at a fixed rate. The long term receivables are evaluated annually for impairment.

The municipality has a low interest rate risk as a long-term borrowing are made on fixed interest rates.

As the municipality has no long term variable rate financial instruments no sensitivity analysis is required at year end.

Price risk

The municipality is not exposed to price risk.

57. Donations in-kind

Provincial Government	-	17 350 000
Cape Winelands DM	-	547 989
Other-Private enterprises	-	18 700
	<u>-</u>	<u>17 916 689</u>

During the 2022/23 financial year the Municipality received the following in kind donations:

Investment Property of R17 350 000.

Vehicles, office and other equipment of R566 689.

The Municipality did not receive any in kind donations for the 2023/2024 financial year.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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58. Going concern

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.

59. Events after the reporting date

No other adjusting events which may have financial implications for the municipality and warrants disclosure in the financial statements occurred after 30 June 2024.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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60. Segment information

General information

Identification of segments

The Accounting Standard for Segment Reporting has been recognised in the Annual Financial Statements of the municipality as at 30 June 2024 in terms of GRAP 18.

The municipality has developed Accounting Policies to fully comply with GRAP 18 (Segment Reporting). Previously the Accounting Standard was not applicable to municipalities.

Management has assessed the requirements of GRAP 18 and identified the following shortcomings preventing full disclosure in terms of the Accounting Standard:

The municipality's accounting system has limitations that does not allow for segmental reporting on financial position, net assets and cash flow.

The municipality is broadly organised into business units based on the nature of operations and the services they provide and the accounting system allows for reporting on these units on financial performance and capital assets.

The municipality does not monitor segments geographically.

Based on the above, management has concluded that the municipality will be able to report separate segments subject to the limitations listed above.

Management has evaluated the requirements of the Standard and found that no adjustments affecting Financial Position, Financial Performance, Net Assets or Cash Flows needs to be made. Accordingly, the segmental information for Capital Assets and Financial Performance of the municipality is disclosed in the Annual Financial Statements. It is not practical to segmentize Financial Position and Cash Flow operations.

No individually material operating segments have been aggregated to form the reportable operating segments.

The municipality is organised and reports to management on the basis of six major functional areas, governance and administration, community and public safety, economic and environmental services, energy sources, water management, waste water management and waste management. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives.

Information reported about these segments is used by management as a basis for evaluating the segments performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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60. Segment information (continued)

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Governance and administration	Governance and administrative services
Community and public safety	Community and public services
Economic and environmental services	Economic and environmental services
Energy sources	Electricity
Water management	Water
Waste water management	Sewerage and sanitation
Waste management	Refuse removal

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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Figures in Rand

60. Segment information (continued)

Segment surplus or deficit

2024

	Governance and administration	Community and public safety	Economic and environmental services	Energy sources	Water Management	Waste Water Management	Waste management	Other	Total
Revenue									
Service charges	-	-	-	543 810 279	110 404 529	99 186 204	54 421 758	-	807 822 770
Sales of goods and rendering of services	510 845	3 981 504	1 229 927	-	-	-	13 554	-	5 735 830
Income from agency services	240 301	-	8 948 896	-	-	-	-	-	9 189 197
Licences and permits	765	548 805	2 376 496	-	-	-	-	-	2 926 066
Rental Income	1 586 192	7 393 072	-	-	-	-	-	-	8 979 264
Operational revenue	5 860 766	11 067	380 498	1 260 780	-	-	-	-	7 513 111
Finance Income	30 874 796	1 459 318	-	-	-	-	-	-	32 334 114
Availability Charges	-	-	-	2 864 037	1 405 785	2 305 775	1 056 934	-	7 632 531
Property rates	197 547 809	-	-	-	-	-	-	-	197 547 809
Property tax and penalties	3 435 598	-	-	-	-	-	-	-	3 435 598
Government grants & subsidies	46 249 112	33 507 997	14 237 338	62 222 100	25 590 284	77 477 121	24 416 600	-	283 700 552
Fines, penalties and forfeits	327 000	72 105 502	-	281 741	-	-	-	-	72 714 243
Total segment revenue	286 633 184	119 007 265	27 173 155	610 438 937	137 400 598	178 969 100	79 908 846	-	1 439 531 085

Expenditure									
Bulk purchase	-	-	-	(454 652 107)	-	-	-	-	(454 652 107)
Contracted services	(48 651 224)	(19 194 554)	(6 168 785)	(17 932 632)	(3 812 450)	(15 391 830)	(12 601 557)	(1 028 458)	(124 781 490)
Depreciation and amortisation	(7 435 857)	(9 035 192)	(30 349 201)	(20 848 392)	(14 580 831)	(15 866 881)	(3 824 344)	(460)	(101 941 158)
Employee related cost	(149 334 767)	(99 775 382)	(43 802 235)	(23 363 483)	(30 728 195)	(24 051 749)	(25 051 061)	-	(396 106 872)
Finance cost	(878 828)	(275 677)	(1 023 437)	(7 799 049)	(8 669 310)	(12 573 584)	(33 970)	-	(31 253 855)
Grants and subsidies paid	(1 374 590)	(1 027 238)	(580 000)	-	-	-	-	(86 692)	(3 068 520)
Inventory Consumed	(15 735 461)	(6 530 341)	(3 165 225)	(7 027 620)	(13 165 154)	(3 385 378)	(1 247 080)	(36 206)	(50 292 465)
Operating lease	(1 772 298)	(5 527 072)	-	-	-	-	(3 261 890)	-	(10 561 260)
Operational cost	(47 781 011)	(9 500 679)	(2 465 478)	(2 518 324)	(3 752 390)	(3 291 771)	(9 389 922)	(116 063)	(78 815 638)
Remuneration of councillors	(20 466 633)	-	-	-	-	-	-	-	(20 466 633)
Agency fees paid	(328 979)	(1 708 949)	-	(4 394 020)	-	-	-	-	(6 431 948)

BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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Figures in Rand

60. Segment information (continued)

	Governance and administration	Community and public safety	Economic and environmental services	Energy sources	Water Management	Waste Water Management	Waste management	Other	Total
Total segment expenditure	(293 759 648)	(152 575 084)	(87 554 361)	(538 535 627)	(74 708 330)	(74 561 193)	(55 409 824)	(1 267 879)	(1 278 371 946)
Total segmental surplus/(deficit)									161 159 139
Gain on disposal of assets and liabilities									784 747
Fair value adjustment									6 714 526
Actuarial gains									2 044 564
Debt impairment									(115 604 855)
Inventory losses									63 717
Total surplus (deficit) for the period									55 161 838

2023

Revenue

	Governance and administration	Community and public safety	Economic and environmental services	Energy sources	Water Management	Waste Water Management	Waste management	Other	Total
Service charges	-	-	-	472 095 946	-	-	-	-	-
Sales of goods and rendering of services	549 923	3 506 142	1 453 187	-	104 272 763	88 069 363	45 928 265	-	710 366 337
Income from agency services	227 201	-	9 463 077	-	-	-	11 290	-	5 520 542
Licences and permits	1 627	481 407	2 640 433	-	-	-	-	-	9 690 278
Rental Income	1 154 350	6 323 767	-	-	-	-	-	-	3 123 467
Operational revenue	7 531 900	12 580	844 373	275 189	769 319	536 666	-	-	7 478 117
Finance Income	26 375 977	1 274 440	-	-	-	-	-	-	9 970 027
Availability Charges	-	-	-	2 536 421	1 337 719	2 205 086	1 012 686	-	27 650 417
Property rates	180 017 883	-	-	-	-	-	-	-	7 091 912
Property tax and penalties	2 784 887	-	-	-	-	-	-	-	180 017 883
Government grants & subsidies	44 145 201	48 728 546	7 823 500	26 885 569	59 428 153	47 739 667	22 321 400	13 049	257 085 085
Fines, penalties and forfeits	-	94 680 688	-	243 321	-	-	-	-	94 924 009
Total segment revenue	262 788 949	155 007 570	22 224 570	502 036 446	165 807 954	138 550 782	69 273 641	13 049	1 315 702 961

BREEDE VALLEY MUNICIPALITY

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Figures in Rand

60. Segment information (continued)

Expenditure

	Governance and administration	Community and public safety	Economic and environmental services	Energy sources	Water Management	Waste Water Management	Waste management	Other	Total
Bulk purchases	-	-	-	(372 992 719)	-	-	-	-	(372 992 719)
Contracted services	(42 378 498)	(13 424 799)	(5 909 442)	(17 654 904)	(2 652 884)	(16 745 140)	(10 582 861)	(6 003)	(109 354 531)
Depreciation and amortisation	(6 625 764)	(8 307 426)	(27 869 002)	(19 146 401)	(13 560 873)	(14 858 368)	(4 202 761)	(668)	(94 571 263)
Employee related costs	(118 382 445)	(99 300 590)	(43 466 628)	(27 402 219)	(29 680 452)	(24 105 804)	(23 845 813)	(67 175)	(366 251 126)
Finance costs	(211 648)	(284 695)	(1 248 635)	(5 766 152)	(2 218 624)	(9 671 958)	(35 084)	-	(19 436 796)
Grants and subsidies paid	(1 320 580)	(1 395 230)	(540 000)	-	-	-	-	(163 385)	(3 419 195)
Inventory consumed	(17 603 619)	(4 306 499)	(2 673 407)	(9 053 066)	(14 065 045)	(2 178 691)	(977 252)	(19 971)	(50 877 550)
Operating lease	(1 767 950)	(4 183 895)	-	(3 048)	-	-	(3 230 242)	-	(9 185 135)
Operational Costs	(42 262 210)	(8 435 130)	(1 493 202)	(1 801 596)	(2 008 726)	(2 527 983)	(7 263 169)	(153 828)	(65 945 844)
Remuneration of councillors	(19 066 405)	-	-	-	-	-	-	-	(19 066 405)
Agency fees paid	(334 026)	(2 795 180)	-	(3 391 820)	-	-	-	-	(6 521 026)
Total segment liabilities	(249 953 145)	(142 433 444)	(83 200 316)	(457 211 925)	(64 186 604)	(70 087 944)	(50 137 182)	(411 030)	(1 117 621 590)
Gain/(loss) on disposal of assets and liabilities									(623 094)
Fair value adjustments									14 716 643
Actuarial gains/(losses)									25 710 286
Debt Impairment									(116 517 766)
Inventory gains/(losses)									(453 639)
									120 913 802

BREED VALLEY MUNICIPALITY

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60. Segment information (continued)

Segmental Analysis of Capital Expenditure 2024

	Original Budget	Total Budget Adjustments	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
Revenue							
Executive and Council	160 000	23 100	183 100	179 826	(3 274)	98	112
Budget and treasury office	17 059 000	(10 079 017)	6 979 983	4 583 841	(2 396 142)	66	27
Corporate services	-	-	-	-	-	-	-
Community and Social Services	957 000	1 922 716	2 879 716	1 902 515	(977 201)	66	198
Sport and Recreation	11 295 600	(6 298 650)	4 996 950	2 310 920	(2 686 030)	46	20
Public safety	6 000 000	(5 824 838)	175 162	157 121	(18 041)	90	3
Housing	1 000 000	5 000	1 005 000	1 002 990	(2 010)	99	100
Health	-	-	-	-	-	-	-
Environmental Protection	-	7 000	7 000	-	(7 000)	-	-
Planning and Development	5 000	90 000	95 000	84 766	(10 234)	89	1 695
Road Transport	49 624 749	14 797 311	64 422 060	45 867 089	(18 554 971)	71	92
Trading Services	-	-	-	-	-	-	-
Electricity	41 418 000	45 081 798	86 499 798	78 410 727	(8 089 071)	91	189
Water	13 225 243	12 037 096	25 262 339	23 156 100	(2 106 239)	92	175
Waste Water Management	48 786 060	51 074 033	99 860 093	75 988 185	(23 871 908)	76	156
Waste Management	1 000 000	-	1 000 000	976 449	(23 551)	97	98
	190 530 652	102 835 549	293 366 201	234 620 529	(58 745 672)	80	85

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BREED VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

60. Segment information (continued)

Segmental Analysis of Capital Expenditure 2023

	Original Budget	Total Budget Adjustments	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
Executive and Council	10 000	30 050	40 050	34 988	(5 063)	87	350
Budget and treasury office	32 635 000	(10 864 930)	21 770 070	19 048 074	(2 721 996)	88	58
Corporate services	-	-	-	-	-	-	-
Community and Social Services	4 832 000	1 273 637	6 105 637	3 596 882	(2 508 755)	59	75
Sport and Recreation	3 820 000	(2 095 349)	1 724 651	972 739	(751 912)	56	26
Public safety	639 000	851 953	1 490 953	1 274 361	(216 592)	86	199
Housing	-	17 350 000	17 350 000	17 350 000	-	-	-
Health	-	-	-	-	-	-	-
Environmental Protection	-	-	-	-	-	-	-
Planning and Development	1 820 000	(200 000)	1 620 000	1 356 581	(263 419)	84	75
Road Transport	54 426 193	1 285 481	55 711 674	48 132 516	(7 579 158)	86	88
Electricity	66 230 000	8 912 890	75 142 890	48 543 905	(26 598 985)	65	73
Water	94 687 879	(23 976 551)	70 711 328	38 496 994	(32 214 334)	54	41
Waste Management	58 249 680	98 625 175	156 874 855	91 251 763	(65 623 092)	58	157
Waste Water Management	1 200 000	84 000	1 284 000	759 815	(524 185)	59	63
	318 549 752	91 276 356	409 826 108	270 818 618	(139 007 491)	66	85

Information about geographical areas

Although the municipality operates in a number of geographical wards, it is irrelevant for users of the financial statements as the municipality's geographical areas of operation can be seen as a single geographical area when deciding how to allocate resources.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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61. Non living resources

The municipality is the owner of various non living resources. The following dams has been extracted for the municipality:

Dam name	Owner	Date	Volume %	Volume m3	Location (S)	Location (E)
Stettynskloof Dam	BVM	31 October 1986	100	15 000 000	33 50'11"	19 15' 7"
Fairy Glen Dam	BVM	17 November 1986	100	516 000	33 33'32,8"	19 26'0.20"
Bokrivier Storage Dam	BVM	26 March 1987	100	90 000	33 20' 51"	19 45'40"

The following boreholes has been extracted for the municipality:

Town	Owner	Borehole Number	Yield/ Year m3	Location (S)	Location (E)
DeDoorns	BVM	DeDGGBH3	154 176	33 29,186	19 40,033
DeDoorns	BVM	DeDGGBH2	157 680	33 29,202	19 40,035
DeDoorns	BVM	DeDGGBH1	157 680	33 29,218	19 40,027

BREEDE VALLEY MUNICIPALITY

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Notes to the Annual Financial Statements

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62. Additional disclosure in terms of Municipal Finance Management Act			
Municipal bank accounts			
Bank statement balances	30 June 2024	30 June 2023	30 June 2022
Nedbank - Worcester Branch Cheque Account	193 131 311	147 458 730	89 310 162
Cash book balances	30 June 2024	30 June 2023	30 June 2022
	193 226 154	148 740 078	89 076 226
Membership fees: SALGA			
Current year subscription / fee		3 820 413	3 622 912
Amount paid - current year		(3 820 413)	(3 622 912)
		-	-
Audit fees			
Opening balance		-	-
Current year subscription / fee		4 500 713	4 734 889
Amount paid - current year		(4 500 713)	(4 734 889)
		-	-
PAYE and UIF			
Opening balance		4 561 331	5 025 760
Current year subscription / fee		64 381 933	56 711 215
Amount paid - current year		(59 345 043)	(52 149 884)
Amount paid - previous years		(4 561 331)	(5 025 760)
		5 036 890	4 561 331
Pension and medical aid deductions			
Opening balance		377 668	414 119
Current year subscription / fee		112 572 025	106 217 020
Amount paid - current year		(112 749 988)	(105 839 352)
Amount paid - previous years		(377 668)	(414 119)
		(177 963)	377 668
VAT			
VAT receivable		5 996 890	6 788 630

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

As at 30 June 2024 there were no Councillors with arrear consumer accounts outstanding for more than 90 days.

BREEDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

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62. Additional disclosure in terms of Municipal Finance Management Act (continued)

Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be reported to the Council.

A detailed list of deviations is available in Appendix J and on the municipality's website.

63. Related parties

Compensation to related parties:

Compensation made to key management and councillors are disclosed in notes 32 and 33.

Outstanding balances:

As at 30 June 2024 there were no key management or councillors with outstanding consumer accounts for more than 90 days.

The consumer debtors are in accordance with approved tariffs that was advertised to the public.

64. BBBEE Performance

Additional disclosure in terms of Broad Based Black Economic Empowerment Act

Information on the compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

BREDEVALLE MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024
APPENDIX A : EXTERNAL LOANS
EXTERNAL LOANS

Mun Ref.	Fin Inst. Ref.	Date		Amount		Date	Redeemable	Transactions for the year to date:						Less:		Carrying Value
		Received	Received	Balance as at 30/06/2023	Received			Redeemed	Interest Paid	Interest Accrued Previous Year	Interest Accrued Current Year	Balance as at				
												30/06/2024	30/11/2030	30/11/2030	30/11/2030	
EXTERNAL LOANS																
ANNUITY & STOCK LOANS																
3-9004-60725490																
Loans redeemed	8															
DBSA: @10.55%	556	14/07/2005	21 736 259,25			31/03/2014										796 822,51
DBSA: @10.891%	557	14/11/2005	22 000 000,00			31/03/2015										6 158 383,63
DBSA: @ 10.40%	558					31/03/2009										9 147 341,59
DBSA: @ 11.00%	559	26/06/1997	9 179 000,00			31/03/2014										7 375,66
DBSA: @ 12.00%	560	02/11/1999	3 000 000,00			31/03/2017										899 326,51
DBSA: @12.00%	561	10647/102	3 000 000,00			31/03/2017										229 872,13
DBSA: @ Variable rate	562	10736/102	7 000 000,00			31/03/2017										847 094,02
DBSA: @ 8.69%	2569	102124/1	25 000 000,00			30/06/2009										3 702 346,96
INCA/FNB: @ 10.21%	2991	29/09/2006	50 000 000,00			30/09/2016										10 625 500,92
INCA/FNB: @ 10.14%	2992	29/09/2006	5 000 000,00			30/09/2012										24 474 049,84
DBSA: @ 5.00%	5027	102831/1	23 000 000,00			31/03/2018										290 299,70
DBSA: @ 9.46%	5028	10283/2	40 000 000,00			31/03/2018										12 026 329,31
DBSA: @ 9.46%	5029		2 000 000,00			31/03/2015										25 317 487,23
DBSA: @ 6.75%	11097	103649/2	21 000 000,00			31/03/2030										35 042,12
DBSA: @ 12.08%	11098	103649/1	29 000 000,00			31/03/2030										14 759 169,32
DBSA: @ 11.326%	11099	103649/3	50 000 000,00			31/03/2030										20 868 681,93
DBSA: @ 11.5%	11100	103649/4	50 000 000,00			31/03/2030										35 055 304,88
DBSA: @ 12.14%	11101	103649/5	51 000 000,00			31/03/2030										37 153 607,12
DBSA: @ 11.431%	19975	61007341	38 500 000,00			31/03/2036										41 275 253,47
DBSA: @ 10.824%	19976	61007374	21 500 000,00			31/03/2026										30 855 045,32
ABSA: @ 12.38%	20022	3058749730	110 000 000,00			30/06/2038										8 426 048,37
ABSA: @ 11.7952%	20026	3060871288	74 000 000,00			30/03/2038										108 924 892,46
																50 363 000,96

BREDE VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2024
APPENDIX B: FIXED ASSET RECONCILIATION

Classification of Assets	Cost/Revaluation 2023/24									
	Opening balance as previously stated 30-06-2023	Prior period error	Restated opening balance 30-06-2023	Additions	Grat 12 Transfer	Fair value adjustment	Transfers	Restoration of assets	Disposals	Closing Balance 30-06-2024
LAND	228,698,883		228,698,883	-					(88,810)	228,610,073
BUILDINGS	344,092,180		344,092,180	2,484,764			(658)		(792,316)	345,783,970
INFRASTRUCTURE	3,402,203,151		3,402,203,151	206,438,726	2,499,248		(601,339)		(1,348,946)	3,609,190,840
HERITAGE ASSETS	36,631,059		36,631,059	-						36,631,059
OTHER ASSETS	184,898,872	(0)	184,898,872	25,697,040			601,987	(1,142,642)	(6,067,750)	203,987,518
INTANGIBLE ASSETS	5,364,081		5,364,081							5,364,081
INVESTMENT PROPERTY	96,156,600		96,156,600			5,654,433			(1,887,033)	99,934,000
TOTAL	4,298,044,826	(0)	4,298,044,826	234,620,530	2,499,248	5,654,433	0	(1,142,642)	(10,184,856)	4,529,501,540

BREDE VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2023
APPENDIX B: FIXED ASSET RECONCILIATION

Classification of Assets	Cost/Revaluation 2022/23									
	Opening balance as previously stated 30-06-2022	Prior period error	Restated opening balance 30/6/2022	Additions	Gap 12 Transfer	Fair value adjustment	Transfers	Restoration of Assets	Disposals	Closing Balance 30-06-2023
LAND	229,870,137		229,870,137	1,143,072.00			(2,314,326)			228,698,883
BUILDINGS	341,043,101		341,043,101	2,878,608			170,471			344,092,180
INFRASTRUCTURE	3,184,856,182	(10)	3,184,856,182	222,653,314	2,423,246				(7,729,590)	3,402,203,151
HERITAGE ASSETS	36,631,059		36,631,059	-						36,631,059
OTHER ASSETS	157,139,965		157,139,965	26,793,623			(170,471)	2,586,756	(1,451,001)	184,898,872
INTANGIBLE ASSETS	5,364,081		5,364,081							5,364,081
INVESTMENT PROPERTY	63,636,633	(350,000)	63,286,633	17,350,000.00		15,812,674	2,314,326		(2,607,033)	96,156,600
TOTAL	4,018,541,159	(350,010)	4,018,191,158	270,818,617	2,423,246	15,812,674	0	2,586,756	(11,787,625)	4,298,044,826

BREDE VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2024
APPENDIX B: FIXED ASSET RECONCILIATION

Classification of Assets		Accumulated Depreciation 2023/24									
		Opening balance as previously stated 30-06-2023	Prior period error	Restated opening balance 30-06-2023	Additions	Impairment	Disposals	Restoration of Assets	Transfers	Closing Balance 30-06-2024	Carrying Value 30-06-2024
LAND		0		-							228,610,073
BUILDINGS		203,485,177		203,485,177	6,918,997		(744,371)		(192)	209,659,611	136,124,359
INFRASTRUCTURE		1,316,009,610		1,316,009,610	79,712,063		(1,348,946)		(18,111)	1,394,354,615	2,214,836,223
HERITAGE ASSETS		0		-							36,631,059
OTHER ASSETS		79,123,058	-	79,123,058	15,233,476		(5,084,179)		18,303	89,290,657	114,696,859
INTANGIBLE ASSETS		1,426,763		1,426,763	76,623					1,503,386	3,860,694
INVESTMENT PROPERTY		0		-						-	99,934,000
TOTAL		1,600,044,607	0	1,600,044,607	101,941,158	0	(7,177,497)	0	-	1,694,808,269	2,834,693,268

BREDE VALLEY MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2023
APPENDIX B: FIXED ASSET RECONCILIATION

Classification of Assets	Accumulated Depreciation 2022/23									
	Opening balance as previously stated 30-06-2022	Prior period error	Restated opening balance 30-06-2022	Additions	Impairment	Disposals	Restoration of Assets	Transfers	Closing Balance 30-06-2023	Carrying Value 30-06-2023
LAND	-		-						-	220 698,883
BUILDINGS	196,619,071		196,619,071	6,866,106					203,485,177	140,607,003
INFRASTRUCTURE	1,249,201,338		1,249,201,338	74,537,862		(7,729,590)			1,316,009,610	2,086,193,541
HERITAGE ASSETS	-		-						-	36,631,059
OTHER ASSETS	67,382,119		67,382,119	12,492,704		(1,349,941)	598,176		79,123,058	105,775,814
INTANGIBLE ASSETS	1,350,348		1,350,348	76,415					1,426,763	3,937,319
INVESTMENT PROPERTY	-		-						-	96,156,600
TOTAL	1,514,552,875	0	1,514,552,875	93,973,087	0	(9,079,531)	598,176	0	1,600,044,607	2,698,000,219

BREEDE VALLEY MUNICIPALITY

APPENDIX C

STATISTICAL INFORMATION

		2024	2023	2022
(1) General Statistics				
(a) Population	±			
(b) Valuation				
(i) Taxable				
Land		11,017,344,100	11,050,824,800	11,292,429,000
Improvements		22,306,782,800	22,012,758,600	21,573,536,500
(ii) Non Taxable				
Land				
Improvements				
(iii) Date of Last General Valuation		7/1/2021	7/1/2021	7/1/2021
(c) Number of properties				
Residential		21,031	21,605	21,237
Commercial		1,071	1,210	1,327
Welfare Institutions		264	249	241
Agri/Farms		1,897	1,916	1,917
Industrial		235	234	233
Public Serv. Infrastructure		360	361	342
National Monuments		23	23	26
Municipal Properties		4,501	3,679	3,554
State		108	110	131
Mine		6	6	5
(d) Assessment Rate: Cent in the Rand		0.008682 + 1.73650	0.008118 + 1.6236	0.0077 + 0.0154
(e) Number of Employees				
Employed				
Vacancies				
(2) Electrical Statistics				
(a) Number of users	±	27,653	27,653	27,653
(b) Units bought	kWh	260,153,568.62	247,318,165.53	282,707,482.87
(c) Units sold	kWh	244,759,758.00	232,221,706.30	261,714,667.80
(d) Units lost in distribution	kWh	15,393,810.62	15,096,459.23	20,992,815.07
(e) Percentage of units lost in distribution		6%	6%	7%
(f) Cost per unit bought	R	2.35	1.83	4.09
(g) Loss in distribution	R	36,207,731.56	27,551,947.91	85,898,463.68
(h) Cost per unit sold	R	2.50	1.94	4.42
(i) Income per unit sold	R	2.48	2.04	1.88
(3) Water Statistics				
(a) Number of users	±	27,950	27864	27864
(b) Units supplied	Kl	14,798,413.00	14,119,937.00	14,168,718.00
(c) Units sold	Kl	12,921,004.00	12,102,246.00	11,741,327.00
(d) Units lost in distribution	Kl	1,877,409.00	2,017,691.00	2,427,391.00
(e) Percentage of units lost in distribution		12.69%	14.29%	17.13%
(f) Cost per unit supplied	R	4.52	4.40	5.39
(g) Loss in distribution	R	8,494,691.85	8,878,643.98	13,073,697.32
(h) Cost per unit sold	R	5.18	5.13	6.50
(i) Income per unit sold	R	8.54	8.74	8.87
(4) Sundry Statistics				
(a) Area in km²		3833	3833	3833
(b) Previous election		70002	70002	70002
Number of registered voters				
% poll				
(c) Building survey:				
(i) Building plans				
Number passed		571	550	690
Value passed (R '000)		632,298,000	589,780,300	632,151,000
(ii) Inspections performed	±	3000	4504	4284
(d) Housing				
(i) Number of dwelling units		2498	2498	1760
(ii) Number of people acc	±	2457	2451	5280
(iii) Number of people on waiting list		20123	20123	19000
(e) Fire service stations		3	3	3

BREDE VALLEY MUNICIPALITY																			
Annual Financial Statements for the year ended 30 June 2024																			
APPENDIX D: GRANTS AND SUBSIDIES RECEIVED																			
NAME OF GRANTS	Name of origin of state or Municipality Entity	Balance 1 July 2023	Quarterly Receipts				Quarterly Expenses				Balance 30 June 2024	Grants and subsidies delayed/ withheld				Reason for delay/ withholding of funds	Comply with the grant conditions in terms of Ideal DOA	Reason for Non-Compliance	
			Sept 2023	Dec 2023	March 2024	June 2024	Sept 2023	Dec 2023	March 2024	June 2024		Sept 23	Dec 23	March 24	June 24				
Equitable Share	National	-	67,989,000	51,271,000	43,492,839	-	67,889,000	51,271,000	43,492,839	-	-	-	-	-	-	Not applicable	Yes	None	
Financial Management grant	National	-	1,550,000	-	-	-	83,404	199,904	705,079	551,613	-	-	-	-	-	Not applicable	Yes	None	
EPWP: National	National	-	1,288,000	2,282,000	1,239,000	-	1,268,000	2,282,000	1,239,000	-	-	-	-	-	-	Not applicable	Yes	None	
Municipal Infrastructure Grant	National	-	16,500,000	10,250,000	11,143,000	-	6,045,538	9,810,582	165,941	21,880,940	-	-	-	-	-	Not applicable	Yes	None	
Integrated National Electrification Grant	National	530	4,500,000	-	15,738,000	-	-	3,457,988	227,895	16,552,850	-	-	-	-	-	Not applicable	Yes	None	
Energy Efficiency and Demand-Side Management Grant	National	247,801	-	3,000,000	1,000,000	-	-	-	2,890,425	1,557,375	-	-	-	-	-	Not applicable	Yes	None	
Water Services Infrastructure Grant	National	831,508	-	-	-	-	-	-	-	831,508	-	-	-	-	-	Not applicable	Yes	None	
Municipal Disaster Recovery Grant	National	8,379,594	-	-	-	-	-	-	8,379,504	-	-	-	-	-	-	Not applicable	Yes	None	
Public Libraries- Operational	Provincial	-	4,025,000	4,024,000	3,174,000	1,304	2,810,788	2,993,553	3,020,486	2,390,478	-	-	-	-	-	Not applicable	Yes	None	
Public Libraries- Capital	Provincial	1,304	-	-	1,171,000	-	-	-	-	284,414	-	-	-	-	-	Not applicable	Yes	Project ongoing	
Provincial Contribution Towards The Acceleration of Housing Delivery	Provincial	-	-	-	34,000,000	-	-	-	25,217,391	4,529,016	-	-	-	-	-	Not applicable	Yes	Project ongoing	
National Roads Agency	Provincial	-	-	-	-	-	142,972	-	-	142,972	-	-	-	-	-	Not applicable	Yes	None	
CDW Grant	Provincial	82,065	-	94,000	-	-	951	48,980	22,954	40,379	62,822	-	-	-	-	Not applicable	Yes	Project ongoing	
Financial Management Capacity Building Grant	Provincial	480,000	-	100,000	-	-	-	480,000	-	-	100,000	-	-	-	-	Not applicable	Yes	Project ongoing	
RSEP Operational	Provincial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Not applicable	Yes	None	
RSEP Capital	Provincial	-	-	1,100,000	-	-	-	8,500	-	29,800	1,061,700	-	-	-	-	Not applicable	Yes	Project ongoing	
Thusong Centre	Provincial	-	-	-	120,000	-	-	-	105,549	11,451	-	-	-	-	-	Not applicable	Yes	None	
Municipal Service Delivery and Capacity Building Grant	Provincial	-	-	-	700,000	-	-	-	-	473,422	226,578	-	-	-	-	Not applicable	Yes	Project ongoing	
Municipal Water Resilience Grant	Provincial	379,114	-	-	-	-	-	-	53,492	206,369	119,254	-	-	-	-	Not applicable	Yes	Project ongoing	
Municipal Accreditation & Capacity Building Grant	Provincial	-	481,000	-	-	-	-	163,687	122,750	128,903	75,681	-	-	-	-	Not applicable	Yes	Project ongoing	
Provincial Earmarked (Accelerated) Grant Funding	Provincial	3,400,000	-	-	-	-	-	-	-	-	3,400,000	-	-	-	-	Not applicable	Yes	Project ongoing	
Disaster Management Grant	Provincial	14,557	-	-	-	-	-	-	-	14,557	-	-	-	-	-	Not applicable	Yes	None	
Fire Service Capacity Building Grant	Provincial	-	-	-	1,103,000	-	-	-	-	-	1,103,000	-	-	-	-	Not applicable	Yes	Project ongoing	
Title Deeds	Provincial	2,144,588	-	-	-	-	-	-	143,805	139,686	1,861,117	-	-	-	-	Not applicable	Yes	Project ongoing	
Informal Settlements Upgrading Partnership Grant	Provincial	-	-	-	-	2,771,840	-	-	-	15,000	2,756,840	-	-	-	-	Not applicable	Yes	Project ongoing	
LGWSETA	Other	-	66,713	-	491,782	207,680	69,713	-	491,782	207,680	-	-	-	-	-	Not applicable	Yes	Project ongoing	
CWDM: Operational	Other	482,000	-	-	-	1,726,000	-	-	-	500,000	1,688,000	-	-	-	-	Not applicable	Yes	Project ongoing	
		18,423,081	98,092,713	72,021,000	113,472,621	4,849,776	77,988,394	70,716,151	86,071,781	50,487,372	17,597,475								

BREDE VALLEY MUNICIPALITY																	
Annual Financial Statements for the year ended 30 June 2024																	
APPENDIX D: GRANTS AND SUBSIDIES RECEIVED																	
NAME OF GRANTS	Name of organ of state or Municipality Entity	Balance 1 July 2023	Quarterly Receipts				Quarterly Expenses				Grants and subsidies delayed/ withheld			Reason for delay/ withholding of funds	Comply with the grant conditions in terms of listed DORA	Reason for Non-Compliance	
			Sept 2023	Dec 2023	March 2024	June 2024	Sept 2023	Dec 2023	March 2024	June 2024	Balance 30 June 2024	Sept 23	Dec 23				March 24
SUMMARY		Balance 01/07/23	Sept 2023	Dec 2023	March 2024	June 2024	Sept 2023	Dec 2023	March 2024	June 2024	Balance 30/06/2024						
		16,423,061		286,436,110					285,281,697		17,597,475						
Register summary	Unutilised Balance - 01/07/2023	Debit Balance 01/07/2023	Recapit 01/07/2023 - 30/06/2024	Other Income	Capital Donated	Written - off	Conditions met Income statement Operating	Conditions met Income statement Capital	Refunded	To Other Debtors	Balance 30/06/2024						
	16,423,061	-	285,354,987	1,079,839	-	-	(165,954,057)	(97,746,497)	(480,000)	1,079,839	17,597,475						
		16,423,061		286,434,806			(284,180,553)				18,677,314						

Appendix E A2
WC025 Breede Valley - Reconciliation of Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Description	2023/24							2022/23	
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final Adjustments budget (28 February 2024)	Shifting of Funds (i.t.o. MFMA s31)	Virements (Budget Virement Policy 2023/2024)	Final Budget	Actual Outcome	Variance	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9
Revenue - Standard									
Governance and administration	266,407	10,433	276,840	-	-	276,840	291,185	14,345	289,410
Executive and council	105	1,001	1,106	-	-	1,106	1,055	(52)	1,239
Finance and administration	266,302	9,432	275,734	-	-	275,734	290,130	14,397	288,171
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	296,225	(124,186)	172,038	-	900	172,938	126,444	(46,494)	170,938
Community and social services	14,101	1,022	15,123	-	(200)	14,923	13,760	(1,162)	13,184
Sport and recreation	10,367	(5,081)	5,286	-	1,100	6,386	4,343	(2,043)	3,818
Public safety	244,210	(125,302)	118,908	-	-	118,908	74,624	(44,284)	97,329
Housing	27,547	5,174	32,721	-	-	32,721	33,717	996	56,606
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	22,519	4,457	26,976	-	(900)	26,076	27,173	1,097	22,225
Planning and development	2,959	-	2,959	-	(900)	2,059	1,586	(473)	2,515
Road transport	19,560	4,457	24,017	-	-	24,017	25,587	1,570	19,710
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	955,487	41,019	996,506	-	-	996,506	1,006,717	10,211	875,100
Energy sources	579,425	29,000	608,425	-	-	608,425	610,439	2,014	502,036
Water management	145,023	(2,156)	142,865	-	-	142,865	137,401	(5,465)	133,634
Waste water management	156,997	14,460	171,457	-	-	171,457	178,969	7,512	170,156
Waste management	74,042	(283)	73,759	-	-	73,759	79,909	6,150	69,274
Other	-	-	-	-	-	-	-	-	13
Total Revenue - Standard	1,540,638	(68,278)	1,472,360	-	-	1,472,360	1,451,520	(20,841)	1,357,686
Expenditure - Standard									
Governance and administration	300,988	(2,426)	298,562	-	9,610	308,172	307,021	(1,151)	256,793
Executive and council	41,730	4,345	46,075	-	4,291	50,366	49,953	(413)	43,173
Finance and administration	254,642	(6,755)	247,887	-	5,313	253,200	252,883	(316)	209,863
Internal audit	4,616	(16)	4,600	-	7	4,606	4,185	(421)	3,757
Community and public safety	346,303	(78,601)	267,702	-	(33,883)	233,819	212,473	(21,346)	219,839
Community and social services	34,778	1,691	36,470	-	1,263	37,732	35,446	(2,286)	33,290
Sport and recreation	33,248	1,870	35,118	-	2,203	37,321	37,166	(155)	33,303
Public safety	249,684	(87,977)	161,706	-	(37,528)	124,179	117,324	(6,855)	133,766
Housing	28,498	5,815	34,313	-	179	34,492	22,454	(12,038)	19,398
Health	95	-	95	-	-	95	83	(12)	83
Economic and environmental services	91,975	241	92,217	-	106	92,323	88,519	(3,804)	82,252
Planning and development	23,752	447	24,199	-	(609)	23,591	22,600	(991)	19,218
Road transport	67,784	(96)	67,688	-	715	68,403	65,707	(2,695)	62,583
Environmental protection	439	(110)	329	-	-	329	211	(118)	450
Trading services	743,568	47,151	790,719	-	23,388	814,106	787,078	(27,029)	677,087
Energy sources	527,507	4,378	531,885	-	20,494	552,378	536,941	(15,438)	460,402
Water management	76,906	24,782	101,688	-	(3,840)	97,848	93,915	(3,933)	78,466
Waste water management	86,568	7,944	94,502	-	3,789	98,291	90,891	(7,399)	81,255
Waste management	52,597	10,046	62,644	-	2,946	65,589	65,330	(259)	56,965
Other	1,126	(180)	946	-	676	1,622	1,268	(354)	412
Total Expenditure - Standard	1,483,960	(33,816)	1,450,144	-	(103)	1,450,042	1,395,358	(53,684)	1,236,383
Surplus/(Deficit) for the year	56,678	(34,462)	22,216	-	103	22,319	55,162	32,843	121,303

Appendix F A3
WC025 Breede Valley - Reconciliation of Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Description	2023/24						2022/23	
	Original Budget	Budget Adjustments (i.l.o. MFMA s28)	Final Adjustments budget (28 February 2024)	Shifting of Funds (i.l.o. MFMA s31)	Virements (Budget Virement Policy 2023/2024)	Final Budget	Actual Outcome	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8
Revenue by Vote								9
Vote 1 - Council General	105	1,001	1,106	-	-	1,106	1,055	(52)
Vote 2 - Municipal Manager	500	-	500	-	-	500	500	-
Vote 3 - Strategic Support Services	2,225	(1,234)	991	-	-	991	1,051	60
Vote 4 - Financial Services	260,475	11,603	272,078	-	-	272,078	283,665	11,587
Vote 5 - Community Services	310,090	(125,021)	185,069	-	(200)	184,869	138,665	(46,204)
Vote 6 - Technical Services	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services	579,410	29,000	608,410	-	-	608,410	613,270	4,860
Vote 8 - Public Services	367,833	16,374	404,206	-	200	404,406	413,313	8,907
Total Revenue by Vote	1,540,638	(68,278)	1,472,360	-	-	1,472,360	1,451,520	(20,841)
Expenditure by Vote to be appropriated								
Vote 1 - Council General	37,280	4,368	41,649	-	(1,209)	40,439	39,717	(722)
Vote 2 - Municipal Manager	12,146	(11)	12,135	-	5,555	17,690	17,096	(593)
Vote 3 - Strategic Support Services	88,931	7,696	96,627	-	7,502	104,129	102,053	(2,076)
Vote 4 - Financial Services	149,015	(13,969)	135,046	-	1,861	136,908	131,541	(5,366)
Vote 5 - Community Services	349,537	(79,719)	269,818	-	(36,899)	232,918	215,122	(17,797)
Vote 6 - Technical Services	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services	540,318	4,345	544,662	-	16,794	561,457	549,040	(12,416)
Vote 8 - Public Services	306,733	43,474	350,207	-	6,294	356,500	341,787	(14,713)
Total Expenditure by Vote	1,483,960	(33,816)	1,450,144	-	(103)	1,450,042	1,396,358	(53,684)
Surplus/(Deficit) for the year	56,678	(34,462)	22,216	-	103	22,319	55,162	32,843
								1,236,383
								121,303

Appendix G A5
WC025 Breede Valley - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Description	2023/24							2022/23
	Original Budget	Budget Adjustments (i.l.o. MFMA s28)	Final Adjustments budget (28 February 2024)	Shifting of Funds (i.l.o. MFMA s31)	Virements (Budget Virement Policy 2023/2024)	Final Budget	Actual Outcome	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8
Capital expenditure - Vote								9
Multi-year expenditure								
Vote 1 - Council General	5	5	10	-	-	10	7	(3)
Vote 2 - Municipal Manager	155	200	355	-	(182)	173	173	(0)
Vote 3 - Strategic Support Services	655	1,927	2,582	-	(100)	2,482	2,270	(212)
Vote 4 - Financial Services	50	50	100	-	(15)	85	85	(0)
Vote 5 - Community Services	1,005	109	1,114	-	-	1,114	1,103	(11)
Vote 6 - Technical Services	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services	34,138	44,702	78,840	-	(276)	78,564	71,627	(6,937)
Vote 8 - Public Services	70,644	56,232	126,877	-	6,694	133,570	107,826	(25,744)
Capital multi-year expenditure	108,652	103,225	209,877	-	6,120	215,997	183,091	(32,907)
Single-year expenditure								
Vote 1 - Council General	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-
Vote 3 - Strategic Support Services	13,199	(8,195)	5,004	-	(993)	4,012	2,915	(1,097)
Vote 4 - Financial Services	1,655	(50)	1,605	-	445	2,050	927	(1,123)
Vote 5 - Community Services	17,946	(14,401)	3,544	-	2,295	5,839	3,935	(1,904)
Vote 6 - Technical Services	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services	3,280	(990)	2,290	-	-	2,290	1,241	(1,049)
Vote 8 - Public Services	47,799	23,137	70,936	-	(7,765)	63,171	42,512	(20,659)
Capital single-year expenditure	83,878	(499)	83,380	-	(6,018)	77,362	51,530	(25,832)
Total Capital Expenditure - Vote	190,531	102,726	293,257	-	103	293,359	234,621	(58,739)
Capital Expenditure - Standard								
Governance and administration	17,219	(10,703)	6,516	-	648	7,163	4,764	(2,399)
Executive and council	160	205	365	-	(182)	183	180	(3)
Budget and treasury office	17,059	(10,908)	6,151	-	829	6,980	4,584	(2,396)
Corporate services	-	-	-	-	-	-	-	-
Community and public safety	19,253	(12,450)	6,802	-	2,254	9,057	5,374	(3,683)
Community and social services	957	2,085	3,042	-	(163)	2,880	1,903	(977)
Sport and recreation	11,296	(8,716)	2,580	-	2,417	4,997	2,311	(2,686)
Public safety	6,000	(5,825)	175	-	-	175	157	(18)
Housing	1,000	5	1,005	-	-	1,005	1,003	(2)
Health	-	-	-	-	-	-	-	-
Total	84,397	(84,397)	0	-	0	0	0	0
Restated Audited Outcome								
2022/23								
Capital expenditure - Vote								
Multi-year expenditure								
Vote 1 - Council General	35							
Vote 2 - Municipal Manager	-							
Vote 3 - Strategic Support Services	16,990							
Vote 4 - Financial Services	-							
Vote 5 - Community Services	10							
Vote 6 - Technical Services	-							
Vote 7 - Engineering Services	26,708							
Vote 8 - Public Services	142,677							
Capital multi-year expenditure	186,421							
Single-year expenditure								
Vote 1 - Council General	-							
Vote 2 - Municipal Manager	19							
Vote 3 - Strategic Support Services	4,655							
Vote 4 - Financial Services	1,568							
Vote 5 - Community Services	20,084							
Vote 6 - Technical Services	-							
Vote 7 - Engineering Services	17,433							
Vote 8 - Public Services	40,638							
Capital single-year expenditure	84,397							
Total Capital Expenditure - Vote	270,819							
Capital Expenditure - Standard								
Governance and administration	19,083							
Executive and council	35							
Budget and treasury office	19,048							
Corporate services	-							
Community and public safety	23,194							
Community and social services	3,597							
Sport and recreation	973							
Public safety	1,274							
Housing	17,350							
Health	-							

Appendix G A5
WC025 Breede Valley - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Description	2023/24								2022/23
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final Adjustments budget (28 February 2024)	Shifting of Funds (i.t.o. MFMA s31)	Virements (Budget Virement Policy 2023/2024)	Final Budget	Actual Outcome	Variance	
R thousands	1	2	3	4	5	6	7	8	9
Economic and environmental services	49,630	19,889	69,529	-	(5,012)	64,517	45,952	(18,565)	49,489
Planning and development	5	90	95	-	-	95	85	(10)	1,357
Road transport	49,625	19,809	69,434	-	(5,012)	64,422	45,867	(18,555)	48,133
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	104,429	105,981	210,410	-	2,212	212,622	178,531	(34,091)	179,052
Electricity	41,418	46,412	87,830	-	(1,330)	86,500	78,411	(8,089)	48,544
Water	13,225	16,363	29,588	-	(4,326)	25,262	23,156	(2,106)	38,497
Waste water management	48,786	43,026	91,812	-	8,048	99,860	75,988	(23,872)	91,252
Waste management	1,000	180	1,180	-	(180)	1,000	976	(24)	760
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	190,531	102,726	293,257	-	103	293,359	234,621	(58,739)	270,819
Funded by:									
National Government	64,847	5,843	70,690	-	-	70,690	67,680	(3,010)	65,458
Provincial Government	1,950	34,321	36,271	-	-	36,271	30,067	(6,204)	19,418
District Municipality	-	-	-	-	-	-	-	-	548
Other transfers and grants	-	-	-	-	-	-	-	-	19
Transfers recognised - capital	66,797	40,164	106,961	-	-	106,961	97,746	(9,214)	85,442
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	28,069	46,185	74,254	-	-	74,254	56,598	(17,656)	104,458
Internally generated funds	95,665	16,377	112,042	-	103	112,144	80,276	(31,869)	80,918
Total Capital Funding	190,531	102,726	293,257	-	103	293,359	234,621	(58,739)	270,819

Appendix H Budget Cash Flow

WC025 Breede Valley - Reconciliation of Table A7 Budgeted Cash Flows

Description	2023/24						2022/23	
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final Adjustments budget (28 February 2024)	Shifting of Funds (i.t.o. MFMA s31)	Virements (Budget Virement Policy 2023/2024)	Final Budget	Actual Outcome	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8
CASH FLOW FROM OPERATING ACTIVITIES								9
Receipts								
Ratepayers and other	970,052	(3,745)	966,307	-	-	966,307	1,034,062	67,755
Government - operating	186,796	1,450	188,246	-	-	188,246	187,216	(1,030)
Government - capital	66,797	31,605	98,402	-	-	98,402	97,659	(743)
Interest	36,108	5,737	41,845	-	-	41,845	31,838	(10,007)
Dividends	-	-	-	-	-	-	-	-
Payments								
Suppliers and employees	(1,129,843)	(3,812)	(1,133,655)	-	-	(1,133,655)	(1,063,381)	70,274
Finance charges	(40,560)	-	(40,560)	-	-	(40,560)	(28,217)	12,344
Transfers and Grants	(6,138)	(4,207)	(10,345)	-	-	(10,345)	(3,069)	7,276
NET CASH FROM/(USED) OPERATING ACTIVITIES	83,211	27,029	110,240	-	-	110,240	256,108	145,869
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	-	-	-	-	-	-	3,490	3,490
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-
Decrease (Increase) other non-current receivables	50	-	50	-	-	50	(1,146)	(1,196)
Decrease (Increase) in non-current investments	-	-	-	-	-	-	(14,767)	(14,767)
Payments								
Capital assets	(190,531)	(102,726)	(293,257)	-	-	(293,257)	(250,957)	42,299
NET CASH FROM/(USED) INVESTING ACTIVITIES	(190,481)	(102,726)	(293,207)	-	-	(293,207)	(263,361)	29,826
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	28,069	53,385	81,454	-	-	81,454	74,000	(7,454)
Increase (decrease) in consumer deposits	100	-	100	-	-	100	(31)	(131)
Payments								
Repayment of borrowing	(20,693)	-	(20,693)	-	-	(20,693)	(22,208)	(1,515)
NET CASH FROM/(USED) FINANCING ACTIVITIES	7,476	53,385	60,862	-	-	60,862	51,760	(9,101)
NET INCREASE/ (DECREASE) IN CASH HELD	(99,793)	(22,312)	(122,106)	-	-	(122,106)	44,488	166,594
Cash/cash equivalents at the year begin:	167,931	(9,178)	158,753	-	-	158,753	148,753	(10,000)
Cash/cash equivalents at the year end:	68,137	(31,490)	36,648	-	-	36,648	193,241	156,594

BREDE VALLEY MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2024

Appendix I: DEVIATIONS FOR THE 2023/2024 FINANCIAL YEAR

No	Deviation Reference	Directorate	Department	Reason For Deviation (Deviation Category)	Short Summary of Deviation	Approved Amount	Approved Service Provider/ Contractor/ Supplier
1	BVD 611	Community Services	Traffic	Exceptional case where it is impractical or impossible to follow a normal procurement process	To obtain the services of a service provider to manage the municipal pound to the BVM.	320,000.00	Sandy's Eden
2	BVD 613	Community Services	Fire Department	Emergency	Caterer to provide food for flood victims at Rawsonville.	34,000.00	Fabulous Foods
3	BVD 614	Community Services	Fire Department	Emergency	Supply and delivery of mattresses to flood victims at Rawsonville.	43,620.00	Leaders Furniture's
4	BVD 616	Municipal Manager	Internal Auditors	Exceptional case where it is impractical or impossible to follow a normal procurement process	Annual membership to the association of certified fraud examiners.	11,400.00	ACFE
5	BVD 615	Community Services	Library	Exceptional case where it is impractical or impossible to follow a normal procurement process	Newspaper adverts and subscription	Rates based	Media 24 24 Independent Newspapers Arena Holdings
6	BVD 617	Engineering Services	Engineering Services	Exceptional case where it is impractical or impossible to follow a normal procurement process	Registration fees for IMESA (Institute of Municipal Engineering South Africa) Conference	6,700.00	IMESA
7	BVD 618	Engineering Services	Electrical Services	Emergency	Emergency repairs at HEYNS ring main unit	9,758.90	De Kock & Cronje
8	BVD 619	Community Services	Traffic	Sole provider	Calibration of vehicle testing centre equipment	23,920.00	Fulcrum Technologies
9	BVD 620	Municipal Manager	Internal Auditors	Exceptional case where it is impractical or impossible to follow a normal procurement process	16th Annual ACFE conference and exhibition 2023	10,500.00	ACFE
10	BVD 621	Finance	Compliance And Good Governance	Exceptional case where it is impractical or impossible to follow a normal procurement process	Annual membership to SAICA	10,362.50	SAICA
11	BVD 624	SSS	Admin And Support	Exceptional case where it is impractical or impossible to follow a normal procurement process	Scrubbing and sealing of town hall floor	88,500.00	Leaders Funitures
12	BVD 622	Community Services	Traffic	Exceptional case where it is impractical or impossible to follow a normal procurement process.	Security guards' services to sites and buildings of BVM.	Rates based	Fidelity Security Services
13	BVD 623	Community Services	Traffic	Exceptional case where it is impractical or impossible to follow a normal procurement process.	Security guards' services to sites and buildings of BVM.	Rates based	Capital Security
14	BVD 625	Community Services	Community Services	Exceptional case where it is impractical or impossible to follow a normal procurement process.	Imps-SA National conference 17-20 October 2023	4,000.00	IMPS-SA
15	BVD 626	Community Services	Human Resources	Sole Provider	Certification of lifesavers	134,319.25	SA Lifesavings
16	BVD 627	Public Services	Water and Wastewater Treatment	Sole Provider	Supply and delivery of Colliert reagents and test kits for microbial drinking water quality compliance	135,741.34	IDEXX
17	BVD 628	Municipal Manager	Risk	Exceptional case where it is impractical or impossible to follow a normal procurement process.	Catch-up annual software licence fee-barn owl system	17,250.00	IDI Technology Solutions
18	BVD 629	Strategic Support Services	Human Resources	Exceptional case where it is impractical or impossible to follow a normal procurement process.	Provision of hr support system (sage) direct hire (dot360-risk assessment module	Rates based	MCI Consultants
19	BVD 630	Public Services	Water and Wastewater Treatment	Exceptional case where it is impractical or impossible to follow a normal procurement process.	Repair worcester WWEW chlorine station	119,128.73	MAXAL Projects SA
20	BVD 631	Community Services	Library	Sole provider	Professional body registration for libraries	3,630.00	LIASA
21	BVD 632	Community Services	Fire Department	Exceptional case where it is impractical or impossible to follow a normal procurement process	Registration fees conference for drone in disaster management	6,900.00	QP DRONE TECH
22	BVD 633	SSS	Human Resources	Exceptional case where it is impractical or impossible to follow a normal procurement process	Registration fees for IMPSA conference	11,675.00	IMPSA
23	BVD 634	Engineering Services	Engineering Services	Exceptional case where it is impractical or impossible to follow a normal procurement process	Registration fees for SANCOLD	9,425.00	SANCOLD
24	BVD 636	Public Services	Water And Wastewater Treatment	Exceptional case where it is impractical or impossible to follow a normal procurement process	Repair gas detector used for confined space entry after servicing the gas meter	2,852.00	Pinnacle Instruments
25	BVD 637	Municipal Manager	Internal Auditors	Exceptional case where it is impractical or impossible to follow a normal procurement process	Training assurance compliance workshop	4,600.00	Ignite Advisory
26	BVD 638	Community Services	Fire Department	Exceptional case where it is impractical or impossible to follow a normal procurement process	Annual fees to legislated body in terms of veld and forest act	17,526.00	Winelands Fire Protection Association
27	BVD 639	SSS	ICT	Exceptional case where it is impractical or impossible to follow a normal procurement process	Cell phone contract for standby at IT department	7,176.00	MTN

BREDE VALLEY MUNICIPALITY							
Annual Financial Statements for the year ended 30 June 2024							
Appendix I: DEVIATIONS FOR THE 2023/2024 FINANCIAL YEAR							
No	Deviation Reference	Directorate	Department	Reason For Deviation (Deviation Category)	Short Summary of Deviation	Approved Amount	Approved Service Provider/ Contractor/ Supplier
28	BVD 640	Community Services	Traffic	Exceptional case where it is impractical or impossible to follow a normal procurement process	Security guards' services to sites and buildings of BVM	Rates based	Fidelity Security Services
29	BVD 641	Community Services	Traffic	Exceptional case where it is impractical or impossible to follow a normal procurement process	Security guards' services to sites and buildings of BVM	Rates based	Capital Security Boland
30	BVD 642	Engineering Services	Electrical Services	Emergency	Repairs of AAN de Doorns 66/11 KV transfer 20 MVA	Rates based	Transformer Field Services
31	BVD 643	Community Services	Traffic	Emergency	Provisioning of security services - guards for flood victims in the DRC church hall Rawsonville	89,139.98	Capital Security Boland
32	BVD 635	Community Services	Traffic	Exceptional case where it is impractical or impossible to follow a normal procurement process	To obtain the services of a service provider to manage the municipal pound to the BVM	Rates based	Sandy Animal Rescue
33	BVD 644	Finance	Stores	Emergency	Supply and delivery of scientific granular HTH	Rates based	Chlorcape
34	BVD 646	Community Services	Traffic	Sole provider	Procurement of sabs booklets for vehicle testing centre	4,531.00	SABS
35	BVD 647	SSS	ICT	Emergency	Emergency strip and quote, repairs of ICT ups	Rates based	Breerivier Kommunikasie
36	BVD 648	SSS	Human Resources	Exceptional case where it is impractical or impossible to follow a normal procurement process	Specialised training: roads and stormwater	18,377.00	Global Prospectus
37	BVD 649	Municipal Manager	Internal Auditors	Exceptional case where it is impractical or impossible to follow a normal procurement process	Annual membership to IRSMA	Rates based	THE INSTITUTE OF RISK MANAGEMENT SA
38	BVD 651	Finance	Financial Planning	Exceptional case where it is impractical or impossible to follow a normal procurement process	Evaluation of Artwork	33,812.50	THE VALUATOR ADVISORY
39	BVD 650	Engineering Services	Engineering Services	Exceptional case where it is impractical or impossible to follow a normal procurement process	Annual fees for SACPCMP professional body	5,229.68	SACPCMP
40	BVD 652	Public Services	Water and Wastewater Treatment	Emergency	Repair of main sewer pipe: De Doorns	3,089.10	WM Spilhouse
41	BVD 653	Engineering Services	Electrical Services	Sole provider	Conference fees (3rd electricity wheeling conference)	50,554.00	MILLA SA
42	BVD 656	SSS	Human Resources	Exceptional case where it is impractical or impossible to follow a normal procurement process	Occupational therapy	3,200.00	LO Marie Victor Occupational Therapy
43	BVD 657	SSS	Human Resources	Exceptional case where it is impractical or impossible to follow a normal procurement process	Rehabilitation outpatient	4,800.00	BOWL Rehabilitation
44	BVD 654	Community Services	Traffic	Exceptional case where it is impractical or impossible to follow a normal procurement process	To obtain the services of a service provider to manage the municipal pound to the BVM	320,000.00	Sandy Animal Welfare
45	BVD 655	SSS	ICT	Exceptional case where it is impractical or impossible to follow a normal procurement process	Renewal of red hat LINUX operating system (licence)	170,598.18	Datacentric
46	BVD 659	Municipal Manager	Internal Auditors	Exceptional case where it is impractical or impossible to follow a normal procurement process	Renewal of membership fees for internal auditors	18,808.84	THE INSTITUTE OF INTERNAL AUDITORS SA
47	BVD 660	Public Services	Water and Wastewater Treatment	Sole provider	Supply and deliver Colilert reagents and test kits for microbial drinking water quality compliance	230,464.65	IDEXX Laboratories
48	BVD 661	Public Services	Solid Waste	Sole provider	Cut and programming of new car key	6,612.50	ORBIT Worcester
49	BVD 662	Finance	Revenue	Emergency	Fixing all broken glass and windows at Touwsrivier municipal offices	8,968.18	Van Niekerk Glas
50	BVD 663	Public Services	Building Control	Exceptional case where it is impractical or impossible to follow a normal procurement process	Subscription to an ESRI ARCGIS online/ hosted platform	200,000.00	ESRI South Africa
51	BVD 664	Finance	Financial Planning	Exceptional case where it is impractical or impossible to follow a normal procurement process	Procurement of CaseWare licenses to compile the annual financial statements	145,056.99	Adapt IT
52	BVD 665	Public Services	Roads and Stormwater	Emergency	Stormwater improvement on victory way, fairway heights, Worcester	652,372.08	Eyethu Alpha (Pty) Ltd
53	BVD 666	Engineering Services	Electrical Services	Exceptional case where it is impractical or impossible to follow a normal procurement process	Examine, repair and investigate GPS module and reprogramming of radio	1,300.00	Breerivier Kommunikasie
54	BVD 667	Public Services	Solid Waste	Emergency	Rental of refuse compactors	832,000.00	Zamampi (Pty) Ltd
55	BVD 668	Finance	Financial Planning	Exceptional Case	Appointment of service provider to conduct an external audit of landfill sites and perform a calculation on the rehabilitation cost provisions of municipal landfill sites	110,549.50	JPCE Specialist Consulting Engineers
56	BVD 672	Public Services	Water and Wastewater Treatment	Emergency	Supply and deliver gearbox for screw pump- Worcester WWTW	317,380.57	Trautman Trading
57	BVD 673	Public Services	Solid Waste	Exceptional Case	Strip and quote- variable speed drives at Worcester MRF	19,350.00	Boland Electrical
58	BVD 676	Finance	Revenue	Emergency	To mailing services: actual postage	96,731.70	CAB Holdings
59	BVD 671	Public Services	Solid Waste	Emergency	Hiring of ablation and multi-purpose facility at De Doorns landfill site	15,226.60	Boland Toilet Hire
Total value of deviations approved for the year						4,391,137.77	

BREDE VALLEY MUNICIPALITY														
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024														
APPENDIX J: INVESTMENTS														
Date Invested	Institution	ID	Account Number	Confirmation Received	Rate	Period	Amount	Maturity Date	Withdrawn	Date Received	Receipt Number	Expected Interest	Interest Received	Difference
												0.00		0.00
23/Mar/23	ABSA	478	2080984323	YES	8.50%	120	5,000,000	21/Jul/23	5,000,000	21/Jul/23	5000447288	139,726.03	139,726.03	0.00
23/Mar/23	STANDARD	479	288460898-098	YES	8.475%	123	5,000,000	24/Jul/23	5,000,000	24/Jul/23	5000447302	142,797.95	142,797.95	0.00
												0.00		0.00
													282,523.98	
												0.00		0.00
17/Aug/23	NEDBANK	480	03/7881531576/322	YES	8.50%	32	10,000,000	18/Sep/23	10,000,000	19/Sep/23	5000449107	74,520.55	74,520.55	0.00
17/Aug/23	FNB	481	76203808070	YES	8.61%	32	10,000,000	18/Sep/23	10,000,000	19/Sep/23	5000449106	75,484.93	75,484.93	0.00
17/Aug/23	STANDARD	482	288460898-099	YES	8.850%	33	10,000,000	19/Sep/23	10,000,000	19/Sep/23	5000449108	80,013.70	80,013.70	0.00
												0.00		0.00
													230,019.18	
												0.00		0.00
17/Aug/23	ABSA	483	2081207756	YES	8.71%	60	10,000,000	16/Oct/23	10,000,000	16/Oct/23	5000450043	143,178.08	143,178.08	0.00
17/Aug/23	STANDARD	484	288460898-100	YES	8.925%	61	10,000,000	17/Oct/23	10,000,000	17/Oct/23	5000450117	149,157.53	149,157.53	0.00
												0.00		0.00
													292,335.61	
												0.00		0.00
17/Aug/23	FNB	485	76203808096	YES	8.87%	92	10,000,000	17/Nov/23	10,000,000	17/Nov/23	4000471327	223,572.60	223,572.60	0.00
17/Aug/23	STANDARD	486	288460898-101	YES	9.025%	92	10,000,000	17/Nov/23	10,000,000	17/Nov/23	4000471328	227,479.45	227,479.45	0.00
18/Oct/23	STANDARD	489	288460898-102	YES	8.875%	33	10,000,000	20/Nov/23	10,000,000	20/Nov/23	5000450757	80,239.73	80,239.73	0.00
												0.00		0.00
													531,291.78	
												0.00		0.00
17/Aug/23	NEDBANK	487	03/7881531576-323	YES	8.98%	123	10,000,000	18/Dec/23	10,000,000	18/Dec/23	5000451366	302,613.70	302,613.70	0.00
18/Oct/23	NEDBANK	490	03/7881531576/324	YES	8.79%	61	5,000,000	18/Dec/23	5,000,000	18/Dec/23	5000451365	73,450.68	73,450.68	0.00
												0.00		0.00
													376,064.38	
												0.00		0.00
18/Oct/23	ABSA	491	2081275535	YES	8.94%	90	5,000,000	16/Jan/24	5,000,000	17/Jan/24	4000473521	110,219.18	110,219.18	0.00
17/Aug/23	ABSA	488	2081207853	YES	9.29%	153	10,000,000	17/Jan/24	10,000,000	18/Jan/24	2000366946	389,416.44	389,416.44	0.00
												0.00		0.00
													499,635.62	
												0.00		0.00
19/Dec/23	NEDBANK	492	03/7881531576/327	YES	8.95%	62	5,000,000	19/Feb/24	5,000,000	19/Feb/24	5000453283	76,013.70	76,013.70	0.00
19/Dec/23	STANDARD	493	288460898-104	YES	9.175%	62	5,000,000	19/Feb/24	5,000,000	19/Feb/24	5000453282	77,924.66	77,924.66	0.00
												0.00		0.00
													153,938.36	
												0.00		0.00
19/Dec/23	ABSA	494	2081358953	YES	9.24%	90	10,000,000	18/Mar/24	10,000,000	18/Mar/24	5000454471	227,835.62	227,835.62	0.00
19/Dec/23	STANDARD	495	288460898-103	YES	9.250%	91	10,000,000	19/Mar/24	10,000,000	19/Mar/24	5000454513	230,616.44	230,616.44	0.00
												0.00		0.00
													458,452.06	
												0.00		0.00
19/Dec/23	ABSA	496	2081360160	YES	9.33%	120	5,000,000	17/Apr/24	5,000,000	17/Apr/24	4000476861	153,369.86	153,369.86	0.00
19/Dec/23	NEDBANK	497	03/7881531576/328	YES	9.10%	122	5,000,000	19/Apr/24	5,000,000	19/Apr/24	5000455715	152,082.19	152,082.19	0.00
												0.00		0.00
													305,452.05	
												0.00		0.00
23/Apr/24	ABSA	498	2081566940	YES	8.54%	34	10,000,000	27/May/24	10,000,000	27/May/24	2000371325	79,550.68	79,550.68	0.00
23/Apr/24	STANDARD	499	288460898-105	YES	9.025%	34	10,000,000	27/May/24	10,000,000	27/May/24	2000371326	84,068.49	84,068.49	0.00
												0.00		0.00
													163,619.17	
												0.00		0.00
23/Apr/24	FNB	500	76205886800	YES	8.67%	62	5,000,000	24/Jun/24	5,000,000	24/Jun/24	5000458932	73,635.62	73,635.61	0.01
23/Apr/24	STANDARD	501	288460898-106	YES	9.075%	62	10,000,000	24/Jun/24	10,000,000	24/Jun/24	5000458933	154,150.68	154,150.68	0.00
												0.00		0.00
													227,786.29	
												0.00		0.00
23/Apr/24	FNB	502	76205886727	YES	8.74%	90	5,000,000	22/Jul/24				107,753.42		107,753.42
23/Apr/24	STANDARD	503	288460898-107	YES	9.150%	91	10,000,000	23/Jul/24				228,123.29		228,123.29
												0.00		0.00
													0.00	
23/Apr/24	ABSA	504	2081567043	YES	9.28%	120	5,000,000	21/Aug/24				152,547.95		152,547.95
												0.00		0.00
													0.00	
23/Apr/24	ABSA	505	2081567491	YES	9.39%	150	5,000,000	20/Sep/24				192,945.21		192,945.21
												0.00		0.00
													0.00	
													0.00	
							220,000,000		195,000,000			4,202,488.36	3,521,118.48	681,369.88
							25,000,000							

ANNEXURE B



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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Breede Valley Municipality set out on pages 8 to 111, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with 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 Breede Valley Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

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

Emphasis of matters

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

Material Impairments

7. As disclosed in note 4 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions of R166,7 million (2022-2023: R150.5 million)
8. As disclosed in note 5 to the financial statements, the municipality provided for the impairment of statutory receivables of R142,8 million (2022-23: R119,6 million)

9. As disclosed in note 6 to the financial statements, the municipality provided for the impairment of other receivables from non-exchange of R18,1 million (2022-23: R15,4million)

Contingent Liabilities

10. With reference to note 46 of the municipality, the municipality is the defendant in a number of contractual claims amounting to R42 582 442 (2022-23: R41 203 450). The municipality is opposing the claims. The ultimate outcomes of the matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Other matters

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

Unaudited supplementary schedules

12. The supplementary information set out on pages 112 to 127 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

13. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

14. 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.
15. 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

16. 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.

17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 9, forms part of our auditor's report.

Report on the audit of the annual performance report

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

19. I selected the following objective presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected the objective that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Objective	Page numbers	Purpose
Objective 1: To provide and maintain basic services and ensure social upliftment of the Breede Valley Community	15-24	The primary focus of Breede Valley Municipality as a local municipality is to create a municipality where every citizen has access to all basic services and to live in a safe, caring and well-managed environment

20. I evaluated the reported performance information for the selected objective against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

21. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

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

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

23. I did not identify any material findings on the reported performance information for the selected objective.

Other matter

24. I draw attention to the matter below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

26. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 17 to 24.

To provide and maintain basic services and ensure social upliftment of the Breede Valley community

Targets achieved: 52,94 % Budget spent: 81.69%		
Key indicators not achieved	Planned target	Reported achievement
TL23 - Complete the upgrade of the wastewater treatment works in Rawsonville by 31 March 2024	1	0
TL29 - Number of formal residential properties that are billed for sanitation/ sewerage as at 30 June 2024	19 480	19 476
TL31 - Provide free basic water to indigent households earning less than R4500 as at 30 June 2024	8 200	7 133
TL32 - Provide free basic electricity to indigent households earning less than R4500 as at 30 June 2024	8 200	7 133
TL33 - Provide free basic sanitation to indigent households earning less than R4500 as at 30 June 2024	8 200	7 133

Targets achieved: 52,94 %		
Budget spent: 81.69%		
TL34 - Provide free basic refuse removal to indigent households earning less than R4500 as at 30 June 2024	8 200	7 133

Report on compliance with legislation

27. 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.
28. 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.
29. 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.
30. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

31. 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 objective presented in the annual performance report that have been specifically reported on in this auditor's report.
32. 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.
33. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected objective presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report on that fact.
35. I have nothing to report in this regard.

Internal control deficiencies

36. 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.

37. I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town

30 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	<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(1)(a), 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)(a), 71(1)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2005	<p>Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a)</p> <p>Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b), 22(2), 27(2)(a)</p> <p>Regulations 27(2)(e), 28(1)(a)(i), 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>
Municipal Systems Act 32 of 2000 (MSA)	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b)

	Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 54A(1)(a), 56(1)(a), 57(2)(a) Sections 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a) Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Staff Regulations, 2021	Regulations: 7(1),31
Annual Division of Revenue Act 5 of 2023	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8) Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

ANNEXURE C



Report of the Audit and Performance Audit Committee

Committee members and attendance

The audit and performance audit committee consisted of the members listed hereunder. These members are all independent of the municipality. The committee should meet at least four times per year according to its approved terms of reference. During the 2024 financial year 5 meetings were held:

Member Name	Appointment/ Extension Date and End of Term Date	Number of Meetings Attended
J Williams	1 March 2022 -28 Feb. 2025	5
M Roos	1 July 2023-31 Aug. 2023	1
L Smit	1 September 2023-31 Aug 2026	3
E Abrahams	1 Sept 2023-31 Aug 2026	3
P Strauss	1 Jan 2024 -31 Dec2026	3

This report of the Audit and Performance Audit Committee of Breede Valley Municipality is in respect of the 2023/2024 financial year. The Audit and Performance Audit Committee has complied with its responsibilities in terms of Section 166 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and the applicable Treasury Regulations. The Committee has also regulated its affairs and discharged its responsibilities in accordance with the approved Audit Committee Charter. The Committee's operation is guided by the International Institute of Internal Auditor's Standards and the King IV report on Corporate Governance.

The Municipal Manager, Chief Financial Officer, Directors, Chief Audit Executive, head of Internal Audit, Chief Risk Officer, MPAC Chairperson, and External Auditors are permanent invitees to the Committee meetings.

Execution of Functions

The Audit and Performance Audit Committee has executed its duties and responsibilities during the financial year in accordance with its terms of reference as they relate to the Council's accounting, internal auditing, internal control, governance, risk management and financial reporting practices.

During the year under review, the Committee, amongst other matters:

1.1 In respect of the External Auditors and the External Audit

- i. Reviewed the External Auditors' (Auditor-General of RSA) terms of engagement, the audit plan and budgeted audit fees payable.
- ii. Discussed the audit, the findings of the Auditor General at the Audit and Performance Audit Committee meeting of 18 November 2024. The final results of the audit became known on 29 November 2024.
- iii. Considered the expected, but not known, audit outcome of the Municipality and communicated the Audit and Performance Audit Committee's satisfaction and congratulated the Accounting Officer and Management on the retained Clean Audit Outcome, once it was communicated.

1.2 In respect of the Annual Financial Statements (AFS)

- i. Confirmed the going concern as the basis of preparation of the annual financial statements;
- ii. Examined, reviewed and interrogated the annual financial statements, performance report as well as financial information disclosed to the public prior to submission and approval by Council;
- iii. Considered the appropriateness of accounting treatments, significant unusual transactions and management's accounting judgements;
- iv. Considered the appropriateness of the accounting policies adopted by Management.

1.3 In respect of Internal Control and Internal Audit

- i. Reviewed and approved the internal audit mandate, annual and three-year rolling audit plans and evaluated the independence, effectiveness and performance of the Internal Audit Department and compliance with its mandate;
- ii. Considered reports of the Internal and external auditors on Council's system of internal control, including internal financial controls and maintenance of effective internal control systems;
- iii. Reviewed significant issues raised by the internal audit process and the adequacy of corrective action in response to such findings;
- iv. Reviewed significant differences of opinion between the internal audit function and Management and noted that there were no material issues of difference raised and all matters were addressed and resolved.
- v. Assessed the adequacy of the performance of the internal audit function and found it to be effective in providing assurance;
- vi. Reviewed and monitored the quality assurance and improvement plan submitted by internal audit as required by the IIA Standards;
- vii. Assessed the adequacy and sufficiency of available internal audit resources and found these to be limited, as more resources would be required to evaluate the control weaknesses and high-risk areas identified by the corporate strategic risk, external audit and the audit universe;
- viii. Received assurance that proper and adequate accounting records were maintained and that systems safeguarded the assets against unauthorised use or the disposal thereof; and
- ix. In addition, the Committee noted Management's insufficient responses to conclude on internal audit findings from the prior and current year as reported in the internal audit follow up reports.

1.4 In respect of Legal and Compliance with Laws and Regulations

- i. Reviewed with management, matters that could have a material impact on Council;
- ii. Monitored compliance with the MFMA and other key legislation applicable to the Municipality, requirements of National and Provincial Treasury, Council's policies, and all other applicable legislation and codes of good governance, and
- iii. Reviewed reports from the internal and external auditors detailing the extent of compliance.

1.5 In respect of Risk Management and Combined Assurance

During the period under review, Management presented Strategic and Operational Risk profiles for the Municipality to the Audit and Performance Audit Committee who considered and reviewed reports from Management on risk management, including fraud risks as they pertain to financial reporting and the going concern assessment; The Audit Committee is satisfied that risk management is continually improving within the municipality .

In respect of the coordination of assurance activities, the Committee reviewed the plans and work outcomes of the external and internal auditors and concluded that these were adequate to address all significant financial, operational and compliance risks facing the Municipality.

1.6 In respect of Pre-Determined Objectives (PDO's)

The Audit and Performance Audit Committee noted:

- i. The quality of submitted performance information in the Management report is indicated as satisfactory. There were no material findings reported on performance information by the Auditor General and Internal Audit, respectively.
- ii. Internal audit has also provided the Audit and Performance Audit Committee with reports on performance on a quarterly basis and no critical or significant findings have been raised.

1.7 In respect of the Finance Function

The Audit and Performance Audit Committee:

- i. Considered the existing expertise, resources and experience of the organisation-wide finance functional capacity and has noted the improvement year on year on the quality of the annual financial statements submitted to the Committee and the AGSA. Another aspect which is apparent, is the reduction in reliance on consultants in the compilation of the annual financial statements over the years. The reduction in the number of misstatements corrected on the annual financial statements is noted. Management will compile an action plan to address the related findings.

1.8 Independence of the External Auditors

The Audit and Performance Audit Committee is satisfied that the Auditor General of RSA (AGSA) was independent of the Council.

1.9 General

- i. The Audit and Performance Audit Committee has monitored quarterly the Municipality's implementation plan for audit issues raised in the prior year and are satisfied that the matters were largely addressed and resolved. In the 2023/24 audit there were errors for correction in the submitted financial statements as for the prior year, however this is much reduced. The Audit and Performance Committee remains concerned with regard to this aspect The Municipal Manager has given assurance that all of these will be addressed as urgent and tracked.
- ii. The Audit and Performance Audit Committee concurs and accepts the conclusions of the External Auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

