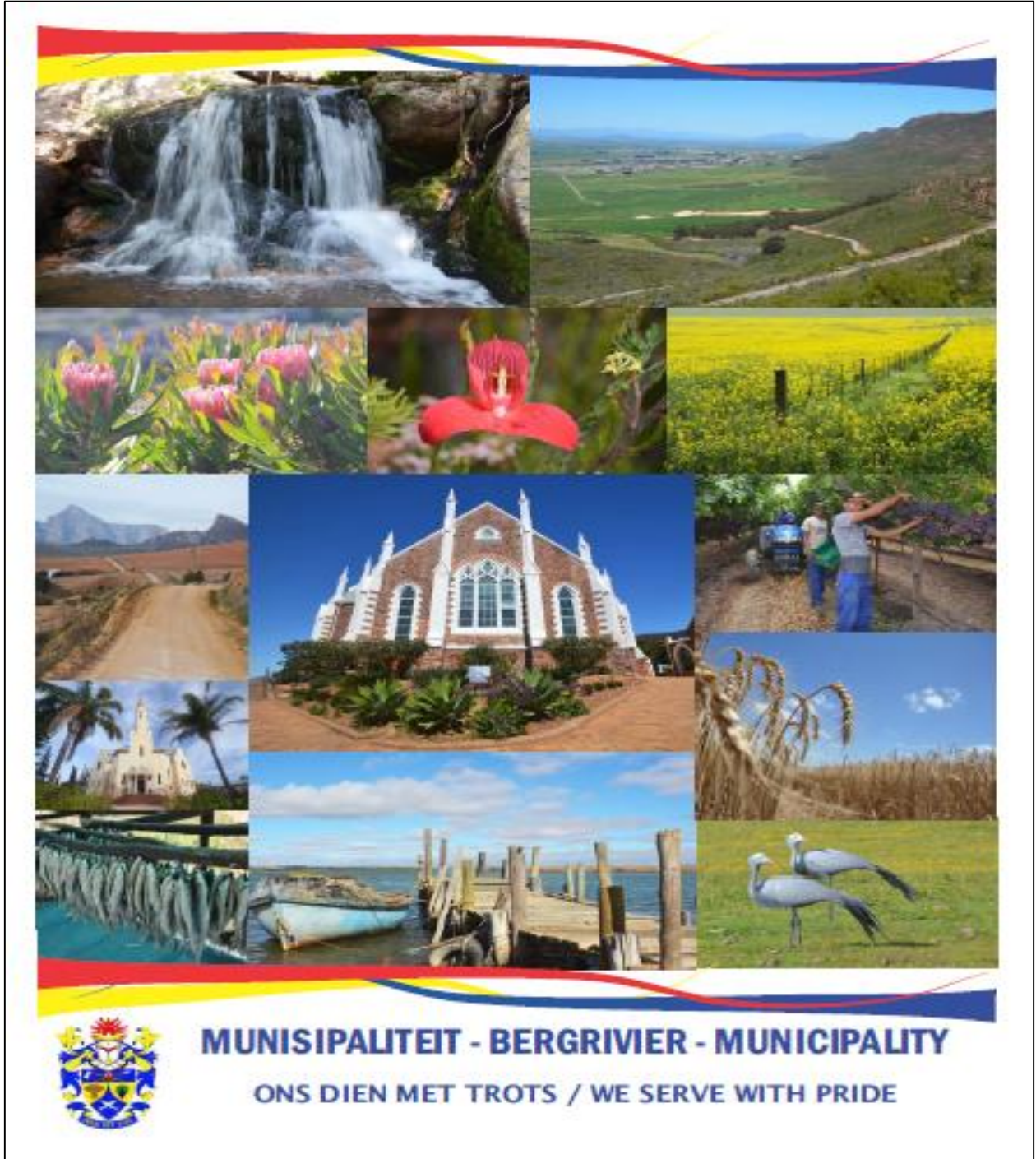


# ANNUAL REPORT

## 2022/2023

### VOLUME I



**MUNISIPALITEIT - BERGRIVIER - MUNICIPALITY**

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## FOREWORD BY THE EXECUTIVE MAYOR



Dearest communities,

On behalf of the Bergrivier Municipal Council and all its officials, I hereby present our Annual Report for the financial year 2022/2023. It is once again with a very grateful heart and by the grace of God that we end this financial year on a positive note.

The mandate of Bergrivier Municipality is built on the foundation of The Constitution of the Republic of South Africa. We use chapter 7: Local Government, as our building blocks:

- a. To provide democratic and accountable government for local communities;
- b. To ensure the provision of services to communities in a sustainable manner;
- c. To promote social and economic development;
- d. To promote a safe and healthy environment; and
- e. To encourage the involvement of communities and community organisations in the matters of local government;
- f. Structuring and managing our administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
- g. Participate in National and Provincial development programmes.

The strategic goals of Bergrivier Municipality were amended during the IDP processes and reads as follows:

- To strengthen financial sustainability;
- Ensure good governance;
- Sustainable service delivery;
- Facilitate an enabling environment for a diversified economy and growth to alleviate poverty; and
- Empowering people through innovation.

This year we also proudly reference our vision: “Bergrivier: a prosperous community where all want to live, work, learn and play in a dignified manner”. This vision is firmly grounded in our successes and progress in support of our communities:

- Water pipe replacement program in Piketberg: project is jointly funded by the Water Services Infrastructure Grant, R 3,15 million and Bergrivier Municipality, R 7,35 million. Project is on-going;
- Two generators purchased (550kWh & 330kWh) at a total cost of R 2 762 659.00 to ensure a constant flow of purified water to the residents of Piketberg during loadshedding stages 6 and above;



- Construction of a brand new 4 megalitre reservoir in Piketberg has begun. R 13,8 million in funding from the Municipal Infrastructure Grant (MIG) and the balance of R 4,8 million from municipal funding; the project commenced in February 2023 and should take up to 10 months to complete;
- Bergrivier Municipality in partnership with the Department of Home Affairs hosted a successful high impact outreach during February 2023. Mobile units availed very needed services to the communities within the Bergrivier municipal area;
- Switch over of meter numbers on the new pre-paid electricity meter system: Standard Transfer Specification for Bergrivier Municipality;
- Dwarskersbos Sewerage Project
  - The project entails the following:
    - Construction of a new storage dam;
    - New irrigation pipeline;
    - Upgrading of the inlet works;
    - Installation of flowmeter in chamber and telemetry; and the
    - Refurbishment of old irrigation pump station.
  - Project commenced on 17 April 2023, total cost of R 4 732 075.57, estimated to be completed by the end of October 2023; and the
- Building of homes in three (3) towns:
  1. Eendekuil  
Approved funding for 47 units (Funding: R 4 698 949.08);
  2. Piketberg  
Approved funding for 181 units (Funding: R 14 595 050.84);
  3. Porterville  
Approved funding for 177 units (Funding: R 15 869 756.28).

Bergrivier Municipality's Mission: "Commitment to sustainable development and the delivery of services that are responsive to the developmental needs of all communities in Bergrivier Municipality". Each year we commit to transitioning our plans into tangible action; because the scariest place to be, is the same place as last year. Our performance is evident that we are constantly moving forward, growing and developing.

To our communities, we always appreciate you, your diligence has never failed us.

To the Municipal Manager, the Directors and all municipal officials, thank you once again for your hard work, it does not go unnoticed.

To the Bergrivier Municipal Council, our fellowship is what makes us unique. Thank you, we appreciate you.

Today I end my Mayoral Foreword with a scripture reading:

“For this very reason, make every effort to add to your faith goodness; and to goodness, knowledge; and to knowledge, self-control; and to self-control, perseverance; and to perseverance, Godliness; and to Godliness, mutual affection; and to mutual affection, love.” *2 Peter 1:5-7*

All honor and glory to God.

**Alderman Ray van Rooy**

EXECUTIVE MAYOR

BERGRIVIER MUNICIPALITY

## FOREWORD BY THE MUNICIPAL MANAGER



Bergvriër Municipality is an institution where we truly live our vision of creating a “*Prosperous community where all want to live, work, learn and play in a dignified manner*”. We strive to serve our communities by delivering excellent services, which we do in a sustainable manner. We declared 2023 as the *Year of Continued Prosperous Partnerships for a dignified future*, as we have learnt through the world-wide Covid-19 pandemic since 2020, the value of functional partnerships and that a Municipality can never function in isolation. The participation, appreciation, and thankfulness that we receive from our communities are evidence of this. Bergvriër Municipality is a Category B Municipality in terms of Section 155 of the Constitution of South Africa (1996) and performs all the executive, legislative and administrative powers and functions assigned to it in terms of Section 156 of the Constitution read with Chapter 3 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (Systems Act). At Bergvriër Municipality we strongly uphold the definition of a Municipality as contained in the Systems Act, which states that a municipality consists of three partners namely the elected council, the professional administration and the public. In Bergvriër Municipality we believe that it is three equal partners. It is when these three partners work seamlessly together, where we see the magic happen! The magic was significant in the recent financial year, where all role players worked seamlessly together towards a prosperous community. Even in very challenging times. It was truly one of the most challenging years in Local Government due to many factors outside of our control.

We have many challenges in South Africa and the most evident one affecting us all during this period, was dealing with Escom loadshedding. In Bergvriër Municipality we strive towards turning “beurtkrag” (loadshedding) into “buurtkrag” (the power of a community through active citizenship). Another factor was the floods in June 2023.



There is still much that we can and must do better, but we are satisfied that we truly function as three circles working together in close partnership to benefit all the people living and working within our Municipal Area.

For these reasons, we take great care and effort to work well with sector departments to obtain effective cooperation with other spheres of Government.

As a Municipality we do risk assessments regularly and have dedicated risk management meetings quarterly to develop and implement mitigating measures. Our top strategic risk with the highest residual rating and priority one is the lack of energy security in South Africa. The prolonged periods of loadshedding between stages 1 – 6 is a huge financial and reputational risk to the Municipality as we need power to distribute power, to clean water, to pump water to reservoirs for distribution, to manage sewerage and to deliver adequate services to our communities. Under stage 6 loadshedding Bergrivier Municipality uses 2020 litres of diesel per day to fuel generators to deliver services. This amounts to more than R 1 million per month extra. Furthermore, it includes an increase in lawlessness in the communities resulting in criminal activities, including vandalism and theft of municipal infrastructure and assets, the economic threat to business continuity of every business (small, medium, and macro) in our area with the resulting unemployment and poverty in our communities. Bergrivier Municipality work together with the Provincial – and District Disaster Management Centre to create and implement disaster management plans to mitigate the situation. During this period, we also approved our operational plan to deal with service delivery under loadshedding stages 1 – 6. We further monitor and manage 6 priority 2 strategic risks, including long term financial sustainability of the Municipality, lack of management continuity and inadequate human resources increased by the Upper Limits for senior managers, making recruitment and selection of suitable candidates very difficult.

Our international relations with the Belgium Federal Government and Heist-op-den-Berg Municipality assisted Bergrivier Municipality in knowledge sharing, skills transfers, and the procurement of much needed funding. Bergrivier Municipality is privileged to be selected as one of only three Municipalities in South Africa to receive funding from the Belgium Federal Government from 2017 - 2023 to implement a project with the theme: "Turning waste into prosperity". During the 2017/2018 financial year we recruited 21 waste ambassadors from local entrepreneurs and employed them in three areas throughout Bergrivier Municipal Area, namely Noordhoek in Velddrif, Ward 4 in Piketberg and Monte Bertha in Porterville. The ambassadors were trained in waste management, composting and raising awareness on recycling and other waste management issues. During 2018/2019 and 2019/2020 these ambassadors were further developed, skilled and assisted to form co-ops and apply for funding to start their own businesses, thereby turning green waste into prosperity. During 2020/2021 we were again selected for the continuation of this programme from 2022 – 2023. We are deeply thankful for the opportunity to be exposed to International best practices on waste management. In Porterville we established a best practice where the waste ambassadors started their own business and uses municipal green waste and turning it in to prosperity by selling the organic compost. From 1 July 2023 the Municipality will strive to duplicate their success in Piketberg and Velddrif.

The revenue trend for the Municipality for the past three years consisted mainly of income derived from services, rates, and government grants. The revenue from own sources, rates and services represents 83.85

% of the total operational income. During the past financial year, the Council took up external loans to the value of R 39,6 million for the construction of capital infrastructure to enhance the delivery of services. Government grants received represent 20.50 % of revenue towards operational income. The loans and capital grants were spent on infrastructure improvement to ensure that all residents have access to the full complement of Municipal services. During the 2022/23 financial year we spent R 74.71 million on capital projects of which 30.82 % was from Government Grants and transfers, 44.27 % from borrowings and 24.91 % from own funds. During this financial year we realized a debtor's collection rate of 96.12 % (slightly increased from the 95 % achieved in the previous financial year) which is above the National Treasury norm of 95 % in Local Government. The Municipality is still in the process of implementing a revenue enhancement plan to further improve revenue generation and we will continue our efforts to sustain revenue collection targets above the National Treasury norm of 95 %. The Municipality has a sound liquidity position with the current ratio as of 30 June 2023 equalling 3.40 : 1 and a current ratio of 3.42 : 1. These ratios are indicative of the efforts made by the Municipality to achieve financial sustainability. The municipality's cash position has also improved, and cash and cash equivalents increased by R 31.12 million in the year under review.

Looking back, we are thankful for a very successful year with many highlights amidst serious new challenges (see photo page for visual illustration of some of the highlights), but we are also constantly aware of the sustainability challenges facing Local Government in South Africa, including the financial sustainability of Local Government. Bergrivier Municipality managed to sustain its 7<sup>th</sup> consecutive clean audit and the 9<sup>th</sup> consecutive unqualified audit. I sincerely thank my entire team for their unparalleled dedication and commitment. Together we can face any challenge that comes our way if we continue to work as a team and in partnership. I would like to take this opportunity to sincerely thank our equal partners, the council and public, of Bergrivier Municipality. Your efforts do not go unnoticed. We truly strive to serve with pride!

ADV. H. LINDE

MUNICIPAL MANAGER



# HIGHLIGHTS OF THE 2022-2023 FINANCIAL YEAR



**WE SERVE WITH PRIDE**  
**ONS DIEN MET TROTS**



Bergrivier Municipality hosted its first Golden Games in Piketberg (2023) which was held at the Rhino Park Sports grounds.



Bergrivier Municipality hosted a successful Virtual Talent Competition on 27 August 2022 at the N.Otto Community Hall in Porterville.



Bergrivier Municipality was awarded R3,4 million from the Western Cape Government which was used towards purchasing two large generators (550kWh and 330kWh) to ensure sufficient water purification for Piketberg.



Come Save Your Town: Bergrivier Municipality in partnership with the Centre for Public Witness in the Western Cape hosted a community meeting on 25 November 2022 in Veldrif to discuss various issues for the future of the town.



The annual Mayoral Golf Day took place on Saturday, 29 October 2022 at the Porterville Golf Club.



The long-awaited Pietie Fredericks Youth Centre in Piketberg has officially been handed over by PPC De Hoek to Bergrivier Municipality on Monday, 31 October 2022. The first phase has already been completed, however, the second phase is still in progress. This centre will focus on youth development and youth empowerment.



## HIGHLIGHTS OF THE 2022-2023 FINANCIAL YEAR



**Save water!** Bergrivier Municipality thanked the Technical Services Team and the standby personnel for their unwavering dedication to restoring the water levels of the two reservoirs in Pikelberg which reached critical levels in January 2023 during prolonged loadshedding by Eskom. The team also erected water points throughout the town for the public to collect.



Bergrivier Municipality in partnership with the Department of Home Affairs hosted a successful High Impact Outreach Programme during February 2023.



Bergrivier Municipality hosted a youth delegation from Heist-op-den-Berg in Belgium in April 2023. This forms part of our twinning agreement.



Bergrivier Municipality approved the 2023/24 — 2025/26 budget at a Council meeting held on Tuesday, 30 May 2023 at the N.Otto Community Hall. This was a first for the Municipality to take a Council meeting to the public.



Bergrivier Municipality officially received its seventh consecutive clean audit at a special meeting held on Friday, 2 June 2023 in Saldanha Bay. We serve with pride in Bergrivier!

# WE SERVE WITH PRIDE





## CHAPTER 1: MUNICIPAL OVERVIEW AND EXECUTIVE SUMMARY



A magnificent setting over canola fields

Photographer: Adv. Hanlie Linde

## 1.1 INTRODUCTION TO BERGRIVIER MUNICIPALITY

The Constitution of the Republic of South Africa (1996) states that the government comprises of national, provincial and local spheres (municipalities) of government which are distinctive, interdependent and interrelated (Section 40). Bergrivier Municipality is an organ of state within the local sphere of government and is established in terms of Section 12 of the Municipal Structures Act, 1998 (Act 117 of 1998) (Municipal Structures Act) as a Local Municipality with an Executive Mayoral System combined with a Ward Participatory System.

Section 152 (1) of the Constitution sets out the objectives of local government namely:

- To provide democratic and accountable government to the community;
- To ensure the sustainable provision of services to the community;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage communities and community organisations to get involved in local government matters.

The Constitution prescribes a developmental duty to Municipalities which requires them to structure and manage their administration, budgeting and planning processes in a manner that gives priority to the basic needs of the community and promotes social and economic development of the community.

The functions of municipalities are set out in Schedules 4B and 5B of the Constitution, and municipalities must perform these functions in a manner that enables them to achieve the Constitutional objectives as indicated above. Section 84 of the Municipal Structures Act regulates the division of functions between district and local municipalities and the following table indicates the functions that Bergrivier Municipality is authorised to perform.

**TABLE 1: MUNICIPAL FUNCTIONS**

| SCHEDULE 4, PART B FUNCTIONS     | YES/NO | SCHEDULE 5, PART B FUNCTIONS                                  | YES/NO |
|----------------------------------|--------|---|--------|
| Air pollution                    | Yes    | Beaches and amusement facilities                              | Yes    |
| Building regulations             | Yes    | Billboards and the display of advertisements in public places | Yes    |
| Childcare facilities             | Yes    | Cemeteries, funeral parlors, and crematoria                   | Yes    |
| Electricity and gas reticulation | Yes    | Cleansing   | Yes    |
| Firefighting services            | Yes    | Control of public nuisances                                   | Yes    |
| Local tourism                    | Yes    | Control of undertakings that sell liquor to the public        | Yes    |
| Municipal airports               | None   | Facilities for the accommodation, care & burial of animals    | Yes    |

| SCHEDULE 4, PART B FUNCTIONS  | YES/NO    | SCHEDULE 5, PART B FUNCTIONS                                     | YES/NO    |
|---|-----------|--|-----------|
| Municipal planning  | Yes       | Fencing and fences   | Yes       |
| Municipal health services   | No (WCDM) | Licensing of dogs  | No (WCDM) |
| Municipal public transport  | Yes       | Licensing & control of undertakings that sell food to the public | WCDM      |
| 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       | Local amenities  | Yes       |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto   | Yes       | Local sport facilities   | Yes       |
| Storm water management systems in built-up areas  | Yes       | Markets  | Yes       |
| Trading regulations   | Yes       | Municipal abattoirs  | Yes       |
| Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems   | Yes       | 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       |
|   |           | Street trading   | Yes       |
|   |           | Street lighting  | Yes       |
|   |           | Traffic and parking  | Yes       |

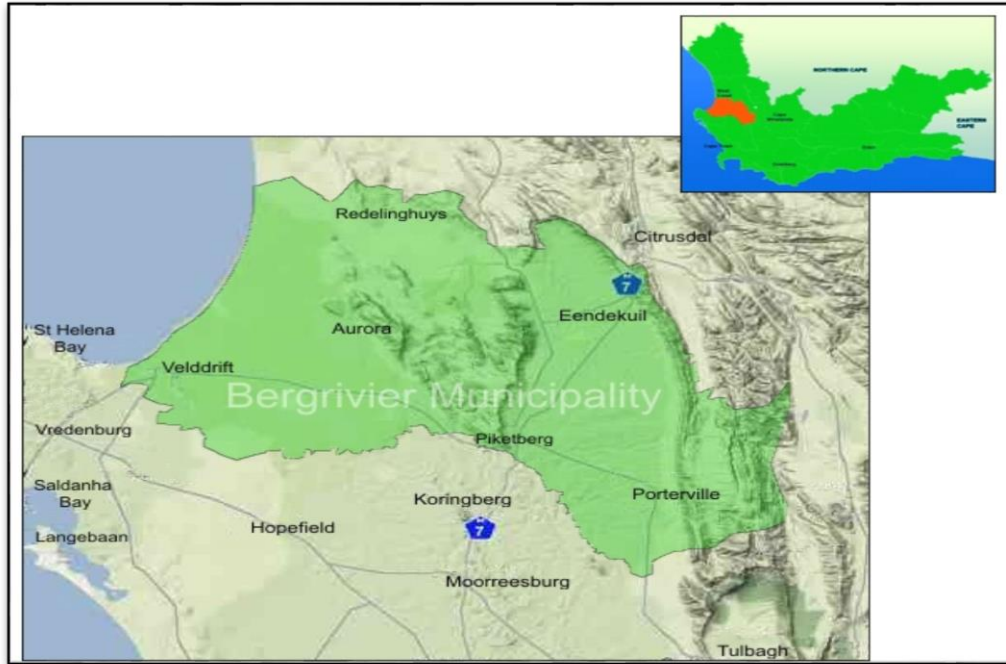
## 1.2 GEOGRAPHIC OVERVIEW

Bergvriër Local Municipality is situated in the West Coast District of the Western Cape Province. The Municipality is bordered to the North by Cederberg Municipality, to the West by Saldanha Bay Municipality, to the South by Swartland Municipality and to the East by Drakenstein and Witzenberg Municipalities. The Municipality covers a geographic area of approximately 4 408 km<sup>2</sup> and is geographically diverse. It includes 9 urban settlements, approximately 40 kilometres of coastline and a vast rural area. The main urban



settlements that constitute the Municipality are: Piketberg which is the administrative seat, Porterville, Velddrif (which includes Port Owen, Laaiplek and Noordhoek), Dwarskersbos, Eendekuil, Aurora, Redelinghuis, Goedverwacht and Wittewater. The latter two towns are Moravian settlements on private land. The following figure depicts the Bergrivier Municipal Area as well as the position of Bergrivier Municipality in relation to the Western Cape.

**FIGURE 1: MAP OF BERGRIVIER MUNICIPALITY IN RELATION TO THE WESTERN CAPE**



The following table provides an overview of the various settlements that constitute the Bergrivier Municipal Area:

**TABLE 2: SETTLEMENT TYPES, CHARACTERISTICS AND ECONOMIC BASE**

| SETTLEMENT   | CHARACTERISTICS AND ECONOMIC BASE  |
|--|--|
| Velddrif (Including Laaiplek, Port Owen and Noordhoek) | Velddrif is a coastal town which functions as a focal point for the fishing industry along the West Coast. The most important resources are the sea, the coastal environment, salt pans and the Bergrivier Estuary Tourism, retirees and second home residents provide a solid base for the local economy.   |
| Dwarskersbos   | Dwarskersbos is a coastal town characterised by its property market, holiday accommodation and tourism. The sea and coastal area are the most important natural resources. The main function of the town is to provide holiday accommodation. Tourism, retirees and second home residents provide a solid base for the local economy.  |
| Piketberg (Including Piket-Bo-Berg)                    | Piketberg is classified as a central place and is the administrative seat of the Bergrivier Municipality. It is also the service and commercial centre of the surrounding agricultural area. The primary economic base of Piketberg is agriculture. Public-sector activities related to the municipal head office, district offices, provincial government offices and other public functions also provide a solid base for the local economy. |
| Porterville (Incl Dasklip Pass)                        | Porterville is classified as a central place and a sound infrastructure has contributed towards the establishment of a Regional Kaap Agri Office. The economic base of Porterville is primarily agriculture, which is supplemented by some recreational and tourism activities.  |

| SETTLEMENT                  | CHARACTERISTICS AND ECONOMIC BASE  |
|-----------------------------|--|
| Redelinghuis                | Redelinghuis is classified as an isolated village. The town mainly functions as a residential area for the surrounding agricultural sector and retired people. There is some recreational and tourism potential in the Verlorenvlei which is a Ramsar Site which falls partially within Bergrivier area of jurisdiction. This town has no autonomous economic base other than the accommodation of farm workers involved in the nearby farms and basic service provision associated with this use.   |
| Aurora                      | Aurora is also classified as an isolated village. The town has a rural character against a picturesque topographical setting. This town has no autonomous economic base other than the accommodation of farm workers involved in the nearby farms and basic service provision associated with this use.  |
| Eendekuil                   | Eendekuil is also classified as an isolated village. It functions as a low-order agricultural service centre that is dependent on Piketberg for higher-order services. Mainly a residential town for farm workers and retired people. This town has no autonomous economic base other than the accommodation of farm workers involved in the nearby farms and basic service provision associated with this use.  |
| Goedverwacht and Wittewater | Goedverwacht and Wittewater are also classified as isolated villages. These towns are located on private land, within a predominantly agricultural area. They are Mission Stations run by the Moravian Church of South Africa and have little direct investment to stimulate economic activities. Inhabitants work mainly on the surrounding farms, but the villages do boast some very good builders. The scenic mountains and the missionary culture offer some tourism potential, but this can only be realized within the context of the larger tourism plan for the region. |

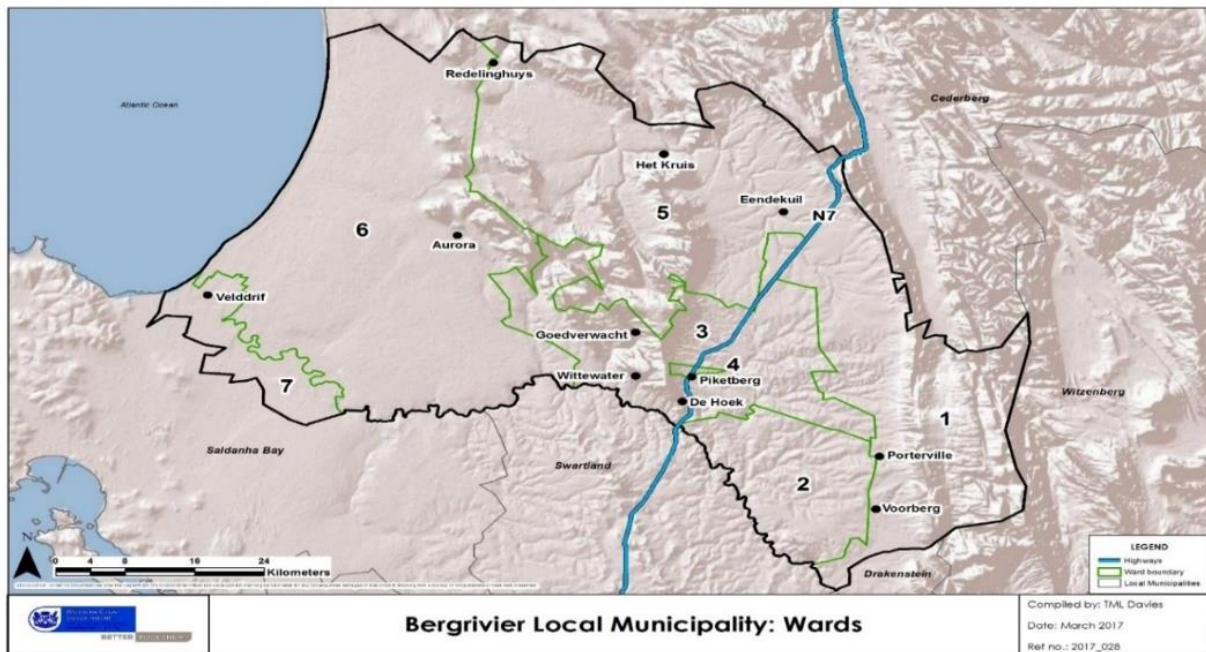
The ward demarcation of Bergrivier Municipality was changed for the 2016 municipal election in accordance with the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998) (Demarcation Act) and was demarcated into 7 (seven) wards. Although the Municipality had 7 wards prior to this, the new demarcation brought about significant changes in ward boundaries which impact on municipal planning, information management and community participation practices. No demarcation changes were made to wards prior to the 2021 Local Government Elections. The following is a table outlining the current ward demarcation in comparison to the former demarcation:

**TABLE 3: COMPARISON OF WARD DEMARCATIONS**

| WARD | CURRENT DEMARCATION   | FORMER DEMARCATION  |
|------|---|---|
| 1    | Comprises Porterville Town, Voorberg and the rural area to the southeast of Porterville   | Porterville Town and the rural area to the North of Porterville   |
| 2    | Comprises the remainder of Porterville (Monte Bertha) and the rural area to the west of Porterville                                       | The remainder of Porterville (Monte Bertha), the rural area to the South of Porterville and the Voorberg prison   |
| 3    | Comprises the Western and Southern portion of Piketberg Town, De Hoek, Wittewater and Goedverwacht  | Western and Southern portion of Piketberg Town, Eendekuil and an extensive rural area   |
| 4    | Predominantly urban and comprises the Northeastern portion of Piketberg Town  | Predominantly urban and comprises the Northeastern portion of Piketberg Town  |
| 5    | Comprises the Western and Southern portion of Eendekuil, Redelinghuis and Genadenberg which belong to the Moravian Church of South Africa | Predominantly rural with a smattering of private settlements including Wittewater, Goedverwacht and Genadenberg which belong to the Moravian Church of South Africa and De Hoek, a private residential area |

| WARD | CURRENT DEMARCATION   | FORMER DEMARCATION   |
|------|---|--|
|      |   | situated on the premises of the Pretoria Portland Cement factory (PPC) a few kilometres to the south of Piketberg                  |
| 6    | Predominantly coastal and rural and comprises the towns of Aurora, Noordhoek and Dwarskersbos and the rural areas between these settlements | Predominantly rural and comprises the towns of Aurora, Redelinghuis and Dwarskersbos and the rural areas between these settlements |
| 7    | Predominantly urban coastal settlement and comprises Velddrif which includes Port Owen and Laaiplek   | Predominantly urban coastal settlement and comprises Velddrif which includes Noordhoek, Port Owen and Laaiplek                     |

FIGURE 2: WARD DEMARCATION - 2021



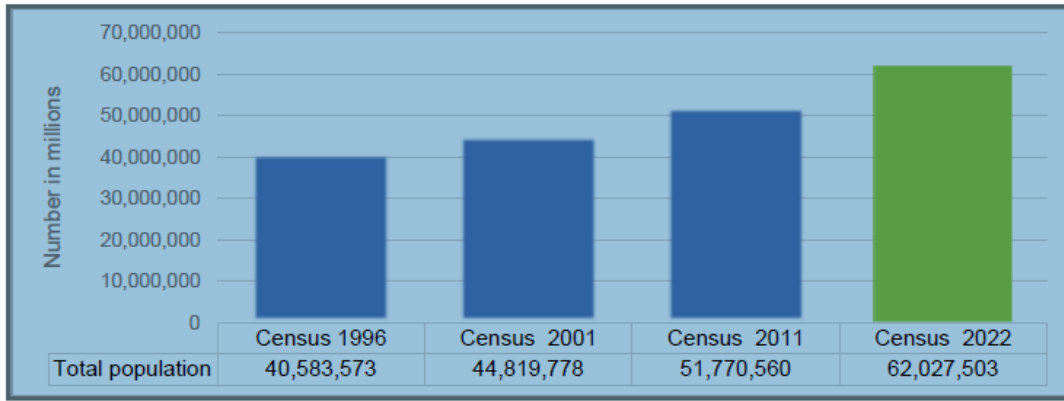
### 1.3 DEMOGRAPHIC OVERVIEW

#### 1.3.1 POPULATION

##### i. South African population

The population of South Africa increased from 51,7 million in 2011 to more than 62 million in 2022; a growth rate of 1,8 % in the intercensal period. Females constituted 51,5 % of the total population, while 48,5 % were males. Gauteng and KwaZulu-Natal had the highest populations at 15 million and 12,4 million respectively, while the Northern Cape had the smallest (1,3 million). Black Africans remain the dominant population group at 81,4 %, followed by the coloured population at 8,2 %. The white population percentage declined to 7,3 % in 2022 from 8,9 % observed in 2011, while that for Indians/Asians increased slightly from 2,5 % in 2011 to 2,7 % in 2022. The median age increased to 28 years from 25 years in 2011, suggesting a consistent increase over time and an overall increase of three years.

FIGURE 3: TOTAL POPULATION BY CENSUS YEAR, CENSUS 1996 - 2022



Census 2022

ii. Western Cape Population

TABLE 4: POPULATION OF THE WESTERN CAPE

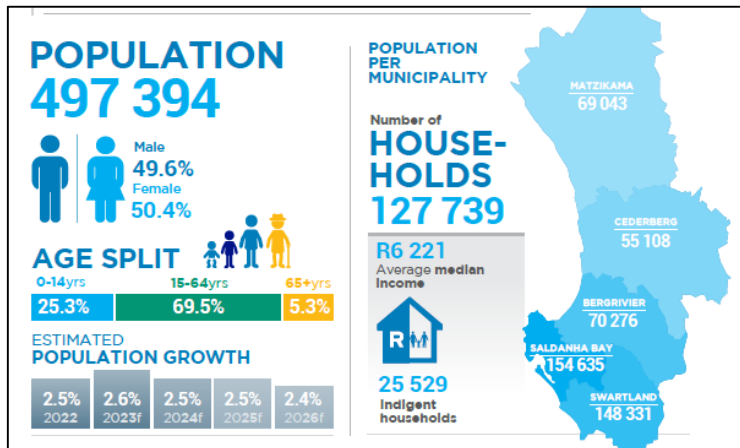
| PROVINCE     | CENSUS YEAR | GENDER    |           | TOTAL     |
|--------------|-------------|-----------|-----------|-----------|
|              |             | MALE      | FEMALE    |           |
| Western Cape | 1996        | 1 935 494 | 2 021 381 | 3 956 875 |
|              | 2001        | 2 192 321 | 2 332 014 | 4 524 335 |
|              | 2011        | 2 858 506 | 2 964 228 | 5 822 734 |
|              | 2022        | 3 602 159 | 3 830 860 | 7 433 019 |

TABLE 5: DISTRIBUTION BY POPULATION GROUP, CENSUS 1996 - 2022

| PROVINCE     | CENSUS YEAR | POPULATION GROUP |                  |               |                  |                | TOTAL            |
|--------------|-------------|------------------|------------------|---------------|------------------|----------------|------------------|
|              |             | BLACK AFRICAN    | COLOURED         | INDIAN/ASIAN  | WHITE            | OTHER          |                  |
| Western Cape | 1996        | 826 691          | 2 146 109        | 40 376        | 821 551          |                | <b>3 834 727</b> |
|              | 2001        | 1 207 429        | 2 438 976        | 45 030        | 832 901          |                | <b>4 524 335</b> |
|              | 2011        | 1 912 547        | 2 840 404        | 60 761        | 915 053          | 93 969         | <b>5 822 734</b> |
|              | <b>2022</b> | <b>2 884 511</b> | <b>3 124 757</b> | <b>84 363</b> | <b>1 217 807</b> | <b>115 235</b> | <b>7 426 673</b> |

iii. West Coast District Population

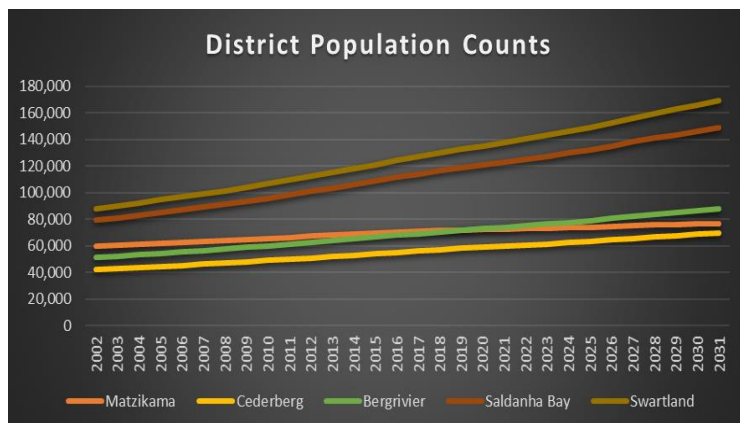
FIGURE 4: POPULATION OF THE WEST COAST DISTRICT



MERO 2023

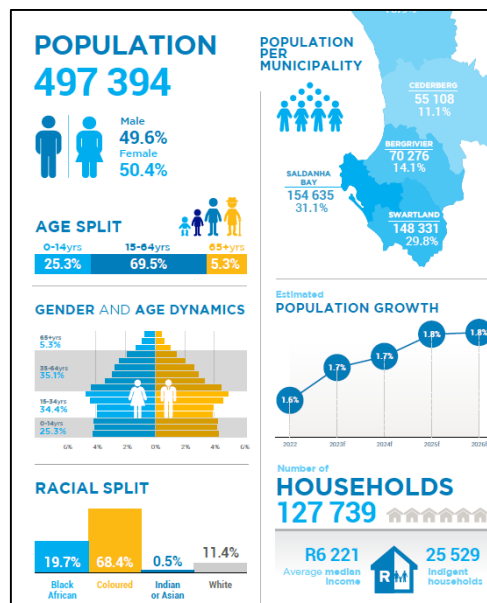
Based on the StatsSA Mid-Year Population estimate, the West Coast total population count was 497 394 in 2022 and is projected to total 552 712 in 2031.

FIGURE 5: ESTIMATED POPULATION COUNTS FOR WEST COAST DISTRICT



IHS MARKIT

FIGURE 6: DEMOGRAPHIC PROFILE OF THE WEST COAST





The below table displays estimated summary statistics for each of the local municipalities within the West Coast District Municipal Area for the period 2002 to 2031.

**TABLE 6: SUMMARY OF STATISTICS IN WEST COAST DISTRICT**

| %                               | MATZIKAMA | CEDERBERG | BERGRIVIER | SALDANHA BAY | SWARTLAND |
|---------------------------------|-----------|-----------|------------|--------------|-----------|
| Average Household Contribution  | 16.32     | 12.87     | 15.89      | 25.92        | 29.01     |
| Average Population Contribution | 16.44     | 12.99     | 15.61      | 28.30        | 26.67     |
| Average Population Growth Rate  | 0.84      | 1.74      | 1.87       | 2.21         | 2.28      |
| Average Household Growth Rate   | 1.02      | 2.02      | 2.03       | 3.23         | 2.28      |

MERO 2022

It is important to list the collective major areas of concern in the West Coast District as to contextualise the major challenges of Bergrivier Municipality. These major areas of concern for the whole of the West Coast District include:

- Rising population and poor households;
- Households with no income;
- High unemployment rate and in-migration;
- Cost of housing;
- Informal dwellers;
- Teenage pregnancies;
- Anti-Retroviral Treatment and TB patient loads;
- Lower immunisation coverage;
- Sustainability of service levels;
- Shortage of relevant and appropriate human resource;
- Lack of water & other resources, including funding;
- Increasing cost and unaffordability of basic services; and
- Climate change and effect on agriculture.

#### iv. Bergrivier Municipality Population

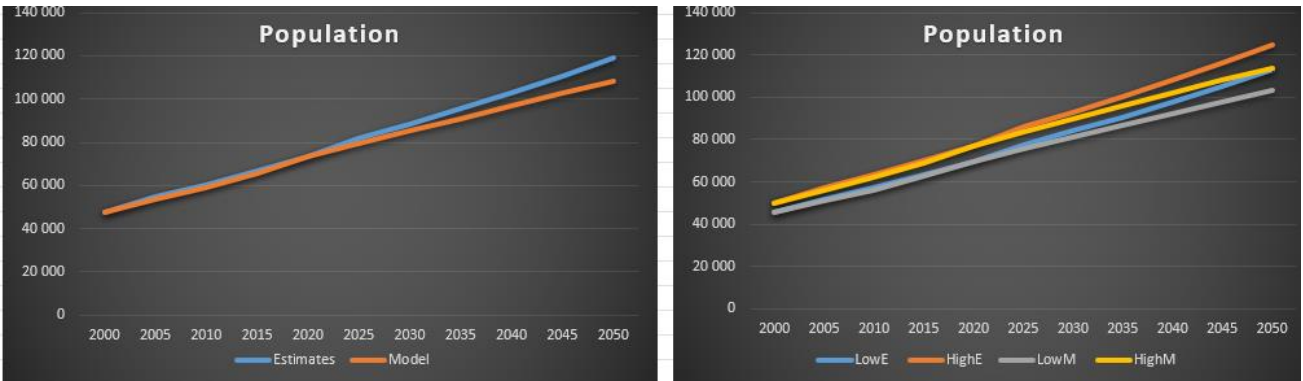
- *Population statistics*

According to the 2022 StatsSA, 74 042 people were residing within the Bergrivier Municipal Area in 2021 with a projection of 87 724 in 2031. The Municipality was home to around 18 911 households in 2021 with

a projection of 23 689 households in 2031. The average household size in the Municipality is projected to decrease from 3.92 in 2021 to 3.70 in 2031. The average population density in the Municipality is projected to increase from around 16.8 people per km<sup>2</sup> in 2021 to 19.9 people per km<sup>2</sup> in 2031. Bergrivier Municipal Area is the 3<sup>rd</sup> least populated municipal area in the West Coast District. It has the 2<sup>nd</sup> highest household size and the 3<sup>rd</sup> highest population density in the West Coast District.

The following figure outlines the estimated population growth in and for Bergrivier Municipal Area:

**FIGURE 7: ESTIMATED POPULATION GROWTH**



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- *Population per town*

The following table indicates the population dispersion by town / area:

**TABLE 7: ESTIMATED POPULATION DISPERSION PER TOWN/AREA**

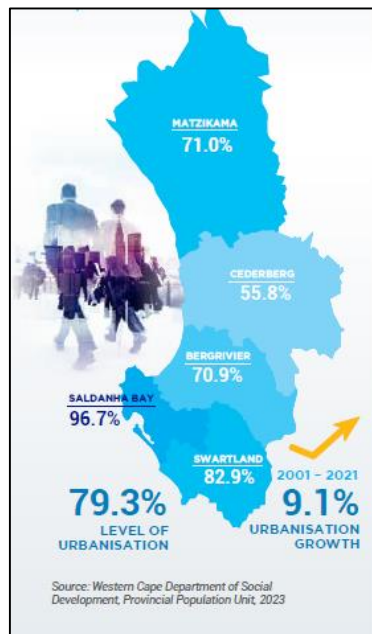
|                  | 2020   | 2025   | 2030   | 2035   | 2040   | 2045   | 2050   |
|------------------|--------|--------|--------|--------|--------|--------|--------|
| Piketberg        | 14 804 | 16 415 | 17 722 | 18 895 | 19 941 | 20 858 | 21 720 |
| Aurora           | 708    | 784    | 846    | 901    | 950    | 993    | 1 033  |
| Bergrivier Rural | 30 034 | 33 302 | 35 952 | 38 331 | 40 451 | 42 311 | 44 060 |
| Wittewater       | 1 040  | 1 153  | 1 244  | 1 326  | 1 399  | 1 463  | 1 523  |
| Dwarskersbos     | 821    | 910    | 982    | 1 046  | 1 104  | 1 154  | 1 201  |
| De Hoek          | 405    | 449    | 486    | 518    | 547    | 573    | 597    |
| Velddrif         | 13 502 | 14 968 | 16 157 | 17 223 | 18 172 | 19 004 | 19 787 |
| Porterville      | 8 642  | 9 582  | 10 344 | 11 028 | 11 638 | 12 173 | 12 676 |
| Eendekuil        | 1 876  | 2 080  | 2 245  | 2 394  | 2 526  | 2 642  | 2 751  |
| Goedverwacht     | 2 425  | 2 688  | 2 901  | 3 093  | 3 263  | 3 412  | 3 552  |
| Redelinghuis     | 703    | 779    | 841    | 897    | 946    | 989    | 1 030  |
| Beaverlac        | 72     | 80     | 87     | 92     | 98     | 102    | 107    |

|         | 2020 | 2025 | 2030  | 2035  | 2040  | 2045  | 2050  |
|---------|------|------|-------|-------|-------|-------|-------|
| De Lust | 839  | 930  | 1 004 | 1 070 | 1 129 | 1 181 | 1 230 |

IHS MARKIT

Between 2001 and 2021, the West Coast District was projected to experience the Province’s second highest level of urbanisation, estimated at 9.1 %. The urban population was expected to have grown from slightly below 200 000 individuals in 2001, constituting 70.2 % of the total population, to more than 370 000 individuals in 2021, making up 79.3 % of the total population. Bergrivier Municipal Area had the highest urbanisation rate in the District from 2001 to 2021. The majority of residents are situated in the urban settlement areas of Velddrif, Piketberg and Porterville. Similar to the other municipal areas in the West Coast District, the rural population in Bergrivier Municipal Area experienced minimal changes in its numbers. However, its contribution to the overall population share had decreased by 2021. The growth in urban areas such as Velddrif and Dwarskersbos contributed to the general trend of urbanisation.

**FIGURE 8: LEVEL OF URBANISATION, 2001 - 2021**

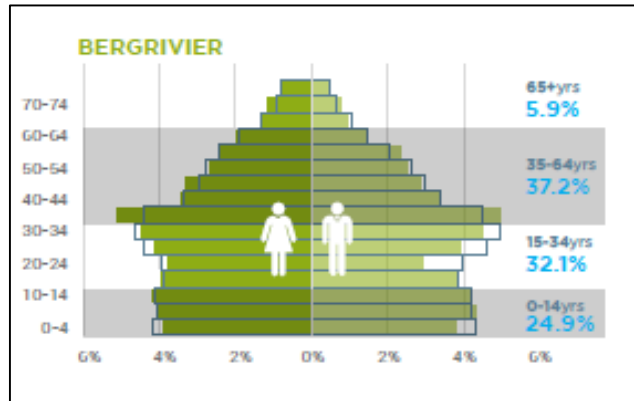


MERO 2022

Population statistics per gender

The population per gender is as follows:

FIGURE 9: GENDER COMPOSITION



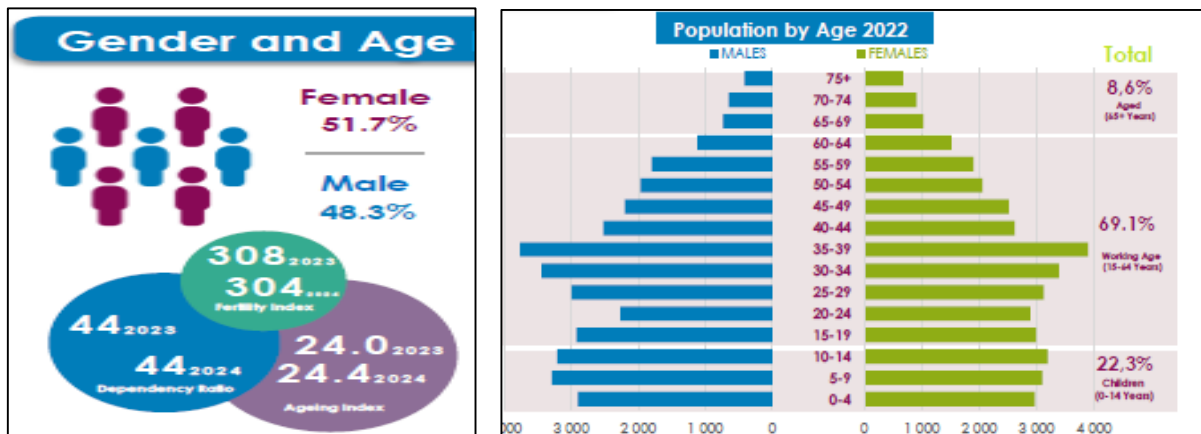
MERO 2023

The gender composition remained relatively unchanged and well balanced, with a slightly higher ratio of females to males. The increasing gender ratio could be attributed to a wide range of factors including an increase in female mortality rates and the potential inflow of working males into the municipal area.

[Population statistics per age](#)

According to the 2023 SEP, the Age Cohorts can be outlined as follows:

FIGURE 10: AGE COHORTS



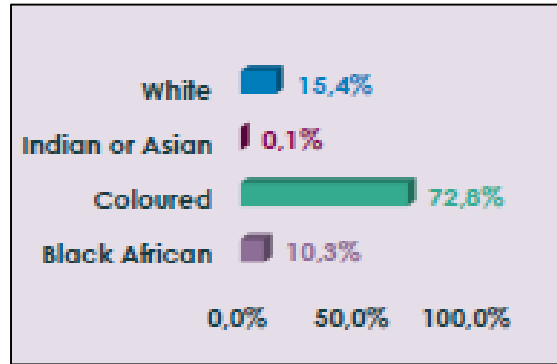
SEP 2023

A higher population growth is estimated for working aged population, with an expected growth in 2021 to 2025 of 1.3 % on average annually. An average growth rate for children is expected to be 1.2 % over the same period, with a slower growth of 0.7 % for the 65+ aged group. The depicted growth decreases the dependency ratio in 2021 from 45.6 to 45.3 in 2025.

[Population statistics per race](#)

The racial composition is as follows:

**FIGURE 11: RACIAL COMPOSITION**



SEP 2023

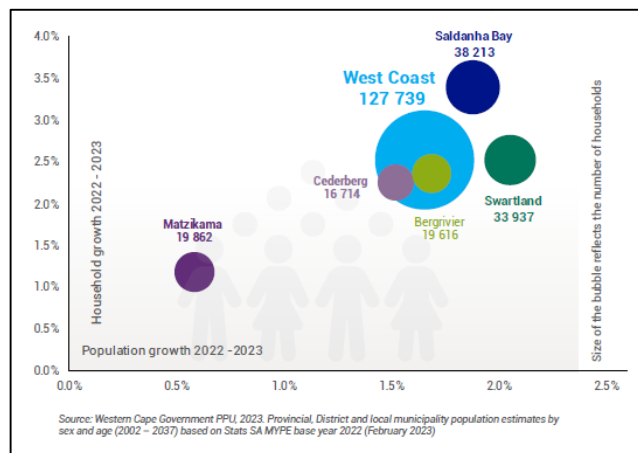
**1.4 SOCIO ECONOMIC OVERVIEW**

The United Nations uses the Human Development Index (HDI) to assess the relative level of socio-economic development in countries. Economists expect economic growth to result in improvements in human development and economic decline to have an adverse effect on human development.

**1.4.1 HOUSEHOLDS**

Number of households as per municipality in the West Coast:

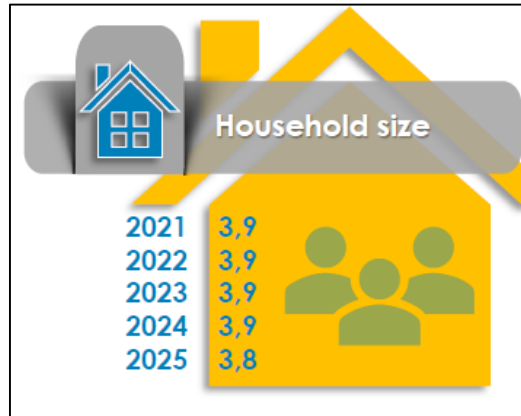
**FIGURE 12: NUMBER OF HOUSEHOLDS**



MERO 2023

Basic service delivery should be informed by credible and accurate number of households within a municipal area. There are 19 616 households in the Bergrivier Municipal Area with 127 739 households in the West Coast District in 2022. The total households include the entire municipal area inclusive of private farms and/or land.

FIGURE 13: HOUSEHOLD SIZE



SEP 2022

Minimal change in household size is expected between 2021 and 2031 in the Bergvriev Municipal Area with the actual size of households estimated to remain at 3.9 persons per household. It is expected to drop to 3.7 persons per household in 2031.

#### 1.4.2 EDUCATION

Education is the functional mandate of the Provincial Department of Education, but the impact of shortcomings within the education system and the lack of skills impact on the Municipality. The Municipality therefore has a vested interest in working co-operatively with the Department of Education and related departments whose functional mandates fall within the realm of social development.

Skills are an essential contributor to the development of individuals, businesses, societies and economies. Their importance is even more pronounced in the South African context where high levels of structural unemployment among the youth is still more prevalent than in other emerging economies. While low skill levels and lack of experience are widely known as the primary causes of unemployment amongst youth, it is also becoming increasingly apparent that many young graduates are unable to find employment due to an education system that is supplying industry with skills that are either inadequate or irrelevant. Globally, apprenticeship-based learning remains the most effective learning methodology that produces high quality workers that have the skills that employers need. The Labour Force Surveys released by Stats SA on a quarterly basis reveal that the unemployment rate among youth (aged 15-34 years) is consistently higher than the adult unemployment rate in all provinces.

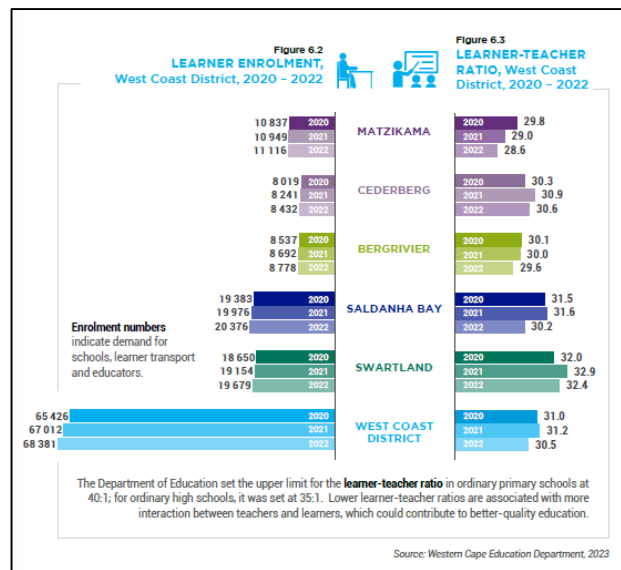
Low literacy levels remain a challenge in the West Coast District. In 2022, the District literacy rate (57.6 %) was substantially lower than that of the Province (66.2 per cent). However, between 2012 and 2022 the rate increased by 0.2 of a percentage point in the West Coast District, while increasing by 0.9 of a percentage point in the Province. Low literacy rates affect employment prospects, increasing poverty and the need for income assistance. Racial disparities amplify poverty and income inequality levels in the West Coast District. Literacy levels are especially low for the coloured population (52.5 %) and have declined for this group since 2012. By contrast, literacy levels have improved for other racial groups. A disproportionately high number of coloured

people stay on farms, where they may face difficulties in accessing education. This leads to low literacy levels, which impact employability in sectors other than agriculture. Ensuring that school-age children are enrolled in school and attend regularly is essential for improving literacy levels. Scholar transport support provided by the Western Cape Education Department therefore plays a critical role in securing access to education in the West Coast District.

Education and skills will improve access to available employment opportunities. The low education and skills levels of the Bergrivier Community are contributing to unemployment and poverty and are cause for concern. Education and training opportunities are limited by the absence of any tertiary (or technical) education facilities in the Municipal Area.

The following Educational indicators for Bergrivier Municipal Area provide a dashboard overview of the status quo of education in the area. This subsection explores the educational circumstances of households in the West Coast District by using data on learner enrolments, the Grade 10 to 12 retention rate, matric pass rates and learner teacher ratios.

**FIGURE 14: LEARNER ENROLMENTS & LEARNER TEACHER RATIO**



MERO 2023

In the Bergrivier region, learner enrolment reached 8 778 in 2022, slightly surpassing the 8 692 enrolled in 2021. The increase in learner enrolment is indicative of positive developments such as improved access to education and heightened awareness of its societal benefits. However, this growth also presents socio-economic challenges, particularly in terms of infrastructure and resource demands, necessitating ongoing enhancements in educational quality to effectively cater to the expanding student population. As the number of learners rises, there is a critical need for strategic planning and investment in education does not ensure that the system can accommodate the influx while maintaining or improving the overall quality of education.

The learner retention rate is influenced by a wide array of factors, including economic influences such as unemployment, poverty/ very low household income, as well as social concerns such as teenage pregnancies,

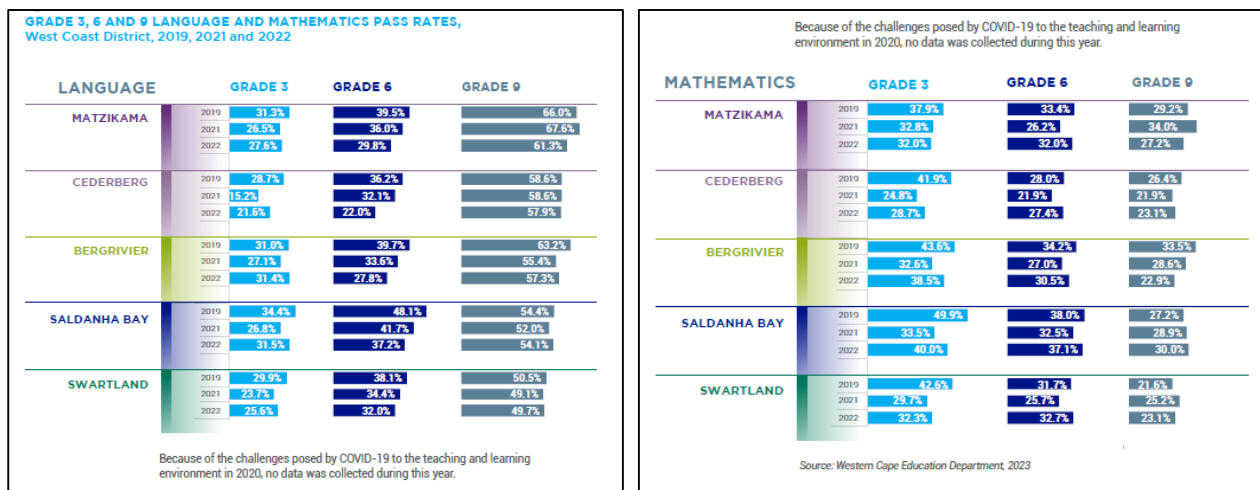


overcrowded classrooms, student attitudes towards education, as well as other personal circumstances which can make it difficult for learners to focus on education. The grade 10 to 12 retention rate for the Bergrivier areas stood at a modest 81.6 %, signalling significant challenges and concerns. Nevertheless, this performance emerged as the most favourable among the local municipalities within the region. Mitigating school dropouts requires a collaborative effort and a commitment to creating a supportive and inclusive educational environment that accommodates the diverse needs of students, tailored to the unique local challenges and circumstances.

The pass rates of Grade 9 students in important subjects such as languages and mathematics have substantial implications for their progression from Grade 10 to Grade 12. School attendance is compulsory until Grade 9. Poor performance during this pivotal year elevates the risk of students dropping out before they enter the further education and training (FET) phase, which encompasses Grades 10 to 12. Even if students continue to the FET phase, inadequate educational achievements in Grade 9 can still result in dropouts before matriculation. Consequently, many young individuals in the West Coast District have an incomplete secondary education. This adversely affects their standing in the job market since a matric certificate is frequently a minimum requirement for employment. In summary, subpar Grade 9 educational outcomes can have enduring repercussions, constraining career prospects and limiting opportunities for the individuals involved.

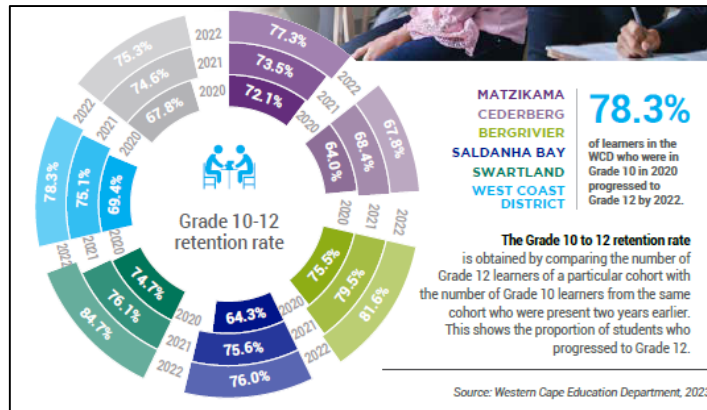
Despite the challenges faced by the education sector during the COVID-19 pandemic in 2020 and 2021, the Grade 10 to 12 retention rate in the West Coast District consistently improved during this period – a positive trend that continued into 2022. From 2020 to 2022, the District witnessed an 8.9 percentage point increase in the retention rate, which rose from 69.4 % to 78.3 % between 2020 and 2021.

FIGURE 15: PASS RATES



Notably, the 2022 retention rate exceeded the 75.3 % observed in the Western Cape. Over the reference period, learner retention improved by 7.5 % in the Province, contrasting with the more substantial increase of 8.9 % observed in the West Coast District.

FIGURE 16: GRADE 10 TO 12 RETENTION RATE



Bergrivier Municipal Area’s matric outcomes dropped sharply, and it impacts directly on learner access to higher education institutions to broaden employment opportunities.

FIGURE 17: GRADE 12 PASS RATE AND BACHELOR’S PASS RATE 2020 - 2022



MERO 2023

Despite education outcomes in the Province improving from 2020 to 2022, the West Coast District faced declines during this period, including a 3.3 % decrease in the matric pass rate between 2020 and 2022. Additionally, the 2022 pass rate was 2.9 % lower than the pre-COVID-19 (i.e., 2019) matric pass rate of 81.8 %. The decline in education outcomes was especially pronounced in the Bergrivier Municipal Area, where the matric pass rate dropped to 68.3 % in 2022, marking an 11.3 % decline from 2021. This decline reflects the adverse impacts of the COVID-19 pandemic on learners. Pupils in poor and rural areas could not easily join school online during the pandemic, and the loss of school days in lower grades ultimately impacted the Grade 12 results of 2022. Empowering young people to realise their potential enables them to make valuable contributions to the workforce and society while narrowing the skills gap in the West Coast District and creating a demographic dividend for the area. In 2022, the West Coast District had a lower bachelor’s pass rate than the Province, with a 4.4 % difference between the two. However, the matric pass rate differed by only 2.0 %. This suggests that while learners are passing their matric exams, they may not be achieving the

marks required to advance to tertiary education. This trend has implications for the region's skills development.

Bergvriër Municipal Area had the lowest matric pass rate and one of the lowest bachelor's pass rates in 2022. The decrease in matric and bachelor's pass rates in the West Coast District raises concerns for future development and skills enhancement in this District. The drop in pass rates is expected to negatively impact youth employment and the income levels of the youth population within the West Coast District.

The number of schools (total of 20 public ordinary schools) has remained unchanged over the last few years. The number of no-fee schools also remained constant at 13 which represent 65 % of schools being registered with the Western Cape Department of Education. The number of schools with libraries decreased from 12 (2018) to 10 (2019) to 8 in 2020. There is therefore a considerable scope for the extension of libraries to other schools in the area.

### **Skills**

Skills are an essential contributor to the development of individuals, businesses, societies and economies. Their importance is even more pronounced in the South African context where high levels of structural unemployment among the youth is still more prevalent than in other emerging economies. According to the National Planning Commission (2012: 98), South Africa is experiencing a youth bulge, and this represents an opportunity for growth if young people are meaningfully employed but poses a potential for grave social instability if they are not. While low skill levels and lack of experience are widely known as the primary causes of unemployment amongst youth, it is also becoming increasingly apparent that many young graduates are unable to find employment due to an education system that is supplying industry with skills that are either inadequate or irrelevant.

A significant number of jobs remain vacant because of a lack of the appropriate skills. These shortages are felt particularly in the fields of maths and science, with a lack of skills in fields such as engineering and Information and Communication Technology (ICT), as well as a growing shortage of vocational and technical skills (artisans) such as electricians, welders and mechanics, which is seriously hampering economic growth. There are several reasons for these shortages, which include:

- Poor maths and science pass rates at schools;
- Lack of awareness of scarce skills and related employment opportunities;
- Learners preferring to enroll at universities, which they view as superior to technical colleges;
- Negative societal perceptions of the status of artisans;
- A shortage of funding and workplace-based learning opportunities; and
- Lack of schools who present technical programs.

Education and skills will improve access to available employment opportunities. The low education and skills levels of the Bergvriër Community are contributing to unemployment and poverty and are cause for concern.

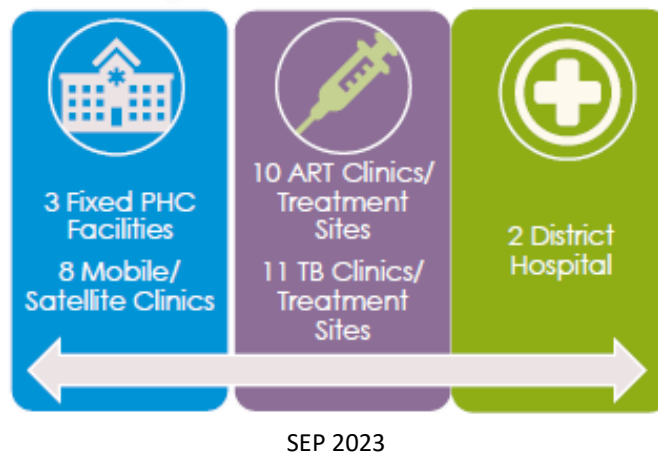
Education and training opportunities are limited by the absence of any tertiary (or technical) education facilities in the Municipal Area. Bergrivier Municipality is the only municipality in the West Coast District without a FET College.

#### 1.4.3 HEALTH CARE

Good health is vital in achieving and maintaining a high quality of life. The information provided by the Department of Health pertains only to public sector health institutions and it should be acknowledged that health includes factors such as control of diseases, clean water, sanitation and removal of solid waste which falls within the mandate of municipalities.

##### *Healthcare Facilities*

**FIGURE 18: HEALTHCARE FACILITIES**



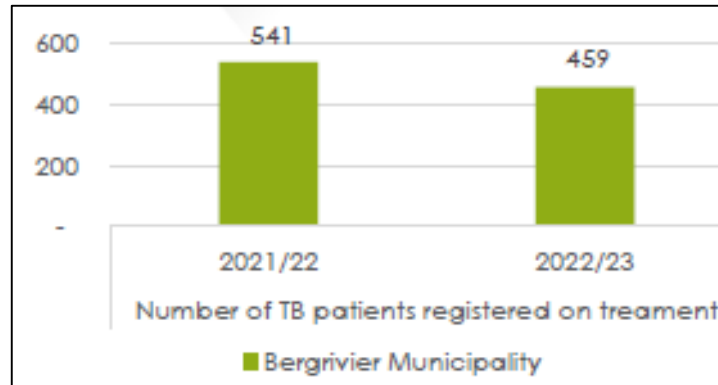
Bergrivier Municipality has a high percentage of households with no access to private healthcare institutions and are dependent on the availability and access to public health care facilities. Health care in South Africa is geared in such a way that people must move from primary, with a referral system, to secondary and tertiary levels. Bergrivier Municipality has 3 primary healthcare facilities, (3 fixed clinics), 7 mobile/satellite clinics and 2 district hospitals. Bergrivier Municipal Area has a total of 5 ambulances servicing the region with the District having a total of 29 for the same period. This number only refers to Provincial ambulances and excludes all private service providers.

Critical health issues in the Bergrivier Municipal Area are:

- Migration and the influx of seasonal workers which result in a higher burden of diarrhoea and an increase in TB and other infectious diseases.

##### *Tuberculosis*

FIGURE 19: TUBERCULOSIS



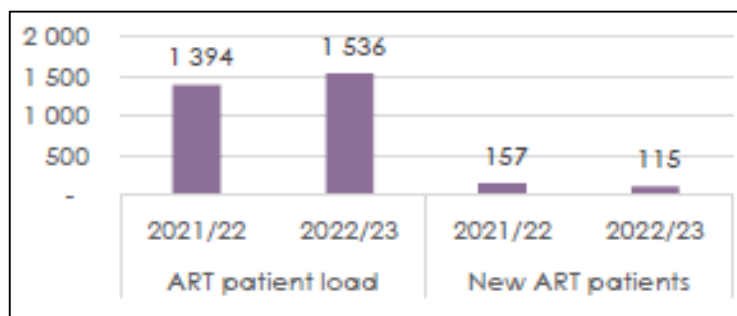
SEP 2023

In the Bergivier region, there has been a notable rise in the overall enrolment of individuals undergoing antiretroviral treatment, witnessing an uptick of 142 patients from 1 394 in the 2021/22 period to 1 536 in 2022/23. On the flip side, there has been a decline in the count of new patients commencing antiretroviral treatment, decreasing by 42 individuals to 115 in 2022/23 compared to the 157 recorded in the previous year. Furthermore, a reduction has been observed in the number of tuberculosis patients enlisted for treatment, diminishing from 541 in 2021/22 to 459 in 2022/23.

From a socio-economic perspective, this shift in healthcare dynamics could have multifaceted implications. The increase in overall enrolment for antiretroviral treatment may suggest an improvement in access to healthcare services or an enhanced awareness of the importance of HIV treatment in the Bergivier region. This could be indicative of a positive trend in managing and addressing the HIV/AIDS epidemic, contributing to improved public health outcome.

- HIV/Aids

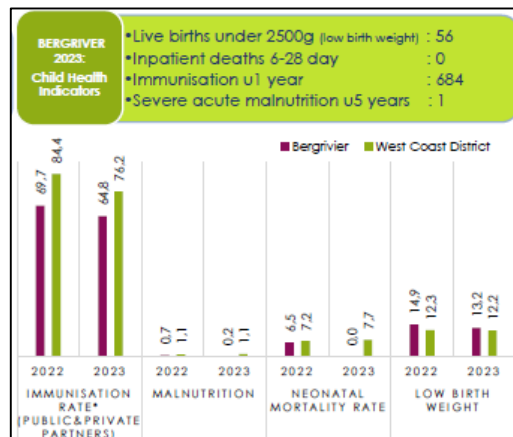
FIGURE 20: HIV/AIDS



SEP 2023

- Child Health

FIGURE 21: CHILD HEALTH

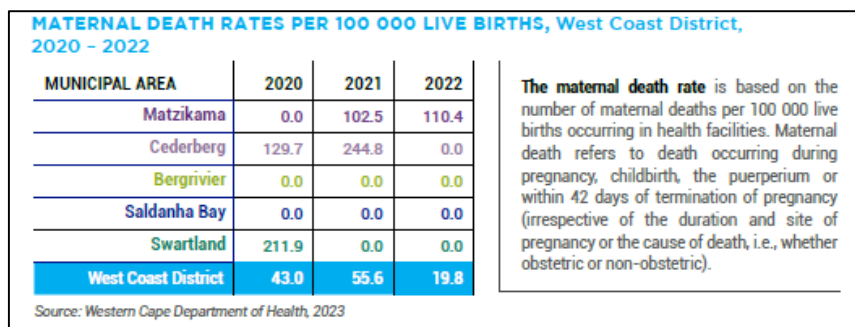


MERO 2023

In the Bergervier region, there has been a notable decline in the immunisation rate, decreasing from 69.7% in 2021/22 to 64.8 % in 2022/23, remaining below the optimal level. Concurrently, the malnutrition rate among children under five years old per100 000 in the Bergervier municipal area experienced a modest decrease from 0.7 % in 2021/22 to 0.2 % in 2022/23, while the rate for the District remained stable at 1.1 per 10 0000 during the same reporting period. Meanwhile, the neonatal mortality- rate (NMR) per 1 000 live births in the Bergervier municipal area declined from 6.5 in 2021/22 to 0.0 in 2022/23, whereas the District-wide rate exhibited a slight uptick from 7.2 to 7.7 during the same timeframe.

- *Maternal Health*

FIGURE 22: MATERNAL HEALTH



MERO 2023

The maternal mortality rate recorded zero deaths per 100 000 live births in 2022/23 in the Bergrivier Municipal Area. The delivery rate to women under 20 years was recorded at 22,7 %, an increase from 19%.

A worrying trend in the West Coast District is the high levels of teenage pregnancy, especially in the Bergrivier, Swartland and Matzikama municipal areas. The numbers speak volumes about the challenges these young mothers face and the underlying factors that drive this phenomenon. Between 2002 and 2020, the total number of live births to teenage mothers (i.e., females aged 10 to 19) within the West Coast District was 16 488. This amounted to, on average, 868 births annually. Births to teenage mothers in the District accounted for 7.6 % of such births in the Western Cape for the same period. Most of the births occurring in the West Coast District were in the Swartland and Saldanha Bay municipal areas (2 317 and 7 917 births, respectively). In 2022, births to teenage mothers accounted for 16.0 % of total live births in the West Coast District, with Bergrivier (22.7 %), Swartland (17.8 %) and Matzikama (17.1 %) having the highest proportions of births to teenage mothers.

#### 1.4.4 POVERTY

High poverty levels impact on the well-being of the community and the sustainability of the Municipality as it reduces the ability of people to pay for services and increases dependency on indigent grants which the Municipality finances from its equitable share.

The intensity of poverty and the poverty headcount of municipalities are measured. The intensity of poverty is measured by calculating the Poverty Gap Index which is the average poverty gap in the population as a proportion of the poverty line. The Poverty Gap Index estimates the depth of poverty by considering how far, on the average, the poor are from that poverty line. The Poverty Gap Index is a percentage between 0 and 100 percent. A theoretical value of zero implies that no one in the population is below the poverty line. Individuals whose income is above the poverty line have a gap of zero, while individuals whose income is below the poverty line would have a gap ranging from 1 % to 100 %, (with a theoretical value of 100 % implying that everyone in the population has an income that is below the poverty line or zero). A higher poverty gap index means that poverty is more severe.

#### ***Poverty Headcount and Intensity:***

##### **Share of People Below the Lower Poverty Line**

The lower poverty line is defined by StatsSA as the level of consumption that includes both food and essential non-food items but requires that individuals sacrifice some food items to obtain the non-food items. This variable measures the share of individuals in the selected area that are living below the lower poverty line for the given area and is balanced directly to the official lower bound poverty rate as measured by StatsSA.



**TABLE 8: SHARE OF PEOPLE BELOW THE LOWER POVERTY LINE**

| DATE | TOTAL  | PERCENTAGE |
|------|--------|------------|
| 2017 | 20 122 | 28,50 %    |
| 2018 | 20 974 | 29,20 %    |
| 2019 | 22 149 | 30,30 %    |
| 2020 | 24 399 | 32,80 %    |

IHS MARKIT

**Below the Upper Poverty Line**

The upper poverty line is defined by StatsSA as the level of consumption at which individuals can purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that level of consumption for the given area and is balanced directly to the official upper poverty rate as measured by StatsSA.

As per definition, the Upper Bound Poverty Line (UBPL) an individual living in South Africa with less than R 1 227 (in April 2019 prices) per person per month was considered poor. In 2021, 55.00 % of Bergrivier's population fell below the UBPL. This figure improved somewhat from the 55.92 % and 55.43 % recorded for the periods 2015 and 2018 respectively. Within the West Coast District region, Saldanha Bay (59.13 % in 2021) represents the highest proportion of people living in poverty; the Cederberg area (52.79 %) has the lowest proportion in the region.

**TABLE 9: BELOW THE UPPER POVERTY LINE**

| DATE | TOTAL  | PERCENTAGE |
|------|--------|------------|
| 2017 | 31 780 | 45,00 %    |
| 2018 | 32 692 | 45,50 %    |
| 2019 | 34 022 | 46,50 %    |
| 2020 | 36 363 | 48,90 %    |

IHS MARKIT

*Household Income*

The annual income for household living in Bergrivier Municipality is divided into 3 categories, namely the proportion of people that fall within the low-, middle- and high-income brackets. Poor households fall in the low-income bracket which ranges from no income to R 50 000 annually (R 4 166/ month). Increase in living standards is evidenced then by a rising number of households entering the middle- and high-income brackets. An estimated 49 % of households in Bergrivier Municipality fall within the low-income bracket of

which 9,4 % have no income. 45 % of the households fall in the middle-income group with 6 % in the higher income group.

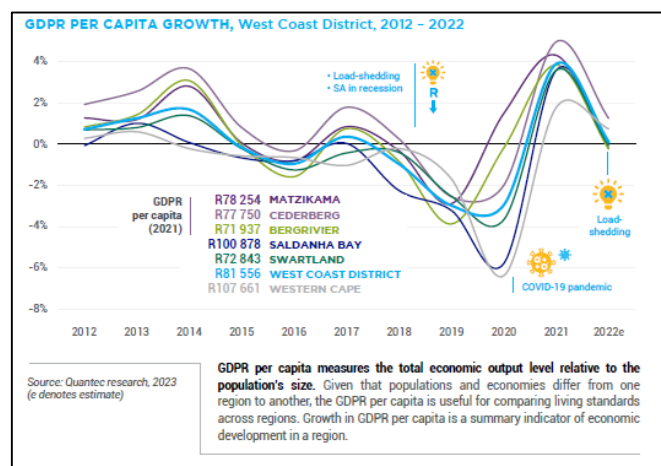
**TABLE 10: HOUSEHOLD INCOME**

| AMOUNT                  | WEST COAST DISTRICT | BERGRIVIER |               |
|-------------------------|---------------------|------------|---------------|
| No Income               | 10.7                | 9.4        | Low Income    |
| AMOUNT                  | WEST COAST DISTRICT | BERGRIVIER |               |
| R1 - R6 327             | 1.8                 | 1.5        |               |
| R6 328 - R12 653        | 3.1                 | 1.9        |               |
| R12 654 - R25 306       | 14.0                | 13.7       |               |
| R25 307 - R50 613       | 21.8                | 22.4       |               |
| R50 614 – R101 225      | 19.2                | 21.8       | Middle Income |
| R101 226 – R202 450     | 13.2                | 14.0       |               |
| R202 451 – R404 901     | 9.4                 | 9.1        |               |
| R404 902 – R809 802     | 4.9                 | 4.5        | High Income   |
| R809 803 – R1 619 604   | 1.3                 | 0.8        |               |
| R1 609 605 – R3 239 208 | 0.4                 | 0.4        |               |
| R3 239 209 or more      | 0.3                 | 0.4        |               |

Socio-Economic Profile: WC Provincial Government

GDPR per capita

**FIGURE 23: GDPR PER CAPITA**



MERO 2023

In 2021, the West Coast District’s GDPR per capita was R 81 556, significantly lower than the Province’s R 107 661. Given its large economy, the Saldanha Bay municipal area had the highest living standards, with a GDPR per capita of R 100 878. The COVID-19 pandemic significantly impacted economic growth, leading to decreased GDPR per capita across all areas as the population grew. The lockdown and business closures

resulted in job losses and income reductions for most communities. This, in turn, led to lower consumer spending, which affected overall economic demand.

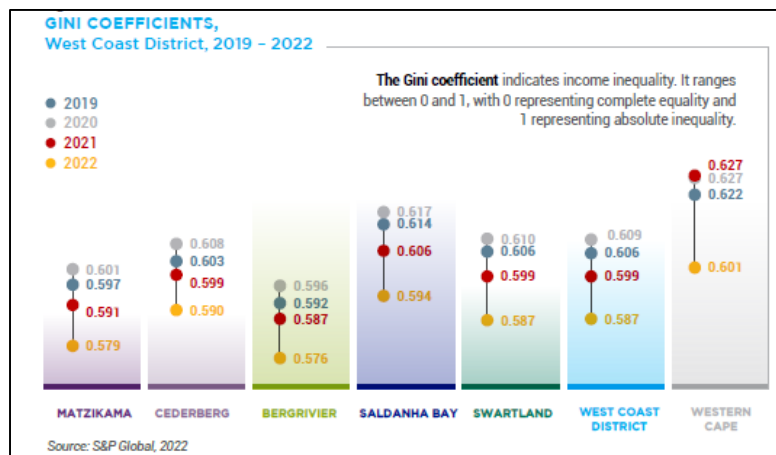
The GDP per capita of the West Coast District recorded growth of 3.9 % in 2021, outpacing the modest 1.8 % achieved by the Province during the same period. Cederberg had the highest GDP per capita growth of all the municipal areas in 2021 – an impressive 5.0 %. Despite GDP per capita growth in the area slowing in 2022, Cederberg maintained the highest growth rate compared with other municipal areas during this year. Bergrivier and Swartland, however, witnessed a significant decline in their growth estimates, with the GDP per capita of both municipal areas stagnating in 2022. The economic performance of these municipal areas was thus not sufficient to result in any notable change in living standards.

Within the Bergrivier municipal area, Velddrif, a fishing village known for its picturesque coastal location along the Atlantic Ocean and proximity to the Berg River Estuary, attracts tourists and workers in the tourism, agriculture and fishing industries. The median income in Velddrif is R 7 799, although about 55.9 % of the population earn wages from R 3 200 to R 6 400. Piketberg, situated inland amid rolling wheatfields and vineyards, with agriculture as a significant economic driver, reports a lower average median income (R 4 754 per month).

Income Inequality

Various methods can be employed to assess societal inequality, encompassing income, expenditure, assets, employment, education, health, access to basic services, and social mobility. By adopting a multidimensional perspective, the broader context of South Africans’ challenges can be better defined regarding inequality. Ratios and indices utilised to measure inequality encompass the Gini coefficient, the Theil index, general entropy, the Palma ratio, and the Atkinson index. Nonetheless, the Gini coefficient stands out at the local municipal level as the most readily available and widely used data for measuring inequality.

FIGURE 24: GINI COEFFICIENT



From 2019 to 2022, income inequality in the West Coast District was less pronounced than in the Province. During 2020, Gini coefficients increased across all municipal areas and in the Province because of the economic disruptions resulting from the COVID-19 pandemic. These disruptions led to widespread job losses and reduced incomes, which disproportionately impacted low-wage and informal workers. Those already

earning lower incomes bore the brunt of these effects, resulting in an exacerbated income gap. The West Coast District’s Gini coefficient rose from 0.606 in 2019 to 0.609 in 2020 before declining in 2021 and 2022.

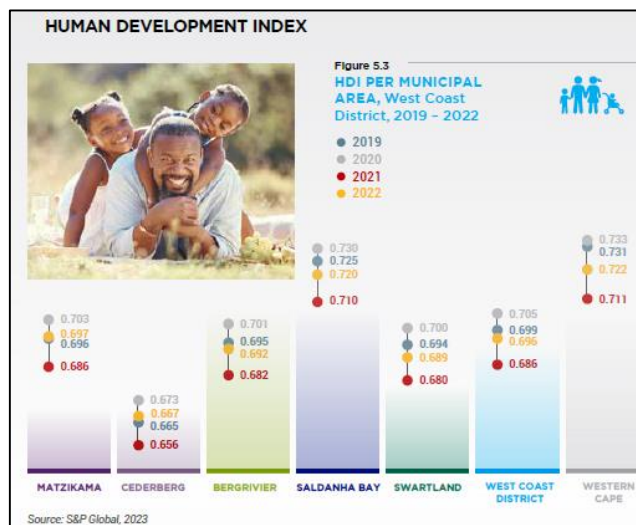
Bergrivier’s economic landscape reveals a distinct lack of diversification, leading to lower levels of income inequality. It consistently had the lowest Gini coefficient among all five municipal areas of the WCD. The Bergrivier economy is heavily dependent on primary industries tied to its coastal location and natural resources. Jobs in agriculture, the largest employer in the area, are generally low paid. As workers have few options for better-paid employment in other sectors, there is little scope for the development of income disparities within the labour force.

*Human Development Index*

HDI (Human Development Index) is a composite indicator reflecting on education levels, health and income. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development.

From 2019 to 2022, the West Coast District consistently had a lower HDI score than the Province. This disparity was mainly driven by economic differences, as a segment of the population in the more rural parts of the District earned lower incomes than those in urban areas and had limited employment prospects. Conversely, residents of more urban and diverse areas such as Saldanha Bay and Swartland enjoyed higher incomes. HDI scores across the West Coast District and the Province declined in 2021, which can primarily be attributed to a reduction in life expectancy brought about by COVID-19. The scores rebounded in 2022 as life expectancy returned to more typical levels. However, they remained below previous levels because of the ongoing problem of low-income levels in the West Coast District. Both the District and the Province witnessed fluctuations in their HDI values from 2019 to 2022. In 2022, the West Coast District’s HDI score was slightly lower than that of the Province. The effects of COVID-19 on life expectancy and employment, which subsequently affected income levels, were particularly pronounced within the District.

**FIGURE 25: HUMAN DEVELOPMENT INDEX**

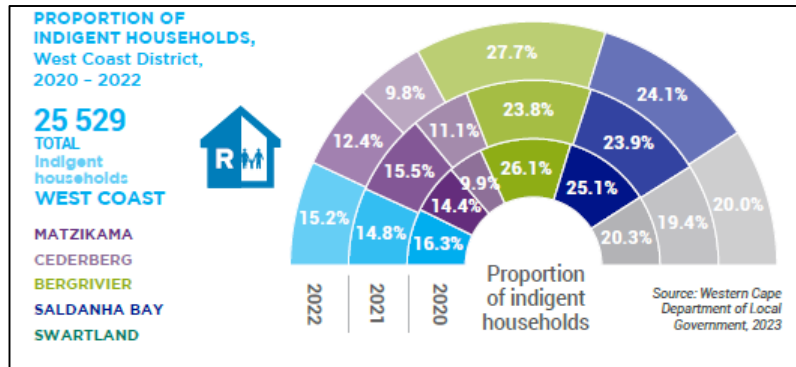


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*Indigent households*

In response to the poverty levels of its communities, municipalities offer households support through their indigent policy. The indigent policy provides for free or discounted rates on municipal specified services such as water, electricity, sanitation, refuse removal as well as property rates. The following provides an overview of the number of indigents in the West Coast District:

**FIGURE 26: INDIGENT HOUSEHOLDS**



Between 2020 and 2021, the West Coast District saw a decline in the number and proportion of indigent households within the District. However, both the number and proportion increased in 2022. This trend is a consequence of the general employment level in the West Coast District. Likewise, Cederberg and Bergervier experienced an increase in indigent households in 2021 as a result of continued job losses and reduced working hours, especially for those in lower-paying and informal sectors. The significant presence of indigent households places an added burden on the local municipalities in that they are required to provide these households with essential basic services at reduced or no cost. However, there was a positive development in the Bergervier municipal area, where the share of indigent households decreased to 9.8 % in 2022. This decline alleviates pressure on the local municipality to deliver services to indigent households. In summary, the slight reduction in indigent households suggests progress in addressing poverty within the West Coast District.

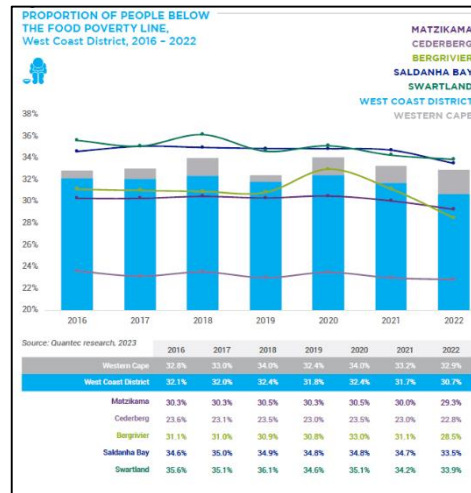
*Food security*

Food security is the state of having consistent access to sufficient, safe and nutritious food. According to the Bureau for Food and Agricultural Policy (BFAP), inflation in the cost of food and non-alcoholic beverages reached 13.9 % between April 2022 and April 2023, a trend driven by spiralling global food prices, currency depreciation, rising fuel and electricity costs, and ongoing load-shedding. Increased prices for vegetables, bread and cereals, dairy products and eggs, fish, sugar and non-alcoholic beverages contributed to the high inflation.

The following table gives an overview of the number of people suffering from food security over a period. The food poverty line is defined by StatsSA as the level of consumption below which individuals are unable to purchase sufficient food to provide them with an adequate diet. Those below this line are either consuming insufficient calories for their nourishment or must change their consumption patterns from those preferred

by low-income households. This variable measures the share of individuals in the selected area that are living below the food poverty line for the given area and is balanced directly to the official food poverty rate as measured by StatsSA.

**FIGURE 27: PROPORTION OF PEOPLE BELOW THE FOOD POVERTY LINE**



MERO 2023

**TABLE 11: PEOPLE BELOW THE FOOD POVERTY LINE**

| PEOPLE BELOW THE FOOD POVERTY LINE (STATSSA DEFINED) |        |            |
|--|--------|------------|
| DATE   | TOTAL  | PERCENTAGE |
| 2017   | 11 513 | 16,30 %    |
| 2018   | 11 963 | 16,60 %    |
| 2019   | 12 711 | 17,40 %    |
| 2020   | 14 517 | 19,50 %    |

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1.4.5 THE LOCAL ECONOMY

A clear stagnation trend is evident post-2015. Further research is needed to explore the various causes for this specifically to understand the national versus local reasons for the stagnating trend. Institutionally there will be some combination of national versus local causes. National causes could be electricity-related for example, while local causes could be tariff-related. In general, the Municipal economy increased by 139% over a 28-year period. Ideally, the period should be as little as possible targeting around 15 years.

FIGURE 28: MUNICIPAL OUTPUT



The Bergrivier municipal area had a GDP of R 5.3 billion in 2021, accounting for 14.0 % of the West Coast District economy. Fishing, aquaculture and associated processing activities constitute the primary source of jobs in Velddrif, with its famed Bokkomlaan. Most other towns are sustained by farming activities, especially Piketberg and Porterville. Agriculture, forestry and fishing accounted for 29.2 % (R 1.5 billion) of municipal GDP in 2021, with perennial crop production (8 276 jobs), mixed farming (1 239 jobs) and fishing (863 jobs) being the leading sources of formal employment in this sector. As such, 45.2 % of workers in the Bergrivier municipal area are low-skilled while 23.9 % are semi-skilled. Informal jobs make up 17.6 % of employment and are a valuable source of agricultural and retail work. Over the past decade, the agriculture sector has created the most jobs, followed by personal services and finance. This points to growing economic diversification and an increasing demand for semi-skilled workers.

It is estimated that in 2022, the GDP of Bergrivier increased by 1.4 %, a 4.0 % decline from 2021. The slowdown can be attributed to the 1.3 % contraction in the agriculture sector, which has been negatively affected by loadshedding and substantial increases in input costs. However, the economy was buoyed by solid performances in the finance and manufacturing sectors, despite the effects of load-shedding on working hours. The performance of the finance sector can primarily be attributed to growth in local business services, which created 186 jobs in 2022. Rising demand for canned fish products benefited local producers and boosted the manufacturing sector. Furthermore, the weak exchange rate worked to the advantage of fishmeal and fish oil producers that mainly export their products resulting in increased revenues.

TABLE 12: ECONOMIC STRUCTURE OF BERGRIVIER MUNICIPAL AREA (MILLION)

| YEAR | AGRICULTURE | MINING | MANUFACTURING | CONSTRUCTION | UTILITY | TRANSPORT | TRADE  | FINANCE  | GOVERNMENT | COMMUNITY SERVICES |
|------|-------------|--------|---------------|--------------|---------|-----------|--------|----------|------------|--------------------|
| 2016 | 3 828,44    | 66,37  | 2 881,02      | 354,06       | 121,25  | 409,72    | 819,92 | 951,49   | 603,93     | 453,68             |
| 2017 | 3 808,10    | 58,62  | 2 947,26      | 333,5        | 122,63  | 408,75    | 803,17 | 978,23   | 589,09     | 461,13             |
| 2018 | 3 824,89    | 52,74  | 3 112,35      | 326,04       | 124,56  | 408,21    | 821,74 | 1 017,74 | 586,09     | 470,31             |

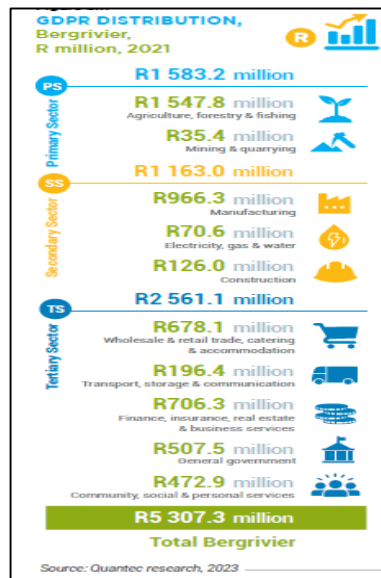


| YEAR | AGRICULTURE | MINING | MANUFACTURING | CONSTRUCTION | UTILITY | TRANSPORT | TRADE  | FINANCE  | GOVERNMENT | COMMUNITY SERVICES |
|------|-------------|--------|---------------|--------------|---------|-----------|--------|----------|------------|--------------------|
| 2019 | 3 430,15    | 54,18  | 3 190,02      | 313,36       | 118,86  | 395,12    | 817,32 | 1 060,21 | 593,38     | 483,32             |
| 2020 | 4 320,42    | 39,99  | 3 125,29      | 250,7        | 111,57  | 302,94    | 696,97 | 1 094,14 | 603,36     | 477,36             |

MERO 2022

The contribution of each sector for 2022 is as follows:

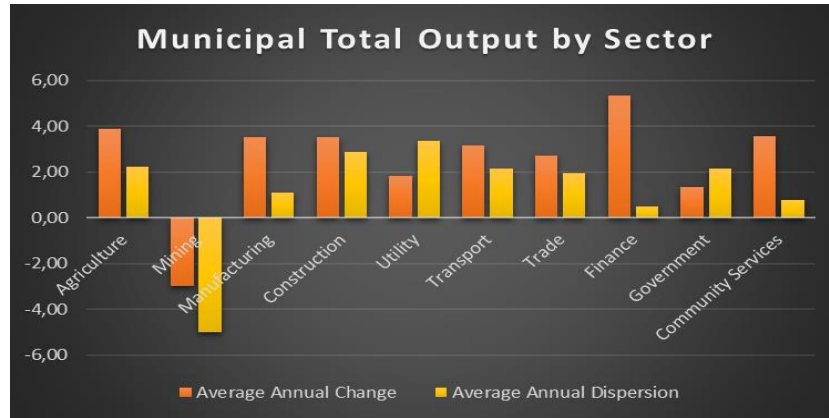
FIGURE 29: GDPR DISTRIBUTION



MERO 2023

The figure below displays the average annual percentage change and average annual dispersion (volatility) of the various economic sectors within the Municipality. The data propose that the finance sector recorded the fastest average annual growth rate, while the mining sector recorded decreasing growth rates over the period. In absolute terms, the mining sector was also the most volatile sector in the Municipality over the period, while the finance sector was the least volatile. The performance of the agriculture and manufacturing sectors should be commended given the national trends in these sectors. A primary and secondary sector-focused economy is the most sustainable economy in the long term. These sectors are engines of economic growth and development. What is required in value-add opportunities be it downstream or upstream.

FIGURE 30: MUNICIPAL OUTPUT BY SECTOR



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The below two tables display the regional economic output within the Municipality for 2010 (left) and 2021 (right). The data is in 2010 constant terms and therefore not equal to the total Municipal output as presented above. However, the percentage contributions will not be affected by the rebasing of the output values. From the data, it is evident that the contribution of the Piketberg economy to the total Municipal economy stayed relatively the same while the Velddrif economic contribution increased. On the other hand, the De Hoek economic contribution decreased. The data as proposed in the two tables makes for interesting reading and suggests future economic hotspots and the associated need for infrastructure support.

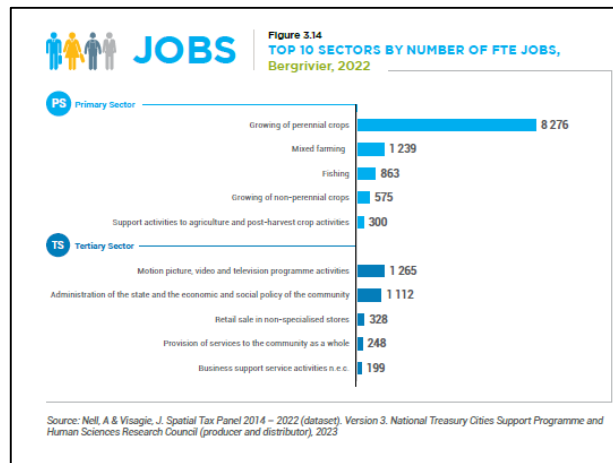
TABLE 13: REGIONAL ECONOMIC OUTPUT PER TOWN

| 2010         | Q             | %     |  | 2021         | Q             | %     |
|--------------|---------------|-------|--|--------------|---------------|-------|
| De Hoek      | 1 012 851 272 | 16.49 |  | De Hoek      | 896 372 392   | 12.16 |
| Dwarskersbos | 12 069 658    | 0.20  |  | Dwarskersbos | 186 348 406   | 2.53  |
| Eendekuil    | 54 313 461    | 0.88  |  | Eendekuil    | 47 702 159    | 0.65  |
| Piketberg    | 2 250 991 217 | 36.62 |  | Piketberg    | 2 681 869 270 | 36.38 |
| Porterville  | 784 527 770   | 12.76 |  | Porterville  | 1 148 263 854 | 15.58 |
| Velddrif     | 1 617 334 172 | 26.32 |  | Velddrif     | 2 207 523 838 | 29.95 |
| Other        | 265 532 476   | 4.32  |  | Other        | 12 689 353    | 0.17  |

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Despite the abovementioned GDP contraction, the agriculture sector remained an important source of new work opportunities in 2022. Jobs were created by activities such as perennial and non-perennial crop production, as well as in agricultural support and post-harvest activities. Formal job losses were also recorded across various sectors, mainly services. This highlighted the business uncertainty that prevailed during 2022 amid several macro-economic constraints, including high inflation and interest rate hikes. Overall, the number of jobs in the Bergrivier municipal area increased in the course of 2022, enabling the unemployment rate to fall by 0.5 of a percentage point to 7.3 %. Notably, the Bergrivier municipal area had the lowest unemployment rate in the Province in 2022. The leading source of new jobs in Bergrivier in 2022 was motion picture, video and television programme activities (1 237 jobs), although these additional posts were exclusively in Aurora. Job creation on this scale within the sector is unprecedented in the history of the Bergrivier Municipal Area and is probably indicative of a temporary number of posts being created for a specific production.

**FIGURE 31: TOP 10 SECTOR BY NUMBER OF FTE JOBS**



MERO 2023

GDP forecasts indicate that growth will continue to slow in 2023 (to 0.8 %). Heavy rains in June compromised harvests and farm infrastructure were damaged or lost, significantly impacting the agriculture sector. However, growth is expected to improve markedly in 2024, with an expansion in GDP of 2.4 % anticipated for this year. This forecast is largely predicated on continued success in the manufacturing sector. It should be noted, however, that load-shedding presents a substantial risk to the health of this sector.

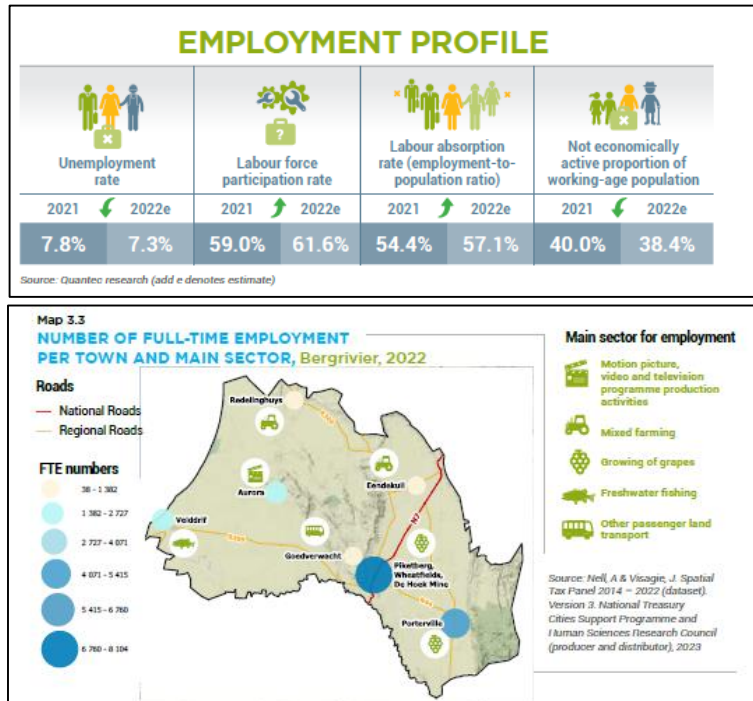
The agriculture sector had the highest proportion of informal employment, accounting for 31.0 % of the sector’s employment opportunities. Other strong sectors where informal employment made up a significant percentage were the trade sector (28.8 %), the transport sector (24.0 %) and the construction (21.8 %) sector. Despite the valuable role the informal sector plays in terms of employment, meeting legislative requirements is often a deterrent to growth. Reducing red tape and skills development are two key aspects that will facilitate entrepreneurship in the Bergrivier Municipal Area.

Agriculture and agro processing; tourism; manufacturing and the development of small and medium enterprises were designated as four pillars for economic development in the Bergrivier Municipal Area by the Municipality’s local economic development strategy.

1.4.6 LABOUR FORCE AND EMPLOYMENT

The following table outlines the employment profile of the Bergrivier Municipal Area:

FIGURE 32: EMPLOYMENT PROFILE



MERO 2023

1.5 ENVIRONMENTAL OVERVIEW

The Environment is a concurrent National and Provincial competency in terms of Schedule 4A of the Constitution. The Municipal Systems Act requires municipalities to work together with other organs of state to contribute to the progressive realisation of the right to a healthy and protected environment (Section 24). The Bill of Rights (Section 24) states that

“Everyone has the right –

- a) to an environment that is not harmful to their health or well-being;
- b) to have the environment protected, for the benefit of present and future generations through reasonable legislative and other measures that -
  - (i) prevents pollution and ecological degradation
  - (ii) promote conservation
  - (iii) secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development”.

In addition, there are numerous other statutes that give a defined role to municipalities in the conservation and sustainable development of the environment. There are also statutes that regulate the way in which municipalities perform their functions to ensure minimal negative impact to the environment.

Bergrivier Municipality consciously strives to conserve the natural environment by minimizing the impact of its own activities. There are several factors that impact on the environment, one of the most critical being poverty which forces impoverished people to rely on natural resources which are often used unsustainably. Conversely private and public development initiatives which are needed to address poverty also have the potential to impact negatively on the environment if not managed correctly. The challenge that the Municipality faces is to ensure that all development is done in a sustainable manner.

Another critical consideration as stated in the Biodiversity Sector Plan (2010) is the infestations of invasive alien plants which pose serious threats to municipal infrastructure and functioning, as well as to biodiversity. Their massive fuel loads lead to uncontrollable fires, and they reduce water supply and spoil scenery, impacting negatively on tourism and agricultural potential. The Municipality is faced with this challenge to manage and control invasive alien plants and animals which poses a threat to the biodiversity within the municipal areas and the greater ecosystem functioning of the entire area.

The following table provides an overview of some of the key natural resources and their significance in and for Bergrivier Municipality.

**TABLE 14: KEY NATURAL RESOURCES**

| NATURAL RESOURCE                               | SIGNIFICANCE TO COMMUNITY  |
|--|--|
| Berg River and Estuary                         | <ul style="list-style-type: none"> <li>• Provides a range of eco system services (primary water source of the Municipal Area)</li> <li>• Conservation (Berg River Estuary <b>Ramsar site</b>)</li> <li>• Sport and Recreation (especially angling, canoeing, and boating)</li> <li>• Agriculture (irrigation)</li> <li>• Tourism (especially birding)</li> </ul> |
| Coastal Zone (Including Berg River Estuary)    | <ul style="list-style-type: none"> <li>• Sport and Recreation (especially angling, canoeing, and boating)</li> <li>• Conservation</li> <li>• Tourism (especially birding)</li> <li>• Fishing industry</li> <li>• Salt industry (Cape Salt and Kliphoek)</li> <li>• Residential development</li> <li>• Port Owen Marina</li> </ul>                                |
| Verlorenvlei (upper reaches near Redelinghuis) | <ul style="list-style-type: none"> <li>• Conservation</li> <li>• Tourism (especially birding)</li> <li>• Recreation</li> </ul>   |
| Rocherpan                                      | <ul style="list-style-type: none"> <li>• Conservation (Nature Reserve)</li> <li>• Tourism (especially birding)</li> <li>• Recreation (such as walking and hiking, angling, mountain biking, bird watching and swimming and whale watching at the coastal – area)</li> </ul>  |
| Groot Winterhoek Wilderness Area               | <ul style="list-style-type: none"> <li>• Conservation</li> <li>• Tourism (especially eco-tourism)</li> <li>• Recreation (such as hiking and walking and rock art).</li> <li>• The greater Groot Winterhoek conservation area is particularly important for protecting mountain fynbos and wildlife. It is also one of Cape Town’s sources</li> </ul>             |



| NATURAL RESOURCE | SIGNIFICANCE TO COMMUNITY                                    |
|------------------|--|
|                  | of fresh, clean water, and is a <b>World Heritage Site</b> . |

The Municipality works in partnership with various organs of state and private institutions to ensure that it gives effect to its environmental obligations.

## 1.6 GOVERNANCE OVERVIEW

Chapter 2 provides detailed information on the governance performance of the Municipality during the 2022/23 financial year.

### 1.6.1 POLITICAL AND ADMINISTRATIVE GOVERNANCE

Sections 153(a) and (b) of the Constitution state that the Municipality must structure and manage its administration, budgeting, and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community. It must also participate in national and provincial development programmes. Municipal councils may exercise their authority within an area of jurisdiction as determined by the Municipal Demarcation Board in terms of the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998).

- **Political governance**

The Municipality's political governance structures comprise:

- o The Municipal Council which is constituted by 13 Councillors and led by a DA majority;
- o The Office of the Speaker who is the chairperson of the Municipal Council and responsible for the application of the Code of Conduct, public participation and ward committees;
- o The Executive Mayor and Mayoral Committee. The Council has delegated all its executive functions, except those which it may not delegate by law to the Executive Mayor and the Mayoral Committee, to ensure optimal operational efficiency;
- o Portfolio Committees, of which there are three (3) Section 80 Committees, namely Financial Services, Technical Services and Community Services Portfolio Committees. The Section 80 Committees are chaired by the Executive Deputy Mayor and the two (2) members of the Mayoral Committee. The remaining members of these Committees comprise the other Councillors. The council also established two Section 79 Standing Committees, namely Corporate Services and Economic Development Portfolio Committees. The Committees are chaired by an appointed Councillor and the Executive Deputy Mayor respectively. The Section 80 and -79 committees have no decision-making powers and only make recommendations to the Mayoral Committee and via the Mayoral Committee to Council (where applicable).
- o Other Committees established by the Council for specific purposes, are the Section 79 Municipal Public Accounts Committee (MPAC), Performance-, Risk- and Audit Committee (PRAC), Risk

Management Committee, Occupational- Health and Safety Committee, Local Labour Forum, Training Committee and Gender Equality Committee.

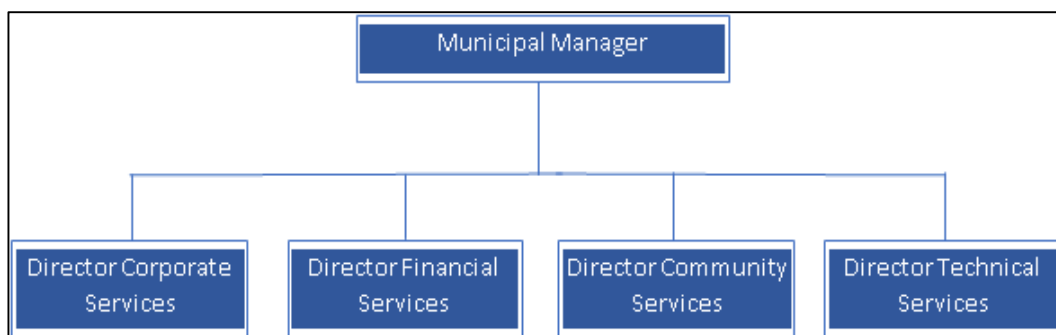
- The Municipal Council functions in terms of the Council’s Rules of Order, which was amended on 23 January 2020 and again on 29 May 2020 to accommodate virtual meetings. The Rules of Order is no longer promulgated as a By-law, but its status changed to a policy. Councillors are bound by the Code of Conduct for Municipal Councillors which is contained in Schedule 1 of the Municipal Systems Act (moved to Schedule 7 of the Structures Act, 1998 (Act 117 Of 1998) as amended as from 1 November 2021.

- **Administrative governance**

The Municipal Manager is the head of the administration and is responsible and accountable for all aspects of the Municipality and is also legally the Municipality’s Accounting Officer. The different directors of all the functionary directorates report directly to the Municipal Manager. All incumbents were appointed in terms of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) with the required experience, knowledge, skills and educational levels. The macro structure makes provision for the undermentioned organizational units:

- **By-laws**

Section 156(2) of the Constitution and Section 11 of the Municipal System Act gives Municipal Councils the executive and legislative authority to pass and implement by-laws. By-laws are discussed in Chapter 2.



- **The Municipal Website**

The Municipality is required to develop and maintain a functional website that displays relevant information as per the requirements of the Municipal Finance Management Act, 56 of 2003 (Section 75), and the Municipal Systems Act (“MSA”), Section 21(A) and (B) as amended. The municipal website is a key communication mechanism in terms of service offering and information sharing. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. The official website of Bergrivier Municipality is [www.bergmun.org.za](http://www.bergmun.org.za).

### 1.6.2 INTERGOVERNMENTAL RELATIONS

Section 3 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) requires municipalities to

exercise their executive and legislative authority within the constitutional system of co-operative government envisaged in Section 41 of the Constitution. The municipality participates on numerous National, Provincial and District intergovernmental forums. The Municipality is furthermore involved in the development of a partnership agreement with a Belgium Municipality to share experiences and to implement joint projects.

### 1.6.3 PUBLIC PARTICIPATION AND ACCOUNTABILITY

The Constitution (Section 152) sets out the objectives of local government, one of which is the provision of democratic and accountable government to local communities. This is reiterated by Section 15(b) of the Municipal Systems Act (2000) which requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff.

- **Public participation**

Municipalities are required to encourage local communities and community organisations to participate in the matters of local government. A Municipality is required to develop a culture of community participation and develop a system of participatory municipal governance that compliments formal representative governance. The Municipality is also required to supply its community with information concerning municipal governance, management, and development. Bergrivier Municipality makes use of the following public participation structures:

- Public meetings: 14 Formal town-based public meetings per annum over and above the ward committee meetings.
- Ward Committees: A total of 59 ward committee meetings were held during the year.

### 1.6.4 CORPORATE GOVERNANCE

Corporate Governance is the set of processes, practices, policies, laws and relationships affecting the way an institution is directed, administered or controlled.

- **Internal Audit Unit**

The Municipality has an Internal Audit Unit as required by Section 165(1) of the MFMA and an Internal Auditor and an Assistant Internal Auditor who reports to the Municipal Manager. The Internal Auditor is responsible for the Audit Unit and must ensure that the Performance, Risk and Audit Committee (PRAC) meets as legislated and that all aspects required by legislation are submitted at these meetings to ensure that the committee is informed and that recommendations can be made.

- **Risk management**

The Municipality has a Risk Management Committee which meets quarterly. Strategic risks are identified during the annual strategic planning session of the Council as well as by senior management at management meetings and Risk Committee Meetings. Departmental and operational risks are identified by the directorates and managed by the respective Directors. Strategic risks are captured in an

automated electronic risk register (Risk Assist) after the Council approves the Annual Risk Register. Risk champions in each department comprise of the departmental manager. They are appointed to deal with risks as the first line of defense.

- **Anti-corruption and fraud**

Bergvriër Municipality subscribes to the principles of good corporate governance, which requires the conducting of business in an honest and transparent fashion. The policy of the Municipality is zero tolerance to corruption and fraud.

Fraud prevention can be seen as the cumulative effect of both prevention and detection systems incorporated by management. The detection of fraud can only lead to the prevention thereof if the response thereto acts as a deterrent. Implementing good governance, ethics, accountability as well as strategies and policies to prevent fraud and corruption, is based on the principle that service delivery is the priority of the Municipality. Implementation of these principles and awareness are contained in the website, [www.bergmun.org.za](http://www.bergmun.org.za).

## 1.7 SERVICE DELIVERY OVERVIEW

Chapter 3 provides more detailed information on basic service delivery as well as all other functions rendered by the Municipality during 2022/23. The Chapter also provides an overview of the impact of the lockdown due to Covid-19 on the municipality. The executive authority of the Municipality is set out in Section 156 of the Constitution of the Republic of South Africa, 1996, read together with the functions in Schedules 4B and 5B.

Government policy places specific emphasis on the provision of basic services, which entail the provision of electricity, water, sanitation and waste collection. These services underlie the delivery of housing which is a concurrent Provincial and National Government competency and delivered by Bergvriër Municipality on an Agency basis for Provincial and National Government.

The Municipality has been providing basic services at the prescribed level to all urban households within its area of jurisdiction since the 2008/09 financial year, but still faces major challenges when it comes to ensuring that residents of the private Moravian towns have access to minimum service standards. There are on-going discussions between the Municipality, Moravian Church of South Africa, West Coast District Municipality and Province to find a sustainable service delivery solution.

### 1.7.1 WATER

The Municipality is a Water Services Authority in terms of the Water Services Act 1997, (Act 108 of 1997) and provides water services to all urban areas within its jurisdiction except for the private Moravian Church Towns. The validity period for the WSDP is extended for 2023 whilst the new WSDP is prepared. Bergvriër Municipality is required in terms of Section 18 of the Water Services Act, 1997 (Act 108 of 1997), as well as the “Regulations relating to compulsory national standards and measures to conserve water” as issued in

terms of Sections 9(1) and 73(1)(i) of the Water Services Act, to report on the implementation of its WSDP during each financial year and to include a water services audit in such an Annual Report. The Municipality provides water services to all towns in its area of jurisdiction except for Goedverwacht, Wittewater and De Hoek (PPC) which are private towns. Water services are rendered by the Technical Services Directorate. Potable water in Velddrif and Dwarskersbos is purchased from the Withoogte scheme, making West Coast District Municipality the Water Service Provider. The contract for the update of the WSDP for the period of 2022 – 2027 is in the process to be signed by Bergrivier Municipality and the Development Bank of South Africa as the project will be funded by the latter. Bergrivier Municipality is required in terms of Section 18 of the Water Services Act, 1997 (Act 108 of 1997), as well as the “Regulations relating to compulsory national standards and measures to conserve water” as issued in terms of Sections 9(1) and 73(1)(i) of the Water Services Act, to report on the implementation of its WSDP during each financial year and to include a water services audit in such an Annual Report.

**TABLE 15: ACCESS TO WATER**

| FINANCIAL YEAR | PROPORTION OF HOUSEHOLDS WITH ACCESS TO WATER POINTS | PROPORTION OF HOUSEHOLDS WITH ACCESS TO PIPED WATER | PROPORTION OF HOUSEHOLDS ENTITLED TO 6 KL FREE WATER |
|----------------|--|---|--|
| 2019/20        | 0  | 9 269   | 1 860  |
| 2020/21        | 0  | 9 533   | 2 128  |
| 2021/22        | 0  | 9 763   | 1 916  |
| 2022/23        | 9832   | 1 898   | 1 898  |

*30 June 2023 Billing Reports*

**TABLE 16: WATER SERVICE DELIVERY LEVELS**

| DESCRIPTION                                       | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|---|----------------|----------------|----------------|----------------|
| <b>WATER: (ABOVE MIN LEVEL)</b>                   |                |                |                |                |
| Piped water inside dwelling                       | 9 269          | 9 533          | 9 763          | 9- 832         |
| Piped water inside yard (but not in dwelling)     | 0              | 0              | 0              | 0              |
| Using public tap (within 200m from dwelling)      | 0              | 0              | 0              | 0              |
| Other water supply (within 200m)                  | 9 269          | 9 533          | 9 763          | 9 832          |
| <b>Minimum Service Level and Above sub-total</b>  | 9 269          | 9 533          | 9 763          | 9 832          |
| <b>Minimum Service Level and Above Percentage</b> | 100 %          | 100 %          | 100 %          | 100 %          |
| <b>WATER: (BELOW MIN LEVEL)</b>                   |                |                |                |                |

| DESCRIPTION                                       | 2019/20<br>ACTUAL | 2020/21<br>ACTUAL | 2021/22<br>ACTUAL | 2022/23<br>ACTUAL |
|---|-------------------|-------------------|-------------------|-------------------|
| Using public tap (more than 200m from dwelling)   | 0                 | 0                 | 0                 | 0                 |
| Other water supply (more than 200m from dwelling) | 0                 | 0                 | 0                 | 0                 |
| No water supply                                   | 0                 | 0                 | 0                 | 0                 |
| Below Minimum Service Level sub-total             | 0                 | 0                 | 0                 | 0                 |
| Below Minimum Service Level Percentage            | 0                 | 0                 | 0                 | 0                 |
| <b>TOTAL NUMBER OF HOUSEHOLDS</b>                 | <b>9 269</b>      | <b>9 533</b>      | <b>9 763</b>      | <b>9 832</b>      |

30 June 2023 Billing Reports

### 1.7.2 SANITATION

Sanitation services are rendered by the Technical Services Directorate. The Municipality provides sanitation services to all towns in its area of jurisdiction except for Goedverwacht, Wittewater and De Hoek (PPC) which are private towns. All households serviced by the municipality have access to basic services and our strategy is to provide a better quality of service through the upgrading of the existing wastewater treatment works (WWTW) and networks. Sanitation is also addressed in the Water Services Development Plan, especially the eradication of sanitation backlogs. Backlogs pertain to the development of new houses and backyard dwellers.

**TABLE 17: SANITATION IN BERGRIVIER MUNICIPALITY**

| DESCRIPTION  | 2019/2020<br>ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|--|---------------------|----------------|----------------|----------------|
| <b>SANITATION/SEWERAGE: (ABOVE MINIMUM LEVEL)</b>  |                     |                |                |                |
| Flush toilet (connected to sewerage)               | 7 292               | 7 526          | 7 751          | 8 009          |
| Flush toilet (with septic tank)                    | 2 144               | 2 144          | 2 144          | 2 144          |
| Chemical toilet                                    | 0                   | 0              | 0              | 0              |
| Pit toilet (ventilated)                            | 0                   | 0              | 0              | 0              |
| Other toilet provisions (above min. service level) | 0                   | 0              | 0              | 0              |
| <b>Minimum Service Level and Above sub-total</b>   | <b>9 436</b>        | <b>9 670</b>   | <b>9 895</b>   | <b>10 153</b>  |
| <b>Minimum Service Level and Above Percentage</b>  | <b>100 %</b>        | <b>100 %</b>   | <b>100 %</b>   | <b>100%</b>    |
| <b>SANITATION/SEWERAGE: (BELOW MINIMUM LEVEL)</b>  |                     |                |                |                |
| Bucket toilet                                      | 0                   | 0              | 0              | 0              |
| Other toilet provisions (below min. service level) | 0                   | 0              | 0              | 0              |



| DESCRIPTION                                   | 2019/2020 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|---|------------------|----------------|----------------|----------------|
| No toilet provisions                          | 0                | 0              | 0              | 0              |
| <b>Below Minimum Service Level sub-total</b>  | 0                | 0              | 0              | 0              |
| <b>Below Minimum Service Level Percentage</b> | 0                | 0              | 0              | 0              |
| <b>TOTAL NUMBER OF HOUSEHOLDS</b>             | 9 436            | 9 670          | 9 895          | 10 153         |

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The high construction cost of WWTW's and the operation/ maintenance thereof bring new challenges and alternative means of treating sewage water are continuously under investigations, such as package plants. Such alternatives will make it possible to treat and use the effluent at the point of generation, for irrigation of parks, open spaces and sport fields etc.

The Municipality provides sanitation services to all urban areas within its jurisdiction except for private towns. All urban households have access to minimum standards of sanitation and all indigent households receive free basic sanitation.

Performance highlights includes the completion of Porterville WWTW, upgrading of Dwarskersbos WWTW, the new St Christopher Pumpstation and line in Velddrif; and replace old electrical equipment with new MCC panels.

### 1.7.3 ELECTRICITY

Electricity services are rendered by the Technical Services Directorate. The Municipality is responsible for the distribution of electricity in all urban areas, except Goedverwacht, Wittewater and De Hoek and a portion of Eendekuil. The Municipality only distributes electricity to a small portion of Eendekuil where the low-cost houses are situated (162 households). Eskom distributes electricity to all areas not serviced by the Municipality.

**TABLE 18: ELECTRICITY SERVICE DELIVERY LEVELS**

| DESCRIPTION                                       | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|---|----------------|----------------|----------------|----------------|
| <b>ENERGY: (ABOVE MINIMUM LEVEL)</b>              |                |                |                |                |
| Electricity (at least minimum service level)      | 680            | 1 899          | 1 891          | 1 983          |
| Electricity - prepaid (minimum service level)     | 9 729          | 8 783          | 9 204          | 10 466         |
| <b>Minimum Service Level and Above</b>            | 10 592         | 9 393          | 9 697          | 10 726         |
| <b>Minimum Service Level and Above Percentage</b> | 100 %          | 100 %          | 100 %          | 100 %          |

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Bergvriër Municipality is still in the process of replacing old pre-paid and conventional meters with new “split type pre-paid meters”. The Municipality was able to allocate much needed capital to maintain and refurbish old sections of the electricity network.

**TABLE 19: OVERVIEW OF ELECTRICITY SERVICES**

| YEAR    | UNITS PURCHASED (KwH) | LOSSES (KwH) | PERCENTAGE (%) | RAND VALUE |
|---------|-----------------------|--------------|----------------|------------|
| 2019/20 | 81 781 008            | 6 805 358    | 8.32           | 7 665 555  |
| 2020/21 | 82 712 666            | 10 168 523   | 12.29          | 12 283 576 |
| 2021/22 | 83 064 453            | 10 448 885   | 12.58          | 14 807 550 |
| 2022/23 | 72 706 812            | 7 791 998    | 10.72          | 12 542 844 |

The annual growth in household access to electricity of 636 outstripped the total household growth of approximately 559 on average per annum. This coincides with an increase in the proportion of households with access to electricity, increasing from 94.9 % in 2011 to 97.7 % in 2017. In 2018/19 electricity was delivered to 100 % of all the households, except for households receiving electricity from Eskom.

The Municipality is responsible for the distribution of electricity in all urban areas, except for private towns and a portion of Eendekuil. In Eendekuil the Municipality only distributes electricity to the area where the low-cost houses are situated (162 households). Eskom distributes electricity to the areas not serviced by the Municipality. Registered indigent households within the Municipality’s supply area are entitled to 50 KwH of free basic electricity per month. There is also street lighting in all towns.

Performance highlights for the year include a constant supply of good quality electricity to consumers despite limited resources, manage to keep electricity losses below the 17 % National norm, installation of two new generators in Piketberg to ensure water provision during loadshedding with funding from DLG; and development, installation and testing of first hybrid streetlights due to loadshedding.

#### 1.7.4 WASTE MANAGEMENT

Refuse removal is an essential service that ensures that health related problems are kept at bay. A lack of or inadequate service is likely to result in uncontrolled and unregulated dumping. There are growing concerns around the land and environmental limitations in the creation and lifespan of landfill sites. This would benefit greatly from the ‘reduce – reuse – recycle’ approach, that firstly encourages non-wasteful consumption practices (reduce), the reuse of products where possible (reuse) and the recycling of the product where it’s use in current form has been exhausted (recycle).

**TABLE 20: SOLID WASTE SERVICE DELIVERY LEVELS**

| DESCRIPTION                          | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 |
|--------------------------------------|----------------|----------------|----------------|---------|
| SOLID WASTE REMOVAL: (MINIMUM LEVEL) |                |                |                |         |

| DESCRIPTION                                       | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23       |
|---|----------------|----------------|----------------|---------------|
| Removed at least once a week                      | 9 720          | 9 625          | 9 876          | 10 097        |
| <b>Minimum Service Level and Above sub-total</b>  | 9 720          | 9 625          | 9 876          | 10 097        |
| <b>Minimum Service Level and Above percentage</b> | 100 %          | 100%           | 100 %          | 100 %         |
| <b>SOLID WASTE REMOVAL: (BELOW MINIMUM LEVEL)</b> |                |                |                |               |
| Removed less frequently than once a week          | 0              | 0              | 0              | 0             |
| Using communal refuse dump                        | 0              | 0              | 0              | 0             |
| Using own refuse dump                             | 0              | 0              | 0              | 0             |
| Other rubbish disposal                            | 0              | 0              | 0              | 0             |
| No rubbish disposal                               | 0              | 0              | 0              | 0             |
| <b>Below Minimum Service Level sub-total</b>      | 0              | 0              | 0              | 0             |
| <b>Below Minimum Service Level percentage</b>     | 0%             | 0 %            | 0 %            | 0 %           |
| <b>TOTAL NUMBER OF HOUSEHOLDS</b>                 | <b>9 720</b>   | <b>9 625</b>   | <b>9 876</b>   | <b>10 097</b> |

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Household access to refuse removal services in Bergrivier Municipality is at 100 %.

Refuse is taken to refuse transfer stations at Piketberg, Velddrif and Porterville from where it is transported to licensed landfill sites at Malmesbury and Vredenburg in accordance with agreements concluded with the Swartland Municipality and Saldanha Bay Municipality. A key challenge is the rehabilitation of the landfill sites at Piketberg and Porterville, due to the high cost involved. The Municipality recycle on average 11 % by mass of the waste generated (excluding green material and building rubble, which contributes to lower dumping and transport costs. The Municipality completed MRF's (Material Recovery Facilities) and installed weigh bridges in Velddrif and Piketberg to accommodate the increasing recycled waste material and to be able to weigh all our waste and recyclables as is required by legislation. National Environmental Management Waste Act, 2008 (Act 59 of 2008). Highlights have been experienced in the financial year include all landfill sites are closed for dumping of household- and business refuse. Only clean building rubble and garden refuse are accepted which are then used for covering and composting material on the landfill sites, thus improving recycling volumes to lower transport cost. The "stedeband" phased-out-program with Heist-op-den-Berg and the Federal Government of Belgium (VVSG) has been renewed for an additional two years and composting bins in Bergrivier Municipal Area for separation at source of organics to decrease the amount of refuse transported to landfill. Waste offices and compost storing areas in Piketberg, Velddrif and Porterville have also been established.

1.7.5 HUMAN SETTLEMENTS (HOUSING)

Housing is a concurrent National and Provincial competency in terms of Schedule 4A of the Constitution. Section 10 of the Housing Act, 1997 (Act 107 of 1997) sets out the responsibilities of municipalities in relation to the provision of housing. There is a direct correlation between the provision of basic services and housing, which makes it a complex function that relies on high levels of co-operation between the Municipality and the Provincial and National Departments responsible for Housing. Chapter 3 provides an overview of the performance and challenges on the provision of housing in Bergrivier Municipality.

1.7.6 FREE BASIC SERVICES

The Municipality is required to use its equitable share which it receives from the National Government in terms of the Division of Revenue Act (DoRA) for the provision of free basic services to qualifying households in its community. Free basic services are a package of services necessary for human well-being and typically include water, sanitation, electricity, waste management and reduction in property rates. Basic level services to households are defined by the National Government as an electricity connection at the dwelling, a public standpipe for water within 200 m of the dwelling, and a ventilated pit latrine (VIP) for sanitation. National policy also requires that poor households should receive 50 kWh of free basic electricity, 6 Kl of free basic water and free weekly refuse removal. The Municipality has an indigent policy which it revises each year with the budget and maintains an indigent register. Indigent households are defined as households where the joint income does not exceed 2 state pensions plus 40 % with a maximum of R 5 000,00.

The indigent policy seeks to realise the following objectives:

- The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council;
- The financial sustainability of free basic services through the determination of an appropriate tariff system that contributes to such sustainability through cross subsidisation;
- Establishment of a framework for the identification and management of indigent households including a socio-economic analysis where necessary and an exit strategy;
- The provision of procedures and guidelines for the subsidisation of basic charges and the provision of free basic energy to indigent households; and
- Co-operative governance with other spheres of government.

**TABLE 21: HOUSEHOLD ACCESS TO FREE BASIC SERVICES**

| FINANCIAL YEAR | TOTAL  | ELECTRICITY | WATER | REFUSE | SEWERAGE |
|----------------|--------|-------------|-------|--------|----------|
| 2020/21        | 9 625  | 1 899       | 2 128 | 2 128  | 1 886    |
| 2021/22        | 9 876  | 1 891       | 1 916 | 1 920  | 1 709    |
| 2022/23        | 10 097 | 1 983       | 1 898 | 1 695  | 1 902    |

For the 2022/23 financial year, households earning less than the threshold of two state pensions plus 40 % limited to a maximum of R 5 000,00 per month, qualified for indigent assistance and applicants must go through a formal application process at the various municipal offices and registration is valid for 12 months from approval.

## 1.8 ORGANISATIONAL DEVELOPMENT OVERVIEW

Chapter 4 provides detailed information on the Municipality's organisational development. The total approved funded positions on the organogram as on 30 June 2023 are 425, of which 381 positions are filled.

**TABLE 22: MUNICIPAL WORKFORCE**

| MUNICIPAL WORKFORCE |                     |
|---------------------|---------------------|
| YEARS               | NUMBER OF EMPLOYEES |
| 30-Jun-21           | 384                 |
| 30-Jun-22           | 379                 |
| 30-Jun-23           | 381                 |

### 1.8.1 MANAGEMENT

The Municipal Manager is appointed on a fixed term contract in terms of Section 57 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and the Directors reporting to the Municipal Manager are appointed on permanent contracts. Employment contracts and performance agreements are in place for the Municipal Manager and all Directors reporting to the Municipal Manager.

#### 1.8.1.1 WORKFORCE, TURNOVER AND VACANCIES

The Municipality employed 381 employees at the end of June 2023 and the total vacancy rate as on 30 June 2023, (funded positions) was 10.35 % comprising forty-four (44) funded positions. The vacancy rate for funded positions is 10.35 % which is higher than the 7.33 % during the 2021/22 financial year. The reason for the increase in the vacancy rate can be attributed to the fact that the vacancies increased from 30 positions in the 2021/22 financial year to 44 positions in the 2022/2023 financial year. The vacancy rate is carefully managed and strategically done as a saving mechanism and to fund temporary positions needed for operational requirements. The total staff turnover rate for the financial year to date is 6.59 %, which is higher than the 5.13 % of the previous financial year.

#### 1.8.1.2 EMPLOYMENT EQUITY

The Municipality is strongly committed to the achievement of employment equity and equal opportunity for all employees and is actively working towards creating and maintaining a fair and equitable working environment, free from all forms of discrimination and harassment. It is difficult for the Municipality to comply with the employment equity targets of the country and the Western Cape Province demographics as the municipality normally recruits from the region and the new five (5) year Employment Equity Plan, that

was approved by the Executive Mayoral Committee on 12 September 2019, was amended to reflect the demographics of the West Coast District Municipality, instead of the Western Cape Province.

1.8.1.3 HUMAN RESOURCE POLICIES AND PLANS

The new Municipal Staff Regulations were promulgated in Government Gazette no. 45181 dated 20 September 2021. Unless specified otherwise, these regulations apply to all municipalities and municipal staff below management echelon (exclude: Senior Managers and CWP/EPWP employees/workers). The regulations are organized into the following 9 chapters:

- Chapter 1: Interpretation and application
- Chapter 2: Staff establishment, job description and job evaluation
- Chapter 3: Recruitment, selection and appointment of staff
- Chapter 4: Performance management and development system
- Chapter 5: Skills development
- Chapter 6: Dispute resolution
- Chapter 7: Disciplinary code and procedures
- Chapter 8: Remuneration related matters
- Chapter 9: General (transitional arrangements, repeal and short title)

As the Municipal Staff Regulations came into effect on 1 July 2022, municipalities were required to develop implementation plans in preparation for the commencement of the regulations. An implementation plan was developed and approved by the Mayoral Committee on 26 April 2022.

A readiness assessment was conducted by Ignite Advisory Services to determine Bergrivier Municipality’s readiness regarding the implementation of the regulations.

The following were identified during the process:

| FOCUS AREA | ACTIONS TO ADDRESS  | COMMENTS  |
|------------|---|---|
| Organogram | <p>The Regulation states the organogram must be reviewed: Section 6 (1)(d) the Municipality’s strategic objectives, including its core and support functions, within 12 months of the following.</p> <ul style="list-style-type: none"> <li>(i) The promulgation of these Regulations;</li> <li>(ii) The election of a new municipal Council; and</li> <li>(iii) The adoption of a new Integrated Development Plan of the municipality as contemplated in Section 25 of the MSA.</li> </ul> | <p>Bergrivier Municipality has requested tenders for the review of its staff establishment and associated processes in accordance with the directives and guidelines as envisaged by the Local Government: Municipal Staff Regulations No’s 890 and 891 dated 20 September 2021 (hereinafter referred to as the Municipal Staff Regulations). Human Capital Life Coaching &amp; Consulting CC was appointed as service provider and the</p> |



| FOCUS AREA   | ACTIONS TO ADDRESS   | COMMENTS   |
|--|--|--|
|  | The Municipality must also take note of the organogram design metrics as stated by Section 5 (2) and the accompanying prescribes.  | staff establishment was approved by Council on 25 October 2022.  |
| Human Resources Strategy                                   | There is no HR Strategy currently in place. In terms of the Regulation the Municipality must develop a Human Resources Strategy that must be aligned to the IDP, Budget, SDF, EE plan and WSP.   | Plan was developed and approved by Mayoral Committee on 29 August 2023.  |
| Job descriptions   | Each job does have an approved JD.   | The reviewing of the job descriptions were part of the review of the staff establishment.  |
| Employment Policy  | <ul style="list-style-type: none"> <li>• The Municipality must revise the Employment Policy according to Chapter 3 of the Regulations.</li> <li>• The Municipality must develop a Recruitment and Selection Strategy as stipulated by Section 11 (1) (a) of the Regulation.</li> <li>• The Competency Requirements as set out by Annexure A of the Regulation must be included to the Recruitment and Selection Strategy.</li> </ul> | <ul style="list-style-type: none"> <li>• The Employment Policy was revised according to the stipulations of the Municipal Staff Regulations and was approved by the Mayoral Committee on 19 September 2022.</li> <li>• A SOP on Recruitment and Selection Strategy approved by Director Corporate Services on 06 December 2022 and competency requirements were included.</li> </ul> |
| Employment Equity Plan                                     | None   | The EEP has been approved (01/10/2019) and is applicable till 30 September 2024  |
| Induction Policy   | Develop an Induction Policy.   | Approved by Mayoral Committee on 19/09/2022.   |
| Succession Planning Policy                                 | Develop a Succession Planning Policy.  | Approved by Mayoral Committee on 28/03/2023.   |
| Exit Management Policy                                     | Develop an Exit Management Policy.   | Approved by Mayoral Committee on 19/09/2022.   |
| Probation Policy   | Develop a Probation Policy.  | Approved by Mayoral Committee on 19/09/2022.   |
| Acting appointment and Additional Services Rendered Policy | Policy must be reviewed.   | Approved by Mayoral Committee on 19/09/2022.   |
| Change Management Strategy                                 | Develop a Change Management Strategy.  | Approved by Mayoral Committee on 19/09/2022.   |
| Talent Management Policy                                   | Develop a Talent Management Policy.  | Approved by Mayoral Committee on 23/05/2023.   |
| Scarce Skills Policy                                       | Policy must be reviewed.   | Approved by Mayoral Committee on 23/05/2023.   |
| Mentoring & Coaching Policy                                | Develop a Mentoring & Coaching Policy.   | Approved by Mayoral Committee on 23/05/2023.   |

| FOCUS AREA                        | ACTIONS TO ADDRESS                      | COMMENTS                                     |
|-----------------------------------|---|--|
| Bursary & Study Assistance Policy | Policy must be reviewed.                | Approved by Mayoral Committee on 25/10/2022. |
| Skills Development                | Review of Training & Development Policy | Approved by Mayoral Committee on 23/05/2023. |

1.8.1.4 TERMINATIONS, RECRUITMENT, SELECTION AND ABSENTEEISM

There were 28 terminations during the financial year and consisted of the following: Thirteen (13) resignations, nine (9) retirements, two (2) deceased, three (3) ill health/incapacity and one (1) misconduct. The absenteeism rate decreased from 2.55 % in the previous financial year to 1.96 % for 2022/23. The Municipality’s absenteeism rate is higher than the national norm of 1.5 % and needs to be addressed.

**TABLE 23: TERMINATIONS FOR JULY 2022 – JUNE 2023**

|                       | JULY '22 | AUG '22  | SEPT '22 | OCT '22  | NOV '22  | DEC '22  | JAN '23  | FEB '23  | MAR '23  | APR '23  | MAY '23  | JUN '23  |
|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Resignations          | 2        | 0        | 1        | 1        | 2        | 0        | 0        | 1        | 3        | 1        | 1        | 1        |
| Retirement            | 0        | 2        | 0        | 0        | 1        | 0        | 1        | 0        | 1        | 3        | 1        | 0        |
| Ill Health/Incapacity | 0        | 0        | 0        | 0        | 1        | 0        | 0        | 1        | 0        | 0        | 1        | 0        |
| Deceased              | 0        | 1        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 1        |
| Misconduct            | 0        | 0        | 0        | 0        | 0        | 1        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>TOTAL</b>          | <b>2</b> | <b>3</b> | <b>1</b> | <b>1</b> | <b>4</b> | <b>1</b> | <b>1</b> | <b>2</b> | <b>4</b> | <b>4</b> | <b>3</b> | <b>2</b> |

**TABLE 24: PERMANENT APPOINTMENTS**

| DIRECTORATE        | GENDER |   | RACE |   |   | MONTH OF APPOINTMENT |         |          |         |         |         |         |         |         |         |         |         |
|--------------------|--------|---|------|---|---|----------------------|---------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                    | M      | F | A    | C | W | Jul '22              | Aug '22 | Sept '22 | Oct '22 | Nov '22 | Dec '22 | Jan '23 | Feb '23 | Mar '23 | Apr '23 | May '23 | Jun '23 |
| Municipal Manager  | 1      | 1 | 0    | 2 | 0 | 1                    | 0       | 0        | 0       | 0       | 1       | 0       | 0       | 0       | 0       | 0       | 0       |
| Corporate Services | 1      | 5 | 0    | 3 | 3 | 0                    | 0       | 0        | 2       | 0       | 1       | 2       | 0       | 0       | 0       | 1       | 0       |
| Financial Services | 2      | 0 | 0    | 1 | 1 | 0                    | 0       | 1        | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 1       |
| Community Services | 4      | 4 | 1    | 7 | 0 | 1                    | 0       | 0        | 0       | 1       | 1       | 0       | 1       | 0       | 0       | 0       | 4       |
| Technical Services | 9      | 2 | 2    | 8 | 1 | 1                    | 0       | 0        | 0       | 1       | 2       | 2       | 0       | 1       | 1       | 1       | 2       |

| DIRECTORATE  | GENDER    |           | RACE     |           |          | MONTH OF APPOINTMENT |          |          |          |          |          |          |          |          |          |          |          |
|--------------|-----------|-----------|----------|-----------|----------|----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
|              | M         | F         | A        | C         | W        | July '22             | Aug '22  | Sept '22 | Oct '22  | Nov '22  | Dec '22  | Jan '23  | Feb '23  | Mar '23  | Apr '23  | May '23  | Jun '23  |
| <b>TOTAL</b> | <b>17</b> | <b>12</b> | <b>3</b> | <b>21</b> | <b>5</b> | <b>3</b>             | <b>0</b> | <b>1</b> | <b>2</b> | <b>2</b> | <b>5</b> | <b>4</b> | <b>1</b> | <b>1</b> | <b>1</b> | <b>2</b> | <b>7</b> |

#### 1.8.1.5 OCCUPATIONAL HEALTH AND SAFETY

A total of fifteen (15) incidents occurred in the 2022/2023 financial year which is an increase from the 2021/2022 financial year (10 incidents). Nine (9) injuries occurred in Piketberg, five (5) in Velddrif and one (1) in Porterville. No incidents were recorded in the other towns within the Bergrivier Municipal area. All incidents are analyzed during the quarterly Occupational Health and Safety meetings and control measures implemented to mitigate the risks and prevent similar incidents in future.

#### 1.8.2 CAPACITATING THE MUNICIPAL WORKFORCE

One of Bergrivier Municipality’s development priorities is the development of the workforce. During the financial year 2022/23, R 408 808.42 (excluding external bursaries) was spent on training and development of employees. The spending consisted of R 197 758.42 for training of employees and R 211 050.00 for bursaries for employees. A further R 441 216.00, that was received from Provincial Treasury, was spent on external bursaries and the municipality also spent R 261 150.00 on external bursaries that were budgeted for by Council. The total amount spent on training, internal and external funding amounts to R 1 111 174.42.

#### 1.8.3 MANAGING THE WORKFORCE EXPENDITURE

The Municipality’s employee costs are calculated as a percentage of the Municipality’s operating expenditure. R 154 328 161.75 for 2022/2023 was spent on employee costs (excluding remuneration of councilors), which translates to a percentage of 33.53 %. This is slightly lower than the previous year where employee costs constituted 35.19 % of the operating budget. The percentage personnel expenditure to total expenditure is higher for small municipalities as the same legal requirements for budgetary reporting, internal audit, strategic planning, performance management and intergovernmental relations and working groups apply to all municipalities, irrespective of their size. This places pressure on the size of smaller municipality’s staff structures.

**TABLE 25: WORKFORCE EXPENDITURE**

|   | 2022/2023       | 2021/2022      |
|---|-----------------|----------------|
| Employee Related Costs                                | 154,328,161.75  | 146,797,262.54 |
| Total Operating Expenditure                           | 460,335 987.544 | 417,156,301.08 |
| <b>Employee costs as a % of Operating Expenditure</b> | <b>33.53 %</b>  | <b>35.19 %</b> |

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## 1.9 FINANCIAL HEALTH OVERVIEW

### 1.9.1 FINANCIAL PERFORMANCE

#### 1.9.1.1 FINANCIAL PERFORMANCE

The financial position of the Municipality is stable year on year, although the annual surplus decreased slightly to R 28 276 486 (2022/23) from R 29 846 115 (2021/22). The Net Cash Flow from operating activities increased to R 67 255 949 (2022/23) from R 48 888 439 (2021/22). Receivables from Exchange Transactions increased to R 44 988 208 from R 43 632 742 while the Service Charges increased to R 215 862 307 (2022/23) from R 212 962 297 (2021/22).

**TABLE 26: INCOME OVERVIEW**

| DETAILS                   | ORIGINAL BUDGET<br>2022/23 | ADJUSTMENT BUDGET<br>2022/23 | ACTUAL 2022/23        |
|---------------------------|----------------------------|------------------------------|-----------------------|
| <b>INCOME</b>             |                            |                              |                       |
| Grants                    | 98 048 000,00              | 101 517 865,00               | 98 220 690,31         |
| Taxes, Levies and Tariffs | 342 406 402,00             | 333 098 402,00               | 321 270 437,61        |
| Other                     | 55 831 000,00              | 562 494 000,00               | 69 121 346,28         |
| <b>SUBTOTAL</b>           | <b>496 285 402,00</b>      | <b>497 110 267,00</b>        | <b>488 612 474,20</b> |
| Less Expenditure          | 488 069 437,00             | 490 364 744,00               | 460 335 987,17        |
| <b>NET TOTAL</b>          | <b>8 215 965,00</b>        | <b>6 745 523,00</b>          | <b>28 276 487,02</b>  |

#### 1.9.1.2 FINANCIAL GRANTS

The Municipality received the following grants and transfers:

**TABLE 27: FINANCIAL GRANTS**

| DESCRIPTION                     | 2021/22             | BUDGET YEAR 2022/23  |                      |                     |                     |
|---------------------------------|---------------------|----------------------|----------------------|---------------------|---------------------|
|                                 | YEAR END<br>BALANCE | RECEIVED<br>(REPAID) | YTD<br>OPERATING EXP | YTD CAPITAL<br>EXP  | YEAR END<br>BALANCE |
| R THOUSANDS                     |                     |                      |                      |                     |                     |
| <b>National Grants</b>          | 2 403 022           | 79 884 995           | (64 019 565)         | (16 611 457)        |                     |
| <b>Provincial Grants</b>        | 1 541 5391          | 16 565 046           | (11 079 491)         | (3 633 260)         | 3 093 834           |
| <b>Other grant providers:</b>   | 618 561             | 995 002              | (514 432)            | (532 641)           | 566 490             |
| <b>TOTAL RECEIPTS OF GRANTS</b> | <b>4 563 122</b>    | <b>97 445 043</b>    | <b>(75 604 488)</b>  | <b>(20 777 358)</b> | <b>3 660 324</b>    |

#### 1.9.1.3 ASSET MANAGEMENT

The Asset base of the municipality is integral to the municipality's ability to provide services; like water,

electricity, sanitation, maintenance of roads, etc. to the community in terms of its Constitutional mandate. It is the duty of the municipality to ensure that assets are safeguarded and maintained so that they are operating in the manner intended for its use and not left in an unproductive or idle state. Assets that are unproductive, idle or not operating in the manner intended or to sufficient capacity are assessed on an ongoing basis for impairment and written off or replaced where applicable. Assets are managed and maintained by the Directorate under which they resort, and provision is made under their respective operational budgets for maintenance over the life cycle of the asset. The Asset Unit within Financial Services is responsible for maintaining the asset register, annual asset counts, capturing of newly acquired assets onto the asset register and the removal of obsolete or written off assets from the asset register. During the 2022/23 financial year an auction took place to dispose of written-off and redundant assets.

#### 1.9.1.4 FINANCIAL RATIOS AND INDICATORS

Municipalities make use of several operating ratios and indicators to enable them to benchmark their financial performance. The basis of calculation of these ratios can be found in Chapter 5. The following table provides an overview of the key ratios and indicators and indicates their status:

**TABLE 28: OPERATING RATIOS**

| DETAIL                                   | RESTATED 2019/20 | RESTATED 2020/21 | 2021/22     | 2022/23     |
|--|------------------|------------------|-------------|-------------|
| Current Ratio                            | 3.27:1           | 3.15:1           | 3.47:1      | 3.40:1      |
| Cost coverage Ratio                      | 3.73 times       | 5.19 times       | 4.58 times  | 5.27 times  |
| Outstanding service debtors to revenue   | 55.67 %          | 33.03 %          | 32.93 %     | 38.22 %     |
| Debt coverage                            | 26.69 times      | 23.50 times      | 21.50 times | 17.83 times |
| Capital Charges to operating expenditure | 3.17 %           | 3.28 %           | 6.20 %      | 6.85 %      |
| Employee costs                           | 35.84 %          | 34.92 %          | 35.17 %     | 33.53 %     |
| Repairs & maintenance                    | 2.24 %           | 2.30 %           | 2.66 %      | 2.33 %      |

As can be deduced from the above table of ratios, the municipality is consistently growing its financial sustainability based on prudent accounting principles as prescribed by the MFMA. The Municipality however needs to improve its costing system to adequately account for actual costs spent on Repairs & Maintenance. At this stage the costs of Repairs & Maintenance are understated as employee and operational costs are not factored in the above calculation.

## 1.9.2 SPENDING AGAINST CAPITAL BUDGET

## 1.9.2.1 CAPITAL EXPENDITURE

The total original capital budget for 2022/23 was R 83 154 566. During the adjustment budget, this amount increased to R 85 001 344. The actual outcome for payment for capital assets was R 74 713 623. The total spending equaled 87.90 % of the final revised budget.

**TABLE 29: TOTAL CAPITAL EXPENDITURE**

| DETAIL                           | 2019/20 | 2020/21 | 2021/22    | 2022/23    |
|----------------------------------|---------|---------|------------|------------|
|                                  | R 000   | R 000   | R 000      | R 000      |
| Original Budget                  | 51 213  | 43 336  | 56 187 043 | 83 154 566 |
| Adjustment Budget                | 49 096  | 56 356  | 55 813 607 | 85 001 344 |
| Actual                           | 40 938  | 49 953  | 52 793 807 | 74 713 623 |
| Percentage of Adjustment Budget: | 83.38 % | 88.64 % | 94.59 %    | 87.90 %    |

## 1.9.3 CASH FLOW MANAGEMENT AND INVESTMENTS

## 1.9.3.1 CASH FLOW

The Municipality's cash flow increased during 2022/23. The Municipality focused on efficient use of its resources and realized savings in critical areas of the operational budget.

## 1.9.3.2 BORROWING AND INVESTMENTS

The Municipality raised a new external loan to the value of R 39 630 135,00 during the 2022/23 financial year to finance capital expenditure projects aimed at improving service delivery.

## 1.9.3.3 SUPPLY CHAIN MANAGEMENT (SCM)

The Municipality has a Supply Chain Management Unit in place. The structure does not give effect individually to all six areas of SCM namely demand, acquisition, logistics, disposal, risk and performance management, meaning that the functions and responsibilities are shared by the available staff. The Municipality has a fully functional Bid Committee System in place and no Councillor is a member of any committee dealing with SCM processes. The focus of SCM has shifted from being a compliance-driven unit to becoming a local economic development enabling unit without compromising compliance with legislation. The Municipality is B-BBEE compliant.

## 1.9.3.4 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial reporting. The National Treasury, in association with other key stakeholders, has led the process of the development of accounting reforms in the South African Public Sector since 1998.



1.9.3.5 ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements of the Bergrivier Municipality for 2022/23 have been prepared in accordance with Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) and the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the said Act. The Annual Financial Statements which contain the report of the Auditor General are appended as Volume II of this document.

1.10 AUDITOR-GENERAL REPORT

Annual Financial Statements must be submitted to the Auditor-General for auditing in terms of Section 126 of the Municipal Finance Management Act, 2003 (Act 56 of 2003). The Auditor-General is required to submit an Audit Report to the Municipal Manager which contains one of the following opinions:

- An unqualified opinion without matters (Commonly referred to as a “Clean Audit”);
- An unqualified opinion with emphasis of matter or other matters. (These matters do not affect the auditor’s opinion on whether the financial statements are fairly presented); and
- Modified opinions of which there are three types namely:
  - A qualified opinion which is expressed when the auditor concludes that an unqualified opinion cannot be expressed but that the effect of any disagreement with management regarding departures from the financial reporting framework, or a limitation of scope, is not as material and pervasive as to require an adverse opinion or a disclaimer of opinion.
  - An adverse is opinion expressed when the effect of a disagreement with management regarding departures from the financial reporting framework is so material and pervasive to the financial statements that the auditor concludes that a qualification of the report is not adequate to disclose the misleading or incomplete nature of the financial statements.
  - A disclaimer of opinion which is expressed when the possible effect of a limitation of scope is so material and pervasive that the auditor has not been able to obtain sufficient appropriate audit evidence to form an opinion and accordingly is unable to express an opinion on the financial statements.

**TABLE 30: AUDIT OUTCOME HISTORY**

| OPINION  | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2021/22 | 2022/23 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Unqualified opinion without matters (Clean Audit)            | √       | √       | √       | √       | √       | √       | √       | √       |
| Unqualified opinion with emphasis of matter or other matters |         |         |         |         |         |         |         |         |
| Qualified opinion  |         |         |         |         |         |         |         |         |
| Adverse opinion  |         |         |         |         |         |         |         |         |

| OPINION    | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2021/22 | 2022/23 |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Disclaimer |         |         |         |         |         |         |         |         |

The Audit report for 2022/23 was unqualified without matters. The complete Report is contained as part of the Annual Financial Statements (AFS) Volume II to this report.

### 1.11 STATUTORY ANNUAL REPORT PROCESS

The 2022/23 Annual Report reflects the performance of Bergrivier Municipality for the financial year commencing on 01 July 2022 and ending on 30 June 2023. This Annual Report is compiled in terms of Section 121 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) read together with Section 46 of the Municipal Systems Act, 2000 (Act 32 of 2000).

**TABLE 31: STATUTORY ANNUAL REPORTING PROCESS**

| LEGISLATION  | SECTION                                | MAIN PROVISIONS   |
|--|--|---|
| Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) | Section 46: Annual performance reports | <p>1) A municipality must prepare for each financial year a performance report reflecting</p> <p>(a) the performance of the municipality and of each external service provider during that financial year;</p> <p>(b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and</p> <p>(c) measures taken to improve performance.</p> <p>2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act.</p> |

| LEGISLATION  | SECTION  | MAIN PROVISIONS  |
|--|--|--|
| <p>Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)</p> | <p>Section 121:<br/>Preparation and adoption of annual reports</p> | <p>1) Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.</p> <p>2) The purpose of an annual report is-</p> <p>(a) to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;</p> <p>(b) to provide a report on performance against the budget of the municipality or municipal entity for that financial year; and</p> <p>(c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.</p> <p>3) The annual report of a municipality must include-</p> <p>(a) the annual financial statements of the municipality, and in addition, if section 122 (2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126 (1);</p> <p>(b) the Auditor-General's audit report in terms of section 126 (3) on those financial statements;</p> <p>(c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act;</p> <p>(d) the Auditor-General's audit report in terms of section 45 (b) of the Municipal Systems Act;</p> <p>(e) an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;</p> <p>(f) an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17 (3) (b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;</p> <p>(g) particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d); (h) any explanations that may be necessary to clarify issues in connection with the financial statements;</p> <p>(i) any information as determined by the municipality;</p> <p>(j) any recommendations of the municipality's audit committee; and</p> <p>(k) any other information as may be prescribed.</p> |
|  | <p>Section 127:<br/>Submission and tabling of annual reports</p>   | <p>2) The Mayor must within seven months (by end January) of the financial year, table in the municipal council the annual report of the municipality.</p> <p>3) If the mayor, for whatever reason, is unable to table in council the annual report of the municipality, or the annual report of any municipal entity under the municipality's sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must:</p> <p>a) Promptly submit to the council a written explanation referred to in section 133(1)(a) setting out the reasons for the delay, together with any components of the annual report listed in section 121(3) or (4) that are ready; and</p> <p>b) Submit to council the outstanding annual report or the outstanding components of the annual report as soon as may be possible.</p>  |
|  |  | <p>5) Immediately after an annual report is tabled in the council in terms of subsection (2), the accounting officer of the municipality must—</p> <p>(a) in accordance with section 21A of the Municipal Systems Act—</p> <p>(i) make public the annual report; and</p> <p>(ii) invite the local community to submit representations in connection with the annual report; and</p> <p>(b) submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the Province.</p>   |

| LEGISLATION | SECTION   | MAIN PROVISIONS   |
|-------------|---|---|
|             | Section 129:<br>Oversight<br>reports on<br>annual reports | 1) <i>The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127 adopt an oversight report</i> |

## CHAPTER 2: GOVERNANCE



View of a Valley taken from Piket-Bo-Berg

Photographer: Unknown (Photo received from Bergrivier Tourism)

## 2.1 INTRODUCTION

In terms of Section 40 of the Constitution of South Africa (1996), government is constituted as national, provincial and local spheres (municipalities) of government which are distinctive, interdependent and interrelated. The three spheres of government are required to co-operate with one another and adhere to the principles of cooperative governance as set out in the Constitution as well as the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) (IGRF).

Sections 153 (1) and (2) of the Constitution state that the executive and legislative authority of a municipality is vested in its municipal council and that a municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation, as provided for in the Constitution. Municipal councils may exercise their authority within an area of jurisdiction as determined by the Municipal Demarcation Board in terms of the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998).

Bergvriër Municipality is an organ of state within the local sphere of government and is established in terms of Section 12 of the Municipal Structures Act, 1998 (Act 117 of 1998), as a Local Municipality with an Executive Mayoral System combined with a Ward Participatory system. Section 2(b) of the Municipal Systems Act, 2000 (Act 32 of 2000) states that a municipality is constituted by three partners, namely its political structures, administration and the community.

At Bergvriër Municipality we believe that these three partners must work seamlessly together to produce the best results:

**FIGURE 33: COMPOSITION OF A MUNICIPALITY**



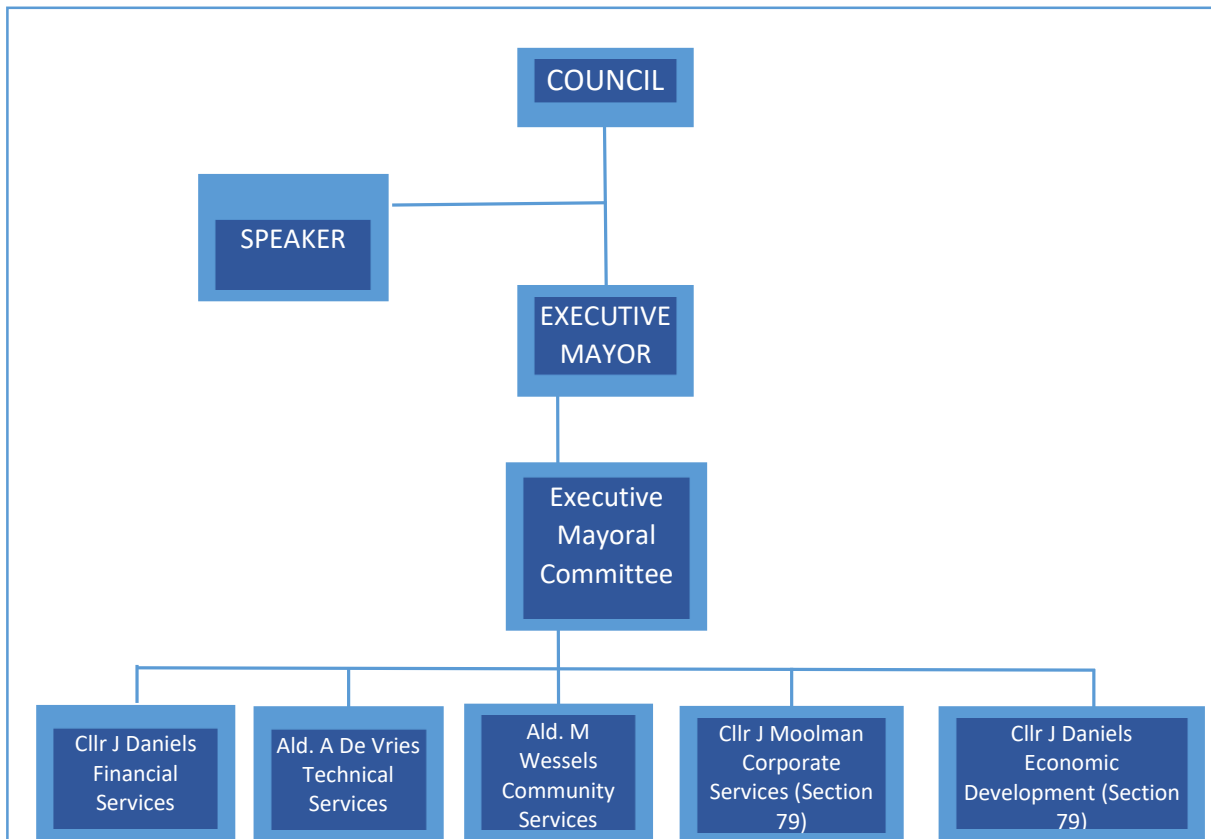
## 2.2 POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated most of its executive functions 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- and decision makers, Councillors are also actively involved in community work.

### 2.2.1 POLITICAL GOVERNANCE

The following is a graphic illustration of Council's executive structure during the 2022/2023 financial year:





The comprehensive Municipal political governance structures comprise:

- The Municipal Council;
- The Speaker;
- The Executive Mayor and Executive Mayoral Committee;
- Portfolio Committees; and
- Other Committees established by Council for specific purposes.

#### 2.2.1.1 THE MUNICIPAL COUNCIL

Councillors are elected by the local voters to serve a predetermined term of office on the local council as representatives of their respective constituents. Municipal elections take place every five years, and the Municipal Council was elected following the Local Government Elections held on 01 November 2021.

Councillors are remunerated in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). In terms of this Act, the upper limits of salaries, allowances, and benefits of different members of municipal councils are determined annually by regulation. The Municipal Council must take a decision to apply the regulation and obtain approval from the Provincial Minister of Local Government to implement it. The Municipal Council of Bergrivier Municipality comprises 13 Councillors, seven of whom are Ward Councillors and six of whom are Proportional Representation (PR) Councillors. The table below provides a list of Councillors, their office, political affiliations and whether they are a ward or proportional councillor since the election in November 2021.

TABLE 34: COUNCILLOR REPRESENTATION



Section 37(c) of the Municipal Structures Act requires Municipal Councils to meet quarterly (minimum of 4 meetings). The Bergrivier Municipal Council held a number of meetings (Ordinary and Special meetings) during the financial year. The following tables indicate the Council Meetings that were held and individual attendance.

TABLE 32: COUNCIL MEETINGS

| DATES                             | ATTENDANCE | APOLOGIES | ABSENT |
|-----------------------------------|------------|-----------|--------|
| 26 July 2022                      | 12         | 1         | 0      |
| 10 August 2022 (special) (hybrid) | 13         | 0         | 0      |
| 29 August 2022                    | 11         | 2         | 0      |

| DATES                                 | ATTENDANCE | APOLOGIES | ABSENT |
|---------------------------------------|------------|-----------|--------|
| 22 September 2022 (special) (virtual) | 12         | 1         | 0      |
| 30 September 2022 (hybrid)            | 11         | 2         | 0      |
| 25 October 2022                       | 13         | 0         | 0      |
| 29 November 2022                      | 11         | 2         | 0      |
| 13 December 2022                      | 11         | 2         | 0      |
| 24 January 2023                       | 13         | 0         | 0      |
| 31 January 2023 (special)             | 11         | 2         | 0      |
| 10 February 2023 (special)            | 11         | 2         | 0      |
| 28 February 2023                      | 13         | 0         | 0      |
| 20 March 2023 (special)               | 12         | 1         | 0      |
| 28 March 2023                         | 13         | 0         | 0      |
| 25 April 2023                         | 13         | 0         | 0      |
| 04 May 2023 (special)                 | 13         | 0         | 0      |
| 30 May 2023                           | 13         | 0         | 0      |
| 27 June 2023                          | 12         | 1         | 0      |

**TABLE 33: COUNCIL MEETING ATTENDANCE**

| MEMBERS            | SCHEDULED MEETINGS | MEETINGS ATTENDED | APOLOGIES TENDERED | ABSENT |
|--------------------|--------------------|-------------------|--------------------|--------|
| Ald R Swarts       | 18                 | 18                | 0                  | 0      |
| Ald RM van Rooy    | 18                 | 17                | 1                  | 0      |
| Ald MA Wessels     | 18                 | 17                | 1                  | 0      |
| Ald A de Vries     | 18                 | 17                | 1                  | 0      |
| CLlr J Daniels     | 18                 | 15                | 3                  | 0      |
| CLlr AJ du Plooy   | 18                 | 18                | 0                  | 0      |
| CLlr J Moolman     | 18                 | 17                | 1                  | 0      |
| CLlr A Small (Ms)  | 18                 | 17                | 1                  | 0      |
| CLlr SS Lesch (Ms) | 18                 | 16                | 1                  | 1      |
| CLlr IS Adams      | 18                 | 15                | 2                  | 1      |

| MEMBERS                                  | SCHEDULED MEETINGS | MEETINGS ATTENDED | APOLOGIES TENDERED | ABSENT |
|--|--------------------|-------------------|--------------------|--------|
| CLlr BU Maarman                          | 18                 | 18                | 0                  | 0      |
| Ald EB Manuel                            | 18                 | 18                | 0                  | 0      |
| CLlr RL Laubscher (resigned on 18/07/23) | 18                 | 18                | 0                  | 0      |

The Municipal Manager reports absenteeism of Councillors to the Speaker monthly. The Speaker is the Chairperson of the Council, enforcing the Code of Conduct for Councillors. The following table indicates the allocation of Councillors to the various committees.

**TABLE 34: COUNCILLOR ALLOCATIONS TO COMMITTEES**

| COUNCILLORS     | FULL TIME /PART TIME | COMMITTEE ALLOCATION   | WARD AND/ OR PARTY |
|-----------------|----------------------|--|--------------------|
| Ald RM van Rooy | Full-time            | Mayoral Committee (Chair)<br>Financial Services Committee ( <i>Ex-Officio</i> )<br>Corporate Services Committee ( <i>Ex-Officio</i> )<br>Community Services Committee ( <i>Ex-Officio</i> )<br>Economic Development Committee ( <i>Ex-Officio</i> )<br>Risk Management Committee<br>Performance, Risk and Audit Committee ( <i>Ex-Officio</i> )<br>Budget Steering Committee ( <i>Ex-Officio</i> )<br>Special Committee (investigate disciplinary matters against councillors) ( <i>Ex-Officio</i> )<br>Article 32 Committee ( <i>Ex-Officio</i> ) | Ward 4<br>DA       |
| Ald MA Wessels  | Full-time            | Mayoral Committee<br>Financial Services Committee<br>Technical Services Committee<br>Community Services Committee (Chair)<br>Corporate Services Committee<br>Economic Development Committee<br>Risk Management Committee<br>Local Labour Forum<br>Budget Steering Committee<br>Special Committee (Investigate disciplinary matters against Councillors)<br>Article 32 Committee  | Ward 5<br>DA       |

| COUNCILLORS    | FULL TIME /PART TIME | COMMITTEE ALLOCATION  | WARD AND/ OR PARTY |
|----------------|----------------------|---|--------------------|
| Ald R Swarts   | Full-time            | Council (Chair)<br>Mayoral Committee<br>Financial Services Committee ( <i>Ex-Officio</i> )<br>Corporate Services Committee ( <i>Ex-Officio</i> )<br>Community Services Committee ( <i>Ex-Officio</i> )<br>Economic Development Committee ( <i>Ex-Officio</i> )<br>Risk Management Committee Chair from 25 April 2023 (RVN011/03/2023)<br>Performance, Risk and Audit Committee ( <i>Ex-Officio</i> )<br>Budget Steering Committee ( <i>Ex-Officio</i> )<br>Special Committee (investigate disciplinary matters against councillors) ( <i>Ex-Officio</i> )<br>Article 32 Committee ( <i>Ex-Officio</i> ) | DA                 |
| Ald A de Vries | Full-time            | Mayoral Committee<br>Financial Services Committee<br>Technical Services Committee (Chair)<br>Community Services Committee<br>Corporate Services Committee<br>Economic Development Committee<br>Risk Management Committee<br>Local Labour Forum<br>Budget Steering Committee<br>Special Committee (Investigate disciplinary matters against Councillors)<br>Article 32 Committee   | Ward 3<br>DA       |
| Cllr J Daniels | Full-time            | Mayoral Committee<br>Financial Services Committee (Chair)<br>Technical Services Committee<br>Community Services Committee<br>Corporate Services Committee<br>Economic Development Committee<br>Risk Management Committee<br>Local Labour Forum<br>Budget Steering Committee<br>Special Committee (Investigate disciplinary matters against Councillors)<br>Article 32 Committee   | Ward 1<br>DA       |

| COUNCILLORS        | FULL TIME /PART TIME | COMMITTEE ALLOCATION  | WARD AND/ OR PARTY |
|--------------------|----------------------|---|--------------------|
| CLlr AJ du Plooy   | Part-time            | Mayoral Committee ( <i>Ex-Officio</i> from 28/02/2023)<br>Technical Services ( <i>Ex-Officio</i> from 28/02/2023)<br>Community Services Committee ( <i>Ex-Officio</i> from 28/02/2023)<br>Corporate Services Committee (Chair till 31/01/2023)<br>Economic Development Committee ( <i>Ex-Officio</i> from 28/02/2023)<br>Budget Steering Committee (member till 31/01/2023)<br>Special Committee (Investigate disciplinary matters against Councillors)<br>Article 32 Committee (member till 31/01/2023)<br>Municipal Public Accounts Committee (Chair from 01/02/2023) | Ward 2<br>DA       |
| CLlr JJ Moolman    | Part-time            | Financial Services Committee<br>Corporate Services Committee (Chair from 01/02/2023)<br>Article 32 Committee (member from 01/02/2023)<br>Municipal Public Accounts Committee (Chair until 31/01/2023)   | Ward 7<br>DA       |
| CLlr A Small (Ms)  | Part-time            | Technical Services Committee<br>Community Services Committee<br>Economic Development Committee<br>Municipal Public Accounts Committee   | Ward 6<br>DA       |
| CLlr SS Lesch (Ms) | Part-time            | Financial Services Committee<br>Corporate Services Committee<br>Economic Development Committee<br>Budget Steering Committee<br>Article 32 Committee<br>Municipal Public Accounts Committee  | ANC                |
| CLlr I Adams       | Part-time            | Technical Services Committee<br>Economic Development Committee<br>Special Committee (Investigate disciplinary matters against Councillors)  | ANC                |
| CLlr BU Maarman    | Part-time            | Community Services Committee  | ANC                |
| Ald EB Manuel      | Part-time            | Financial Services Committee<br>Technical Services Committee  | GOOD               |



| COUNCILLORS       | FULL TIME /PART TIME | COMMITTEE ALLOCATION  | WARD AND/ OR PARTY |
|-------------------|----------------------|---|--------------------|
|                   |                      | Community Services Committee<br>Corporate Services Committee<br>Economic Development Committee<br>Budget Steering Committee   |                    |
| CLlr RL Laubscher | Part-time            | Financial Services Committee<br>Technical Services Committee<br>Community Services Committee<br>Corporate Services Committee<br>Economic Development Committee<br>Budget Steering Committee | PA                 |

2.2.1.2 POLITICAL DECISION-MAKING

The Council delegated most of its executive functions to the Executive Mayor and the Mayoral Committee (except those that may not be delegated in terms of legislation). A total of 462 Council Resolutions were passed and implemented during the 2022/2023 financial year.

**TABLE 35: NUMBER OF ITEMS DISCUSSED FROM 1 JULY 2022 – 30 JUNE 2023**

| DATE OF MEETING                       | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION |
|---------------------------------------|---------------------------|----------------|----------|
| 26 July 2022                          | 25                        | YES            | 00h50    |
| 10 August 2022 (special) (hybrid)     | 17                        | YES            | 00h42    |
| 29 August 2022                        | 28                        | YES            | 1h13     |
| 22 September 2022 (special) (virtual) | 16                        | YES            | 00h35    |
| 30 September 2022 (hybrid)            | 39                        | YES            | 00h30    |
| 25 October 2022                       | 35                        | YES            | 2h00     |
| 29 November 2022                      | 35                        | YES            | 3h30     |
| 13 December 2022                      | 27                        | YES            | 1h55     |
| 24 January 2023                       | 24                        | YES            | 2h47     |
| 31 January 2023 (special)             | 17                        | YES            | 00h43    |
| 10 February 2023 (special)            | 15                        | YES            | 1h45     |
| 28 February 2023                      | 30                        | YES            | 2h40     |
| 20 March 2023 (special)               | 15                        | YES            | 1h15     |
| 28 March 2023                         | 30                        | YES            | 1h25     |

| DATE OF MEETING       | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION     |
|-----------------------|---------------------------|----------------|--------------|
| 25 April 2023         | 24                        | YES            | 2h40         |
| 04 May 2023 (special) | 12                        | YES            | 3h15         |
| 30 May 2023           | 42                        | YES            | 1h43         |
| 27 June 2023          | 31                        | YES            | 1h30         |
| <b>TOTAL</b>          | <b>462</b>                | <b>YES</b>     | <b>26h98</b> |

#### 2.2.1.3 RULES OF ORDER

The Municipal Council functions in terms of the Council's Rules of Order, which have the same status as a by-law. Bergrivier Municipality By-Law relating to the Rules of Order of the Conduct of Meetings of the Council of Bergrivier Municipality (P.N. 7134 of 7 June 2013) was repealed and a policy was adopted on 23 January 2020 by the Council of Bergrivier Municipality and amended on 29 May 2020 to accommodate virtual meetings of the Council of Bergrivier Municipality. After the Local Government Elections in 2021, Council noted the Rules of Order on Tuesday, 16 November 2021 as approved by Council on Tuesday, 19 October 2021. Councillors are bound by the Code of Conduct for Municipal Councillors which is contained in Schedule 7 of the Municipal Structures Act.

#### 2.2.1.4 HONORARY TITLE OF ALDERMAN/ALDERLADY

The criteria to qualify for the title of Alderman/Alderslady include:

- Alderman-/ladyship is awarded to a councillor who has served 10 years as a councillor, irrespective whether it was interrupted and/or if it was for more than one municipality;
- A councillor who has been elected as Speaker or Mayor for a second term, receive Alderman-/ladyship when the term of office commences;
- Alderman-/ladyship is awarded to any councillor that earns a minimum of twenty (20) points for the following:
  - one (1) point for every year service as a councillor; plus
  - one (1) additional point for every year's service as a councillor on the District Municipality representing the municipality or chairperson of a portfolio committee; and
  - two (2) additional points for every year's service as Mayor or Member of the Executive Committee or Speaker or Deputy Mayor.

#### 2.2.1.5 CODE OF CONDUCT FOR COUNCILLORS

The Code of Conduct (Schedule 7 of the Municipal Structures Amendment Act, (Act 3 of 2021)), herein after referring to as Schedule 7: Code of Conduct, prescribes how municipal councillors must behave and states the penalties for improper behaviour. In general, the Code of Conduct requires that councillors must perform their duties:

- in good faith (or with a desire to act fairly towards others);
- honestly;
- transparently; and
- in the best interests of the municipality (which includes the interests of the community).

In addition, the Code of Conduct requires that:

Councillors must declare to the Municipal Manager, in writing, all their financial interests, within 60 days of their election Schedule 7: Code of Conduct, item 8(1)). The public can demand to have access to the interests declared by one or more councillors;

A councillor must disclose (make public) any interest he/she has in any matter that is being considered by the council or its committees. This can be a direct or indirect interest, personally or through a spouse, partner or associate. Unless the Council decides that the interest disclosed is trivial or irrelevant, that councillor must withdraw and not participate in council or committee meetings on that matter. (Schedule 7: Code of Conduct, item 6(1));

A councillor must disclose any special benefit that he or she, or his or her family member or spouse or partner will get from a contract that has been or will be signed with the municipality (Schedule 7: Code of Conduct, item 6(1)). This must be done at the first council meeting where this is possible.

Full-time councillors are not allowed to have any other paid work without the permission of the Council. (Schedule 7: Code of Conduct, item 9).

The Code of Conduct also states the following:

- Councillors may not use their positions or confidential information for personal profit nor for the improper benefit of any other person (Schedule 7: Code of Conduct, item 7(1);
- Councillors may not request or accept any rewards, gifts or favours for:
  - voting or not voting on a matter before the council or any committee;
  - persuading the Council to decide one way or the other on any matter;
  - making representations to the Council; and
  - disclosing confidential information (Schedule 7: Code of Conduct, item 10);
- Councillors may not disclose confidential information of the Council to people who are not allowed to know it (Schedule 7: Code of Conduct, item 11); and
- Councillors are not allowed to interfere with the municipal administration. It is a criminal offence for a councillor to attempt to influence an employee or agent of the municipality not to enforce a law or a council decision. This offence can be punished by a fine or a jail sentence of up to two years. (Schedule 7 Code of Conduct, item 12, (a), (b), (c), (d)).

The person primarily responsible for enforcing the Code of Conduct is the Speaker of the municipal council. He or she must investigate if there is a reasonable suspicion that the Code of Conduct has not been complied

with. After giving the councillor an opportunity to respond, the Speaker must prepare a report which must be given to the Council and made public. The Council is then able to investigate whether a breach of the Code of Conduct has taken place. This investigation must be done by a committee of councillors. If the Council decides that a councillor has breached the code of conduct, the Council can:

- issue a formal warning to the councillor;
- reprimand the councillor;
- fine the councillor; and
- request the MEC for Local Government (Provincial Minister) to suspend the councillor for a period or remove the councillor from office.

If the Council's own investigation is not enough or produces a flawed result, the MEC can intervene and conduct his/her own investigation. The MEC has power to suspend or remove the councillor from office. The Code of Conduct for Councillors is available on the Municipal website.

#### 2.2.1.6 THE SPEAKER

The Municipal Council is chaired by the Speaker. Section 37 of the Municipal Structures Act requires the Speaker of the Municipal Council to:

- preside at meetings of the Council;
- perform the duties and exercise the powers delegated to the Speaker in terms of Section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000);
- ensure that the Council meets at least quarterly;
- maintain order during meetings;
- ensure compliance with the Code of Conduct set out in Schedule 1 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); and
- ensure that council meetings are conducted in accordance with the rules and orders of the Council.

#### 2.2.1.7 THE EXECUTIVE MAYOR AND MAYORAL COMMITTEE

The Executive Mayor is the centre of the governance system and is responsible for providing political and strategic leadership. Executive power is vested in the Executive Mayor, in accordance with a framework of powers assigned by legislation and powers delegated by the Municipal Council in terms of the Municipal Systems Act, 2000 (Act 32 of 2000). To maximise operational efficiency, the Municipal Council has delegated all powers, except those which it may not be delegated by law to the Executive Mayor. The Executive Mayor is assisted by the Mayoral Committee. The Mayoral Committee is chaired by the Executive Mayor and comprises the Deputy Mayor and two full time Councillors.

**TABLE 36: ROLES AND RESPONSIBILITIES: MAYOR, DEPUTY MAYOR & MAYORAL COMMITTEE**

| OFFICE BEARER             | FUNCTION  |
|---------------------------|---|
| EXECUTIVE MAYOR           | <p>a) An executive mayor is entitled to receive reports from committees of the municipal council and to forward these reports together with a recommendation to the council when the matter cannot be disposed of by the executive mayor in terms of the executive mayor’s delegated powers.</p> <p>(b) The executive mayor must—</p> <ol style="list-style-type: none"> <li>(1) identify the needs of the municipality;</li> <li>(2) review and evaluate those needs in order of priority;</li> <li>(3) recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, considering any applicable national and provincial development plans; and</li> <li>(4) recommend or determine the best way, including partnership and other approaches to deliver those strategies, programmes and services to the maximum benefit of the community.</li> </ol> <p>(c) The executive mayor in performing the duties of office, must—</p> <ol style="list-style-type: none"> <li>(1) identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services referred to in subsection (b)(3) can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general;</li> <li>(2) evaluate progress against the key performance indicators;</li> <li>(3) review the performance of the municipality to improve—               <ol style="list-style-type: none"> <li>(i) the economy, efficiency and effectiveness of the municipality;</li> <li>(ii) the efficiency of credit control and revenue and debt collection services; and</li> <li>(iii) the implementation of the municipality’s by-laws;</li> </ol> </li> <li>(4) monitor the management of the municipality’s administration in accordance with the directions of the municipal council;</li> <li>(5) oversee the provision of services to communities in the municipality in a sustainable manner;</li> <li>(6) perform such duties and exercise such powers as the council may delegate to the executive mayor in terms of Section 59 of the Systems Act;</li> <li>(7) annually report on the involvement of communities and community organisations in the affairs of the municipality; and</li> <li>(8) Ensure that regard is given to public views and report on the effect of consultation on the decisions of the council.</li> </ol> <p>(d) An executive mayor must perform a ceremonial role as the municipal council may determine.</p> <p>(e) An executive mayor must report to the municipal council on all decisions taken by the executive mayor.</p> |
| DEPUTY EXECUTIVE MAYOR    | <p>(f) The deputy executive mayor of a municipality exercises the powers and performs the duties of the executive mayor if the executive mayor is absent or not available or if the office of the executive mayor is vacant.</p>  |
| MAYORAL COMMITTEE MEMBERS | <p>The Executive Mayor’s delegated powers and functions must be exercised and performed by the Executive Mayor together with the other members of the Mayoral Committee. The Section 80 Committees have no decision-making powers and may only make recommendations to the Mayoral Committee.</p>   |

*Local Government Municipal Structures Act, 1998 (Act 117 of 1998)*

The Mayoral Committee meets at least twice a month. All reports required in terms of legislation were submitted timeously. A total of 22 Mayoral Committee meetings were held for 2022/23 (Ordinary and Special

Meetings). The following tables indicate the Mayoral Committee Meetings that were held and individual attendance.

**TABLE 37: MAYORAL COMMITTEE MEETINGS**

| DATES                               | ATTENDANCE | APOLOGIES | ABSENT |
|-------------------------------------|------------|-----------|--------|
| 19 July 2022                        | 4          | 0         | 0      |
| 26 July 2022                        | 4          | 0         | 0      |
| 10 August 2022 (Special Meeting)    | 4          | 0         | 0      |
| 29 August 2022                      | 4          | 0         | 0      |
| 19 September 2022                   | 4          | 0         | 0      |
| 22 September 2022 (Special Meeting) | 4          | 0         | 0      |
| 30 September 2022                   | 3          | 1         | 0      |
| 06 October 2022                     | 3          | 1         | 0      |
| 18 October 2022                     | 4          | 0         | 0      |
| 25 October 2022                     | 4          | 0         | 0      |
| 15 November 2022                    | 3          | 1         | 0      |
| 29 November 2022                    | 2          | 2         | 0      |
| 13 December 2022                    | 4          | 0         | 0      |
| 24 January 2023                     | 4          | 0         | 0      |
| 16 February 2023                    | 4          | 0         | 0      |
| 28 February 2023                    | 4          | 0         | 0      |
| 28 March 2023                       | 4          | 0         | 0      |
| 18 April 2023                       | 4          | 0         | 0      |
| 25 April 2023                       | 4          | 0         | 0      |
| 03 May 2023 (Special Meeting)       | 4          | 0         | 0      |
| 23 May 2023                         | 3          | 1         | 0      |
| 30 May 2023                         | 4          | 0         | 0      |
| 20 June 2023                        | 3          | 1         | 0      |
| 27 June 2023                        | 3          | 1         | 0      |



**TABLE 38: MAYORAL COMMITTEE MEETING ATTENDANCE**

| MEMBERS   | SCHEDULED MEETINGS | MEETING ATTENDANCE | APOLOGIES TENDERED | ABSENT |
|---|--------------------|--------------------|--------------------|--------|
| Ald RM van Rooy   | 22                 | 21                 | 1                  | 0      |
| Ald MA Wessels  | 22                 | 21                 | 1                  | 0      |
| CLlr J Daniels  | 22                 | 18                 | 4                  | 0      |
| Ald A de Vries  | 22                 | 21                 | 1                  | 0      |
| CLlr AJ du Plooy (was Chair of Section 79 until 31/01/2023) (Elected as Chair of MPAC from 01/02/2023)                    | 14                 | 12                 | 2                  | 0      |
| CLlr JJ Moolman (elected as Chair of Section 79: Corporate Services from 01/02/2023) (Was chair of MPAC until 31/01/2023) | 8                  | 8                  | 0                  | 0      |

A total of 710 items were discussed at the Mayoral Committee during the 2022/23 financial year. The following table indicates the number of items discussed per meeting.

**TABLE 39: ITEMS TABLED 1 JULY 2022 – 30 JUNE 2023**

| DATE OF MEETING                     | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION |
|-------------------------------------|---------------------------|----------------|----------|
| 19 July 2022                        | 18                        | YES            | 2h35     |
| 26 July 2022                        | 27                        | YES            | 3h15     |
| 10 August 2022 (Special Meeting)    | 18                        | YES            | 00h84    |
| 29 August 2022                      | 42                        | YES            | 3h30     |
| 19 September 2022                   | 39                        | YES            | 6h10     |
| 22 September 2022 (Special Meeting) | 17                        | YES            | 00h11    |
| 30 September 2022                   | 26                        | YES            | 1h01     |
| 06 October 2022                     | 18                        | YES            | 00h15    |
| 18 October 2022                     | 32                        | YES            | 4h26     |
| 25 October 2022                     | 26                        | YES            | 4h00     |
| 15 November 2022                    | 37                        | YES            | 1h51     |
| 29 November 2022                    | 30                        | YES            | 2h48     |
| 13 December 2022                    | 38                        | YES            | 3h25     |
| 24 January 2023                     | 26                        | YES            | 3h15     |

| DATE OF MEETING               | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION     |
|-------------------------------|---------------------------|----------------|--------------|
| 16 February 2023              | 45                        | YES            | 3h15         |
| 28 February 2023              | 25                        | YES            | 2h40         |
| 28 March 2023                 | 48                        | YES            | 2h26         |
| 18 April 2023                 | 34                        | YES            | 3h45         |
| 25 April 2023                 | 25                        | YES            | 1h53         |
| 03 May 2023 (Special Meeting) | 18                        | YES            | 2h13         |
| 23 May 2023                   | 37                        | YES            | 3h49         |
| 30 May 2023                   | 22                        | YES            | 2h03         |
| 20 June 2023                  | 36                        | YES            | 2h11         |
| 27 June 2023                  | 26                        | YES            | 2h00         |
| <b>TOTAL</b>                  | <b>710</b>                | <b>YES</b>     | <b>60h21</b> |

#### 2.2.1.8 PORTFOLIO COMMITTEES

The Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) (MSA) prescribes in Section 60 that in all Municipal Councils with more than 9 members, the Executive Mayor must appoint a mayoral committee from amongst the councillors (Section 60(1)(a)). The mayoral committee must consist of the deputy executive mayor and as many councillors as may be necessary for effective and efficient government, provided that no more than 20 % of the councillors are appointed (Section 60(2)). In Bergrivier Municipality the 20 % is equal to 2,6 councillors. For this legal reason, Bergrivier Municipality has a deputy executive mayor and two (2) additional full-time councillors on the mayoral committee.

In terms of Section 80(2) of the MSA, the Section 80-committees established to assist the executive mayor may not in number exceed the number of members of the mayoral committee. It is therefore clear that Bergrivier Municipality currently has the maximum amount of Section 80 committees allowed by law, namely three (3).

In terms of the approved macro structure, the Municipality reverted to four directorates and therefore another committee had to be established for the Directorate Corporate Services' functions.

Section 79 of the MSA allows a Municipal Council to establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers (Section 79(1)(a)). There are no legal restrictions on the number of committees established in terms of this section. These committees will normally report directly to Council, but the Executive Mayor is entitled, in terms of Section 56(1), to determine that all committees of Council (Section 79 and 80) submit any reports to the Executive Mayor for consideration and decision-making in terms of delegated authority, or for consideration

and recommendation (as the case may be) to Council. Council approved the establishment of a committee in terms of Section 79 of the Municipal Structures Act, 1998 (Act 117 of 1998) to serve as a standing committee for the Corporate Services’ functions as from 20 July 2018 and is chaired by a councillor appointed by Council. Similarly, Council approved a Section 79 Committee for Local Economic Development, Public Participation and Communication.

The five Portfolio Committees appointed in terms of the Municipal Structures Act, (117 of 1998 Section, 79 and 80) are the following:

- Financial Services Committee (Section 80): Chaired by Councillor J Daniels;
- Community Services Committee (Section 80): Chaired by Ald MA Wessels;
- Technical Services Committee (Section 80): Chaired by Ald A De Vries;
- Corporate Services Committee (Section 79): Chaired by Councillor A Du Plooy (until 28 February 2023);
- Corporate Services Committee (Section 79): Chaired by Councillor JJ Moolman (from 28 February 2023);
- and
- Economic Development Committee (Section 79): Chaired by Councillor J Daniels.

Portfolio Committees have no delegated powers and may only make recommendations to the Mayoral Committee.

**TABLE 40: PORTFOLIO COMMITTEE MEETINGS**

| COMMITTEE  | COMPOSITION  | MEETING DATES   |
|--|--|---|
| <p><b>FINANCIAL SERVICES COMMITTEE</b><br/>The Financial Services Committee discusses matters concerning the finances of the Municipality before submission to the Mayoral Committee for approval.</p> | <p><b>July 2022 till February 2023</b><br/>Cllr J Daniels (DA) (Chairperson)<br/>Ald MA Wessels (DA)<br/>Ald A de Vries (DA)<br/>Cllr AJ Du Plooy (DA)<br/>Cllr JJ Moolman (DA)<br/>Cllr SS Lesch (Ms) (ANC)<br/>Ald EB Manuel (GOOD)<br/>Cllr RL Laubscher (PA)<br/><b>March 2023 till June 2023</b><br/>Cllr J Daniels (DA) (Chairperson)<br/>Ald MA Wessels (DA)<br/>Ald A de Vries (DA)<br/>Cllr JJ Moolman (DA)<br/>Cllr SS Lesch (Ms) (ANC)<br/>Ald EB Manuel (GOOD)<br/>Cllr RL Laubscher (PA)<br/>Ald R Swarts (DA) (ex-officio)<br/>Ald RM van Rooy (DA) (ex-officio)</p> | <p>July 2022 – None<br/>03 August 2022<br/>07 September 2022<br/>05 October 2022<br/>02 November 2022<br/>07 December 2022<br/>January 2023 – None<br/><br/>08 February 2023<br/>08 March 2023<br/>05 April 2023<br/>03 May 2023<br/>07 June 2023</p> |

|  |  |  |
|--|--|--|
| <p><b>CORPORATE SERVICES COMMITTEE</b><br/>The Corporate Services Committee discusses matters arising from the Office of the Municipal Manager and the Corporate Services Directorate before submission to the Mayoral Committee for approval.</p> | <p><b>July 2022 till February 2023</b><br/>Cllr AJ Du Plooy (DA) (Chairperson)<br/>Ald MA Wessels (DA)<br/>Ald A De Vries (DA)<br/>Cllr J Daniels (DA)<br/>Cllr JJ Moolman (DA)<br/>Cllr SS Lesch (Ms)(ANC)<br/>Ald EB Manuel (GOOD)<br/>Cllr RL Laubscher (PA)<br/><b>March 2023 till June 2023</b><br/>Cllr JJ Moolman (DA) (Chairperson)<br/>Ald A de Vries (DA)<br/>Ald MA Wessels (DA)<br/>Cllr J Daniels (DA)<br/>Cllr SS Lesch (Ms) (ANC)<br/>Ald EB Manuel (GOOD)<br/>Cllr RL Laubscher (PA)<br/>Ald R Swarts (DA) (ex-officio)<br/>Ald RM van Rooy (DA) (ex-officio)<br/>Cllr AJ Du Plooy (DA) (ex-officio)</p>         | <p>July 2022 – None<br/>03 August 2022<br/>07 September 2022<br/>05 October 2022<br/>02 November 2022<br/>07 December 2022<br/>January 2023 – None<br/>08 February 2023<br/>08 March 2023<br/>05 April 2023<br/>03 May 2023<br/>07 June 2023</p> |
| <p><b>TECHNICAL SERVICES COMMITTEE</b><br/>The Technical Services Committee discusses matters arising from the Technical Services Directorate before submission to the Mayoral Committee for approval.</p>   | <p><b>July 2022 till February 2023</b><br/>Ald A de Vries (DA) (Chairperson)<br/>Ald MA Wessels (DA)<br/>Cllr J Daniels (DA)<br/>Cllr AJ Du Plooy (DA)<br/>Cllr A Small (Ms) (DA)<br/>Cllr IS Adams (ANC)<br/>Ald EB Manuel (GOOD)<br/>Cllr RL Laubscher (PA)<br/><b>March 2023 till June 2023</b><br/>Ald A de Vries (DA) (Chairperson)<br/>Ald MA Wessels (DA)<br/>Cllr J Daniels (DA)<br/>Cllr. JJ Moolman (DA)<br/>Cllr A Small (Ms) (DA)<br/>Cllr IS Adams (ANC)<br/>Ald EB Manuel (GOOD)<br/>Cllr RL Laubscher (PA)<br/>Ald R Swarts (DA) (ex-officio)<br/>Ald RM Van Rooy (DA) (ex-officio)<br/>Cllr AJ Du Plooy (DA)</p> | <p>July 2022 - None<br/>02 August 2023<br/>06 September 2022<br/>04 October 2022<br/>01 November 2022<br/>06 December 2022<br/>January 2023 – None<br/>07 February 2023<br/>07 March 2023<br/>04 April 2023<br/>02 May 2023<br/>06 June 2023</p> |
| <p><b>COMMUNITY SERVICES COMMITTEE</b><br/>The Community Services Committee discusses matters arising from the Community Services Directorate before submission to the Mayoral Committee for approval.</p>   | <p><b>July 2022 till February 2023</b><br/>Ald MA Wessels (DA) (Chairperson)<br/>Ald A De Vries (DA)<br/>Cllr J Daniels (DA)<br/>Cllr AJ Du Plooy (DA)<br/>Cllr A Small (Ms) (DA)<br/>Cllr BU Maarman (ANC)<br/>Ald EB Manuel (GOOD)<br/>Cllr RL Laubscher (PA)<br/><b>March 2023 till June 2023</b><br/>Ald MA Wessels (DA) (Chairperson)<br/>Ald A De Vries (DA)<br/>Cllr J Daniels (DA)<br/>Cllr A Small (Ms) (DA)</p>  | <p>July 2022 – None<br/>02 August 2022<br/>06 September 2022<br/>04 October 2022<br/>01 November 2022<br/>06 December 2022<br/>January 2023 – None<br/>07 February 2023<br/>07 March 2023<br/>04 April 2023<br/>02 May 2023<br/>06 June 2023</p> |

|   |   |  |
|---|---|--|
|   | Cllr BU Maarman (ANC)<br>Ald EB Manuel (GOOD)<br>Cllr RL Laubscher (PA)<br>Ald R Swarts (DA) (ex-officio)<br>Ald RM Van Rooy (DA) (ex-officio)<br>Cllr AJ Du Plooy (DA)   |  |
| ECONOMIC DEVELOPMENT COMMITTEE<br>The Economic Development Committee discusses matters arising from the Office of the Municipal Manager and Strategic Services Division relating to Economic Development, Public Participation and Communication before submission to the Mayoral Committee for approval. | <b>July 2022 till February 2023</b><br>Cllr J Daniels (DA) (Chairperson)<br>Ald MA Wessels (DA)<br>Ald A De Vries (DA)<br>Cllr AJ Du Plooy (DA)<br>Cllr A Small (Ms) (DA)<br>Cllr IS Adams (ANC)<br>Ald EB Manuel (GOOD)<br>Cllr RL Laubscher (PA)<br><b>March 2023 till June 2023</b><br>Cllr J Daniels (DA) (Chairperson)<br>Ald MA Wessels (DA)<br>Ald A De Vries (DA)<br>Cllr A Small (Ms) (DA)<br>Cllr IS Adams (ANC)<br>Ald EB Manuel (GOOD)<br>Cllr RL Laubscher (PA)<br>Ald R Swarts (DA) (ex-officio)<br>Ald RM Van Rooy (DA) (ex-officio)<br>Cllr AJ Du Plooy (DA) (ex-officio) | July 2022 - None<br>04 August 2022<br>08 September 2022<br>06 October 2022<br>03 November 2022<br>08 December 2022<br>January 2023 – None<br>09 February 2023<br><br>09 March 2023<br>06 April 2023<br>08 May 2023<br>08 June 2023 |

**TABLE 41: CORPORATE SERVICES COMMITTEE NUMBER OF ITEMS DISCUSSED FROM 1 JULY 2022 –30 JUNE 2023**

| DATE OF MEETING   | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION |
|-------------------|---------------------------|----------------|----------|
| July 2022         | NONE                      |                |          |
| 03 August 2022    | 22                        | YES            | 3h30     |
| 07 September 2022 | 21                        | YES            | 2h15     |
| 05 October 2022   | 13                        | YES            | 1h50     |
| 02 November 2022  | 16                        |                | 2h30     |
| 07 December 2022  | 16                        |                | 2h30     |
| January 2023      | NONE                      |                |          |
| 08 February 2023  | 17                        | YES            | 2h30     |
| 08 March 2023     | 19                        | YES            | 2h20     |
| 05 April 2023     | 13                        | YES            | 1h55     |
| 03 May 2023       | 19                        | YES            | 2h20     |
| 07 June 2023      | 20                        | YES            | 4h20     |

**TABLE 42: FINANCIAL SERVICES COMMITTEE NUMBER OF ITEMS DISCUSSED FROM 1 JULY 2022 – 30 JUNE 2023**

| DATE OF MEETING   | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION |
|-------------------|---------------------------|----------------|----------|
| July 2022         | NONE                      |                |          |
| 03 August 2022    | 16                        | YES            | 1h45     |
| 07 September 2022 | 13                        | YES            | 2h32     |
| 05 October 2022   | 16                        | YES            | 2h53     |
| 02 November 2022  | 15                        | YES            | 3h39     |
| 07 December 2022  | 14                        | YES            | 0h28     |
| January 2023      | NONE                      |                |          |
| 08 February 2023  | 16                        | YES            | 1h34     |
| 08 March 2023     | 16                        | YES            | 1h34     |
| 05 April 2023     | 13                        | YES            | 2h32     |
| 03 May 2023       | 13                        | YES            | 2h40     |
| 07 June 2023      | 14                        | YES            | 1h56     |

**TABLE 43: TECHNICAL SERVICES COMMITTEE NUMBER OF ITEMS DISCUSSED FROM 1 JULY 2022 – 30 JUNE 2023**

| DATE OF MEETING   | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION |
|-------------------|---------------------------|----------------|----------|
| July 2022         | NONE                      |                |          |
| 02 August 2022    | 20                        | YES            | 2h26     |
| 06 September 2022 | 17                        | YES            | 2h00     |
| 04 October 2022   | 19                        | YES            | 2h00     |
| 01 November 2022  | 20                        | YES            | 2h31     |
| 06 December 2022  | 18                        | YES            | 2h25     |
| January 2023      | NONE                      |                |          |
| 07 February 2023  | 21                        | YES            | 3h00     |
| 07 March 2023     | 18                        | YES            | 3h27     |
| 04 April 2023     | 21                        | YES            | 2h39     |
| 02 May 2023       | 25                        | YES            | 2h59     |
| 06 June 2023      | 24                        | YES            | 2h25     |

**TABLE 44: COMMUNITY SERVICES COMMITTEE NUMBER OF ITEMS DISCUSSED FROM 1 JULY 2022 – 30 JUNE 2023**

| DATE OF MEETING   | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION |
|-------------------|---------------------------|----------------|----------|
| July 2022         |                           |                |          |
| 02 August 2022    | 20                        | YES            | 2h25     |
| 06 September 2022 | 19                        | YES            | 2h00     |
| 04 October 2022   | 16                        | YES            | 2h12     |
| 01 November 2022  | 19                        | YES            | 1h22     |
| 06 December 2022  | 19                        | YES            | 1h22     |
| January 2023      | NONE                      |                |          |
| 07 February 2023  | 18                        | YES            | 1h10     |
| 07 March 2023     | 18                        | YES            | 3h10     |
| 04 April 2023     | 18                        | YES            | 1h51     |
| 02 May 2023       | 17                        | YES            | 1h34     |
| 06 June 2023      | 19                        | YES            | 2h32     |

**TABLE 45: ECONOMIC DEVELOPMENT COMMITTEE NUMBER OF ITEMS DISCUSSED FROM 1 JULY 2022 – 30 JUNE 2023**

| DATE OF MEETING   | NUMBER OF ITEMS DISCUSSED | OPEN TO PUBLIC | DURATION |
|-------------------|---------------------------|----------------|----------|
| July 2022         | NONE                      |                |          |
| 04 August 2022    | 17                        | YES            | 2h05     |
| 08 September 2022 | 18                        | YES            | 3h51     |
| 06 October 2022   | 17                        | YES            | 3h32     |
| 03 November 2022  | 17                        | YES            | 1h23     |
| 08 December 2022  | 17                        | YES            | 1h25     |
| January 2023      | NONE                      |                |          |
| 09 February 2023  | 16                        | YES            | 2h30     |
| 09 March 2023     | 16                        | YES            | 1h46     |
| 06 April 2023     | 17                        | YES            | 1h46     |
| 08 May 2023       | 18                        | YES            | 3h00     |
| 08 June 2023      | 18                        | YES            | 1h20     |



## 2.2.1.9 OTHER COMMITTEES ESTABLISHED BY THE COUNCIL FOR SPECIFIC PURPOSES

## 2.2.1.9.1 PERFORMANCE, RISK- AND AUDIT COMMITTEE

The Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) requires municipalities to have an audit committee. Sections 166 (1) and (2) set out the functions of an audit committee:

- 1) *“An audit committee is an independent advisory body which must –*
- Advise the council, political office bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity on matters relating to –*
  - Internal financial controls and internal audits;*
  - Risk management;*
  - Accounting policies;*
  - The adequacy, reliability and accuracy of financial reporting and information;*
  - Performance management;*
  - Effective governance;*
  - Compliance with the Act, the annual Division of Revenue Act and any other applicable legislation;*
  - Performance evaluation; and*
  - Any other issues referred to it by the municipality or municipal entity.*
  - Review the Annual Financial Statements to provide the Council of the municipality with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;*
  - c) Respond to Council on any issues raised by the Auditor-General in the audit report;*
  - d) Carry out investigations into the financial affairs of the municipality as the Council may request; and*
  - e) Perform such other functions as may be prescribed.”*

Section 40 of the Municipal Systems Act requires municipalities to establish mechanisms to monitor and review their performance. The Local Government Municipal Planning and Performance Management Regulations, 2001 (GNR 796 of 24 August 2001) require municipalities to establish performance audit committees for this purpose. The functions of the performance audit committee are as follows:

*“4(a) a performance audit committee must:*

- review the quarterly reports submitted to it by the internal auditors, dealing with quarterly reports, which the internal auditors are required to submit to the municipal manager and the performance audit committee;*

*review the municipality’s performance management system and make recommendations in this regard to the Council of that municipality; and*

*at least twice during a financial year submit an audit report to the Municipal Council concerned.*

*(b) In reviewing the municipality’s performance management system in terms of (a) (ii), the performance audit committee must focus on economy, efficiency and effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned.*

*(c) A performance audit committee may –*

communicate directly with the Council, municipal manager or the internal and external auditors of the municipality concerned;

Access any municipal records containing information that is needed to perform its duties or exercise its powers;

request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and

investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.”

Bergvriër Municipality has a fully functional combined Performance-, Risk- and Audit Committee (PRAC) in terms of Section 166(6) (a) of the MFMA. The Performance, Risk and Audit Committee meets at least 4 times a year.

**TABLE 46: PERFORMANCE, RISK- AND AUDIT COMMITTEE COMPOSITION AND ATTENDANCE**

| MEMBERS        | CAPACITY    | 26 AUG 2022 | 28 NOV 2022 | 17 MAR 2023 | 15 JUN 2023 |
|----------------|-------------|-------------|-------------|-------------|-------------|
| Mr. C De Jager | Chairperson | Yes         | Yes         | Yes         | Apology     |
| Mrs. G Bolton  | Member      | Yes         | Yes         | Yes         | Yes         |
| Mrs. R Gani    | Member      | Yes         | Yes         | Yes         | Yes         |
| Mrs. M Kinnes  | Member      | Yes         | No          | Yes         | No          |
| Mr. D Smith    | Member      | Yes         | Yes         | Yes         | Yes         |

**2.2.1.9.2 OVERSIGHT PROCESS ON THE ANNUAL REPORT DONE BY MPAC**

The MPAC of Bergvriër Municipality is established in terms of the Local Government: Structures Amendment Act, 2021 (Act 3 of 2021). Section 79 A(3)(c) of this Act determines that the MPAC must initiate and develop the oversight report on annual reports contemplated in Section 129 of the MFMA.

Section 127(2) of the Municipal Finance Management Act, 2003 (Act 56 Of 2003) requires the Executive Mayor to table the Municipality’s Annual Report by the end of January each year. Section 129 of the same Act

requires the Council to adopt an Oversight Report within two months of the Annual Report having been tabled which means that the Oversight Report must be tabled by 31 March of each year. Section 46 of the Municipal Systems Act requires the Municipality to prepare a Performance Report for each financial year which reflects the performance of the Municipality and each of its external service providers during that financial year, as measured against predetermined targets as well as the performance of the previous year. The Annual Performance Report must form part of the Municipality’s Annual Report in terms of Section 127(1) of the Municipal Finance Management Act (MFMA).

**TABLE 47: MPAC COMPOSITION AND ATTENDANCE**

| COMMITTEE MEMBER                                | DATE OF MEETING  | IN ATTENDANCE |
|---|------------------|---------------|
| Cllr JJ Moolman (DA) (Chairperson of Committee) | 24 February 2023 | YES           |
| Cllr A Small (Ms) (DA)                          | 24 February 2023 | YES           |
| Cllr SS Lesch (Ms) (ANC)                        | 24 February 2023 | YES           |
| Mr N Stevens                                    | 24 February 2023 | YES           |
| Mr C De Jager (on behalf of Audit Committee)    | 24 February 2023 | YES           |
| Mr J Botha                                      | 24 February 2023 | YES           |
| Cllr AJ Du Plooy (DA) (Chairperson)             | 10 February 2023 | YES           |
| Cllr A Small (Ms) (DA)                          | 10 February 2023 | YES           |
| Cllr SS Lesch (Ms) (ANC)                        | 10 February 2023 | YES           |
| Mr C De Jager (on behalf of Audit Committee)    | 10 February 2023 | YES           |
| Mr N Stevens                                    | 10 February 2023 | YES           |
| Mr J Botha                                      | 10 February 2023 | YES           |
| Cllr AJ Du Plooy (DA) (Chairperson)             | 17 February 2023 | YES           |
| Cllr A Small (Ms) (DA)                          | 17 February 2023 | YES           |
| Cllr SS Lesch (Ms) (ANC)                        | 17 February 2023 | YES           |
| Mr C De Jager (on behalf of Audit Committee)    | 17 February 2023 | YES           |
| Mr N Stevens                                    | 17 February 2023 | YES           |
| Mr J Botha                                      | 17 February 2023 | Apology       |

**2.2.1.9.3 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)**

The Municipal Public Accounts Committee (MPAC) is established in terms of the provisions of the Local Government: Structures Amendment Act, 2021 (Act 3 of 2021) and the Municipal Finance Management Act 2003, (Act 56 of 2003) to serve as an Oversight Committee to exercise oversight over the executive authority

of Council. The MPAC assists Council to hold the executive councillors and municipal entities accountable, and to ensure the efficient and effective use of municipal resources. Bergrivier Municipality has a fully functional MPAC.

**TABLE 48: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE COMPOSITION AND ATTENDANCE**

| MEMBERS  | MEETING HELD ON 14 OCTOBER 2022: | MEETING HELD ON 14 APRIL 2023: |
|--|----------------------------------|--------------------------------|
| Cllr. JJ Moolman (Chairperson of Committee)  | Yes                              | No                             |
| Cllr. AJ du Plooy (Chairperson of Committee Effective 1 February 2023)             | No                               | Yes                            |
| Mr. C de Jager (Ex Officio as Chairperson of the Audit- and Performance Committee) | Yes                              | Yes                            |
| Mr. N Stevens  | Yes                              | Yes                            |
| Mr. J Botha  | No                               | No                             |
| Cllr. A Small (Ms.)  | Yes                              | Yes                            |
| Cllr. SS Lesch (Ms.)   | No                               | No                             |

Terms of reference for the MPAC:

1. The MPAC must interrogate the following financial aspects addressed in the Municipal Finance Management Act (MFMA):
  - 1.1 Unforeseen and unavoidable expenditure (Section 29);
  - 1.2 Unauthorized, irregular or fruitless and wasteful expenditure (Section 32);
  - 1.3 The quarterly report of the mayor on the implementation of the budget and the state of affairs of the municipality / SDBIP (Section 52(d));
  - 1.4 Monthly budget statements (Section 71);
  - 1.5 Mid-year budget and performance assessment (Section 72);
  - 1.6 Disclosures concerning councillors, directors and officials (Section 124);
  - 1.7 Submission and auditing of Annual Financial Statements (Section 126);
  - 1.8 Submission of the Annual Report (Section 127);
  - 1.9 Issues raised by the Auditor-General in audit reports (Section 131);
  - 1.10 Performance, Risk- and Audit Committee (Section 166); and
  - 1.11 Disciplinary action instituted in terms of the MFMA.
2. The MPAC must interrogate the following aspects addressed in the Municipal Systems Act.
  - 2.1 Review of the IDP post elections (Section 25);
  - 2.2 Annual review of the IDP (Section 34);

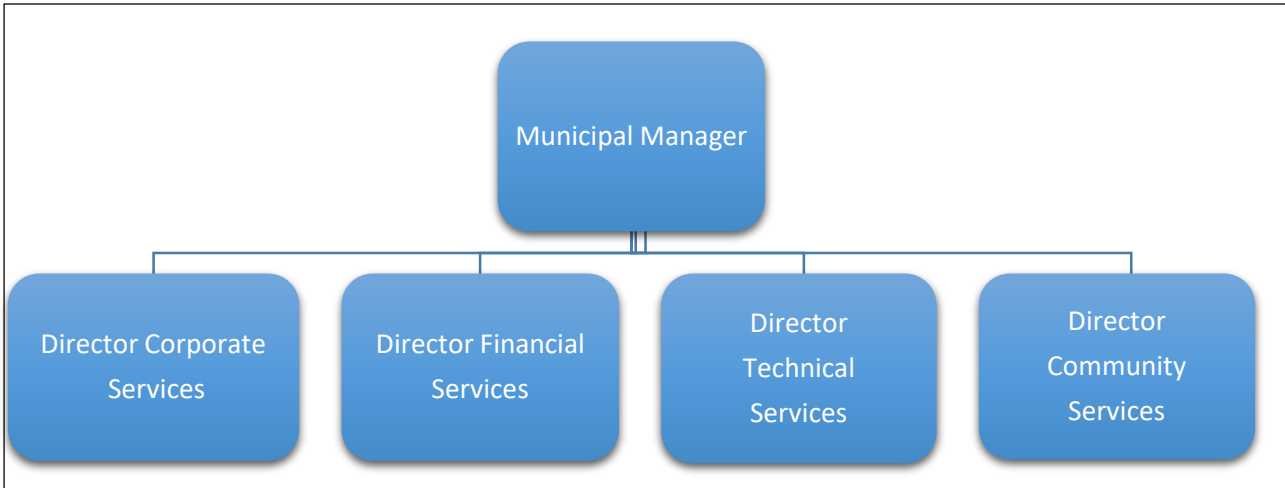
- 2.3 Performance management plan (Section 39);
  - 2.4 Monitoring that the annual budget is informed by the IDP (Regulation 6 of the Local Government: Municipal Planning and Performance Management Regulations); and
  - 2.5 Monitoring that all declaration of interest forms is completed by councillors on an annual basis (Section 54 read with Item 7 of Schedule 1).
3. The MPAC must interrogate the following aspects addressed in the Municipal Structures Act.
- 3.1 Auditor general reports and comments of management committee and audit committee (section 79 (A) 3 (a))
  - 3.2 Internal Audit Reports together with comments from the management committee and the Performance-, Risk- and Audit committee and make recommendations to Council (section 79 (A) 3 (b))
  - 3.3 Initiate and develop the oversight report on annual reports contemplated in section 129 of the Local Government: Municipal Finance Management Act (Section 79 (A) 3 (c))
  - 3.4 Attend to and make recommendations to the municipal council on any matter referred to it by the municipal council, executive committee, a committee of the council, a member of this committee, a councillor, and the municipal manager (Section 79 (A) 3 (d))
  - 3.5 On its own initiative, subject to the direction of the municipal council, investigate and report to the municipal council on any matter affecting the municipality. (Section 79 (A) 3 (e)).

#### 2.2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Head of the Administration and Accounting Officer of the Municipality and is primarily responsible for service delivery. The Municipal Council approved a new macro structure on 30 May 2017, which was implemented during the 2017/18 financial year. The new macro structure makes provision for the undermentioned organisational units:

- Office of the Municipal Manager
- Directorate Corporate Services
- Directorate Financial Services
- Directorate Technical Services
- Directorate Community Services (new directorate since a September 2017).

FIGURE 35: APPROVED MACRO STRUCTURE (30 May 2017)



The following table indicates the roles and responsibilities of the top two tiers of the administration in accordance with the macro structure:

TABLE 49: ROLES AND RESPONSIBILITIES OF MUNICIPAL MANAGER AND DIRECTORS

| TIER | POSITION & INCUMBENT              | ROLES AND RESPONSIBILITIES  |
|------|-----------------------------------|---|
| 1    | Municipal Manager<br>Adv. H Linde | <p>The functions and responsibility of the Municipal Manager are contained in Section 55 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000):</p> <p>“(1) As head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for:</p> <ul style="list-style-type: none"> <li>(a) the formation and development of an economical, effective, efficient and accountable administration                             <ul style="list-style-type: none"> <li>(i) equipped to carry out the task of implementing the municipality’s integrated development plan in accordance with Chapter 5;</li> <li>(ii) operating in accordance with the municipality’s performance management system in accordance with Chapter 6; and</li> <li>(iii) responsive to the needs of the local community to participate in the affairs of the municipality.</li> </ul> </li> <li>(b) the management of the municipality’s administration in accordance with this Act and other legislation applicable to the municipality;</li> <li>(c) the implementation of the municipality’s integrated development plan, and the monitoring of progress with implementation of the plan;</li> <li>(d) the management of the provision of services to the local community in a sustainable and equitable manner;</li> <li>(e) the appointment of staff other than those referred to in Section 56, subject to the Employment Equity Act, 1998 (Act 55 of 1998);</li> <li>(f) the management, effective utilisation and training of staff;</li> <li>(g) the maintenance of discipline of staff;</li> <li>(h) the promotion of sound labour relations and compliance by the municipality with applicable labour legislation;</li> </ul> |



| TIER | POSITION & INCUMBENT | ROLES AND RESPONSIBILITIES  |
|------|----------------------|---|
|      |                      | <p>(i) advising the political structures and political office bearers of the municipality;</p> <p>(j) managing communications between the municipality’s administration and its political structures and political office bearers;</p> <p>(k) carrying out the decisions of the political structures and political office bearers of the municipality;</p> <p>(l) the administration and implementation of the municipality’s by-laws and other legislation;</p> <p>(m) the exercise of any powers and the performance of any duties delegated by the municipal council, or sub-delegated by other delegating authorities of the municipality, to the municipal manager in terms of Section 59;</p> <p>(n) facilitating participation by the local community in the affairs of the municipality;</p> <p>(o) developing and maintaining a system whereby community satisfaction with municipal services is assessed;</p> <p>(p) the implementation of national and provincial legislation applicable to the municipality; and</p> <p>(q) the performance of any other function that may be assigned by the municipal council.</p> <p>(2) As accounting officer of the municipality, the municipal manager is responsible and accountable for—</p> <p>(a) all income and expenditure of the municipality</p> <p>(b) all assets and the discharge of all liabilities of the municipality; and</p> <p>(c) proper and diligent compliance with applicable municipal finance management legislation</p> <p>The Office of the Municipal Manager is also responsible for the following:</p> <ol style="list-style-type: none"> <li>1. Manage the provisioning of strategic management support services to the Municipal Manager.</li> <li>2. Provide and manage an independent appraisal of the adequacy and effectiveness of financial controls and the rendering of risk and anti-fraud/corruption services within the municipality.</li> <li>3. Manage and facilitate intergovernmental and international relations with various stakeholders.</li> <li>4. Manage the rendering of logistical support to executive management.</li> <li>5. Manage councillor support services.</li> <li>6. Manage the provisioning of a communications service to the municipality.</li> <li>7. Manage financial services in relation to a budget and treasury office (BTO) to ensure financial viability, overall compliance and mandatory reporting.</li> <li>8. Manage the provisioning of corporate administration management and town planning services on behalf of the institution to ensure efficient support of organisational responsibilities and processes.</li> <li>9. Manage the maximising of infrastructure development and maintenance to promote basic service delivery to all communities within the municipal area.</li> </ol> |

| TIER | POSITION & INCUMBENT                                      | ROLES AND RESPONSIBILITIES   |
|------|---|--|
|      |   | <p>10. Manage the rendering of integrated community services to enhance community development in general and promote the livelihood of the community at large.</p> <p><b>Strategic Services</b></p> <ol style="list-style-type: none"> <li>1. Manage the performance management framework and local economic/ social development initiatives.</li> <li>2. Facilitate the promotion of local economic development and poverty alleviation.</li> <li>3. Facilitate the promotion of public participation processes.</li> <li>4. Facilitate the establishment and functioning of ward committees.</li> <li>5. Administer and co-ordinate special programs in aid of the community: <ul style="list-style-type: none"> <li>- Support to vulnerable groups (gender, elderly)</li> <li>- Support to HIV/Aids organisations</li> <li>- Youth development</li> <li>- Co-ordination and implementation of Executive Mayoral Projects</li> <li>- Administration of grant-in-aid funds to organisations in need</li> </ul> </li> <li>6. Facilitate community development projects, community development initiatives and special projects.</li> </ol> <p><b>Internal Audit</b></p> <ol style="list-style-type: none"> <li>1. Develop and implement a risk-based audit plan and internal audit program for each financial year.</li> <li>2. Advising the accounting officer and report to the Audit Committee on the implementation of the internal audit plan</li> <li>3. Establish and maintain an enterprise risk management (ERM) and compliance system within the organisation.</li> <li>4. Ensure the organisation is conforming with, or eligible for, contractual obligations, government regulations, laws, or licenses and permits.</li> </ol> |
| 2    | <p>Director: Corporate Services</p> <p>Mr. JWA Kotzee</p> | <p>The Corporate Services Directorate renders all administrative functions of the Municipality including:</p> <ol style="list-style-type: none"> <li>1. Manage the provisioning and administering of town planning and environmental management services.</li> <li>2. Manage the provisioning of client and administrative services.</li> <li>3. Manage the provisioning and administering of human resources management services to the municipality</li> <li>4. Manage the administering and application of departmental GIS processes.</li> </ol> <p><b>Administration and Legal Support Services</b></p> <ol style="list-style-type: none"> <li>1. Manage the provisioning of secretariat and records management services.</li> <li>2. Provide client and administrative support services.</li> <li>3. Manage the provisioning of information communication and technology (ICT) services including geographical information system (GIS) applications within the municipality.</li> <li>4. Legal Support Services</li> </ol>  |

| TIER | POSITION & INCUMBENT  | ROLES AND RESPONSIBILITIES   |
|------|---|--|
|      |   | <p><b>Human Resource Management</b></p> <ol style="list-style-type: none"> <li>1. Manage the rendering of human resources provisioning and employee administration services.</li> <li>2. Manage the provisioning of human resources training and skills development services.</li> <li>3. Manage the provisioning of labour relations and employee wellness services</li> <li>4. Manage the provisioning of occupational health and safety services in terms of the OHSA.</li> </ol> <p><b>Planning and Development</b></p> <ol style="list-style-type: none"> <li>1. Manage the compilation and implementation of Spatial Planning and Land Use Management.</li> <li>2. Manage the compilation and implementation of Environmental Planning Management policies and procedures.</li> <li>3. Manage the rendering of land use management services and administrative support.</li> <li>4. Manage the lease and sale of municipal land.</li> <li>5. Oversee the facilitation of surveying and registration of municipal land</li> </ol>   |
| 3    | <p>Director: Financial Services</p> <p>Mr. F Lötter: 1 November 2019 – 31 July 2022</p> <p>Mr. D Louw: 1 September 2022 – 31 May 2023</p> | <p><b>The Financial Services Directorate is responsible for all financial functions of the Municipality including:</b></p> <ol style="list-style-type: none"> <li>1. Manage the provisioning and administering of expenditure and supply chain management processes.</li> <li>2. Implement and maintain revenue and credit control policies and procedures to ensure sound revenue management practices and compliance.</li> <li>3. Manage and control the implementation of budget policies, systems and procedures and financial statements processes to ensure legislative compliance and sound financial management practices.</li> </ol> <p><b>Revenue Management</b></p> <ol style="list-style-type: none"> <li>1. Manage and administer the debtors of the municipality including banking, reconciliations and billing.</li> <li>2. Manage and control the application of the Municipality's credit control policies and procedures.</li> <li>3. Manage and facilitate property valuations and determining of rates.</li> </ol> <p><b>Expenditure &amp; SCM</b></p> <ol style="list-style-type: none"> <li>1. Manage the recording, authorisation and proper execution of expenditure systems, procedures and transactions.</li> <li>2. Manage supply chain management and asset management processes and systems.</li> </ol> <p><b>Financial Management &amp; Reporting</b></p> <ol style="list-style-type: none"> <li>1. Manage the preparation and administering of budgets and financial statements.</li> <li>2. Manage financial compliance and reporting on financial management.</li> <li>3. Manage the execution of budget control and control of accounting procedures.</li> </ol> |

| TIER | POSITION & INCUMBENT   | ROLES AND RESPONSIBILITIES  |
|------|--|---|
| 4    | <p>Director: Technical Services</p> <p>Mr. V Felton: 01 February 2022 - 30 September 2022</p> <p>Mr. D van Turha: 1 January 2023</p> | <p><b>The Technical Services Directorate is responsible for all technical functions of the Municipality including:</b></p> <ol style="list-style-type: none"> <li>1. Manage the provisioning and administering of project management and building control services.</li> <li>2. Manage the provisioning and control of civil engineering and solid waste management services.</li> <li>3. Manage the provisioning and control of electrical engineering services.</li> <li>4. Manage the administering and application of technical related GIS processes.</li> </ol> <p><b>Civil</b></p> <ol style="list-style-type: none"> <li>1. Manage overall compliance i.r.t. waste management practices and prescripts</li> <li>2. Manage the provisioning and maintenance of civil engineering services in the Piketberg Area.</li> <li>3. Manage the provisioning and maintenance of civil engineering services in the Velddrif Area.</li> <li>4. Manage the provisioning and maintenance of civil engineering services in the Porterville Area.</li> <li>5. Manage and coordinate the maintenance of all vehicles and equipment in the Municipality.</li> <li>6. Manage the provisioning and administering of Bulk Services.</li> <li>7. Manage internal funded capital projects within the respective regions.</li> </ol> <p><b>Electricity</b></p> <ol style="list-style-type: none"> <li>1. Manage the provisioning and maintenance of electrical services in the Piketberg and Redelinghuis Areas.</li> <li>2. Manage the provisioning and maintenance of electrical services in the Velddrif and Aurora Areas.</li> <li>3. Manage the provisioning and maintenance of electrical services in the Porterville and Eendekuil Areas.</li> </ol> <p><b>Project Management &amp; Building Control</b></p> <ol style="list-style-type: none"> <li>1. Manage the provisioning of a project management unit.</li> <li>2. Provide building control services to ensure compliance and standards i.r.t. buildings and developments.</li> <li>3. Render graphic / information services for the unit.</li> </ol> |
| 5    | <p>Director: Community Services</p> <p>Mr. DA Josephus</p>   | <p><b>The Community Services Directorate is responsible for all community functions of the Municipality including:</b></p> <ol style="list-style-type: none"> <li>1. Manage the provisioning and administering of community protection services within the respective areas of the municipality.</li> <li>2. Manage the provisioning and administering of community facilities.</li> <li>3. Manage housing administration.</li> </ol> <p><b>Protection Services</b></p> <ol style="list-style-type: none"> <li>1. Manage the provisioning of traffic and law enforcement services.</li> </ol>   |

| TIER | POSITION & INCUMBENT | ROLES AND RESPONSIBILITIES   |
|------|----------------------|--|
|      |                      | <p>2. Manage the provisioning and administering of disaster management, firefighting and fire prevention services</p> <p><b>Community Facilities &amp; Resorts</b></p> <p>1. Manage and co-ordinate libraries and information services including liaising with Museums, Tourism and other stakeholders.</p> <p>2. Manage the maintenance of parks, cemeteries, sport grounds, swimming pools and other facilities.</p> <p>3. Provide housing administration support services to address the housing needs in the area.</p> <p><b>Housing Administration</b></p> <p>1. Manage the administration processes of housing applications and allocations to ensure proper service delivery to the community.</p> <p>2. Initiate housing projects and the maintenance of housing rental stock.</p> <p>3. Research, develop, review, facilitate and implement housing policies, municipal accreditation and development processes.</p> <p><b>Library Services</b></p> <p>Manage and co-ordinate libraries and information services including with museums, tourism and other stakeholders</p> |

### 2.3 INTERGOVERNMENTAL RELATIONS

Section 3 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended requires municipalities to exercise their executive and legislative authority within the constitutional system of co-operative government envisaged in Section 41 of the Constitution.

The Municipality participates in International, National, Provincial and District Intergovernmental Forums. The Municipality strives to participate in as many of the available intergovernmental forums as possible, but our challenge is that forums often meet on the same dates and the personnel structure does not allow for dedicated personnel to attend all forum meetings.

The most significant new intergovernmental structure that was implemented in this financial year is the Joint District Management Approach (JDMA) or Nationally known as the DDM (District Development Model). Bergvliet Municipality participated fully in this structure.

#### 2.3.1 INTERNATIONAL INTERGOVERNMENTAL RELATIONS

Bergvliet Municipality is in a “Stedeband” (partnership cooperation agreement) with the Municipality of Heist-op-den-Berg in Belgium, Europe.



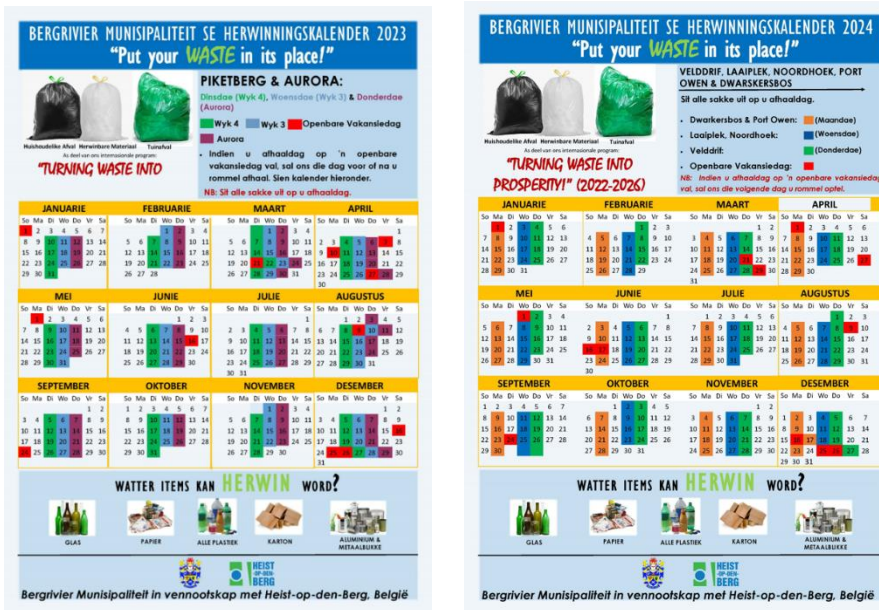
Photo: Hanlie Linde

The purpose of such an arrangement is for two Local Government structures in different countries, but with shared interests, to share expertise for the joint improvement of the public, the administration and the political structures in both areas. The main aim is the sharing of experience and joint project implementation, where possible. The relationship has developed well since its initial stages during December 2014 and a delegation from Heist-op-den-Berg visited Bergrivier Municipality during October 2015, October 2017 and April 2018 with return visits by Bergrivier Municipality during May 2016 and June 2017. The year 2018/19 was characterized by the first visit of the youth of 4 schools in Bergrivier Municipal Area to Belgium during March/April 2019. As part of the youth exchange programme, we prepared for a return visit by Belgium to South Africa during March/April 2020, but this was postponed to 2023 due to the Covid-19 world-wide pandemic and the closure of international borders.

The two Municipalities are joint partners in the Belgium Federal Government Programme where we applied jointly for funding from the European Union to create and implement a programme in waste management, namely *Turning Waste into Prosperity*. This programme (2017 – 2022) is focused on selecting young potential entrepreneurs (waste ambassadors) and equip them with skills and education to build their own co-operatives and start small businesses by using green waste from the Bergrivier Municipality and turning that into prosperity. As part of our Stedeband, we contracted the expertise of Exchange, and they provided the waste ambassadors with training through international experts. Bergrivier Municipality and Heist-op-den-Berg have been re-selected to apply jointly for the next Federal Programme from 2022 – 2027 (during this financial year the EU changed the parameters to shorten the programme to end in December 2023). We are very fortunate to announce that we were successful in our application and were approved to participate in the programme again from January 2022 – December 2023. The content of the programme was crafted during March 2021 during a three-day virtual conference. We continued with the Waste Management theme, but broadened the playing field to also include household composting throughout the Municipal Area to significantly reduce the amount of organic waste in the black bags collected and transferred to landfill.

During the 2022/2023 financial year the implementation of this programme continued. Currently we are rolling out composting bins to interested households in Bergrivier Municipality. Awareness raising to reduce

household waste and increase composting received attention. We designed, print, and distributed the waste calendars to all households in Bergrivier Municipality (see examples below).



The international conference for municipalities having city-to-city cooperation between Belgium and South Africa and Botswana is jointly organized by VVSG (Belgium) and SALGA (South Africa and will take place in Witzenberg Municipality (Ceres) in the Western Cape in 2023.

See the section on Youth Development for the Youth Exchange Programme.

2.3.2 NATIONAL INTERGOVERNMENTAL FORUMS

The Municipality participates in the following National Intergovernmental Forums:

TABLE 50: PARTICIPATION ON NATIONAL INTERGOVERNMENTAL FORUMS

| DIRECTORATE  | FORUMS  |
|--|---|
| Councillors, Executive Mayor and Mayoral Committee Members | National Mayors Forum   |
| Municipal Managers Office                                  | National Municipal Managers Forum<br>International Institute of Municipal Clerks (IIMC)<br>Institute of Municipal Administrators of South Africa (IMASA)<br>Institute for Local Government Managers (ILGM)                          |
| Technical Services Directorate                             | Department of Water Affairs Bi-monthly Meetings<br>Monthly Intergovernmental Coordination Meetings of MIG Programme<br>Association for Municipal Electricity Undertakings (AMEU)<br>Institute for Municipal Engineers in SA (IMESA) |
| Corporate Services Directorate                             | Institute of Municipal Personnel Practitioners of South Africa (IMPSPA)   |
| Community Services   | Institute of Traffic Licensing and Metro Police Officers of Southern Africa (ITLMPO-SA)   |



| DIRECTORATE                    | FORUMS   |
|--------------------------------|--|
| Financial Services Directorate | Institute of Municipal Finance Officers (IMFO) |

2.3.3 PROVINCIAL INTERGOVERNMENTAL FORUMS

The Municipality participates in the following Provincial Intergovernmental Forums:

**TABLE 51: PARTICIPATION ON PROVINCIAL INTERGOVERNMENTAL FORUMS**

| DIRECTORATE  | FORUMS  |
|--|---|
| Councillors, Executive Mayor and Mayoral Committee Members | Minmay (Ministers / Mayors)<br>Premier’s Co-ordinating Forum (PCF)<br>Speakers Forum<br>SALGA Working Groups:<br>Intergovernmental and International Relations<br>Human Resources<br>Municipal Services and Infrastructure<br>Economic Development and Planning<br>Community development<br>Municipal Finance   |
| Municipal Managers Office                                  | Minmay (Ministers and Mayors) and Minmay Technical Meeting (Head of Provincial Departments and Municipal Managers)<br>Premier's Coordinating Forum (PCF)<br>PS07 Climate Change Forum<br>Provincial Treasury: Pre-determined Objectives (PDO) Forum<br>Provincial Treasury: Risk Forum<br>SALGA Working Groups:<br>Intergovernmental and International Relations<br>Economic Development and Planning<br>Community development<br>Western Cape IDP Managers Forum<br>Western Cape Public Participation and Communication Forum<br>Western Cape Local Economic Development Forum<br>Western Cape Economic Development Partnership<br>West Coast District ONE PLAN Coordination Forum (Provincial platform) |
| Technical Services Directorate                             | Western Cape Provincial Government (MIG)<br>Department of Environmental Affairs and Development Planning Waste Forum<br>SALGA Working Groups:<br>Provincial Resource Team Housing Meetings<br>Municipal Services and Infrastructure   |

| DIRECTORATE                    | FORUMS   |
|--------------------------------|--|
| Corporate Services Directorate | Provincial Taxi Board<br>SALGA Working Groups:<br>Human Resource Management  |
| Financial Services Directorate | Provincial Treasury: CFO Forum<br>Provincial Treasury: SCM Forum<br>SALGA Working Groups:<br>Municipal Finance   |
| Community Services Directorate | Provincial Disaster Management Forum<br>Provincial Fire Chiefs Forum<br>SALGA Working Committees<br>Traffic Chiefs Forum<br>NATIS Working Group<br>Law Enforcement Technical Committee<br>Informal settlement Support Program<br>Housing Co-ordination Committee |

#### 2.3.4 DISTRICT MUNICIPALITY INTERGOVERNMENTAL FORUMS

The Municipality participates in the following District Municipality Intergovernmental Forums:

**TABLE 52: PARTICIPATION ON DISTRICT MUNICIPALITY INTERGOVERNMENTAL FORUMS**

| DIRECTORATE  | FORUMS  |
|--|---|
| Councillors, Executive Mayor and Mayoral Committee Members | WCDM IDP Co-ordinating Committee<br>West Coast District Co-ordinating Forum (DCF)<br>West Coast Economic Development Partnership<br>District Water Monitoring Forum<br>District Evaluation Committee (DEC)<br>West Coast Human Settlements Forum<br>WC Water Monitoring Forum.                    |
| Municipal Manager’s Office                                 | WCDM District Coordinating Forum (DCF)<br>WCDM District Coordinating Forum Tech (DCF Tech)<br>All JDA/DDM engagements<br>District Water Monitoring Board<br>WCDM IDP/LED Forum<br>WCDM IDP Co-ordinating Committee (IDPCC)<br>West Coast District ONE PLAN Coordination Forum (District platform) |
| Technical Services Directorate                             | WCDM Water Quality Forum<br>St Helena Bay Water Quality Forum   |

| DIRECTORATE                    | FORUMS   |
|--------------------------------|--|
|                                | EPWP District Forum  |
| Corporate Services Directorate | District Air Quality Forum<br>District Regional Tourism Organisation (RTO)   |
| Financial Services Directorate | WCDM District Coordinating Forum Tech (DCF Tech)   |
| Community Services Directorate | West Coast District Advisory Forum<br>District Fire Working Group<br>Disaster Management Co-ordinating Forum<br>Stellenbosch-Saldanha Regional Library Forum<br>West Coast District Road Traffic Co-ordinating Committee |

## 2.4 PUBLIC PARTICIPATION AND ACCOUNTABILITY

The Constitution (Section 152) sets out the objects of local government, one of which is the provision of democratic and accountable government to local communities. This is reiterated by Section 15(b) of the Municipal Systems Act which requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff.

A second constitutional objective is the encouragement of local community and community organisation participation in the matters of local government. This is reiterated by Chapter 4 of the Municipal Systems Act which deals exclusively with community participation. A municipality is required to develop a culture of community participation and develop a system of participatory municipal governance that compliments formal representative governance. The municipality is also required to supply its community with information concerning municipal governance, management and development.

### 2.4.1 PUBLIC PARTICIPATION

#### 2.4.1.1 PUBLIC MEETINGS

A total of 20 public town-based meetings were held during the year as indicated in the following table:

**TABLE 53: PUBLIC MEETINGS – TOWN BASED**

| TYPE OF ENGAGEMENT  | WARD/TOWN                                      | DATE              |                |
|---------------------|--|-------------------|----------------|
|                     |  |                   |                |
| Town based meetings | Piketberg (Ward 4) Allan Boesak Community Hall | 12 September 2022 | 03 April 2023  |
|                     | Porterville (Ward 2) N. Otto Community Hall    | 19 September 2022 | 04 April 2023: |
|                     | Aurora Community Hall                          | 14 September 2022 | 05 April 2023  |
|                     | Dwarskersbos Beach Resort Hall                 | 21 September 2022 | 11 April 2023  |
|                     | Velddrif Town Hall                             | 21 September 2022 | 11 April 2023  |
|                     | Redelinghuis Community Hall                    | 20 September 2022 | 12 April 2023: |

| TYPE OF ENGAGEMENT | WARD/TOWN                         | DATE              |               |
|--------------------|-----------------------------------|-------------------|---------------|
|                    |                                   |                   |               |
|                    | Eendekuil Community Hall          | 15 September 2022 | 13 April 2023 |
|                    | Porterville (Ward 1) Library Hall | 19 September 2022 | 17 April 2023 |
|                    | Piketberg (Ward 3) Library Hall   | 13 September 2022 | 18 April 2023 |
|                    | Noordhoek Community Hall          | 21 September 2022 | 19 April 2023 |

#### 2.4.1.2 WARD COMMITTEES

Ward committees are statutory committees established in terms of Part 4 of Chapter 4 of the Local Government Municipal Structures Act. Ward committees play a vital role in bridging the gap between the Community and the Municipality. Ward committees are not political but are nevertheless elected for a period of five years that runs concurrently with the term of office of the Municipal Council.

The Municipal Council approved a reviewed Ward Committee Policy in February 2017 and ward committees for each ward were elected in accordance with this policy in February 2022. The Municipal Council also approved an out-of-pocket expense fee structure for Ward Committees. The following ward committee meetings took place:

**TABLE 54: WARD COMMITTEE MEETINGS**

| WARD   | WARD COMMITTEE MEETINGS                              |                  |                  |  |                                     |
|--------|--|------------------|------------------|--|-------------------------------------|
| Ward 1 | 10 September 2022<br>Combined Ward Committee meeting | 07 November 2022 | 13 February 2023 | 01 April 2023<br>Combined Ward Committee meeting | 15 April 2023 Ward Committee Indaba |
| Ward 2 | 10 September 2022<br>Combined Ward Committee meeting | 07 November 2022 | 13 February 2023 | 01 April 2023<br>Combined Ward Committee meeting | 15 April 2023 Ward Committee Indaba |
| Ward 3 | 10 September 2022<br>Combined Ward Committee meeting | 08 November 2022 | 14 February 2023 | 01 April 2023<br>Combined Ward Committee meeting | 15 April 2023 Ward Committee Indaba |
| Ward 4 | 10 September 2022<br>Combined Ward Committee meeting | 08 November 2022 | 14 February 2023 | 01 April 2023<br>Combined Ward Committee meeting | 15 April 2023 Ward Committee Indaba |
| Ward 5 | 10 September 2022<br>Combined Ward Committee meeting | 09 November 2022 | 20 February 2023 | 01 April 2023<br>Combined Ward Committee meeting | 15 April 2023 Ward Committee Indaba |
| Ward 6 | 10 September 2022<br>Combined Ward Committee meeting | 10 November 2022 | 20 February 2023 | 01 April 2023<br>Combined Ward Committee meeting | 15 April 2023 Ward Committee Indaba |

| WARD   | WARD COMMITTEE MEETINGS                                 |                     |                  |   |  |            |            |
|--------|---|---------------------|------------------|---|--|------------|------------|
| Ward 7 | 10 September 2022<br>Combined Ward<br>Committee meeting | 10 November<br>2022 | 16 February 2023 | 01 April 2023<br>Combined Ward<br>Committee meeting | 15 April 2023 Ward<br>Committee Indaba |            |            |
| WARD   | ADDITIONAL WARD COMMITTEE MEETINGS                      |                     |                  |   |  |            |            |
| Ward 1 |   |                     |                  |   |  |            |            |
| Ward 2 | 11/07/2022  | 03/10/2022          | 27/03/2023       | 29/06/2023  |  |            |            |
| Ward 3 | 17/08/2022  | 26/09/2022          | 27/10/2022       | 26/04/2023  |  |            |            |
| Ward 4 | 26/07/2022  | 23/08/ 2022         | 26/10/2022       |   |  |            |            |
| Ward 5 | 20/08/2022  | 03/10/2022          |                  |   |  |            |            |
| Ward 6 | 18/07/2022  | 27/09/2022          | 27/03/2023       | 17/04/2023  |  |            |            |
| Ward 7 | 13/07/2022  | 18/08/ 2022         | 27/10/2022       | 16/11/2022  | 15/03/2023                             | 10/05/2023 | 14/06/2023 |

Ward projects with an allocated budget have been identified per ward and forms part of the IDP. Regular report back sessions are held by the respective sectors and a written report is submitted to the chairperson of the ward committee for scrutiny.

Ward committees act as line of communication between the community and the Municipality to raise matters that impact on service delivery in their respective areas. This also improves relationships with the community and assists the Municipality to keep the public informed regarding relevant matters.

#### 2.4.1.3 COMMUNICATION SECTION

The Municipality has a Communication Section mandated to manage and co-ordinate the communication of the strategic vision, mission, values, organisational culture and being of Bergrivier Municipality with and to all stakeholders, networks, officials, councillors and to create and design all material linked to it. This section, which falls under the Office of the Municipal Manager, has a Head: Communications who reports directly to the Municipal Manager.

The Communication Section is responsible for the following:

- i. managing the public relations and media liaison functions;
- ii. manage all internal and external promotional and marketing related communication;
- iii. manage the official Facebook Page and Public WhatsApp Groups of Bergrivier Municipality;
- iv. manage the Corporate Wear Initiative within the Municipality;
- v. Taking photographs and doing videography;
- vi. manage all the TV Screens at the Reception Desks in the different Municipal Offices by ensuring that they are updated on a quarterly basis with relevant content;

- vii. manage all design work for the Municipality;
- viii. drafting and updating of the Communications Policy and Social Media Policy; and
- ix. managing all communication projects.

During the period under review, the Communication Unit took advantage of newly installed Outdoor TV Screens (Piketberg, Velddrif and Porterville) by featuring important relevant content for residents within these towns, to stay abreast with the latest municipal news. The kind of content that features of these Outdoor TV Screens includes information about the Municipality's Corporate identity, town-based meetings, vandalism, core values, recycling and much more. The Communications Unit surpassed the 12 000 followers mark on Facebook and launched its official Instagram account in June 2023.

The Bergrivier Bulletin, a digital external newsletter produced by the Communications Unit, continues to promote the Municipality's strategic goals and provides residents with updates on the largest capital projects within the various towns, introduces new staff members to the public and showcases some community initiatives. The Bergrivier Bulletin offers a variety of relevant municipal content, high quality pictures and can be downloaded via our municipal website ([www.bergmun.org.za](http://www.bergmun.org.za)), via our WhatsApp Ward or Public Groups, or via our Facebook Page.

The Communication Unit created Bergrivier Municipality's official Facebook Page on 07 May 2018. In 2023, the Communication Unit celebrated achieving the landmark figure of 12 000 followers. Most of the growth was organic, which can be attributed to the authentic, relevant and local content that was shared to the public via this platform. The Unit regularly updated the platform which played a vital role in keeping all communities within the Bergrivier Municipal Area informed about municipal projects, campaigns, service delivery issues and loadshedding schedules. This is the fastest growing communication platform which the Municipality currently has available, which also offers instant two-way communication. The Communication Section continues to strive to communicate in a coordinated and uniform manner and with the highest impact.

We are extremely proud of our corporate identity, vision and core values, and therefore spend lots of time crafting the best corporate branding material for the organisation, to use at all official events. The designs, colours and messaging all speak to and align with the vision of Bergrivier Municipality. The Communication Unit understands the importance of promoting and maintaining a good image and building a reputation that all staff, the Municipality as a whole, and all residents living within the area can be proud of. The Municipal emblem and brand were promoted on several occasions through the designing, production and distribution of quality communication material and promotional items. The brand and reputation were further reinforced through the issuing of quality media statements, responding timeously and comprehensively to media enquiries and regularly displaying our communication material on our website and social media platforms. The Communication Unit put in a substantial amount of effort to protect the Municipal brand, and even started producing more video content and now feature content on the Outdoor TV Screens and Instagram, to extend its communication efforts even further.

The Communication Unit has on a quarterly basis updated the Indoor TV screens, which have been strategically placed at all the reception desks in the different Municipal offices. The content, which is displayed include the Municipality’s core values, service delivery videos, municipal projects, events and activities in pictures and posters. As the public walks into any of the Municipal offices, they can view the content on the TV screens whilst waiting to be assisted. The Communication Unit also reports on this process every quarter, by submitting a detailed report to the Economic Development Portfolio Committee.

This unit regularly sent out press releases to media (print, online); invited media to events and responded to media enquiries, as well as shared news regarding municipal projects, programmes, initiatives and achievements on the website, social media (Facebook) and quarterly external newsletter. Bergvliet Municipality is committed to regular two-way communication, by building lasting relationships with its internal and external stakeholders and to continue to form positive partnerships with the public and private sector. The Municipality also acknowledges that it has a responsibility to inform its internal and external stakeholders of challenges identified, progress made, and results achieved in addressing its mandate and vision. A key focus is to ensure that all the towns within the jurisdiction of the municipality is communicated to on an equitable basis.

## 2.5 INTEGRATED DEVELOPMENT PLAN PARTICIPATION AND ALIGNMENT

Integrated Development Planning is regulated by Chapter 5 of the Municipal Systems Act. This Chapter must be read together with Chapter 6 which regulates Performance Management as well as the Municipal Planning and Performance Regulations, 2001, (R796 of 2001). To ensure certain minimum quality standards of the IDP process and a proper co-ordination between and within the spheres of government, the IDP process is regulated by the Municipal Systems Act, 2000 (Act 32 of 2000) (MSA). The Act requires the following regarding the process:

### **Section 28:**

*“(1) Each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP.*

*(2) The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.*

*(3) A municipality must give notice to the local community of particulars of the process it intends to follow.”*

### **Section 29(1):**

*“The process must—*

*(a) be in accordance with a predetermined programme specifying timeframes for the different steps.*

*(b) through appropriate mechanisms, processes and procedures allow for—*



- (i) *the local community to be consulted on its development needs and priorities.*
- (ii) *the local community to participate in the drafting of the IDP; and*
- (iii) *organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan.*
- (c) *provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation; and*
- (d) *be consistent with any other matters that may be prescribed by regulation.”*

During the 2022/23 the newly elected Council adopted the Fifth Generation IDP with amendments and in accordance with the approved Process Plan. The following table provides an overview of the alignment of the IDP to the criteria as set out in Section 26 of the Municipal Systems Act.

**TABLE 55: IDP PARTICIPATION AND ALIGNMENT CRITERIA**

| IDP PARTICIPATION AND ALIGNMENT CRITERIA                                       | YES/NO | COMMENT WHERE THERE WAS LACK OF ALIGNMENT |
|--|--------|---|
| Does the municipality have impact, outcome, input and output indicators?       | Yes    | N/A                                       |
| Does the IDP have priorities, objectives, KPIs and development strategies?     | Yes    | N/A                                       |
| Does the IDP have multi-year targets?  | Yes    | N/A                                       |
| Are the above aligned and can they calculate into a score?                     | Yes    | N/A                                       |
| Does the budget align directly to the KPIs in the IDP?                         | Yes    | N/A                                       |
| Do the IDP KPIs align to the Section 57 Managers?                              | Yes    | N/A                                       |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP?                 | Yes    | N/A                                       |
| Were the indicators communicated to the public?                                | Yes    | N/A                                       |
| Were the four quarter aligned reports submitted within stipulated time frames? | Yes    | N/A                                       |

## 2.6 CORPORATE GOVERNANCE

Corporate Governance is the set of processes, practices, policies, laws and relationships affecting the way an institution is directed, administered or controlled.

## 2.7 INTERNAL AUDIT UNIT

The Municipality has an Internal Audit Unit as required by Section 165(1) of the MFMA and an Internal Auditor and Assistant Internal Auditor who reports to the Municipal Manager. Section 165(2) of the MFMA requires the Internal Auditor to:

- a. Prepare a risk-based audit plan and an internal audit program for each financial year;

- b. Advise the accounting officer and report to the Performance-, Risk- and 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.

The Internal Auditor is responsible for the Internal Audit and Risk Management Unit and must also ensure that the combined Performance, Risk and Audit Committee meets as legislated and that all aspects required by legislation are submitted at these meetings to ensure that the committee are informed and that recommendations can be made and implemented.

The meetings of the Performance, Risk- and Audit Committee are attended by Senior Management and relevant Councillors. The Committee is a statutory committee and functions in accordance with Section 166 of the Municipal Finance Management Act. The Committee is an independent oversight body on internal financial controls and audits, risk and performance management and effective governance.

The Municipality implemented a compliance system “Eunomia” which is an electronic automated monitoring tool that assists with the monitoring of compliance.

## 2.8 RISK MANAGEMENT

The Municipality has a Risk Management Committee which meets quarterly. Strategic risks are identified during the annual strategic planning session of the Council as well as by Senior Management at management meetings and Risk Management Committee Meetings. Departmental and operational risks are identified by the Directorates and managed by the relevant Directors.

Strategic risks are populated in an automated electronic risk register (Risk Assist) which are approved by Council annually. The strategic risk register is updated as part of the mandate of the Risk Management Committee. Quarterly reports are submitted to Council on how risks are managed and mitigated to ensure proper management thereof and achievement of the desired outcomes.

## 2.9 ANTI-CORRUPTION AND FRAUD

Bergrivier Municipality subscribes to the principles of good corporate governance, which requires the conducting of business in an honest and transparent fashion. The policy of the Municipality is zero tolerance to corruption and fraud.

Fraud prevention can be seen as the cumulative effect of both prevention and detection systems incorporated by management. The detection of fraud can only lead to the prevention thereof if the response thereto acts as a deterrent.

Implementing good governance, ethics, accountability as well as strategies and policies to prevent fraud and corruption is based on the principle that service delivery is the priority of the Municipality. Implementation of these principles and awareness are continuous processes aimed at ensuring that the interest and needs of the public are met. Municipalities are encouraged to promote the principles of good governance, ethics and risk management. Raising awareness on good governance includes communication on anti-corruption strategies and highlighting the role of the community in the fight against unethical conduct, fraud and corruption.

The Anti-fraud and Anti-Corruption Policies were reviewed during the 2022/2023 financial year and reviewed by the Performance, Risk and Audit Committee in June 2023 (OVN022/06/2023) and approved by the Executive Mayoral Committee in June 2023 (BKN052/06/2023). Employees are encouraged to communicate with their supervisors or management regarding the identification of risks and incidences of fraud and corruption.

Municipal employees as well as Councillors are expected to abide by the Code of Conduct for Employees and the Code of Conduct for Councillors respectively as found in Schedule 1 and 2 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000). During this financial year no incidents of breach of the codes were reported. These codes include aspects such as general conduct, declaration of interests, council property and commitment to serving the public interest. The Municipal Manager also played an active role in this and has initiated regular vehicle inspections to raise awareness and the importance on the upkeep of municipal assets.

Policies and procedures that are adopted by Council as part of human resources, finance and internal controls also focus on, and include prevention controls, detection controls and segregation of duties to ensure that fraud and corruption is prevented and detected. On a day-to-day basis these include physical controls, supervision and authorization controls and the proper management of information.

Anti-fraud, corruption and ethics initiative workshops are reported quarterly. Councillors and senior management are part of the Risk Management Committee and participate in discussions and report back to ensure that these initiatives are implemented and that officials are informed and part of the process.

### 2.9.1 ANTI-FRAUD AND CORRUPTION HOTLINE

Members of the public are encouraged to report any fraud and/or corruption allegations to either the Executive Mayor, Alderman Ray van Rooy, on 083 657 9615, the Municipal Manager, Adv. Hanlie Linde on 022 913 6011 or the Internal Auditor at 022 913 6002 or via e-mail: [rannac@bergmun.org.za](mailto:rannac@bergmun.org.za).

The public can also contact the National Anti-corruption Hotline at 0800 701 701 or the Provincial Forensic Services at 021 483 0931 or via e-mail: [Tip.Offs@westerncape.gov.za](mailto:Tip.Offs@westerncape.gov.za).

### 2.10 THE MUNICIPAL WEBSITE

The Local Government Systems Act, 32 of 2000, (Section 21(B)) requires the Municipality to establish an official website. The Municipal Website is an integral part of the Municipality’s communication strategy. Bergrivier Municipality’s official website is [www.bergmun.org.za](http://www.bergmun.org.za).

The Municipality is required to place all information that must be made public in terms of the Municipal Systems Act and the Municipal Finance Management Act (MFMA) on this Website. Section 75 of the MFMA specifies that the following documents must be placed on the website:

**TABLE 56: MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL**

| DOCUMENTS PUBLISHED ON THE MUNICIPALITY’S WEBSITE |   | YES / NO |
|---|---|----------|
| a)  | The annual and adjustments budgets and all budget-related documents   | Yes      |
| b)  | All current budget-related policies   | Yes      |
| c)  | The annual report   | Yes      |
| d)  | Performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act   | Yes      |
| e)  | All service delivery agreements   | Yes      |
| f)  | All long-term borrowing contracts   | Yes      |
| g)  | All supply chain management contracts above R 100 000 for 2017/18   | Yes      |
| h)  | An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) | Yes      |
| i)  | Contracts agreed in Year 1 to which subsection (1) of Section 33 applies, subject to subsection (3) of that Section                       | Yes      |
| j)  | Public-private partnership agreements referred to in Section 120  | N/A      |
| k)  | All quarterly reports tabled in the council in terms of Section 52 (d)  | Yes      |
| l)  | Any other documents that must be placed on the website in terms of this Act or any other applicable legislation, or as may be prescribed  | Yes      |

### 2.11 DELEGATIONS

The Constitution of the Republic of South Africa (1996) states that the legislative and executive authority of the municipality is vested in the municipal council. The municipality has the function and powers assigned to

it in terms of Sections 156 and 229 of the Constitution. Section 53 of the Systems Act states that the Municipality must define specific areas of responsibilities for each political structure or political office bearer of the Municipality and that of the Municipal Manager. These respective roles and areas of responsibilities may include the delegation of power and duties. In terms of Section 59(1) of the Municipal Systems Act, 2000 (Act 32 of 2000) the Municipality must develop a system of delegation that will maximise administration and operational efficiency and will provide for adequate checks and balances.

In terms of the Section 12 Notice (Municipal Structures Act), Bergrivier Municipality operates under an Executive Mayoral System. This system allows for the exercise of executive authority through an Executive Mayor in which the executive leadership of the municipality is collectively vested.

Decisions are taken corporately by, or on behalf of the whole Council. Municipalities are expressly empowered to arrange for their functions to be discharged by Committees, who may in turn arrange for them to be discharged by Sub-Committees. The Council, Committee or Sub-Committee may also decide that individual officers may discharge functions. All such arrangements are referred to as delegations and a “register, or manual of delegations” must be maintained by the municipality to have a record of all delegations made.

Since the approval of the previous delegations 30 January 2018 various pieces of new legislation or amendments to legislation have come into operation which have assigned additional powers, duties and responsibilities to the Municipal Manager as the accounting officer and further powers and responsibilities to the mayor as the political head of the municipality. A review of all delegations was therefore necessary to align the previous delegations with the new legislation and amendments and the new delegations were approved on 29 September 2020.

Section 65 of the MSA determines the following: 65 Review of delegations:-

“(1) Whenever it becomes necessary in terms of section 59(2) (f) to review a municipality’s delegations, the municipal manager must submit to the Council – (a) a report on the existing delegations issued in terms of Section 59 by the Council and other delegating authorities of the Municipality; and (b) recommendations on any changes to the existing delegations which the municipal manager may consider necessary”.

Bergrivier Municipality has developed its Delegated Powers in accordance with delegations that currently exist as well as those provided for in new Local Government legislation or amendments to legislation. The Office of the Municipal Manager and all Departments were consulted to identify and advise on all powers and functions related to their respective key performance areas in an endeavour to ensure that a proper system of delegation is put into place. This will contribute to the accountable empowerment of officials and functionaries and other organs of the Council in execution of their administrative and operational powers, functions and responsibilities to optimize efficiency in an accountable and transparent manner. There are currently two main Acts that govern delegation of municipal powers to organs, officials and functionaries, i.e.,

Municipal Systems Act and the Municipal Finance Management Act. There are, however, other pieces of legislation that deal with specific matters (e.g., National Building Regulations, SAPS Act, - National Road Traffic Act etc.) that contain specific stipulations regarding the delegation of certain statutory powers without the necessity of Council resolution.



## CHAPTER 3 SERVICE DELIVERY PERFORMANCE



International paragliding competitions annually from Dasklip Pass in Porterville

Photographer unknown: BTO provided.



### 3.1 INTRODUCTION

This chapter provides an overview of the service delivery performance of the Municipality for the 2021/22 financial year, all services rendered by the Municipality, and the input and initiatives of the Municipality during the Covid-19 lockdown period. The chapter concludes with the Municipality's Annual Performance Report which was compiled in terms of Section 46 of the Municipal Systems Act. It sets out the Key Performance Indicators (KPI's), targets and actual performance of the Municipality in relation to the strategic objectives of the Municipality as set out in the Integrated Development Plan (IDP). It also includes a service provider's performance evaluation report.

### 3.2 BASIC SERVICES

Basic services are a package of services necessary for human well-being and typically include water, sanitation, electricity, and refuse removal. An overview will also be provided on integrated human settlements (housing) which differs from the services in that it is a concurrent National and Provincial competence. It is included in this Annual Report as there is a direct correlation between the provision of basic services and housing and Bergrivier Municipality delivers housing as an implementing agent for Provincial Government. The Municipality has been providing basic services at the prescribed level to all urban households within its area of jurisdiction since the 2008/09 financial year, but still faces major challenges when it comes to ensuring that residents of the private Moravian towns have access to minimum service standards. There are ongoing discussions between the Municipality, Moravian Church of South Africa, SALGA and Provincial Government to find a sustainable service delivery solution.

Municipalities have the discretion to provide services at higher levels than the required basic levels, and one of Bergrivier Municipality's development priorities is to provide and maintain bulk and service infrastructure that will address backlogs and provide for future development. Bergrivier Municipality's focus is on steadily improving bulk and service infrastructure networks to enable the Municipality to render good quality services to all its consumers and to create an environment that will attract development opportunities that will impact positively on the local economy. This includes:

- reducing bulk and service infrastructure capacity backlogs (water and sanitation);
- maintenance and development of service infrastructure and networks to maintain a good standard of service delivery; and
- Master Plan development and revision.

#### 3.2.1. WATER

##### 3.2.1.1 INTRODUCTION

Water services are rendered by the Technical Services Directorate. The Municipality is a Water Services Authority in terms of the Water Services Act, 1997 (Act 108 of 1997) and adopted a Water Services Development Plan (WSDP) in 2017 – 2022. The validity period for the WSDP is extended for 2023 whilst the

new WSDP is prepared. Bergrivier Municipality is required in terms of Section 18 of the Water Services Act, 1997 (Act 108 of 1997), as well as the “Regulations relating to compulsory national standards and measures to conserve water” as issued in terms of Sections 9(1) and 73(1)(i) of the Water Services Act, to report on the implementation of its WSDP during each financial year and to include a water services audit in such an Annual Report. The Municipality provides water services to all towns in its area of jurisdiction except for Goedverwacht, Wittewater and De Hoek (PPC) which are private towns.

The overarching objectives of the WSDP are:

- To provide for the needs of the residents of Bergrivier Municipal Area in a continuous and sustained manner by timely future planning while preserving its distinctive character;
- To, in co-operation with other role-players, provide the residents of Bergrivier Municipal Area with a healthy economic basis and create a quality environment through sustained planning and in so doing create job opportunities as well as promote the expansion of tourism;
- To provide the residents of Bergrivier Municipality with a healthy and safe living environment through the timely establishment of the necessary community facilities;
- To empower the residents of Bergrivier Municipal Area through the provision and exposure to the necessary academic as well as practical training facilities;
- To support the residents of Bergrivier Municipal Area with the necessary sport and recreational facilities; and
- To preserve, conserve and expand the conservation worthy natural environment in harmony with future town development.

The three most critical issues addressed in the WSDP are:

- The eradication of water backlogs: All households in urban areas have access to basic water. Grants provided by National Government (MIG funds) are utilised for the upgrading of water and sanitation bulk and service infrastructure.
- Water Conservation (WC) and Water Demand Management (WDM): The implementation of Bergrivier Municipality’s WC/WDM Strategy has been extremely successful, and the Municipality was able to reduce the water requirements of the towns significantly, the overall percentage of NRW for all the internal distribution systems for the 2022/2023 year is at 14,1 %.
- The Municipality monitors its water losses monthly and is experiencing a decline in its water losses. Key priorities in terms of the Municipality’s WC/WDM Strategy are:
  - The identification of specific zones within the supply system to monitor revenue or unaccounted for water (UAW) monthly;
  - The monitoring of non-revenue or UAW regularly (detailed water audits and balances);
  - The implementation of systems to measure key parameters such as minimum night flows;
  - To implement a pressure management, pipeline management and rehabilitation programme;

- Raise awareness through brochures detailing the benefits of initiating WDM/WC strategies that can be sent out with the accounts and placed in local newsletters;
- Water education in schools (demonstrations and exhibits at schools in their planning process);
- Implementation of a consumer meter management programme and meter maintenance and replacement policy;
- Inform Council Members of the current legislation around WC/WDM, and include it in the Strategic Framework for Water Services;
- WC/WDM options must be included when additional water resources are investigated, and it must be seen as part of the water services planning process; and
- New supply schemes must only be developed where it can be shown that the existing water resources are being used efficiently.

### 3.2.1.2 SERVICE STATISTICS

#### 3.2.1.2.1 ACCESS TO WATER AND SERVICE DELIVERY LEVELS

The Water Services Act, 1997 (Act 108 of 1997) defines access to minimum water standards as access to at least 25 litres of potable water per day supplied within 200 m of a household and with a minimum flow of 10 litres per minute. Access to piped water is defined as 6 000 litres of potable water supplied per formal connection per month. National policy also requires that poor households should receive 6 kl of free basic water per month. Only registered indigent households within the Municipality’s supply area are entitled to 6 Kl of free basic water.

All households within the Municipality’s supply area have access to minimum standards of water.

**TABLE 57: ACCESS TO WATER**

| FINANCIAL YEAR | PROPORTION OF HOUSEHOLDS WITH ACCESS TO WATER POINTS | PROPORTION OF HOUSEHOLDS WITH ACCESS TO PIPED WATER | PROPORTION OF HOUSEHOLDS ENTITLED TO 6 KL FREE WATER |
|----------------|--|---|--|
| 2019/20        | 0  | 9 269   | 1 860  |
| 2020/21        | 0  | 9 533   | 2 128  |
| 2021/22        | 0  | 9 763   | 1 916  |
| 2022/23        | 0  | 9832  | 1 898  |

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**TABLE 58: WATER SERVICE DELIVERY LEVELS**

| DESCRIPTION                                   | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|---|----------------|----------------|----------------|----------------|
| <b>WATER: (ABOVE MIN LEVEL)</b>               |                |                |                |                |
| Piped water inside dwelling                   | 9 269          | 9 533          | 9 763          | 9- 832         |
| Piped water inside yard (but not in dwelling) | 0              | 0              | 0              | 0              |

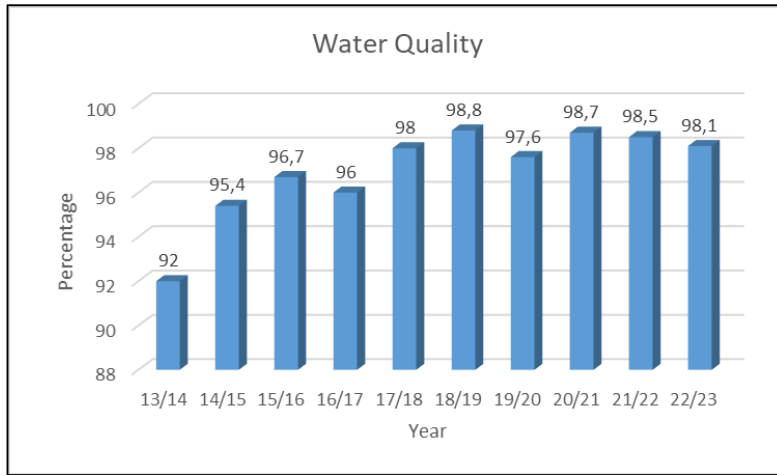
| DESCRIPTION                                       | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|---|----------------|----------------|----------------|----------------|
| Using public tap (within 200m from dwelling)      | 0              | 0              | 0              | 0              |
| Other water supply (within 200m)                  | 9 269          | 9 533          | 9 763          | 9 832          |
| Minimum Service Level and Above sub-total         | 9 269          | 9 533          | 9 763          | 9 832          |
| Minimum Service Level and Above Percentage        | 100 %          | 100 %          | 100 %          | 100 %          |
| <b>WATER: (BELOW MIN LEVEL)</b>                   |                |                |                |                |
| Using public tap (more than 200m from dwelling)   | 0              | 0              | 0              | 0              |
| Other water supply (more than 200m from dwelling) | 0              | 0              | 0              | 0              |
| No water supply                                   | 0              | 0              | 0              | 0              |
| Below Minimum Service Level sub-total             | 0              | 0              | 0              | 0              |
| Below Minimum Service Level Percentage            | 0              | 0              | 0              | 0              |
| <b>TOTAL NUMBER OF HOUSEHOLDS</b>                 | <b>9 269</b>   | <b>9 533</b>   | <b>9 763</b>   | <b>9 832</b>   |

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### 3.2.1.2.2 WATER QUALITY

The quality of the Municipality's water as measured against National Standard SANS 241 is still improving and well within the set norms as prescribed by SANS 241. Data is available from the "Supply System Drinking Water Quality Performance Report" of the Department of Water Affairs and Sanitation, as well as on the Bergrivier Municipality's website where the water quality is updated monthly. Data is collected directly from the laboratory and the results are captured on a national database (also known as IRIS - Integrated Regulatory Information System) as well as in the directorate. Water is analyzed on a weekly basis according to 4 criteria, namely Microbiological, Chemical, Physical Organoleptic and SANS 241. Based on calculating the averages on these four criteria, a water quality of 98.1 % for Bergrivier Municipality has been achieved compared to 98.5 % the previous year. This achievement is above the norm (90 %) and the figure of 98.1 % represent excellent water quality.

FIGURE 36: WATER QUALITY



3.2.1.2.3 WATER CONSUMPTION AND LOSSES

The goal is to ensure that non-revenue water and UAW levels are maintained/reduced and to implement measures to promote WC/WDM to their consumers and end-users on an on-going basis. Highlights of the 2022/23 financial year were that the Municipality were able to keep their water losses below 16 %, which is well below the national norm of 37 %.

TABLE 59: WATER CONSUMPTION AND LOSSES

| YEAR    | UNITS PURCHASED (kl) | LOSSES (kl) | %     | RAND VALUE (APPROXIMATE) |
|---------|----------------------|-------------|-------|--------------------------|
| 2019/20 | 1 781 302            | 271 251     | 13.22 | 1 752 281                |
| 2020/21 | 2 197 038            | 349 257     | 15.90 | 2 256 200                |
| 2021/22 | 2 365 019            | 357 512     | 15.12 | 2 309 528                |
| 2022/23 | 2 568 321            | 365 816     | 14.1  | 2 721 671                |

\*Water rand value is calculated as the largest number of losses are in the Velddrif/Dwarskersbos area where treated water is bought at a rate of R 7.44/kl. The water bought in the other towns are much cheaper as treatment still needs to be done.

FIGURE 37: WATER LOSSES (From 2008/09 to 2022/23)

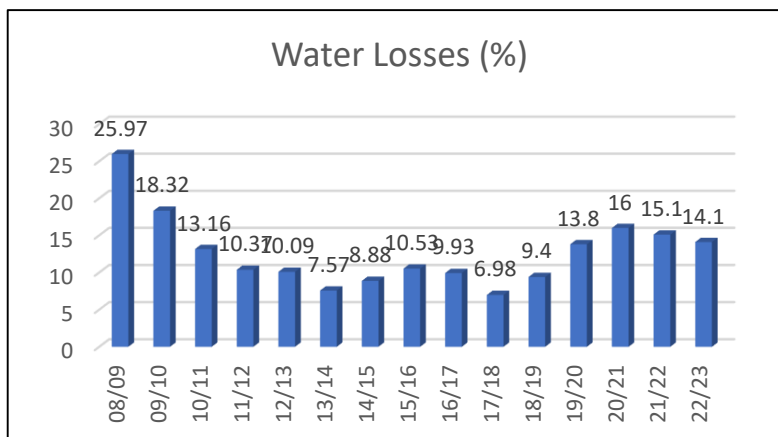


TABLE 60: WATER LOSSES PER NETWORK (%)

| YEAR    | VELDDRIF | AURORA | PIKETBERG | REDELINGHUIS | PORTERVILLE | EENDEKUIL |
|---------|----------|--------|-----------|--------------|-------------|-----------|
| 2019/20 | 16.3     | 10.3   | 9.7       | 31.2         | 10.1        | 30        |
| 2020/21 | 10.9     | 24.7   | 20.8      | 28.7         | 14.4        | 28.1      |
| 2021/22 | 14.2     | 19.7   | 12.0      | 38.8         | 11.9        | 35.3      |
| 2022/23 | 16.8     | 15.1   | 13.7      | 28.3         | 2.5         | 26.4      |

The losses in the towns of Aurora, Redelinghuis and Eendekuil might look substantial, but the rand amount lost is not enough to motivate the appointment of a contractor to investigate underground pipe leaks and leak detection.

### 3.2.1.3 HUMAN RESOURCE CAPACITY

The vacancy rate in staff for water services was 14.29 % as on 30 June 2023. For practical purposes, water and sanitation are treated as unit and personnel assigned to these functions work across both functions. Management assigned to the function are responsible for all aspects of service delivery.

TABLE 61: HUMAN RESOURCE CAPACITY: WATER SERVICES

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES% |
|-------------|-----------------|-----------------|------------|
| 28          | 24              | 4               | 14.29 %    |

### 3.2.1.4 FINANCIAL PERFORMANCE

TABLE 62: FINANCIAL PERFORMANCE (OPERATIONAL): WATER SERVICES: DISTRIBUTION &amp; TREATMENT

| WATER DISTRIBUTION                   |                       |  |                       |                |
|--------------------------------------|-----------------------|--|-----------------------|----------------|
| DESCRIPTION                          | 2022/23 BUDGET        | 2022/23 ADJUSTED BUDGET                            | 2022/23 ACTUAL        | VARIANCE       |
| Employees                            | 5 412 350,00          | 5 447 000,00                                       | 5 424 519,35          | -0,41 %        |
| Other                                | 16 651 900,00         | 22 121 981,00                                      | 19 818 367,36         | -10,41 %       |
| Repairs & Maintenance                | 868 000,00            | 1 133 000,00                                       | 1 053 479,82          | -7,02 %        |
| <b>Total Operational Expenditure</b> | <b>22 932 250,00</b>  | <b>28 701 981,00</b>                               | <b>26 296 366,53</b>  | <b>-8,38 %</b> |
| Total Operational Revenue            | -40 743 166,00        | -42 662 166,00                                     | -46 632 011,09        | 9,31 %         |
| <b>Net Operational Expenditure</b>   | <b>-17 810 916,00</b> | <b>-13 960 185,00</b>                              | <b>-20 335 644,56</b> | <b>45,67 %</b> |
| WATER TREATMENT                      |                       |  |                       |                |
| DESCRIPTION                          | 2022/23 BUDGET        | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL        | VARIANCE       |
| Employee Related Costs               | 848 500,00            | 707 000,00   | 808 177,35            | 14,31 %        |

| WATER DISTRIBUTION                   |                     |                         |                     |               |
|--------------------------------------|---------------------|-------------------------|---------------------|---------------|
| DESCRIPTION                          | 2022/23 BUDGET      | 2022/23 ADJUSTED BUDGET | 2022/23 ACTUAL      | VARIANCE      |
| Other Expenditure                    | 976 000,00          | 1 250 000,00            | 1 227 605,91        | -1,79 %       |
| Repairs & Maintenance                | 73 000,00           | 69 000,00               | 60 930,78           | -11,69 %      |
| <b>Total Operational Expenditure</b> | <b>1 897 500,00</b> | <b>2 026 000,00</b>     | <b>2 096 714,04</b> | <b>3,49 %</b> |
| <b>Net Operational Expenditure</b>   | <b>1 897 500,00</b> | <b>2 026 000,00</b>     | <b>2 096 714,04</b> | <b>3,49 %</b> |

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**TABLE 63: FINANCIAL PERFORMANCE (CAPITAL): WATER SERVICES**

| DESCRIPTION                                | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL       | VARIANCE       |
|--|-------------------------|---------------------------|----------------------|----------------|
| <b>Water Distribution</b>                  |                         |                           |                      |                |
| Furniture & Equipment - Water              | 12 000,00               | 6 000,00                  | 5 043,00             | -15,95 %       |
| Municipal Services Development (Ward 2 PV) | 1 780 800,00            | 2 055 347,00              | 1 792 094,50         | -12,81 %       |
| Municipal Services Development (Ward 4 PB) | 961 377,00              | 822 814,00                | 690 002,74           | -16,14 %       |
| PB Reservoir                               | 7 391 305,00            | 7 391 305,00              | 7 391 304,34         | 0,00 %         |
| Prepaid/ Smart Metering (EL)               | 1 525 000,00            | 3 875 000,00              | 3 816 698,08         | -1,50 %        |
| Pumps (standby)                            | 100 000,00              | 148 600,00                | 148 578,94           | -0,01 %        |
| Replace redundant meters                   | 250 000,00              | 246 900,00                | 264 524,81           | 7,14 %         |
| Soft Starters Monte Bertha                 | 250 000,00              | 72 000,00                 | 71 084,36            | -1,27 %        |
| Tools                                      | 25 000,00               | 10 000,00                 | 9 204,83             | -7,95 %        |
| Water Conservation and Demand Management   | 2 739 130,00            | 2 739 130,00              | 2 739 129,99         | 0,00 %         |
| Water Renewals (EL)                        | 8 775 000,00            | 6 425 000,00              | 5 981 893,13         | -6,90 %        |
|  | <b>23 809 612,00</b>    | <b>23 792 096,00</b>      | <b>22 909 558,72</b> | <b>-3,71 %</b> |
| <b>Water treatment</b>                     |                         |                           |                      |                |
| Purchase new borehole pumps                | 50 000,00               | -                         | -                    |                |
| Security at Reservoir/Pump Stations        | 250 000,00              | 249 550,00                | 249 545,99           | 0,00 %         |
| Telemetry: Water                           | 140 000,00              | 205 000,00                | 201 381,20           | -1,77 %        |
|  | <b>440 000,00</b>       | <b>454 550,00</b>         | <b>450 927,19</b>    | <b>-0,80 %</b> |

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### 3.2.1.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights for the year include:

- The WSDP was submitted to National and Provincial government within the time limit;
- Potable water tests (SANS 241) indicated good quality of water;
- On-going reduction in water losses;
- Smart meter pilot project will be phased to all consumers in Bergrivier Municipality to improve water losses and revenue enhancement;
- Meter replacement programme where redundant meters are replaced to minimise losses;
- Programme has started to replace old asbestos pipes through the method of pipe cracking;
- R 3 600 000 Emergency relief grant received from the Department: Local Government; and
- Installation of back-up power for Piketberg potable water supply.

Challenges:

- To reduce water losses below 12 %;
- Budget constraints: insufficient budget to ensure pipe replacement program is executed as should be and to perform proper maintenance;
- Vacancies and unfunded positions makes it difficult to ensure maintenance is performed and disruptions to the community are limited;
- Theft and vandalism;
- Ageing infrastructure – Most of the pipe distribution networks are older the 50+ years which makes them fragile and requires upgrades/replacement with the cost estimated at R 350 mil; and
- Loadshedding.



550Kva generator installed at Piketberg Water Treatment Works

## 3.2.2 SANITATION

### 3.2.2.1 INTRODUCTION

Sanitation services are rendered by the Technical Services Directorate. The Municipality provides sanitation services to all towns in its area of jurisdiction with the exception of Goedverwacht, Wittewater and De Hoek

(PPC) which are private towns. All households have access to basic services and our strategy is to provide a better quality of service through the upgrading of the existing waste water treatment works (WWTW) and networks. Sanitation is also addressed in the Water Services Development Plan, especially the eradication of sanitation backlogs. Backlogs pertain to the development of new houses and backyard dwellers.

### 3.2.2.2 SERVICE STATISTICS

#### 3.2.2.2.1 ACCESS TO SANITATION AND SERVICE DELIVERY LEVELS

Access to minimum sanitation services is defined as a ventilated pit latrine (VIP). All urban households within the Municipality’s area of jurisdiction have access to minimum sanitation levels.

**TABLE 64: SANITATION SERVICE DELIVERY LEVELS**

| DESCRIPTION  | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|--|----------------|----------------|----------------|----------------|
| <b>SANITATION/SEWERAGE: (ABOVE MINIMUM LEVEL)</b>  |                |                |                |                |
| Flush toilet (connected to sewerage)               | 7 542          | 7 526          | 7 751          | 8 009          |
| Flush toilet (with septic tank)*                   | 2 144          | 2 144          | 2 144          | 2 144          |
| Chemical toilet                                    | 0              | 0              | 0              | 0              |
| Pit toilet (ventilated)                            | 0              | 0              | 0              | 0              |
| Other toilet provisions (above min. service level) | 0              | 0              | 0              | 0              |
| Minimum Service Level and Above sub-total          | 9 686          | 9 670          | 9 895          | 10 153         |
| Minimum Service Level and Above Percentage         | 100 %          | 100 %          | 100 %          | 100%           |
| <b>SANITATION/SEWERAGE: (BELOW MINIMUM LEVEL)</b>  |                |                |                |                |
| Bucket toilet                                      | 0              | 0              | 0              | 0              |
| Other toilet provisions (below min. service level) | 0              | 0              | 0              | 0              |
| No toilet provisions                               | 0              | 0              | 0              | 0              |
| Below Minimum Service Level sub-total              | 0              | 0              | 0              | 0              |
| Below Minimum Service Level Percentage             | 0              | 0              | 0              | 0              |
| <b>TOTAL NUMBER OF HOUSEHOLDS</b>                  | <b>9 686</b>   | <b>9 670</b>   | <b>9 895</b>   | <b>10 153</b>  |

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(\*Figure not included in billing reports because basic sanitation not charged for septic tanks).

3.2.2.2.2 WASTEWATER QUALITY

The Municipality’s waste water is of an acceptable quality, comparing with the National Standard SANS 241. The Porterville WWTW was upgraded from 0.75ml/d to 1.5ml/d with grant funding (MIG and WSIG) and commissioned in June 2022. Green Drop evaluation on WWTW was done at the end of last year and the overall score has increased from 44 % to 72 %. The Dwarskersbos WWTW was also upgraded with a new oxidation dam and refurbishment of the inletworks.



*Upgrading of Dwarskersbos Sewerage Works*

3.2.2.3 HUMAN RESOURCE CAPACITY

The vacancy rate for staff members in sanitation services was 62,50 % as at 30 June 2023. For practical purposes, water and sanitation are treated as a unit and personnel assigned to these functions work across both functions. Management assigned to the function are responsible for all aspects of service delivery.

**TABLE 65: HUMAN RESOURCE CAPACITY: SANITATION SERVICES**

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES% |
|-------------|-----------------|-----------------|------------|
| 8           | 5               | 3               | 62,50 %    |

3.2.2.4 FINANCIAL PERFORMANCE

**TABLE 66: FINANCIAL PERFORMANCE (OPERATIONAL): SANITATION SERVICES**

| DESCRIPTION                          | 2022/23 BUDGET       | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL        | VARIANCE       |
|--------------------------------------|----------------------|--|-----------------------|----------------|
| Employees                            | 2 756 900,00         | 2 780 000,00                                       | 2 645 828,15          | -4,83 %        |
| Other                                | 8 960 700,00         | 8 464 441,00                                       | 8 131 706,72          | -3,93 %        |
| Repairs & Maintenance                | 891 000,00           | 1 026 000,00                                       | 942 136,11            | -8,17 %        |
| <b>Total Operational Expenditure</b> | <b>12 608 600,00</b> | <b>12 270 441,00</b>                               | <b>11 719 670,98</b>  | <b>-4,49 %</b> |
| Total Operational Revenue            | -17 786 000,00       | -17 936 000,00                                     | -21 816 264,04        | 21,63 %        |
| <b>Net Operational Expenditure</b>   | <b>-5 177 400,00</b> | <b>-5 665 559,00</b>                               | <b>-10 096 593,06</b> | <b>78,21 %</b> |

TABLE 67: CAPITAL EXPENDITURE: SANITATION SERVICES

| DESCRIPTION                               | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL      | VARIANCE        |
|---|-------------------------|---------------------------|---------------------|-----------------|
| <b>Sanitation</b>                         |                         |                           |                     |                 |
| Fencing Sewer Pump Stations               | 150 000,00              | 127 000,00                | 149 987,77          | 18,10 %         |
| Furniture & Equipment - Sewerage          | 12 000,00               | 12 000,00                 | 11 735,00           | -2,21 %         |
| Municipal Service Development (Ward 4 PB) | 757 823,00              | 621 839,00                | 621 838,99          | 0,00 %          |
| Replace rising mains in pump stations     | 100 000,00              | 100 000,00                | 81 397,80           | -18,60 %        |
| Sewer Renewals                            | 120 000,00              | 51 000,00                 | 50 299,20           | -1,37 %         |
| Sewerage stand by pumps                   | 300 000,00              | 237 000,00                | 236 173,31          | -0,35 %         |
| Standby generators for pump stations pump | 150 000,00              | -                         | -                   |                 |
| Switchgear and pumps                      | 300 000,00              | 300 000,00                | 295 128,93          | -1,62 %         |
| Telemetry                                 | 180 000,00              | 184 000,00                | 172 508,55          | -6,25 %         |
| Telemetry at pump stations                | 200 000,00              | 198 000,00                | 197 736,78          | -0,13 %         |
| Tools                                     | 20 000,00               | 14 000,00                 | 13 596,87           | -2,88 %         |
| <b>TOTAL</b>                              | <b>2 289 823,00</b>     | <b>1 844 839,00</b>       | <b>1 830 403,20</b> | <b>-0,78 %</b>  |
| <b>Waste Water Treatment</b>              |                         |                           |                     |                 |
| Extention of DKB WWTW                     | 2 500 000,00            | 3 315 000,00              | 1 660 077,53        | -133,60 %       |
| Fencing WWTW                              | 150 000,00              | 492 500,00                | 492 250,44          | -0,05 %         |
| Security at WWTW                          | 200 000,00              | 407 900,00                | 407 899,59          | 0,00 %          |
| Security Fence at Irrigation dam          | 400 000,00              | 57 477,00                 | 57 476,28           | 0,00 %          |
| <b>TOTAL</b>                              | <b>3 250 000,00</b>     | <b>4 272 877,00</b>       | <b>2 617 703,84</b> | <b>-38,74 %</b> |

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## 3.2.2.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights includes the following:

- Completion of Porterville WWTW;
- Upgrading of Dwarskersbos WWTW;
- New St Christopher Pumpstation and line in Velddrif; and
- Replace old electrical equipment with new MCC panels.



*New MCC panels installed at pump stations*

Challenges that still need to be addressed include:

- The increasing presence of backyard dwellers due to home owners renting out structures in their yards for additional income. Although all erven have access to sanitation, it is not possible to ensure that these backyard dwellers have access to the same sanitation and in some instances these backyard dwellers dump illegal item into the system causing blockages and problems;
- The high cost of providing bulk services for future developments and low-cost housing projects;
- Theft and vandalism at the plants are a major concern;
- Budget constraints: Additional security measures are required which is not funded as well as theft and vandalism applying additional stress on the budget. Green Drop has also been revived and requires additional measures in place to ensure good scores;
- Vacancies and unfunded positions: some plants are without operators and additional capacity is required with the increase in pumpstations in Velddrif. Green Drop will also place additional load on controllers and staff to ensure all documents are up to standard;
- Decision makers need to buy-in to the requirements of the Civil department and should at least do a site visit once a year to evaluate the situation;
- Ageing of fleet is of a concern. Maintenance of vehicles is expensive and no backup is in place to support breakdowns;
- Velddrif WWTW current capacity exceeds it design and requires upgrading to sustain the increasing population;
- DWS needs to buy-in on new Package Plant systems for smaller towns such as Redelinghuis and Aurora; and
- Loadshedding.

### 3.2.3 ELECTRICITY AND STREET LIGHTING

#### 3.2.3.1 INTRODUCTION

Electricity services are rendered by the Technical Services Directorate. The Municipality is responsible for the distribution of electricity in all urban areas, except Goedverwacht, Wittewater and De Hoek and a portion of

Eendekuil. The Municipality only distributes electricity to a small portion of Eendekuil where the low-cost houses are situated (162 households). Eskom distributes electricity to all areas not serviced by the Municipality.

### 3.2.3.2 SERVICE STATISTICS

#### 3.2.3.2.1 ACCESS TO ELECTRICITY AND SERVICE DELIVERY LEVELS

Registered indigent households receive 50 kWh of free basic electricity per month. All existing households within the municipal supply area have access to minimum standards of electricity. There is also street lighting in all towns.

**TABLE 68: ELECTRICITY SERVICE DELIVERY LEVELS**

| DESCRIPTION                                   | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|---|----------------|----------------|----------------|
| ENERGY: (ABOVE MINIMUM LEVEL)                 |                |                |                |
| Electricity (at least minimum service level)  | 1 899*         | 1 891          | 1 983          |
| Electricity - prepaid (minimum service level) | 8 783          | 9 204          | 10 466         |
| Minimum Service Level and Above sub-total     | 9 393          | 9 697          | 10 726         |
| Minimum Service Level and Above Percentage    | 100 %          | 100 %          | 100 %          |

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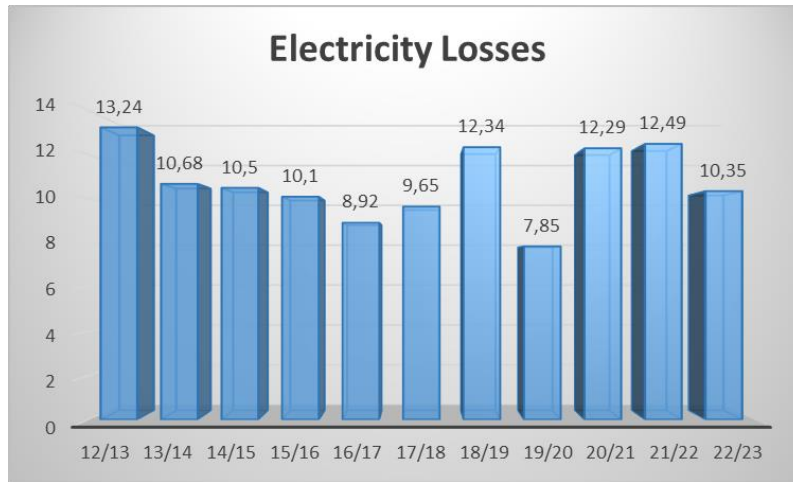
#### 3.2.3.2.2 ELECTRICITY CONSUMPTION AND LOSSES

The municipality strives to keep their electricity losses below 10 %. In the 2022/23 year the losses were 10.35 %. The figure is significant lower than the national norm of 17 %. (Technical and Non-Technical Losses). Bergrivier Municipality is still in the process of replacing old pre-paid and conventional meters with new “split type pre-paid meters”. Focus shifted towards the implementation and installation of Smart metering solutions. The Municipality was able to allocate much needed capital to maintain and refurbish old sections of the electricity network. Losses are split between technical, which occur due to line installations, and actual losses due to faulty meters and consumer by-pass the prepaid meters. This can be reduced as meters are replaced.

**TABLE 69: OVERVIEW OF ELECTRICITY SERVICES**

| YEAR    | UNITS PURCHASED (kWh) | LOSSES (kWh) | PERCENTAGE (%) | RAND VALUE |
|---------|-----------------------|--------------|----------------|------------|
| 2019/20 | 81 781 008            | 6 805 358    | 8.32           | 7 665 555  |
| 2020/21 | 82 712 666            | 10 168 523   | 12.29          | 12 283 576 |
| 2021/22 | 83 064 453            | 10 448 885   | 12.58          | 14 807 550 |
| 2022/23 | 72 706 812            | 7 791 998    | 10.72          | 12 542 844 |

FIGURE 38: ELECTRICITY LOSSES



3.2.3.3 HUMAN RESOURCE CAPACITY

The vacancy rate for electrical services was 0 % as at 30 June 2023.

TABLE 70: HUMAN RESOURCE CAPACITY: ELECTRICITY SERVICES

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 22          | 19              | 3               | 13,63 %     |

3.2.3.4 FINANCIAL PERFORMANCE

TABLE 71: FINANCIAL PERFORMANCE (OPERATIONAL): ELECTRICITY and STREET LIGHTING

| ELECTRICITY                          |                       |  |                       |                 |
|--------------------------------------|-----------------------|--|-----------------------|-----------------|
| DESCRIPTION                          | 2022/23 BUDGET        | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL        | VARIANCE        |
| Employees                            | 9 541 350,00          | 9 320 000,00                                       | 8 975 083,17          | -3,70 %         |
| Other                                | 148 523 200,00        | 145 826 535,00                                     | 137 833 628,11        | -5,48 %         |
| Repairs & Maintenance                | 1 950 000,00          | 1 985 000,00                                       | 1 369 142,73          | -31,03 %        |
| <b>Total Operational Expenditure</b> | <b>160 014 550,00</b> | <b>157 131 535,00</b>                              | <b>148 177 854,01</b> | <b>-5,70 %</b>  |
| Total Operational Revenue            | -160 753 000,00       | -153 523 000,00                                    | -146 337 247,04       | -4,68 %         |
| <b>Net Operational Expenditure</b>   | <b>-738 450,00</b>    | <b>3 608 535,00</b>                                | <b>1 840 606,97</b>   | <b>-48,99 %</b> |
| STREETLIGHTS                         |                       |  |                       |                 |
| DESCRIPTION                          | 2022/2023 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL        | VARIANCE        |
| Employees                            | 1 027 650,00          | 1 151 000,00                                       | 1 146 598,34          | -0,38 %         |
| Other                                | 47 000,00             | 45 000,00  | 46 392,59             | 3,09 %          |
| Repairs & Maintenance                | 260 000,00            | 247 000,00   | 169 960,98            | -31,19 %        |



| ELECTRICITY                   |                |  |                |          |
|-------------------------------|----------------|--|----------------|----------|
| DESCRIPTION                   | 2022/23 BUDGET | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL | VARIANCE |
| Total Operational Expenditure | 1 334 650,00   | 1 443 000,00                                       | 1 362 951,91   | -5,55 %  |
| Net Operational Expenditure   | 1 334 650,00   | 1 443 000,00                                       | 1 362 951,91   | -5,55 %  |

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**TABLE 72: FINANCIAL PERFORMANCE (CAPITAL): ELECTRICITY AND STREET LIGHTING**

| DESCRIPTION  | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/32 ACTUAL      | VARIANCE        |
|--|-------------------------|---------------------------|---------------------|-----------------|
| Blackout Projects                                      | -                       | 4 525 763,00              | 3 643 466,38        | -24,63 %        |
| Bulk meter replacement                                 | 100 000,00              | 100 000,00                | 119 607,47          | 19,61 %         |
| Furniture & Equipment - Electricity                    | 100 000,00              | 50 000,00                 | 47 785,97           | -4,43 %         |
| High tension circuit breakers                          | 70 000,00               | -                         | -                   |                 |
| Mid block lines Noordhoek, VD                          | 500 000,00              | 500 000,00                | 341 504,98          | -31,70 %        |
| Network Renewals                                       | 700 000,00              | 700 000,00                | 455 576,34          | -34,92 %        |
| Redelinghuys Transformer                               | -                       | 300 000,00                | 281 680,00          | -6,11 %         |
| Replace CEX 6454 (cherry picker)                       | 1 100 000,00            | 1 080 000,00              | 1 079 237,25        | -0,07 %         |
| Replace Dwarskerbos O/H lines with Cable               | 900 000,00              | 899 000,00                | 409 434,93          | -54,46 %        |
| Replace O/H feeder to Monte Bertha                     | 950 000,00              | 951 000,00                | 559 053,76          | -41,21 %        |
| Replacing conventional electricity meters with prepaid | 1 000 000,00            | 1 000 000,00              | 999 578,88          | -0,04 %         |
| Retro-fit main substation oil circuit breakers         | 1 000 000,00            | 1 000 000,00              | -                   | -100,00 %       |
| Security of electrical assets                          | 700 000,00              | 699 000,00                | 698 726,36          | -0,04 %         |
| <b>TOTAL</b>   | <b>7 120 000,00</b>     | <b>11 804 763,00</b>      | <b>8 635 652,32</b> | <b>-26,85 %</b> |
| <b>Street Lights</b>                                   |                         |                           |                     |                 |
| Meter municipal assets                                 | 100 000,00              | -                         | -                   |                 |
| Replace street lights                                  | 800 000,00              | 800 000,00                | 799 474,12          | -0,07 %         |
| <b>TOTAL</b>   | <b>900 000,00</b>       | <b>800 000,00</b>         | <b>799 474,12</b>   | <b>-0,07 %</b>  |

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### 3.2.3.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights for the year include:

- A constant supply of good quality electricity to consumers despite limited resources;
- Manage to keep electricity losses below the 17 % National norm;
- Installation of two new generators in Piketberg to ensure water provision during loadshedding with funding from DLG; and
- Development, installation and testing of first hybrid streetlights due to loadshedding.

Challenges that are being addressed on a continuous basis:

- Maintain maintenance standards on networks;
- Limited budget to maintain existing infrastructure; and keep electricity losses below 10 %;
- Theft and vandalism of networks;
- Loadshedding; and
- Network capacity constraints in all three major towns.

The team also received a grant from the Department of Energy of R 1 million that was used to construct a new switching station in Velddrif to improve the supply to low cost housing and the industrial area.



*Images above (from left to right): Noordhoek Substation, New Port Owen Ring Main Unit (RMU), Port Owen integrated into main feeder.*

### 3.2.4 WASTE MANAGEMENT

#### 3.2.4.1 INTRODUCTION

Waste management services are rendered by the Technical Services Directorate. Waste Management includes the collection, recycling and disposal of household and business waste, builder's rubble and garden refuse. Street cleansing is also a function of the Waste Management Section. All households in urban areas, including Goedverwacht and Wittewater, have access to a weekly refuse removal service.

Waste is transported from Velddrif Transfer Station to be disposed of at Vredenburg landfill site, and from Piketberg Transfer Station to the Highlands waste site at Malmesbury. The rehabilitation cost of the five old

landfill sites remains a challenge. The rehabilitation cost of the five sites namely Piketberg, Porterville, Aurora, Redelinghuis and Velddrif are estimated to cost R 87 million. The Municipality does not have the financial capacity for this expenditure but regards it as a priority and will endeavour to obtain funding. The closure and rehabilitation of the Velddrif site form part of a land exchange in terms of which the new owner will bear the rehabilitation costs. Because of the high transport cost, the objective for Bergrivier Municipality is to reduce those cost by reducing the number of refuse bags. Bergrivier Municipality was further obliged in terms of the National Environmental Management Act, 2008 (Act 59 of 2008) to obtain closure permits. One of the objectives of such a permit is the closure of landfill sites which means that waste (except for green waste and building rubble) must be received at the transfer stations and collection points.

The 4<sup>th</sup> generation Integrated Waste Management Plan (IWMP) has been compiled. All recyclables from Porterville, Redelinghuis, Aurora and Eendekuil are transported to the recycling facility at Piketberg where it is separated. Recycling at Velddrif is done by the appointed contractor who is also responsible for the recycling of Dwarskersbos.

The way forward is to obtain financial assistance for the rehabilitation of the landfill sites, and to enter discussions with PPC for the incineration of all the waste (in accordance with PPC norms and standards) in Bergrivier Municipal Area, which will further reduce costs.

The Municipality has finished the recycling plant in Piketberg to increase the recycling volumes and decrease the transporting cost of waste.



*Photo of baler operating in the finished recycling plant*



*Photo of landfill site being cleared.*

The following objectives need to be part of the program in striving to be successful by turning waste into prosperity:

- Establishment of a recycle shop where the recycling contractor will be requested to put up shops in each of these areas once a week for a dedicated two to three hours (for example Wednesdays from 08:00 – 10:00) to allow all members of the public to sell recyclables to the contractor. The contractor will weigh the bags and compensate the seller accordingly thereby turning waste into prosperity and ensure a clean and healthy environment;
- The processing of green waste into composting and the marketing thereof to generate income to be self-

sustainable;

- Transfer of skills in terms of the recycling processes from the collecting stage until marketing stage and managing the finance management side thereof to be self-sustainable;
- How to make profit from building rubble – brick manufacturing, filling material, subbase etc.;
- Investigate Waste to Energy initiatives; and
- Incineration in collaboration with PPC – Standards and requirements for waste to adhere to the standards for the incineration processes.

The funds allocated is indicated in the table below.

**TABLE 73: FUNDS ALLOCATED FOR WASTE**

| OUTCOME            | YEAR         | CAPITAL | OPERATIONAL   | PERSONNEL     | TOTAL          | NEW SCENARIO TOTAL | CAPITAL        | OPERATIONAL   | PERSONNEL     | TOTAL         |
|--------------------|--------------|---------|---------------|---------------|----------------|--------------------|----------------|---------------|---------------|---------------|
| SD1:<br>Stede-band | 2017         | 16 666  | 10 000        | 23 334        | 50 000         | 30 000             | 10 000         | 8 000         | 12 000        | 30 000        |
|                    | 2018         | 16 666  | 10 000        | 23 334        | 50 000         | 40 000             | 14 000         | 10 000        | 16 000        | 40 000        |
| BERG-RIVIER        | 2019         | 20 000  | 12 000        | 28 000        | 60 000         | 30 000             | 8 000          | 6 000         | 16 000        | 30 000        |
|                    | 2020         | 20 000  | 12 000        | 28 000        | 60 000         | 40 000             | 16 000         | 8 000         | 16 000        | 40 000        |
|                    | 2021         | 20 000  | 12 000        | 28 000        | 60 000         | 40 000             | 12 000         | 12 000        | 16 000        | 40 000        |
|                    | 2022         | 20 000  | 10 000        | 30 000        | 60 000         | 40 000             | 12 000         | 12 000        | 16 000        | 40 000        |
|                    | 2023         | 7 200   | 5 000         | 1 800         | 14 000         | 20 000             | 10 000         | 10 000        | x             | 20 000        |
|                    | <b>Total</b> |         | <b>93 332</b> | <b>56 000</b> | <b>130 668</b> | <b>280 000</b>     | <b>180 000</b> | <b>60 000</b> | <b>44 000</b> | <b>76 000</b> |

### 3.2.4.2 SERVICE STATISTICS

Basic level services for refuse removal are defined as free weekly refuse removal. All households in urban areas, including Goedverwacht and Wittewater, have access to weekly refuse removal services. Business and other waste are removed on request.

**TABLE 74: SOLID WASTE SERVICE DELIVERY LEVELS**

| DESCRIPTION                                      | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|--|----------------|----------------|----------------|----------------|
| <b>SOLID WASTE REMOVAL: (MINIMUM LEVEL)</b>      |                |                |                |                |
| Removed at least once a week                     | 9 720          | 9 625          | 9 876          | 10 097         |
| <b>Minimum Service Level and Above sub-total</b> | 9 720          | 9 625          | 9 876          | 10 097         |

| DESCRIPTION                                       | 2019/20 ACTUAL | 2020/21 ACTUAL | 2021/22 ACTUAL | 2022/23 ACTUAL |
|---|----------------|----------------|----------------|----------------|
| <b>Minimum Service Level and Above percentage</b> | 100 %          | 100%           | 100 %          | 100 %          |
|   |                |                |                |                |
| Removed less frequently than once a week          | 0              | 0              | 0              | 0              |
| Using communal refuse dump                        | 0              | 0              | 0              | 0              |
| Using own refuse dump                             | 0              | 0              | 0              | 0              |
| Other rubbish disposal                            | 0              | 0              | 0              | 0              |
| No rubbish disposal                               | 0              | 0              | 0              | 0              |
| <b>Below Minimum Service Level sub-total</b>      | 0              | 0              | 0              | 0              |
| <b>Below Minimum Service Level percentage</b>     | 0 %            | 0 %            | 0 %            | 0 %            |
| <b>TOTAL NUMBER OF HOUSEHOLDS</b>                 | <b>9 720</b>   | <b>9 625</b>   | <b>9 876</b>   | <b>10 097</b>  |

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### 3.2.4.3 HUMAN RESOURCE CAPACITY

The vacancy rate for Waste Management Services was 10.71 % as at 30 June 2023. Management assigned to the function are responsible for all aspects of service delivery.

**TABLE 75: HUMAN RESOURCES: WASTE MANAGEMENT SERVICES**

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 56          | 50              | 6               | 10.71 %     |

### 3.2.4.4 FINANCIAL PERFORMANCE

**TABLE 76: FINANCIAL PERFORMANCE (OPERATIONAL): SOLID WASTE REMOVAL**

| DESCRIPTION                          | 2022/23 BUDGET        | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL        | VARIANCE        |
|--------------------------------------|-----------------------|--|-----------------------|-----------------|
| Employees                            | 7 805 300,00          | 7 865 337,00                                       | 7 495 651,84          | -4,70 %         |
| Other                                | 37 295 800,00         | 39 765 212,00                                      | 39 755 415,28         | -0,02 %         |
| Repairs & Maintenance                | 1 106 000,00          | 975 000,00   | 963 500,92            | -1,18 %         |
| <b>Total Operational Expenditure</b> | <b>46 207 100,00</b>  | <b>48 605 549,00</b>                               | <b>48 214 568,04</b>  | <b>-0,80 %</b>  |
| <b>Total Operational Revenue</b>     | <b>-33 365 000,00</b> | <b>-35 769 964,00</b>                              | <b>-42 640 332,65</b> | <b>19,21 %</b>  |
| <b>Net Operational Expenditure</b>   | <b>12 842 100,00</b>  | <b>12 835 585,00</b>                               | <b>5 574 235,39</b>   | <b>-56,57 %</b> |

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TABLE 77: FINANCIAL PERFORMANCE (OPERATIONAL): STREET CLEANING

| DESCRIPTION                          | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE       |
|--------------------------------------|---------------------|--|---------------------|----------------|
| Employees                            | 4 806 650,00        | 4 828 000,00                                       | 4 524 573,52        | -6,28 %        |
| Other                                | 151 000,00          | 60 000,00  | 60 699,61           | 1,17 %         |
| Repairs & Maintenance                | 20 000,00           | 19 000,00  | 18 262,24           | -3,88 %        |
| <b>Total Operational Expenditure</b> | <b>4 977 650,00</b> | <b>4 907 000,00</b>                                | <b>4 603 535,37</b> | <b>-6,18 %</b> |
| <b>Net Operational Expenditure</b>   | <b>4 977 650,00</b> | <b>4 907 000,00</b>                                | <b>4 603 535,37</b> | <b>-6,18 %</b> |

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TABLE 88: CAPITAL FINANCIAL PERFORMANCE (CAPITAL): WASTE MANAGEMENT SERVICES

| DESCRIPTION                                 | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL      | VARIANCE       |
|---|-------------------------|---------------------------|---------------------|----------------|
| Drop Off - DKB                              | 500 000,00              | -                         | -                   |                |
| Furniture & Equipment - Refuse Removal      | 10 000,00               | 10 000,00                 | 7 134,00            | -28,66 %       |
| Heist op den Berg Composting Drums          | 180 000,00              | 172 875,00                | 172 874,70          | 0,00 %         |
| Heist op den Berg Visual Awareness Campaign | 348 000,00              | 475 424,00                | 359 766,47          | -24,33 %       |
| Refuse compactor                            | 2 200 000,00            | 2 140 000,00              | 2 131 521,74        | -0,40 %        |
| Replace CEX 1592                            | 900 000,00              | 801 000,00                | 800 387,33          | -0,08 %        |
| Skips at Drop Off                           | 120 000,00              | 129 650,00                | 129 465,00          | -0,14 %        |
| Tools                                       | 10 000,00               | -                         | -                   |                |
| Upgrade Refuse building - PB                | 300 000,00              | 199 000,00                | 198 491,53          | -0,26 %        |
| Waste Compactor                             | -                       | 2 250 000,00              | 2 250 000,00        | 0,00 %         |
| <b>TOTAL</b>                                | <b>4 568 000,00</b>     | <b>6 177 949,00</b>       | <b>6 049 640,77</b> | <b>-2,08 %</b> |
| <b>Street Cleaning</b>                      |                         |                           |                     |                |
| Refuse Bins and stands                      | <b>100 000,00</b>       | -                         | -                   |                |
| Refuse carts                                | <b>20 000,00</b>        | -                         | -                   |                |
| <b>TOTAL</b>                                | <b>120 000,00</b>       | -                         | -                   |                |

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### 3.2.4.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

The following highlights have been experienced in the financial year:

- All landfill sites are closed for dumping of household- and business refuse. Only clean building rubble and garden refuse are accepted which are then used for covering and composting material on the landfill sites;
- Improving recycling volumes to lower transport cost;
- The “stedeband” phased-out-program with Heist-op-den-Berg and the Federal Government of Belgium (VVSG) has been renewed for an additional two years;
- Composting bins in Bergvriervier Municipal Area for separation at source of organics to decrease the amount of refuse transported to landfill; and
- Waste offices and compost storing areas in Piketberg, Velddrif and Porterville.

Challenges that still need to be addressed include:

- Waste Management Officer: This is a critical position to comply with legislation and will be filled in the 2023/24 financial year.
- The reduction of all types of refuse (at source);
- The roll out of an aggressive and effective recycling program to minimize waste quantities and increase diversion rates;
- Rehabilitation of closed waste disposal sites and funding needs to be provided to implement the plan submitted to DEADP to ensure that requirements of closure licenses are adhered to;
- Implementation of waste to energy programs;
- Composting of organic waste on a sustainable scale;
- Processing of clean building rubble into feasible projects;
- The successful roll out and strict administration and reporting procedures of the Heist-op-den-Berg project;
- Ageing Fleet needs to be addressed. Current fleet under stress due to regular breakdowns and high maintenance costs;
- Vacancies and unfunded positions make service delivery difficult;
- Budget constraints to upgrade facilities and fleet, as well as the closure & rehabilitation of the old landfill sites; and
- Drop-offs to be constructed in the following towns: Redelinghuis, Dwarskersbos and Eendekuil

### 3.2.5 HUMAN SETTLEMENTS (HOUSING)

#### 3.2.5.1 INTRODUCTION

Housing is a concurrent National and Provincial competency in terms of Schedule 4A of the Constitution. Section 10 of the Housing Act, 1997 (Act 107 of 1997) sets out the responsibilities of municipalities in relation to the provision of housing. There is a direct correlation between the provision of basic services and housing,



which makes it a complex function that relies on high levels of co-operation between the Municipality and the Provincial and National Departments responsible for Housing.

### 3.2.5.2 SERVICE STATISTICS

According to the Socio-Economic Profile of 2020, 71 518 people reside in Bergrivier Municipal Area, with a population growth of an estimated 1.5 % per year, of which 7.1 % are registered on our housing demand database. Although several key challenges remain, amongst other the scarcity of suitable land for housing and the high cost of bulk and service infrastructure, the municipality remains committed to the implementation of its 10-year Housing Pipeline that was approved in 2018.

The housing department is continuously working towards the ideal of full ownership and is facilitating the transfer of title-deeds in both historical and new housing projects. A small percentage of properties where title deeds are outstanding were allocated before 1994, and some of its original beneficiaries have changed in the meantime.

The funding for the construction of internal services for three housing projects were approved, namely Porterville (De Kelders), Watsonia Piketberg and Eendekuil (Rooibos) which will be completed by the end of February 2024. The municipality is also seeking to implement a Finance Linked Individual Subsidy Project in Piketberg, on a piece of land next to the N7 which can potentially yield 43 housing opportunities. A Funding application for the installation and completion of the services has been submitted to the Department of Infrastructure.

Bergrivier Municipality has utilised own funds for the demolition and construction of 9 rental units in St Christopher Street in Velddrif and Sand Street in Piketberg. Pursuant to the rebuilding of the units, it will be transferred to its long-time occupants. This project will be finalised toward the end of 2023 and will realise a long-held ideal of full ownership for the beneficiaries.

The table below provides an overview of the Municipality’s housing needs as of 30 June 2023.

**TABLE 79: BERGRIVIER MUNICIPALITY HOUSING WAITING LIST AS AT 30 JUNE 2023**

|              | UNDER 29 YRS | 30-59 YRS | 60 YRS AND OLDER | TOTAL |
|--------------|--------------|-----------|------------------|-------|
| Aurora       | 7            | 64        | 17               | 88    |
| Eendekuil    | 10           | 209       | 54               | 273   |
| Goedverwacht | 1            | 21        | 4                | 26    |
| Piketberg    | 75           | 1889      | 351              | 2314  |
| Porterville  | 45           | 1064      | 217              | 1324  |
| Redelinghuis | 11           | 201       | 41               | 253   |
| Velddrif     | 54           | 980       | 52               | 1085  |

|            | UNDER 29 YRS | 30-59 YRS | 60 YRS AND OLDER | TOTAL |
|------------|--------------|-----------|------------------|-------|
| Wittewater | 0            | 8         | 4                | 12    |
| TOTAL      | 203          | 4436      | 740              | 5379  |

For ease of reference, the database was categorized into the different age-groups, as it is reflected in the different towns. In comparison with the previous financial year, there was a slight increase in applicants in Velldrif, Piketberg and Porterville. The slower growth in the database applicants can be attributed to the ageing of applicants and out-migration, as job opportunities in the municipal area is decreasing to an economic downturn. In broad terms however, the increase in the database corresponds with the general population growth in the Bergrivier Municipal area.

**TABLE 80: BACK YARD DWELLERS IN BERGRIVIER MUNICIPAL AREA**

| BACK YARD DWELLERS ON NOVEMBER2022 | TOTAL        |
|------------------------------------|--------------|
| PIKETBERG                          | 602          |
| PORTERVILLE                        | 321          |
| REDELINGHUIS                       | 53           |
| VELDDRIF                           | 787          |
| EENDEKUIL                          | 58           |
| AURORA                             | 15           |
| <b>TOTAL</b>                       | <b>1 872</b> |

Both within Bergrivier Municipality and nationally, it is recognised that backyard-dwelling plays a significant role in addressing housing needs. It provides an affordable and accessible alternative form of shelter to mainly the poorer sectors of the population, in communities where alternative forms of housing are not available.

### 3.2.5.3 HUMAN RESOURCE CAPACITY

The vacancy rate for Human Settlements was 0 % as on 30 June 2023.

**TABLE 81: HUMAN RESOURCES: HUMAN SETTLEMENT (HOUSING)**

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 3           | 3               | 0               | 0 %         |

### 3.2.5.4 FINANCIAL PERFORMANCE

**TABLE 82: FINANCIAL PERFORMANCE (OPERATIONAL): HUMAN SETTLEMENTS (CORE)**

| DESCRIPTION | 2022/23 BUDGET | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL | VARIANCE |
|-------------|----------------|--|----------------|----------|
| Employees   | 1 733 000,00   | 1 774 907,00                                       | 1 742 027,73   | -1,85 %  |
| Other       | 116 000,00     | 93 200,00  | 72 267,62      | -22,46 % |

| DESCRIPTION                   | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE |
|-------------------------------|---------------------|--|---------------------|----------|
| Repairs & Maintenance         | 71 000,00           | 63 090,00  | 51 558,36           | -18,28 % |
| Total Operational Expenditure | <b>1 920 000,00</b> | <b>1 931 197,00</b>                                | <b>1 865 853,71</b> | -3,38 %  |
| Total Operational Revenue     | -22 000,00          | -  | -                   |          |
| Net Operational Expenditure   | <b>1 898 000,00</b> | <b>1 931 197,00</b>                                | <b>1 865 853,71</b> | -3,38 %  |

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**TABLE 83: FINANCIAL PERFORMANCE (OPERATIONAL): HUMAN SETTLEMENTS (NON-CORE)**

| DESCRIPTION                   | 2020/21 BUDGET       | FINAL 2020/21 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2020/21 ACTUAL    | VARIANCE  |
|-------------------------------|----------------------|--|-------------------|-----------|
| Employees                     |                      |  |                   |           |
| Other                         | 2 122 000,00         | 388 000,00   | 386 163,50        | -0,47 %   |
| Repairs & Maintenance         | 9 000,00             | 39 000,00  | 37 591,38         | -3,61 %   |
| Total Operational Expenditure | <b>2 131 000,00</b>  | <b>427 000,00</b>                                  | <b>423 754,88</b> | -0,76 %   |
| Total Operational Revenue     | -9 150 000,00        | -526 000,00  | -309 831,47       | -41,10 %  |
| Net Operational Expenditure   | <b>-7 019 000,00</b> | <b>-99 000,00</b>                                  | <b>113 923,41</b> | -215,07 % |

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## 3.2.5.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

**Performance highlights include:**

- The construction of the bulk infrastructure for the three (3) housing projects in Porterville, Eendekuil, and Piketberg has commenced and will be completed at the end of October 2023;
- The funding for the construction of the internal services for the three housing projects, namely Porterville (De Kelders), Watsonia Piketberg and Eendekuil (Rooibos) were approved, and construction has started in September 2023. The completion of these services is envisaged for May 2024;
- Funding for planning fees for two additional projects in Piketberg, namely Trajekte Kamp and All Sorts, was approved for the 2023/2024 financial year; and
- The construction of the five rental houses in Velddrif and four in Piketberg will be finished towards the end of 2023.

**Challenges that still need to be addressed include:**

- Staff shortages (only 3 full time employees in the housing department);
- Cost of bulk services and the backlog of engineering infrastructure;
- The effect and cost of the provision of low cost – housing on the municipal budget and its long-term sustainability;
- Lack of suitable and available land for housing;

- The high cost of private owned land in certain towns;
- Growing demand for housing for the younger age groups;
- The persistent threat of illegal land invasions;
- To provide sustainable housing opportunities to backyard dwellers;
- High development and construction-cost in the municipal area;
- The optimal utilization of vacant land for infill-housing; and
- Rebuilding of new Houses in St Christopher Street,



### 3.2.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

#### 3.2.6.1 INTRODUCTION

The Municipality is required to use its equitable share which it receives from the National Government in terms of the Division of Revenue Act (DoRA) for the provision of basic services to its community. Basic services are a package of services necessary for human well-being and typically include water, sanitation, electricity, waste management and deduction in property rates.

Basic level services to households are defined by the National Government as an electricity connection at the dwelling, a public standpipe for water within 200 m of the dwelling, and a ventilated pit latrine (VIP) for sanitation. National policy also requires that poor households should receive 50 kWh of free basic electricity, 6 Kl of free basic water and free weekly refuse removal. The Municipality has an indigent policy which it revises each year with the budget and maintains an indigent register. Indigent households are defined as households where the joint income does not exceed 2 state pensions plus 40 % with a maximum of R 5 000,00. The following services are subsidised to indigent households by Bergrivier Municipality:

- 50 kWh electricity per month (not transferable from one month to another month);
- Sewerage fees or the fees payable equal to the tariff determined;
- Rates payable to a maximum amount R 15 000 and 60 % calculated as per the rates policy;
- 6 kl plus the basic charge of water per month; and
- Fees for refuse removal.

All the new low-cost housing schemes have immediate access to free basic services. Bergrivier Municipality also assist indigent households situated in areas where Eskom is the service provider for electricity with free

basic electricity in terms of the service agreement entered into between Bergrivier Municipality and Eskom. It is imperative to emphasize that the Council of Bergrivier Municipality took a decision to link indigent grants to a responsibility. All households that qualify for indigent grants and with children in school, need to submit the school reports of their children as proof that the children are in fact in school.

### 3.2.6.2 SERVICE STATISTICS

In the past, free basic water and electricity were supplied to all households irrespective of their financial position. From 2013/14 free basic water was only supplied to indigent households and from 2014/15 free basic electricity was supplied to indigent households and households who make use of a 20 AMP circuit breaker. Free basic refuse removal and sanitation are provided to indigent households only.

**TABLE 84: HOUSEHOLD ACCESS TO FREE BASIC SERVICES**

| YEAR    | NUMBER OF HOUSEHOLDS |                         |                              |                               |                          |
|---------|----------------------|-------------------------|------------------------------|-------------------------------|--------------------------|
|         | TOTAL HOUSEHOLDS     | FREE BASIC WATER ACCESS | FREE BASIC SANITATION ACCESS | FREE BASIC ELECTRICITY ACCESS | FREE BASIC REFUSE ACCESS |
| 2019/20 | 9 720                | 1 860                   | 1 635                        | 1 439                         | 1 862                    |
| 2020/21 | 9 625                | 2 128                   | 1 886                        | 1 899                         | 2 128                    |
| 2021/22 | 9 876                | 1 916                   | 1 709                        | 1 891                         | 1 920                    |
| 2022/23 | 10 097               | 1 898                   | 1 695                        | 1 983                         | 1 902                    |

30 June 2023 Billing Reports (\*Figure excludes septic tank users)

### 3.2.6.3 FINANCIAL PERFORMANCE

**TABLE 85: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED**

| SERVICES DELIVERED             | 2019/20 ACTUAL    | 2020/21              | 2021/22              | 2022/23              |
|--------------------------------|-------------------|----------------------|----------------------|----------------------|
| Property Rates                 | 2 969 904         | 3 533 110.28         | 4 539 554.67         | 4 004 962.00         |
| Waste Management (Solid waste) | 5 040 058         | 5 377 605.98         | 5 260 678.61         | 6 494 968.85         |
| Wastewater (Sanitation)        | 3 370 660         | 3 626 113.65         | 3 573 510.85         | 3 890 346.03         |
| Water                          | 2 112 350         | 2 277 219.67         | 2 211 406.83         | 2 391 294.21         |
| Electricity                    | 738 835           | 1 235 458.64         | 1 401 117.06         | 1 571 102.15         |
| <b>TOTAL</b>                   | <b>14 231 807</b> | <b>16 049 508.22</b> | <b>16 986 268.02</b> | <b>18 352 673.24</b> |

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### 3.2.6.4 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Indigent households place enormous pressure on the financial resources of the Municipality, and the continual increase in indigent households will challenge the long-term financial sustainability of the Municipality. This is exacerbated by the fact that the equitable share does not increase equitably to the number of indigents. In the 2022/23 financial year 1 902 households qualified for indigent grants and the

Municipality has stringent control measures and monitoring of indigents registered with the Municipality.

### 3.3 ROADS AND STORM WATER

#### 3.3.1 ROADS

##### 3.3.1.1 INTRODUCTION

Road services are rendered by the Technical Services Directorate. The Municipality has 200 km of road of which 182 kilometres are paved/hardened and 17 kilometres are gravel roads. The Municipality focuses on maintaining the existing road network to ensure that road standards do not deteriorate to the extent that building of new roads are required. A maintenance programme has been implemented and is regularly updated to prioritise resurfacing/resealing needs. Gravel roads are graded regularly and there is an on-going pothole repair programme in place to ensure little to no harm comes to the base layers. Alternative construction methods are being investigated to upgrade gravel roads in low-cost housing projects (MIG) where funding has been acquired for projects in Redelinghuis and Aurora and Bergrivier Municipality has invested in a Pavement Management System to facilitate road maintenance.

##### 3.3.1.2 SERVICE STATISTICS

**TABLE 86: GRAVEL ROAD INFRASTRUCTURE**

| FINANCIAL YEAR | TOTAL KM GRAVEL ROADS | KM NEW GRAVEL ROADS CONSTRUCTED | KM GRAVEL ROADS UPGRADED TO TAR/PAVED | KM GRAVEL ROADS GRADED/MAINTAINED |
|----------------|-----------------------|---------------------------------|---------------------------------------|-----------------------------------|
| 2019/20        | 20                    | 0                               | 0.4                                   | 20                                |
| 2020/21        | 17.3                  | 0                               | 2.7                                   | 17.3                              |
| 2021/22        | 15.4                  | 0                               | 1.9                                   | 15.4                              |
| 2022/23        | 15.4                  | 0                               | 0.3                                   | 15.4                              |

**TABLE 87: PAVED/HARDENED ROAD INFRASTRUCTURE**

| FINANCIAL YEAR | TOTAL KM PAVED ROADS | KM NEW PAVED ROADS CONSTRUCTED | KM GRAVEL ROADS UPGRADED TO HARDENED/PAVED | KM PAVED ROADS MAINTAINED |
|----------------|----------------------|--------------------------------|--|---------------------------|
| 2019/20        | 180                  | 0                              | 0.4  | 9.6                       |
| 2020/21        | 182.7                | 0.9                            | 2.7  | 7.2                       |
| 2021/22        | 182.7                | 0                              | 1.9  | 8.3                       |
| 3              | 183                  | 0                              | 0.3  | 9.2                       |

##### 3.3.1.3 HUMAN RESOURCE CAPACITY

The vacancy rate in the Roads and Stormwater Section was 5,80 % as at 30 June 2023. Management assigned to the function are also responsible for other functions.

TABLE 88: HUMAN RESOURCES: ROADS

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 69          | 65              | 4               | 5,80 %      |

## 3.3.1.4 FINANCIAL PERFORMANCE

TABLE 89: FINANCIAL PERFORMANCE (OPERATIONAL): ROAD SERVICES

| DESCRIPTION                          | 2022/23 BUDGET       | FINAL 2022/2023 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2021/22 ACTUAL       | VARIANCE       |
|--------------------------------------|----------------------|--|----------------------|----------------|
| Employees                            | 22 516 600,00        | 22 037 000,00  | 20 469 446,89        | -7,11 %        |
| Other                                | 9 603 600,00         | 10 253 744,00  | 11 320 638,08        | 10,40 %        |
| Repairs & Maintenance                | 1 930 000,00         | 1 840 000,00   | 1 882 902,37         | 2,33 %         |
| <b>Total Operational Expenditure</b> | <b>34 050 200,00</b> | <b>34 130 744,00</b>                                 | <b>33 672 987,34</b> | <b>-1,34 %</b> |
| Total Operational Revenue            | -1 858 000,00        | -1 877 000,00  | -1 802 750,02        | -3,96 %        |
| <b>Net Operational Expenditure</b>   | <b>32 192 200,00</b> | <b>32 253 744,00</b>                                 | <b>31 870 237,32</b> | <b>-1,19 %</b> |

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TABLE 90: FINANCIAL PERFORMANCE (CAPITAL): ROAD SERVICES

| DESCRIPTION                              | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL | VARIANCE |
|--|-------------------------|---------------------------|----------------|----------|
| AUR Sidewalks (low-cost)                 | -                       | 105 539,00                | 105 538,96     | 0,00 %   |
| Cement ditches in Aurora                 | 80 000,00               | 80 000,00                 | 79 928,92      | -0,09 %  |
| Construction of roads (BM)               | 700 000,00              | 700 000,00                | 699 723,16     | -0,04 %  |
| Construction of roads: RDP Houses        | 300 000,00              | 300 000,00                | 274 982,98     | -8,34 %  |
| Furniture & Equipment - Roads            | 10 000,00               | 8 000,00                  | 7 585,00       | -5,19 %  |
| PV Sidewalks (low-cost)                  | -                       | 60 367,00                 | 104 436,10     | 73,00 %  |
| Remedial works on Roads - Culemborg Road | 550 000,00              | 550 000,00                | 543 203,06     | -1,24 %  |
| Replace CEX 4262                         | 900 000,00              | 933 400,00                | 933 398,77     | 0,00 %   |
| Replace CFP 2902                         | 350 000,00              | 511 600,00                | 511 564,19     | -0,01 %  |
| Reseal/Construction of streets           | 2 400 000,00            | 2 366 500,00              | 2 366 169,05   | -0,01 %  |
| RH Sidewalks (low-cost)                  | -                       | 85 070,00                 | 85 069,81      | 0,00 %   |
| Street name curb stones                  | 50 000,00               | -                         | -              |          |
| Tools                                    | 100 000,00              | 73 000,00                 | 69 993,52      | -4,12 %  |



| DESCRIPTION  | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL       | VARIANCE       |
|--|-------------------------|---------------------------|----------------------|----------------|
| Traffic calming measures (Speed bumps) Bring Traffic | 100 000,00              | 100 000,00                | 71 723,39            | -28,28 %       |
| Transport Trailers Multi-Purpose                     | 70 000,00               | -                         | -                    |                |
| Unserviced erven - Redelinghuis                      | 200 000,00              | 199 560,00                | 199 551,74           | 0,00 %         |
| Upgrade of roads and stormwater                      | -                       | 76 112,00                 | 32 043,59            | -57,90 %       |
| Upgrade of roads and stormwater (AUR)                | 2 798 324,00            | 2 712 326,00              | 2 712 325,21         | 0,00 %         |
| Upgrade of roads and stormwater (EK)                 | 2 186 090,00            | 2 488 609,00              | 2 488 608,70         | 0,00 %         |
| Upgrade of roads and stormwater (PB)                 | 855 717,00              | 855 716,00                | 855 715,66           | 0,00 %         |
| Upgrade Sidewalks (PB)                               | 300 000,00              | 300 000,00                | 218 703,91           | -27,10 %       |
| Upgrade Sidewalks (PV)                               | 300 000,00              | 300 000,00                | 297 319,76           | -0,89 %        |
| Upgrade Sidewalks (VD)                               | 300 000,00              | 300 000,00                | 297 480,25           |                |
| VD Sidewalks (low-cost)                              | -                       | 97 285,00                 | 97 285,12            | 0,00 %         |
| Replace CFP 1413                                     | 350 000,00              | 334 000,00                | 333 978,80           | -0,01 %        |
| <b>TOTAL</b>   | <b>12 900 131,00</b>    | <b>13 537 084,00</b>      | <b>13 386 329,65</b> | <b>-1,11 %</b> |

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### 3.3.1.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

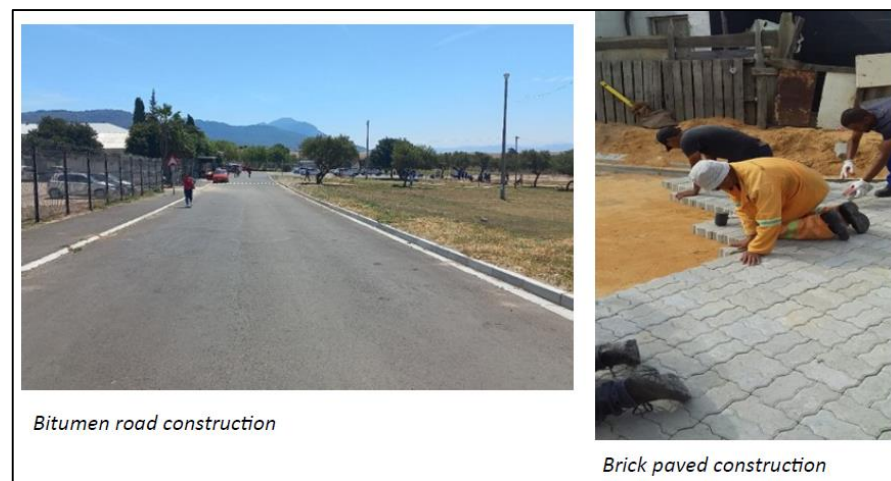
Performance highlights for the year include:

- Regular maintenance of existing asphalt/paved roads which minimise potholes and extend the life of the road (40 000 m<sup>2</sup>);
- Regular grading of gravel roads;
- Construction of roads at low-cost housing Piketberg;
- Refurbishment of existing roads in Velddrif and Piketberg;
- Paving of sidewalks in the various towns; and
- Upgrade of roads in Aurora, Redelinghuis and Eendekuil with MIG funding.

Challenges that still need to be addressed include:

- The upgrading of all gravel roads to paved/hardened standard, especially in the smaller towns;
- Replacement of ageing fleet (construction machines and vehicles) to maintain and upgrade existing road network;
- Maintenance and upgrades of main roads;
- Ageing internal road networks need urgent attention;

- Budget constraints with regards to the upgrade of internal roads as well as the replacement of outdated fleet; and
- Vacancies and unfunded positions make it difficult to perform any preventative maintenance.



### 3.3.2 STORM WATER

#### 3.3.2.1 INTRODUCTION

Storm water management services are rendered by the Technical Services Directorate. Bergrivier Municipality has a Storm Water Management Plan that was compiled by V&V Consulting Engineers. Priority areas have been identified in the first phase and all future projects will be based on this plan.

#### 3.3.2.2 SERVICE STATISTICS

**TABLE 91: STORM WATER INFRASTRUCTURE**

| FINANCIAL YEAR | TOTAL KM STORM WATER MAINTAINED | KM NEW STORM WATER MEASURES |
|----------------|---------------------------------|-----------------------------|
| 2019/20        | 43.5                            | 1.2                         |
| 2020/21        | 45.8                            | 2.3                         |
| 2021/22        | 46.0                            | 0.2                         |
| 2022/23        | 46.3                            | 0.3                         |

## 3.3.2.3 FINANCIAL PERFORMANCE

**TABLE 92: FINANCIAL PERFORMANCE (OPERATIONAL) STORM WATER SERVICES**

| DESCRIPTION                          | 2022/23 BUDGET    | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE       |
|--------------------------------------|-------------------|--|---------------------|----------------|
| Employees                            | 184 000,00        | 220 000,00   | 190 781,50          | -13,28 %       |
| Other                                | 601 600,00        | 586 964,00   | 850 757,86          | 44,94 %        |
| Repairs & Maintenance                | 20 000,00         | 19 000,00  | 8 576,99            | -54,86 %       |
| <b>Total Operational Expenditure</b> | <b>805 600,00</b> | <b>825 964,00</b>                                  | <b>1 050 116,35</b> | <b>27,14 %</b> |
| Total Operational Revenue            | -                 | -  | -                   |                |
| <b>Net Operational Expenditure</b>   | <b>805 600,00</b> | <b>825 964,00</b>                                  | <b>1 050 116,35</b> | <b>27,14 %</b> |

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**TABLE 93: FINANCIAL PERFORMANCE (CAPITAL): STORM WATER SERVICES**

| DESCRIPTION                                   | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE       |
|---|-------------------------|---------------------------|-------------------|----------------|
| Fencing of stormwater channel                 | 100 000,00              | 100 000,00                | 99 323,61         | -0,68 %        |
| Furniture & Equipment - Stormwater Management | 6 000,00                | 6 000,00                  | 5 216,52          | -13,06 %       |
| Implement Stormwater Masterplan (PB)          | 350 000,00              | 350 000,00                | 350 000,00        | 0,00 %         |
| Stormwater bridge Wyk 4                       | 159 000,00              | -                         | -                 |                |
| Subsurface Drains                             | 75 000,00               | 41 000,00                 | 40 891,31         | -0,27 %        |
| <b>TOTAL</b>                                  | <b>690 000,00</b>       | <b>497 000,00</b>         | <b>495 431,44</b> | <b>-0,32 %</b> |

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## 3.3.2.4 HUMAN RESOURCE CAPACITY

See Section on Roads as Roads and Stormwater is in organogram as a single unit.

## 3.3.2.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights for the year include:

- Alleviate storm water problems in Ward 4 by cleaning catch pits and pipes with Jet-Vac units; and
- Completion of new stormwater pipes in Ward 4.

Challenges that still need to be addressed include:

- The implementation of the Storm Water Master Plan for Piketberg is a high priority, but a lack of sufficient funding (own funding) delays the time frame of construction. DBSA approved funding applications for external funding to address the full scope of the challenges were unsuccessful to date;

and

- Ongoing storm water issues and in various wards, especially ward 4, Piketberg.

### 3.4 PLANNING AND DEVELOPMENT

#### 3.4.1 PLANNING AND DEVELOPMENT (SPATIAL PLANNING)

##### 3.4.1.1 INTRODUCTION

Spatial Planning and Land Use Management services are rendered by the Corporate Services Directorate's Department Town Planning and Environmental Management. These services are done in accordance with National, Provincial, Municipal legislation, National and Provincial directives and Council policy and aims to facilitate sustainable urban and rural development. In addition, Town Planning component of Department Town Planning and Environmental Management include all aspects pertaining to the management of municipal immovable property (land) as well as the issuing of business licenses.

##### 3.4.1.2 SERVICE STATISTICS

The following table indicates the various planning applications that were finalised during the 2022/23 financial year compared to the statistics of the previous 2021/22 financial year. Overall, less applications have been processed during this financial year compared to the previous year.

TABLE 94: APPLICATIONS FOR LAND USE DEVELOPMENT

| DETAIL                          | TOWN         | SUBDIVISIONS |           | REZONINGS |           | CONSENT USES |           | DEPARTURES |           | REMOVAL OF RESTRICTIONS |           | TOTALS     |           |
|---------------------------------|--------------|--------------|-----------|-----------|-----------|--------------|-----------|------------|-----------|-------------------------|-----------|------------|-----------|
|                                 |              | 2021/22      | 2022/23   | 2021/22   | 2022/23   | 2021/22      | 2022/23   | 2021/22    | 2022/23   | 2021/22                 | 2022/23   | 2021/22    | 2022/23   |
| Planning applications received  | <b>TOTAL</b> | <b>16</b>    | <b>18</b> | <b>12</b> | <b>12</b> | <b>21</b>    | <b>10</b> | <b>23</b>  | <b>19</b> | <b>9</b>                | <b>12</b> | <b>81</b>  | <b>71</b> |
|                                 | Piketberg    | 3            | 3         | 1         | 2         | 9            | 5         | 10         | 8         | 0                       | 0         | 23         | 18        |
|                                 | Porterville  | 4            | 2         | 1         | 0         | 2            | 1         | 1          | 2         | 1                       | 0         | 9          | 5         |
|                                 | Aurora       | 1            | 2         | 0         | 1         | 1            | 0         | 0          | 0         | 0                       | 0         | 2          | 3         |
|                                 | Eendekuil    | 2            | 0         | 0         | 1         | 1            | 1         | 1          | 0         | 1                       | 0         | 5          | 2         |
|                                 | Velddrif     | 4            | 9         | 3         | 5         | 2            | 1         | 3          | 2         | 2                       | 7         | 14         | 24        |
|                                 | Laaiplek     | 0            | 0         | 4         | 2         | 1            | 1         | 3          | 2         | 3                       | 2         | 11         | 7         |
|                                 | Dwarskersbos | 0            | 0         | 1         | 1         | 2            | 0         | 5          | 5         | 2                       | 3         | 10         | 9         |
|                                 | Redelinghuis | 1            | 2         | 1         | 0         | 1            | 0         | 0          | 0         | 0                       | 0         | 3          | 2         |
|                                 | Farm         | 1            | 0         | 1         | 0         | 2            | 1         | 0          | 0         | 0                       | 0         | 4          | 1         |
| Applications finalised/resolved | <b>TOTAL</b> | <b>24</b>    | <b>20</b> | <b>24</b> | <b>11</b> | <b>14</b>    | <b>15</b> | <b>31</b>  | <b>15</b> | <b>8</b>                | <b>8</b>  | <b>101</b> | <b>69</b> |
|                                 | Piketberg    | 6            | 3         | 6         | 3         | 5            | 11        | 12         | 11        | 1                       | 3         | 30         | 31        |
|                                 | Porterville  | 4            | 3         | 4         | 1         | 1            | 1         | 4          | 2         | 0                       | 1         | 13         | 8         |
|                                 | Aurora       | 2            | 1         | 0         | 0         | 1            | 0         | 0          | 0         | 0                       | 0         | 3          | 1         |
|                                 | Eendekuil    | 3            | 1         | 3         | 1         | 0            | 1         | 2          | 0         | 0                       | 0         | 8          | 3         |
|                                 | Velddrif     | 4            | 7         | 3         | 1         | 2            | 0         | 5          | 1         | 2                       | 3         | 16         | 12        |
|                                 | Laaiplek     | 2            | 0         | 4         | 0         | 3            | 0         | 4          | 0         | 4                       | 0         | 17         | 0         |
|                                 | Dwarskersbos | 1            | 1         | 2         | 2         | 1            | 0         | 4          | 1         | 1                       | 1         | 9          | 5         |
|                                 | Redelinghuis | 1            | 2         | 1         | 1         | 0            | 0         | 0          | 0         | 0                       | 0         | 2          | 3         |
|                                 | Farm         | 1            | 2         | 1         | 2         | 1            | 2         | 0          | 0         | 0                       | 0         | 3          | 6         |

| DETAIL                              | TOWN         | SUBDIVISIONS |          | REZONINGS |          | CONSENT USES |          | DEPARTURES |           | REMOVAL OF RESTRICTIONS |          | TOTALS    |           |
|-------------------------------------|--------------|--------------|----------|-----------|----------|--------------|----------|------------|-----------|-------------------------|----------|-----------|-----------|
|                                     |              | 2021/22      | 2022/23  | 2021/22   | 2022/23  | 2021/22      | 2022/23  | 2021/22    | 2022/23   | 2021/22                 | 2022/23  | 2021/22   | 2022/23   |
| Applications withdrawn              | <b>TOTAL</b> | <b>0</b>     | <b>0</b> | <b>1</b>  | <b>2</b> | <b>1</b>     | <b>2</b> | <b>1</b>   | <b>2</b>  | <b>1</b>                | <b>1</b> | <b>4</b>  | <b>7</b>  |
|                                     | Piketberg    | 0            | 0        | 0         | 0        | 0            | 1        | 0          | 0         | 0                       | 0        | 0         | 1         |
|                                     | Porterville  | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
|                                     | Aurora       | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
|                                     | Eendekuil    | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
|                                     | Velddrif     | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
|                                     | Laaiplek     | 0            | 0        | 1         | 2        | 1            | 1        | 1          | 2         | 1                       | 1        | 4         | 6         |
|                                     | Dwarskersbos | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
|                                     | Redelinghuis | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
|                                     | Farm         | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
| Applications pending or outstanding | <b>TOTAL</b> | <b>9</b>     | <b>5</b> | <b>5</b>  | <b>6</b> | <b>15</b>    | <b>3</b> | <b>7</b>   | <b>11</b> | <b>6</b>                | <b>7</b> | <b>42</b> | <b>32</b> |
|                                     | Piketberg    | 0            | 0        | 0         | 0        | 9            | 2        | 2          | 1         | 0                       | 0        | 11        | 3         |
|                                     | Porterville  | 2            | 0        | 0         | 0        | 1            | 1        | 0          | 1         | 1                       | 0        | 4         | 2         |
|                                     | Aurora       | 1            | 1        | 0         | 1        | 0            | 0        | 0          | 0         | 0                       | 0        | 1         | 2         |
|                                     | Eendekuil    | 1            | 0        | 0         | 0        | 1            | 0        | 0          | 0         | 1                       | 0        | 3         | 0         |
|                                     | Velddrif     | 3            | 3        | 1         | 3        | 2            | 0        | 1          | 4         | 1                       | 3        | 8         | 13        |
|                                     | Laaiplek     | 0            | 0        | 1         | 0        | 1            | 0        | 3          | 1         | 1                       | 1        | 6         | 2         |
|                                     | Dwarskersbos | 0            | 0        | 1         | 1        | 0            | 0        | 1          | 4         | 2                       | 3        | 4         | 8         |
|                                     | Redelinghuis | 0            | 0        | 0         | 0        | 0            | 0        | 0          | 0         | 0                       | 0        | 0         | 0         |
|                                     | Farm         | 2            | 1        | 2         | 1        | 1            | 0        | 0          | 0         | 0                       | 0        | 5         | 2         |

### 3.4.1.3 HUMAN RESOURCE CAPACITY

The Department Town Planning and Environmental Management has 3 Town Planning Officials, 1 Administrative Staff Member (administrative support, Municipal Planning Tribunal support, formal business licenses and liquor license processing) and 1 Environmental Official. The post of Administrative Officer was vacant from the end of 2022 to the beginning of 2023. However, the vacancy was filled May 2023. There are currently no vacancies in the Department.

**TABLE 95: HUMAN RESOURCES: PLANNING AND DEVELOPMENT SERVICES**

| NO OF POSTS. | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|--------------|-----------------|-----------------|-------------|
| 5            | 5               | 0               | 0 %         |

### 3.4.1.4 FINANCIAL PERFORMANCE

**TABLE 96: FINANCIAL PERFORMANCE (OPERATIONAL): PLANNING AND DEVELOPMENT SERVICES**

| DESCRIPTION                          | 2021/22 BUDGET      | FINAL 2021/22 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2021/22 ACTUAL      | VARIANCE       |
|--------------------------------------|---------------------|--|---------------------|----------------|
| Employees                            | 4 242 151,00        | 4 135 000,00                                       | 4 136 844,79        | 0,04 %         |
| Other                                | 1 608 000,00        | 1 694 200,00                                       | 1 514 075,67        | -10,63 %       |
| Repairs & Maintenance                | 5 000,00            | 24 800,00  | 21 347,63           | -13,92 %       |
| <b>Total Operational Expenditure</b> | <b>5 855 151,00</b> | <b>5 854 000,00</b>                                | <b>5 672 268,09</b> | <b>-3,10 %</b> |
| Total Operational Revenue            | -345 000,00         | -310 000,00  | -355 612,66         | 14,71 %        |
| <b>Net Operational Expenditure</b>   | <b>5 510 151,00</b> | <b>5 544 000,00</b>                                | <b>5 316 655,43</b> | <b>-4,10 %</b> |

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**TABLE 97: FINANCIAL PERFORMANCE (CAPITAL): PLANNING AND DEVELOPMENT SERVICES**

| DESCRIPTION                                    | 2021/22 ORIGINAL BUDGET | 2021/22 ADJUSTMENT BUDGET | 2021/22 ACTUAL    | VARIANCE       |
|--|-------------------------|---------------------------|-------------------|----------------|
| Furniture & Equipment - Planning & Development | 20 000,00               | 131 000,00                | 130 196,31        | -0,61 %        |
| Regional Socio Projects (RSEP Funding)         | 120 000,00              | 120 000,00                | 119 814,68        | -0,15 %        |
| <b>TOTAL</b>                                   | <b>140 000,00</b>       | <b>251 000,00</b>         | <b>250 010,99</b> | <b>-0,39 %</b> |

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### 3.4.1.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights for the year include:

- On 29 August 2022 the Council, by means of resolution RVN036/08/2022, approved commencement with the drafting of a new 5-year Spatial Development Framework for Bergrivier Municipality and that an



Intergovernmental Steering Committee be established for the process. CK Rumboll and Partners (Planning) was appointed by tender on 14 March 2023 to undertake the compilation of the Bergrivier Municipal Spatial Development Framework on behalf of the Municipality.

Performance challenges include:

- The department's internal capacity is restricted, therefore external support is required for the compilation of spatial planning documents that provide strategic direction for development. External support is also required for the updating of GIS data, as there is no funding to appoint internal GIS capacity. Obtaining suitable external support require funding; and
- The department's biggest challenge is to obtain wide-ranging buy-in for the implementation of the development proposals made in the spatial planning documents and an understanding of the department's role and function in the implementation of spatial planning and associated land use development.

### 3.4.2 BUILDING CONTROL

#### 3.4.2.1 INTRODUCTION

Building control services are rendered by the Technical Services Directorate. Building control is an essential part of any municipality. Applications for all new structures and additions must be submitted to the Municipality in terms of Section 4 of the National Building Regulations (NBR). Building control ensures that the NBR and other relevant legislation are complied with. Building plans for structures of less than 500 m<sup>2</sup> are attended to within 30 days (if there are no delays such as heritage approval) and building plans for structures exceeding 500 m<sup>2</sup> are attended to within 60 days of application. The Department is headed by the Manager: Project Management and Building Control and 3 Building Control Officers who are stationed at each of the three larger towns, namely Velddrif, Piketberg and Porterville. Building plans are scrutinised by the Building Control Officers and plans are approved by the Manager: Project Management and Building Control. In terms of Section 160(2)(c) of the Constitution (1996), Council approved that an amnesty period be applicable until 30 June 2019 for all the owners of erven where there are illegal temporary structures to enable owners to comply with prescribed application procedures. All customers of Bergrivier Municipality were encouraged to use the opportunity where applicable. Amnesty was lifted and residents were well informed of the approved new processes for informal structure applications.

#### 3.4.2.2 SERVICE STATISTICS

The following building plans were submitted during the financial year:

TABLE 98: BUILDING PLANS SUBMITTED DURING THE YEAR

| TOWN                          | BUILDING PLANS APPROVED 2021/2022 |                       |            | BUILDING PLANS APPROVED 2022/2023 |                       |            |
|-------------------------------|-----------------------------------|-----------------------|------------|-----------------------------------|-----------------------|------------|
|                               | RESIDENTIAL                       | BUSINESS / INDUSTRIAL | TOTAL      | RESIDENTIAL                       | BUSINESS / INDUSTRIAL | TOTAL      |
| Velddrif/Aurora/Dwars-kersbos | 428                               | 4                     | 432        | 473                               | 13                    | 486        |
| Piketberg                     | 62                                | 8                     | 70         | 238                               | 4                     | 242        |
| Porterville                   | 118                               | 2                     | 120        | 80                                | 2                     | 82         |
| Redelinghuis                  | 23                                | 0                     | 23         | 20                                | 0                     | 20         |
| Eendekuil                     | 16                                | 0                     | 16         | 18                                | 1                     | 19         |
| Piketberg Rural Area          | 11                                | 3                     | 14         | 8                                 | 2                     | 10         |
| Goedverwacht                  | 0                                 | 0                     | 0          | 0                                 | 0                     | 0          |
| Wittewater                    | 5                                 | 0                     | 5          | 2                                 | 0                     | 2          |
| Porterville Rural Area        | 10                                | 7                     | 17         | 5                                 | 1                     | 6          |
| <b>TOTAL</b>                  | <b>673</b>                        | <b>24</b>             | <b>697</b> | <b>844</b>                        | <b>23</b>             | <b>867</b> |

## 3.4.2.3 HUMAN RESOURCES

The table below reflects the Building Control Officers but excludes the Manager: Project Management and Building Control as he also deals with other aspects of project management within the Technical Services Directorate. The vacancy of the Building Inspector for Velddrif was funded, and the post has been filled.

TABLE 99: HUMAN RESOURCES: BUILDING CONTROL

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 4           | 4               | 0               | 0 %         |

## 3.4.2.4 FINANCIAL PERFORMANCE

TABLE 100: FINANCIAL PERFORMANCE (OPERATIONAL): BUILDING CONTROL

| DESCRIPTION                          | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE       |
|--------------------------------------|---------------------|--|---------------------|----------------|
| Employees                            | 2 752 000,00        | 2 486 000,00                                       | 2 447 841,47        | -1,53 %        |
| Other                                | 142 500,00          | 125 070,00   | 82 467,52           | -34,06 %       |
| Repairs & Maintenance                | 1 000,00            | 1 300,00   | 1 281,55            | -1,42 %        |
| <b>Total Operational Expenditure</b> | <b>2 895 500,00</b> | <b>2 612 370,00</b>                                | <b>2 531 590,54</b> | <b>-3,09 %</b> |
| Total Operational Revenue            | -1 551 000,00       | -2 101 000,00                                      | -2 340 791,72       | 11,41 %        |

| DESCRIPTION                 | 2022/23 BUDGET | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL | VARIANCE |
|-----------------------------|----------------|--|----------------|----------|
| Net Operational Expenditure | 1 344 500,00   | 511 370,00   | 190 798,82     | -62,69 % |

Annual Financial Statements 2022/23

**TABLE 101: FINANCIAL PERFORMANCE (CAPITAL): BUILDING CONTROL**

| DESCRIPTION   | 2021/22 ORIGINAL BUDGET | 2021/22 ADJUSTMENT BUDGET | 2021/22 ACTUAL   | VARIANCE        |
|---|-------------------------|---------------------------|------------------|-----------------|
| Computer and peripherals - Vacant building inspector (VD) | 35 000,00               | 35 000,00                 | 33 695,00        | -3,73N%         |
| Furniture - Vacant building inspector (VD)                | 12 500,00               | 12 500,00                 | 7 240,00         | -42,08N%        |
| Furniture & Equipment - Building Control                  | 5 000,00                | 5 000,00                  | 4 090,13         | -18,20N%        |
| Printer - Vacant building inspector (VD)                  | 10 000,00               | 10 000,00                 | 9 000,00         | -10,00 %        |
| <b>TOTAL</b>  | <b>62 500,00</b>        | <b>62 500,00</b>          | <b>54 025,13</b> | <b>-13,56 %</b> |

Annual Financial Statements 2022/23

#### 3.4.2.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

- Illegal building activities remain a challenge, but a positive turn of events is that more people are applying for approval to undertake minor building works. It is these minor building works which constitute 80 % of illegal buildings;
- The implementation of Regulation XA in terms of National Building Regulations, 1997 (Act 103 of 1977), as amended and in terms of Renewable Energy, is still a challenge and is currently being required as an approval condition, and;
- Migrating to an electronic system is in process but implementation remains a challenge.

#### 3.4.3 LOCAL ECONOMIC DEVELOPMENT (LED)

##### 3.4.3.1 INTRODUCTION

Local economic development includes the attraction of investments into the municipal area, stimulation of small, medium, and micro enterprises (SMME's), job creation, informal trading, tourism and various ad hoc local economic initiatives. Local economic development is currently one of the major focus areas of the Department of Strategic Services, although it is also a cross-cutting priority that must be focused on in all aspects of service delivery and development.

The impact of the initiatives undertaken over the last years led to the Council establishing a Portfolio Committee for Economic Development that started with its mandate in November 2018. The first major task was the review of the Economic Development Strategy. The Economic Development Strategy identified four (4) pillars for economic development in Bergrivier Municipal Area, namely agriculture and Agri processing,

tourism, manufacturing, and the development of small-, medium – and micro enterprises. Various programmes have been developed to address these pillars as catalysts for economic growth.

Covid-19 led to the drafting and approval of an Economic Recovery Plan with clear deliverables. The approved Economic Development Strategy and the Economic Recovery Plan were also integrated to ensure a single plan. Monthly progress reports were submitted to the Economic Development Portfolio Committee to monitor progress. The major focus of the Economic Recovery Plan as a short-term intervention programme, included an implementation plan for SMME’s and an implementation plan for Informal Trade.

#### 3.4.3.2 JOB CREATION (EXPANDED PUBLIC WORKS PROGRAMME)

One of the primary roles of local government is to create a climate that is conducive to local economic development. The Municipality does however seek to create work opportunities wherever it can. One such programme is the Expanded Public Works Programme (EPWP) which is a government funded programme aimed at the alleviation of poverty and unemployment by the creation of temporary jobs in specific focus areas where labour intensive methods can be maximised. The programme aims to increase economic growth by improving skills levels through education and training. It also aims to provide an enabling environment for industry to flourish. The programme also provides for Labour Intensive Methods of Construction (LIC) by contractors, which will also enhance skills development. The Municipality created 359 work opportunities and 106.4 full-time equivalents (FTE’s) through the EPWP programme.

The following table provides an overview of the total full-time employment opportunities created and number of jobs created in each town during the 2022/23 financial year for which period a grant amounting to R 1 662 000.00 was received from the Department of Public Works.

**TABLE 102: EXPANDED PUBLIC WORKS PROGRAMME: JOBS CREATED**

| QUARTER | DATES                           | FTE          | WO         |
|---------|---------------------------------|--------------|------------|
| Q1      | 01 July 2022 – Sept 2022        | 7.7          | 58         |
| Q2      | 01 October 2022 – December 2022 | 13.8         | 52         |
| Q3      | 01 January 2023 – March 2023    | 27.2         | 70         |
| Q4      | 01 Apr 2023 – June 2023         | 57.7         | 179        |
|         | <b>TOTAL</b>                    | <b>106.4</b> | <b>359</b> |

#### 3.4.3.3 INFORMAL TRADING

The Municipality provides multipurpose retail trading spaces at a rental of R 170 per month. Lease agreements run for a period of 12 months. The purpose of these facilities is to provide traders in the informal economic sector with the opportunity to trade in the central business zones. The following facilities are available:

- Piketberg: 32 trading rooms are provided; and
- Porterville: 22 trading rooms are provided.

A process to further identify land and facilities for informal traders commenced in Porterville, Velddrif (Noordhoek) and Ward 4 of Piketberg. The area in Velddrif (Noordhoek) is situated at the taxi rank and part of the informal trading area have already been built. The RSEP programme showed interest in co-funding the programme. This area was the outflow of the successful empowerment programme for a few SMME's conducted by Dr. Clive Coetzee. Further funding is required to complete the informal trading area in Velddrif. The area in Porterville is part of the RSEP programme for which funding has been allocated and is located on the corner of Jakkalskloof and Voortrekker Road where the major pedestrian traffic is between Monte Bertha and the Central Business District.

#### 3.4.3.4 TOURISM

The Bergrivier Municipality has placed tourism at the forefront of its economic development strategy, recognising it is a pivotal driver within the broader wholesale and retail sector. Notably, tourism stands as the largest employer in our region, second only to agriculture, encompassing both formal and informal labour forces. Empowered by this vision, the Bergrivier Tourism Organisation (BTO) has been entrusted with the mission to foster the growth of the Tourism sector. BTO's primary objective is to position Bergrivier as the ultimate adventure destination catering for both domestic and international markets. To ensure the sustained success of tourism, our focus lies on responsible Destination Marketing, a strategy that not only showcases the region's attractions but also prioritises the protection of the environment and the well-being of our local communities.

BTO is committed to implementing a robust and competitive marketing strategy. This approach includes an extensive brand presence and harnessing the established provincial and national platforms offered by WESGRO, South African Tourism (SAT) and the National Department of Tourism (NDT). Together, we aim to elevate Bergrivier as a premier destination and to drive the economic prosperity of our region.

As the tourism industry makes a sturdy recovery from the profound impact of the pandemic, we are gradually resuming our efforts to vigorously promote our region. Over the past two years, one of the standout success stories has been the remarkable growth of the events sector. These events have emerged as the primary economic drivers within the tourism industry, and the return on investment has been undeniably evident, given that events have a far-reaching impact across various sectors.

Notably, our region has experienced a surge in event growth since we began marketing ourselves as the adventure capital. This strategic shift has attracted a multitude of cycling events to our area, such as the Org



de Rac MTB, The Velddrif 222 Cycling Challenge, and the Western Cape Cycling Championships. This trend underscores our region's burgeoning reputation as a go-to destination for adventure enthusiasts.

#### 3.4.3.5 LED INITIATIVES

The following initiatives were undertaken by the Office of the Municipal Manager (Department of Strategic Services):

##### i. **Regular Economic Portfolio Committee Meetings**

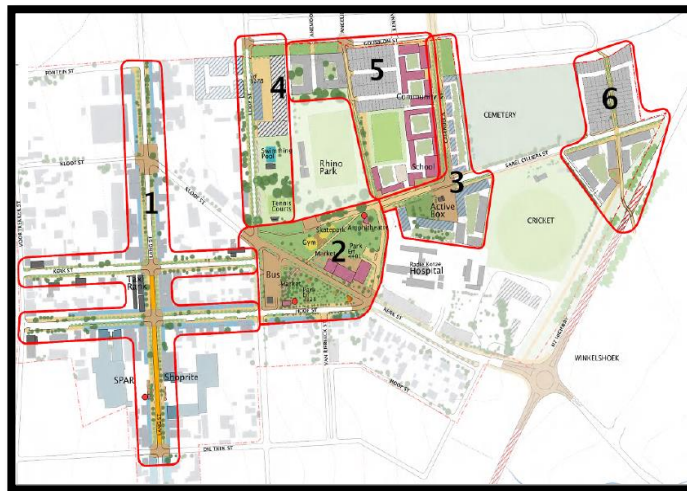
Regular Economic Portfolio meetings are being held with relevant topics to discuss. Various speakers are also invited to the Portfolio Committee meeting to ensure lively discussions on economic development.

##### ii. **Piketberg as a national pilot in the Small-Town Regeneration Programme**

Piketberg was selected by the national department of Local Government (DCOG) to be one of the pilot towns in the Small-Town Regeneration Programme. The main aim of the programme is to **create** an environment that will result in sustainable development and allow for regeneration in an integrated and informed manner through evidence-based information. The **focus** is on prioritising:

- spatial integration in terms of the environment, infrastructure upgrades, transport linkages, health and safety and the unlocking of potential markets and improved urban management;
- Social development with the priority being to **enable** contextually appropriate interventions and development and cascading benefits and to ensure access to the basic services. The **focus** is to start with people at the bottom of the pyramid to help them discover avenues out of poverty that suit their circumstances and preferences, enabling them to grow meaningful economic activity in their lives.
- Economic development with a focus on to **address** economic imbalances through strengthening small towns as regional economic nodes; and to facilitate comprehensive economic growth from grassroots level. The **focus** is to create self-sufficient and integrated towns with sustainable Gross Domestic Product.
- Intergovernmental relations and governance to **enable** ownership, accountability, good governance, follow-through on interventions, the establishment of clear institutional arrangements, implementing agents/stakeholders to acquire strong technical competence and leadership abilities. The **focus** is capacity building at all levels of government.
- Monitoring and evaluation with a focus on to **enable** the identification and capacitating of institutions responsible for collecting and analysing spatial, social, and economic data in the towns and to **focus** to the build capacity of Local Government to increase the use of evidence (data) for improvement of the programme.

The primary basis of the Small-Town Regeneration Programme will be the approved Precinct Plan for Piketberg that can be portrayed as follows:



The vision is three-fold, namely:

- Upgrade infrastructure and landscaping of Piketberg;
- Establish Piketberg as a central space for satellite government services;
- Establish Piketberg as a centre for skills development.

In terms of Piketberg as a central space for government services, it is foreseen to establish a hub for government services such as (but not limited to) Department of Home Affairs, SASSA offices, SARS, Department of Labour, a new single library for Piketberg and a new Tourism office.

In terms of Piketberg as a Centre for Skills Development, the Pietie Frederics Youth Centre is under construction and will aim at skills development for 18 – 35 years age group. Negotiations are also being conducted with the Jakes Gerwel School on a Schools of Skills for learners as well. The Department of Education is also working on the establishment of the new primary school. All the facilities will be in close proximity to one another.

### iii. Development of Porterville as a Tourism Destination

The following programmes and projects are managed by the Department of Strategic Services with a strong collaboration with the Department of Technical Services:

- **Developing Infrastructure to enhance tourism:**

The development of Porterville as a tourist destination of choice is an ongoing programme. The process commenced with the ward committees of Wards 1 and 2 visiting Franschhoek in October 2017 to learn more about the development of Franschhoek as a successful best practice in changing the economic future of the town from a small agricultural village into a tourism destination of choice. In essence the strategy entails the regeneration of the main road, the upgrading of the market square with a new tourism office, recreational facilities and an amphitheater. Funding could not be obtained yet for the development.

- **Mosaic Project**



The establishment of Porterville as an art tourist destination is well underway. To ensure spatial and economic integration, an historic route was planned for the neighbourhood known as Monte Bertha. This neighbourhood is the legacy of the former apartheid dispensation and so much of the history of the local people can get lost if it is not written up. Extensive research was done, and a number of historical moments and sites were identified. It was decided to tell the story of these moments and sites in mosaic. Creating Hope Africa is a NGO and funded the first phase of the programme. Unemployed people were identified in the community and were initially trained by the Mosaic House. A committee was established to manage the programme and at times professional artists had to assist, especially in ensuring that the images for the walls are aesthetically pleasing and correct in dimensions. The Municipality's Directorate Technical Services took the responsibility to build the walls where no walls were available for the story. During the 2021/22 financial year, funding was acquired through the Public Employment Grant to expand the programme to the other towns of Bergrivier Municipality. This funding was rolled over to the 2022/23 and the walls in Piketberg commenced.



- **Painting Refuse Bins**

Professional artists in Piketberg painted refuse bins for Piketberg and was handed over to the mayor in December 2022.



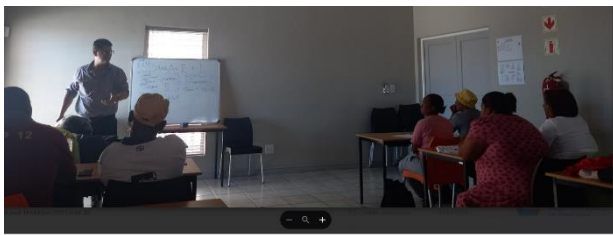
Refuse bins painted by the artists in Piketberg.

- **SMME Training in Velddrif**

The University of Stellenbosch, in partnership with the Municipality and the Velddrif Chamber of Commerce, commenced an empowerment programme for local small businesses in Noordhoek, Velddrif. The Velddrif Entrepreneurship Program (the Project) aimed to encourage the development of entrepreneurs and enterprising persons to establish new enterprises, specifically in Noordhoek, and more generally in Velddrif and Laaiplek. The program's primary goal is to provide personal and business knowledge and skills to selected youth from Noordhoek to make them "successful" businessmen. In general, the Velddrif Entrepreneurship Program is an ongoing effort of converting selected youth to an entrepreneur by passing them through thoroughly structured theoretical and practical training and mentorship. As entrepreneurs must respond appropriately to the market, they will be capacitated to understand the business environment and needs. The skills needed are varied, and they need to be taken care of in the best possible way. The Velddrif Entrepreneurship Program is not just a structured training program but will be a complete process to make the possible transformation of an individual into an entrepreneur. The program will also guide and mentor them on starting the business and effective ways to sustain it successfully.

Topics included The Psychology of an Entrepreneur, Effective Communication, Business Plan Development, Business Types and Structure, SWOT Analysis, Unique Business Points and Competitor Analysis, Business Budgeting and Cashflow, Basic Business Accounting, Selling is King, Business Opportunity Identification and Market Survey, Social Media Marketing, and Business Creativity.

The Velddrif Entrepreneurship Program operated from the Noordhoek library which was graciously made available by the Bergrivier Municipality and proved to be a great venue.



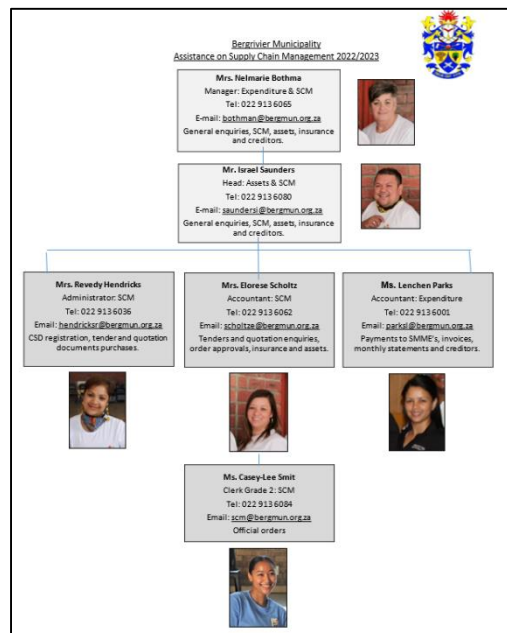
- **Preferential Procurement**



At least 293 SMME’s have already registered on the database of Bergrivier Municipal Area and assistance to ensure registration on the Central Supplier Database is done. The Council of Bergrivier Municipality approved a new preferential procurement policy with targets on the use of local SMME’s registered. All tenders and formal quotations are also placed on the Whatsapp Groups of the SMME’s in the different towns.



Work session with SMME’s on how to do business with the municipality.



### 3.4.4 YOUTH DEVELOPMENT STRATEGY

Two of the main game changers for Bergrivier Municipality, as identified through the Western Cape Government’s Joint Planning Initiative, are education/youth development and economic development. This is also applicable in the international agreement with Heist-op-den-Berg, the Belgium municipality with which Bergrivier Municipality has a “stedeband”-agreement with. The essence of the agreement is that a group of 10 learners from one country visit the other country for 3 – 4 weeks and learn about the totality of that country. The following year it is being reversed.

This year’s exchange is the third of its kind. A first exchange took place in 2018. That year, a first group of ten high school students from Heist-op-den-Berg travelled to Bergrivier to meet ten South African peers. Together they learned about each other's day-to-day lives and what it means to be young in the globalized world of today. A second exchange took place in 2019. This time, ten learners from Bergrivier travelled to Heist-op-

den-Berg to live, learn and share with ten local learners. Together with Bergrivier, Heist-op-den-Berg decided to focus on Youth and what it means to be young in Belgium. During the exchange, there was a mix of touristic visits (historical cities) and visits in theme of the exchange: youth. The group visited an array of organizations by and/or for young people in Heist-op-den-Berg and other cities. The third exchange was initially planned to take place in South Africa in March and April of 2020. However, due to the global COVID-19 pandemic, this exchange was postponed. After a hiatus of two years, both municipalities agreed to restart the exchange in 2023. In September of 2022, the group of learners in Heist-op-den-Berg were selected and started the preparation sessions. The group in Bergrivier followed shortly after. The exchange took place from 27 March – 6 April 2023. Schools play a key role in the exchange. In total, 8 schools participate in the exchange. 4 in Heist-op-den-Berg and 4 in Bergrivier:

**Bergrivier schools**

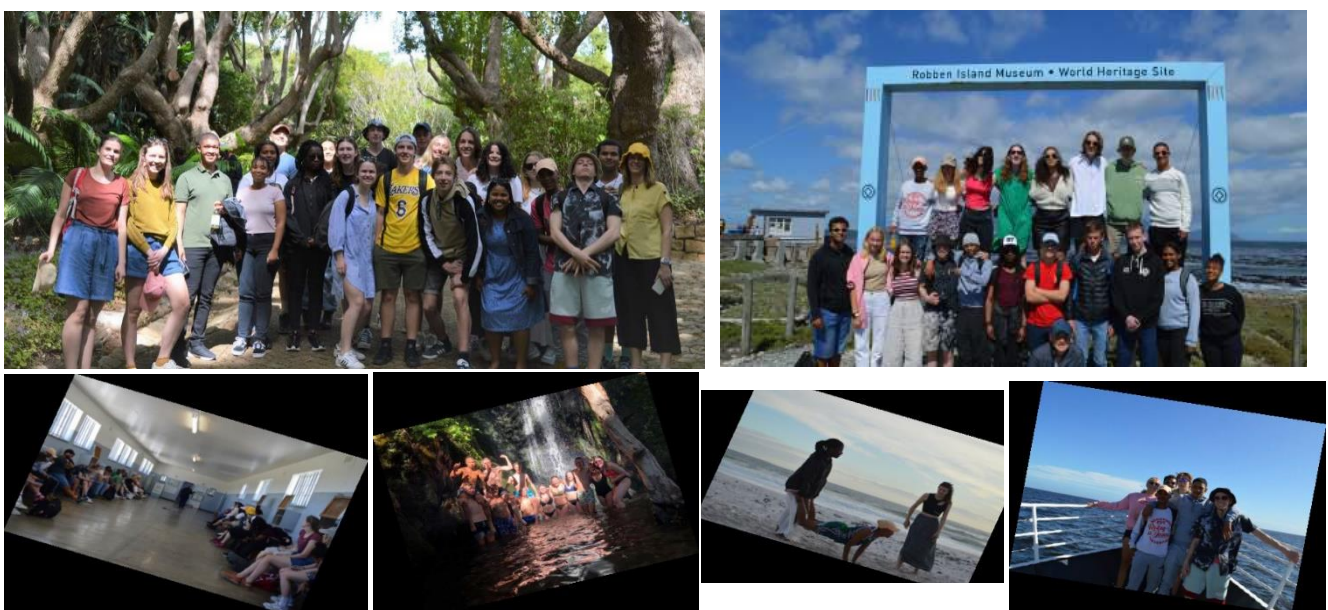
- Velddrif High School
- Piketberg High school
- Steynville High School
- Porterville High School

**Heist-op-den-Berg schools**

- Mevrouw Govaert Institute (IMG)
- Sint-Lambertus college
- Heilig-Hart college
- GO! Atheneum



The following is a photo collage of the exchange:



Bergrivier Municipality regards youth development in a serious light given that it represents the future of our communities. Serious challenges are being faced amongst the youth, with specific reference to early school leavers, joblessness, exposure to drugs and other related social evils.

One of the constraints as a municipality is the lack of sufficient facilities for the youth. It is for this reason that partnerships are being sought all the time, including partnership with Provincial Departments. Furthermore, to ensure an integrated approach, youth facilities are combined with other community needs to ensure maximum utilisation and a holistic approach to the whole of society. Examples of these are already the successful Youth Café in Velddrif and the POP Centre (Path onto Prosperity) in Porterville. Given the limited capacity and budget constraints of the municipality, both these facilities are being run in partnership with Mfesane in Velddrif (funded by the Provincial Department of Social Development) and Goedgedacht Trust in Porterville. The POP Centre in Porterville was funded by PPC as part of their Social and Labour Plan for the Piketberg mining operation and the rental for the Youth Café in Velddrif is being paid monthly by the Municipality.

Given the successful management of the POP Centre and a further Social and Labour Plan allocation, PPC decided to fund a similar centre for Piketberg. Phase 1 of the Pietie Fredericks Youth Centre was completed in the financial year and the centre was handed over to the municipality in January 2023.



Further funding for Phase 2 was obtained from the Western Cape Department of Local Government and the construction of Phase 2 commenced in the latter part of the financial year. It is anticipated that the centre will be completed in the 2022/23 financial year.





### 3.4.5 SOCIAL DEVELOPMENT

Social Development within the Bergrivier Municipal area is coordinated with other stakeholders to deliver services to the community at large. Social programs and interventions are based on sector planning of national and provincial departments that delivers services within the Municipal Area. Limited financial resources within the Municipality have an impact on delivery of social interventions that affects the community.

#### 3.4.5.1 YOUTH CAFÉ

The Youth Café in Velddrif is now operational for the past 5 years and excellent interventions and milestones are achieved by the implementing agent, Mfesane, in Velddrif.

Highlights included:

**LIFE SKILLS – NEET YOUTH**  
PIKETBERG & PORTERVILLE

Focused on Life Skills and Job Preparedness. Topics address building self-confidence, active listening, positive communication, making decisions, solving problems and job preparedness. New stakeholder relationships were built. Activities were interactive with practical activities that ensure they are not bored and withdraw from the training.

**SCHOLAR SUPPORT & DIGNITY PROGRAM**  
NOORDHOEK PRIMARY

Dignity Program

1-Year Skills Development Program: Basic Computer Training and Barbering.

**ENTREPRENEURIAL PROGRAM**

- Hand-over of start-up kits
- Business Management Training
- Mentorship
- Entrepreneurial Month

**WEST COAST COLLEGE OUTREACH**

Career Guidance  
Online Applications  
One on One sessions

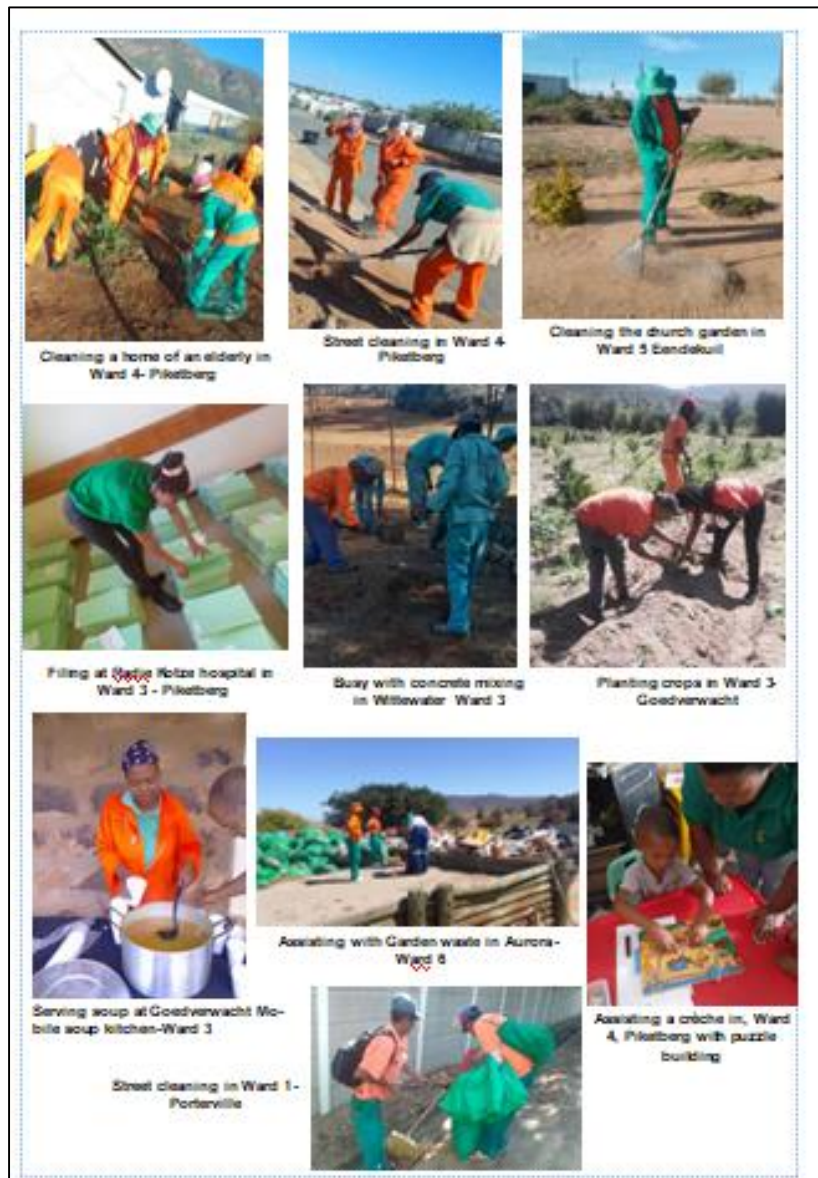
3.4.5.3 COMMUNITY WORKS PROGRAMME

Since the inception of the CWP in the Bergrivier Municipal area by the national department, Cogta, it brought much needed relief for the community of Bergrivier Municipality. The program is going from strength to strength and the Bergrivier Municipal site was hailed as one of the best run sites within the Western Cape and on a national level. The coordination and effective management of the site is based on good relationships with the Site Manager and the Local Reference Committee (LRC).

**TABLE 103: OVERVIEW OF CWP PROGRAMME**

| 2019/ 2020 | TOTAL  | 2020/ 2021 | TOTAL  | 2021/2022 | TOTAL  | 2022/2023 | TOTAL  | 2023/ 2024 | TOTAL |
|------------|--------|------------|--------|-----------|--------|-----------|--------|------------|-------|
| July       | 406    | July       | 480    | July      | 409    | July      | 413    | July       | 462   |
| August     | 438    | August     | 474    | August    | 404    | August    | 510    | August     | 459   |
| September  | 435    | September  | 474    | September | 471    | September | 505    | September  | 459   |
| October    | 433    | October    | 441    | October   | 431    | October   | 524    | October    | 458   |
| November   | 490    | November   | 417    | November  | 417    | November  | 524    | November   |       |
| December   | 488    | December   | 416    | December  | 399    | December  | 526    | December   |       |
| January    | 500    | January    | 390    | January   | 386    | January   | 499    | January    |       |
| February   | 491    | February   | 362    | February  | 417    | February  | 476    | February   |       |
| March      | 497    | March      | 394    | March     | 411    | March     | 461    | March      |       |
| April      | 518    | April      | 400    | April     | 428    | April     | 470    | April      |       |
| May        | 519    | May        | 410    | May       | 426    | May       | 493    | May        |       |
| June       | 482    | June       | 414    | June      | 432    | June      | 477    | June       |       |
|            | 474,75 |            | 422,66 |           | 419,25 |           | 489,83 |            | 459,5 |





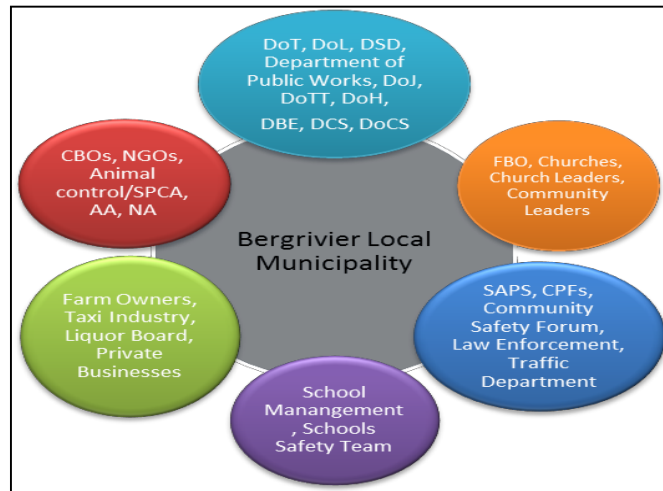
Photos Supplied by CWP Site Manager

#### 3.4.5.4 GENDER BASED VIOLENCE

Gender Based Violence is an extremely sensitive issue across the country and Bergrivier communities are not excluded from this evil that have negative impact on our women and children. Initiatives to reduce the impact is done continuously by various stakeholders ranging from the South African Police Services to NGO’s focusing specifically on this very serious crime to state departments coordinating their activities. Special programmes were conducted by the Initiative for Community Advancement and training was conducted on the pathway referral for volunteer to assist with counselling. A number of meetings and workshops were held with various stakeholders, including Department of Social Development, West Coast District Municipality, SAPS and various stakeholders on planning initiatives and creating awareness in the communities on the impact of gender-based violence and the rights of the victims.

3.4.6. COMMUNITY SAFETY

Bergrivier Municipality developed a safety strategy in conjunction with the national and provincial security sectors and local neighbourhood- and farm watches to ensure a safer community. The Community Safety Plan was also approved by Council. The Bergrivier Community- and Rural Safety Forum was also established to enhance better cooperation between the Municipality and the relevant stakeholders. The graph below depicts all the stakeholders needed to adequately implement and monitor the implementation of the safety plan:



3.5 COMMUNITY SERVICES

3.5.1 LIBRARY SERVICES

3.5.1.1 INTRODUCTION

Bergrivier Municipality, in collaboration with the Provincial Library Service of the Western Cape, provides a comprehensive library service to its clients. The Library Service strives to improve the quality of life of all inhabitants, by promoting a culture of learning, as well as free access to information. There are 14 community libraries across the municipal area, including in the smallest rural hamlets such as Aurora, Redelinghuis and Eendekuil. In these towns especially, libraries are a very important service due to the limited recreational facilities in our communities. In thirteen (13) of the libraries, an internet service is available for free usage by the public, the costs of which are covered by the Provincial Library Services. Equally significant is that thirteen of the fourteen libraries use the electronic system SLIMS (SITA Library Information Management System), to issue library material. SLIMS is a management system for libraries and distributed in South Africa by SITA (State Information Technology Agency). SLIMS is based on the Brocade Library Management System.

3.5.1.2 SERVICE STATISTICS

The statistics listed below are only for books issued for this financial year and does not reflect the number of visitors to the library.

**TABLE 104: LIBRARY BOOKS ISSUED PER ANNUM**

| LIBRARY | 2022/2023 | 2021/2022 | 2020/2021 | 2019/2020 |
|---------|-----------|-----------|-----------|-----------|
| Aurora  | 9 566     | 5 709     | 4 646     | 5 801     |

| LIBRARY       | 2022/2023      | 2021/2022      | 2020/2021      | 2019/2020      |
|---------------|----------------|----------------|----------------|----------------|
| Bettie Julius | 1 729          | 8 219          | 6 454          | 8 948          |
| Berghoff      | 9 741          | 1 573          | 1 288          | 3 238          |
| Dwarskersbos  | 6 786          | 5 121          | 5 048          | 6 659          |
| Eendekuil     | 2 899          | 2 710          | 1 405          | 3 259          |
| Goedverwacht  | 7 262          | 9 375          | 5 694          | 6 637          |
| LB Wernich    | 13 628         | 9 177          | 9 040          | 14 176         |
| Noordhoek     | 9 309          | 6 975          | 20             | 7 669          |
| Piketberg     | 18 550         | 18 693         | 17 341         | 31 505         |
| Porterville   | 13 068         | 13 109         | 14 477         | 20 791         |
| Redelinghuis  | 2 493          | 1 176          | 748            | 2 224          |
| Velddrif      | 29 034         | 27 730         | 25 870         | 36 036         |
| Versfeld      | 19 120         | 20 063         | 7 488          | 7 593          |
| Wittewater    | 3 914          | 2 452          | 3 734          | 9 868          |
| <b>TOTAL</b>  | <b>147 099</b> | <b>132 082</b> | <b>103 253</b> | <b>164 404</b> |

Users of computer facilities at the undermentioned libraries were recorded from the 1 July 2021– 30 June 2023:

**TABLE 105: COMPUTER USERS**

| LIBRARY       | 2022/2023 | 2021/2022 | 2020/2021 | 2019/2020 |
|---------------|-----------|-----------|-----------|-----------|
| Aurora        | 844       | 161       | 36        | 82        |
| Bettie Julius | 82        | 178       | 146       | 878       |
| Berghoff      | 438       | 2         | 3         | 185       |
| Dwarskersbos  | 42        | 15        | 7         | 59        |
| Eendekuil     | 77        | 0         | 0         | 33        |
| Goedverwacht  | 752       | 798       | 708       | 873       |
| LB Wernich    | 2 525     | 537       | 788       | 4 606     |
| Noordhoek     | 0         | 0         | 0         | 246       |
| Piketberg     | 792       | 816       | 779       | 2 220     |
| Porterville   | 586       | 251       | 229       | 988       |
| Redelinghuis  | 46        | 17        | 2         | 21        |

| LIBRARY      | 2022/2023    | 2021/2022    | 2020/2021    | 2019/2020     |
|--------------|--------------|--------------|--------------|---------------|
| Velddrif     | 716          | 553          | 822          | 994           |
| Versfeld     | 0            | 0            | 0            | 0             |
| Wittewater   | 189          | 32           | 90           | 672           |
| <b>TOTAL</b> | <b>7 089</b> | <b>3 360</b> | <b>3 610</b> | <b>11 855</b> |

Versfeld library does not have any computers for public use. Eendekuil library and Redelinghuis library were struggling with internet connectivity during the financial year, which has affected their statistics. Loadshedding add to the negative effect on libraries. Only Velddrif is on the Municipal generator, the other libraries try to assist the public but with no lights, internet or computer access they are struggling.

### 3.5.1.3 HUMAN RESOURCES

There were 0 vacancies in the Library Services Section as of 1 July 2023.

**TABLE 106: HUMAN RESOURCES**

| LIBRARY       | TOTAL NO. OF PERMANENT POSTS (EXCLUDING CONTRACT WORKERS) | TOTAL NUMBER PERMANENT OF EMPLOYEES | NO. OF VACANCIES | CONTRACT WORKERS |
|---------------|---|-------------------------------------|------------------|------------------|
| Aurora        | 1   | 1                                   | 0                | 0                |
| Bettie Julius | 2   | 2                                   | 0                | 0                |
| Berghoff      | 1   | 1                                   | 0                | 0                |
| Dwarskersbos  | 1   | 1                                   | 0                | 0                |
| Eendekuil     | 1   | 1                                   | 0                | 0                |
| Goedverwacht  | 2   | 2                                   | 0                | 1                |
| LB Wernich    | 3   | 3                                   | 0                | 0                |
| Piketberg     | 5   | 5                                   | 0                | 4                |
| Porterville   | 4   | 4                                   | 0                | 1                |
| Noordhoek     | 3   | 3                                   | 0                | 0                |
| Redelinghuis  | 1   | 1                                   | 0                | 0                |
| Velddrif      | 4   | 4                                   | 0                | 0                |
| Versfeld      | 1   | 1                                   | 0                | 0                |
| Wittewater    | 1   | 1                                   | 0                | 1                |
| <b>TOTAL</b>  | <b>30</b>   | <b>30</b>                           | <b>0</b>         | <b>7</b>         |

## 3.5.1.4 FINANCIAL PERFORMANCE

**TABLE 107: FINANCIAL PERFORMANCE (OPERATIONAL): LIBRARY SERVICES**

| DESCRIPTION                          | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE        |
|--------------------------------------|---------------------|--|---------------------|-----------------|
| Employees                            | 7 154 000,00        | 7 057 848,00                                       | 6 895 419,53        | -2,30 %         |
| Other                                | 1 354 000,00        | 1 354 635,00                                       | 1 436 154,64        | 6,02 %          |
| Repairs & Maintenance                | 108 000,00          | 543 802,00   | 459 233,16          | -15,55 %        |
| <b>Total Operational Expenditure</b> | <b>8 616 000,00</b> | <b>8 956 285,00</b>                                | <b>8 790 807,33</b> | <b>-1,85 %</b>  |
| Total Operational Revenue            | -8 094 000,00       | -8 722 285,00                                      | -8 748 046,50       | 0,30 %          |
| <b>Net Operational Expenditure</b>   | <b>522 000,00</b>   | <b>234 000,00</b>                                  | <b>42 760,83</b>    | <b>-81,73 %</b> |

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**TABLE 108: FINANCIAL PERFORMANCE (CAPITAL): LIBRARY SERVICES**

| DESCRIPTION                     | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE      |
|---------------------------------|-------------------------|---------------------------|-------------------|---------------|
| Air conditioners                | -                       | 104 767,00                | 104 645,60        | -0,12%        |
| Fencing Libraries Porterville   | -                       | 161 974,00                | 161 973,38        | 0,00%         |
| Shelves/Tables/Office furniture | 20 000,00               | 28 659,00                 | 28 658,91         | 0,00%         |
| <b>TOTAL</b>                    | <b>20 000,00</b>        | <b>295 400,00</b>         | <b>295 277,89</b> | <b>-0,04%</b> |

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## 3.5.1.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

**HIGHLIGHTS**

- The Provincial Library services launched their E-Book app, LIBBY overdrive, a free service for all Western Cape Library service library members;
- Velddrif Library was upgraded during the financial year. Replacing the old ceiling and lights and fixing the roof;
- Regular maintenance and upgrading of libraries were done, amongst other by the fixing of blinds, roofs and ceilings, replacing and fixing of toilets and fixing of bookshelves;
- Thirteen (13) of the fourteen (14) libraries (excluding Versfeld Library) have free internet;
- The libraries support and organize different reading/ book clubs for adults and children;
- Old age homes are visited to exchange books;

- Aftercare groups made regular visits to our libraries to take out books; and
- On READ-ALOUD-DAY and World Literacy Day, the library staff visited as many schools as possible for a storytelling session and to invite the children to visit the library.

#### **CHALLENGES**

- High cost of maintenance of library buildings, since some buildings are ageing and has old electrical light fittings, air conditioners, etc.;
- Bergrivier Municipality has 4 libraries which is not municipal property making maintenance and extension of services difficult;
- It remains difficult to get farm workers and their children to the libraries;
- The distance between libraries makes regular visits by senior management a challenge;
- At times Internet connectivity issues arose at Eendekuil and Redelinghuis, Wittewater and Goedverwacht libraries and aggravated by load-shedding;
- Versfeld library is still without internet and therefore not on the SLIMS-system; and
- The Western Cape Library system, Slims, crashed which led to switching to a manual system to keep the library service going.



Library Displays



Library meeting with all permanent and temporary staff members



All libraries had a World ocean day display



Gender base violence protest.



Valentine's day



Holiday program

3.5.2 MUSEUMS

3.5.2.1 INTRODUCTION

Museums are the functional mandate of the Department of Cultural Affairs and Sport in terms of the Constitution of the Republic of South Africa (1996). Within Bergrivier Municipality, the Community Services Directorate is responsible to liaise with the Provincial Department and Museum Committees. Within our area, the following museums exist:

1. Jan Danckaert Museum
2. Piketberg Museum



### 3. SA Fisheries Museum

The two museums of the Municipality, the Jan Danckaert Museum in Porterville, and the Piketberg Museum, are managed by Museum Committees and are given a grant in aid by the Municipality to cover some of their operational costs. Each museum received R275 000 for the year (2022/2023). The municipality also donated a grant in aid to the SA Fisheries Museum in Velddrif. The Municipality plays an active role on the Museum Committees. The museum service aims to promote respect for cultural diversity in South Africa and appreciation for natural heritage and therefore sets out to build understanding and pride of our diverse varied heritage through the museums.

Although South African museums are facing transformation, like all other institutions, their existence is crucial in that they still play a central role in heritage and tourism. Other important contributions are that of education, social cohesion, and environment, although museums do not see the impact thereof. Arts and culture, which play an inherent part in a diverse community, always uplifts a society; it reflects its history and where it stands in today's demographics. A museum should be integral to any community and can help bind a community.

#### 3.5.2.2 SERVICE STATISTICS

**TABLE 109: MUSEUM VISITS: 2022/2023**

| MUSEUM                      | JULY22     | AUG22      | SEPT22     | OCT22      | NOV 22     | DEC22      | JAN23      | FEB 23      | MAR23      | APR 23     | MAY 23     | JUNE 23    | TOTAL        |
|-----------------------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|--------------|
| Jan Danckaert (Porterville) | 114        | 95         | 172        | 510        | 0          | 0          | 0          | 450         | 22         | 9          | 19         | 150        | <b>1 945</b> |
| Piketberg Museum            | 101        | 174        | 96         | 370        | 59         | 21         | 59         | 391         | 125        | 30         | 42         | 105        | <b>1 573</b> |
| SA Fisheries Museum         | 106        | 178        | 172        | 100        | 80         | 163        | 100        | 256         | 62         | 223        | 60         | 50         | <b>1 550</b> |
| <b>TOTAL</b>                | <b>321</b> | <b>447</b> | <b>440</b> | <b>980</b> | <b>139</b> | <b>184</b> | <b>159</b> | <b>1097</b> | <b>209</b> | <b>262</b> | <b>121</b> | <b>305</b> | <b>5 068</b> |

#### 3.5.2.3 PERFORMANCE HIGHLIGHTS AND CHALLENGES

##### JAN DANKAERT MUSEUM PORTERVILLE

This financial year started off at a very slow pace but ended up being very eventful. We had a full events calendar planned and all delegations needed were in place. Events such as Women's Day during August, Heritage Day during September and our Curriculum based educational programmes were executed successfully and we managed to host our annual Local and Regional Speech contest as planned.

Unfortunately, things took a different turn on Friday 14 October 2022 when part of the museums sealing collapsed on the personnel while they attended a virtual training course presented by the Western Cape Museum Services. After discussion with the Department and the Museum Control Board, it was decided that the museum will close temporarily to the public from 19 October 2022. To ensure the safety of personnel, staff worked from home until the building could be secured. Fortunately, the Municipality could secure the damaged parts and staff could work onsite once again. After delegations with Museum Services, the

Department decided to contact Heritage Western Cape, who came to inspect the building and decided it was not safe to allow the public to enter the building and to secure the safety of the artefacts. It was better to pack up all valuables for storage until it could be determined what will happen next.

A further safety inspection was requested by Heritage Western Cape to be performed by BELCOM on 13 January 2023, and it was again confirmed that access to the public needs to be restricted and the deterioration of the building is caused by incorrect maintenance methods and materials. The Committee suggested that we stay in the building and confirmed that the artefacts would be safe while stored in the building thus the Control Board decided not to spend unnecessary on leasing new infrastructure.

Bergrivier Municipality approved a budget amount of R 500 000 for the 2023/24 and 2024/25 financial year to start with the necessary repair on the building.

The museum team had been focusing on outreach programs, the perseveration and safety of its collection, a detailed inventory of the collection and educational programmes at the local schools. We continued to be one of the active stakeholders in our community and have had active engagements with the public at large on social media.

**Challenges:**

We are experiencing problems with our social media accounts. We do not have the relevant resources for our educational programs such as a projector, printer, transportation, etc. Due to our building being an unsafe space for visitors, the visitors’ statistics went from average to poor.

**Highlights:**

Since we have been closed to the public, we have more time to devote to our outreach and educational programs. We now have more time to share information, learn new things, develop new interests, communicate, make new connections and engaging with the community through social media. Below some photos of events and projects that was launched during the year. It includes National Woman’s Day, Heritage Day, The annual Speech Contest and the Annual Proudly Porterville Art Weekend.



Taking care of the Women, who always care for others on Women’s Day:  
The Home-Based care nurses.



Story-telling evening in celebration of Heritage Day



Proudly Porterville Arts Weekend

**PIKETBERG MUSEUM**

Piketberg Museum’s visitor numbers were higher this year due to projects such as the monthly Last Friday Markets and local groups using the museum as a venue for their meetings and other events. There were also more visiting groups as schools and other organizations fell back into the patterns changed by Covid 19. Examples of such events are the annual Museums Speech Competition hosted by Piketberg Museum, the local MOTH organization having their Remembrance Day Parade at the museum, the Silver Threads group visiting their ‘roots’, the local Garden- and Readers Clubs’ monthly meetings at the museum and Bergrivier Municipality using the venue for training of personnel. The synagogue is also still used as a venue for the monthly blood donation clinics which brings locals to the museum.



During this financial year, the Piketberg Museum Committee focused on the repair and painting of the Jewish Synagogue, a huge project which could not be postponed any longer. The results are amazing!







Other important museum tasks such as conservation, maintenance and research continued and the collection keeps on growing. Marketing on social media and in our local newspaper, Die Piketberger, is still a monthly highlight and the feedback received is very positive. The articles researched and written for the newspaper is published in the archive section of the museum’s website. A new section was also added to the website hosting Piketberg Stories in the form of interviews with locals filmed and placed on the site for visitors to enjoy.



**SA FISHERIES MUSEUM**

The SA Fisheries Museum is pleased to report that in the July 2022 to June 2023 period our stats have shown a marked improvement. We have the hope that this tendency will continue. We are grateful for the Bergrivier Municipality’s continued financial support.

**Museum events and development from July 2022 to June 2023**

Events have taken on a different perspective this year due to the manager having unforeseen medical issues, making working from home the norm. This has curtailed the organizing of events.

Highlights were more surprising additions arriving at the museum and bookings of larger group visits that were handled by the staff.

- In February this year we hosted a tour group from Curro Primary, Durbanville. They were 130 Grade 5 learners and the focus was an itinerary of a visit to the museum, to a fish house in Bokkomlaan and a boat trip on Cracklin’ Rosie. This itinerary is an initiative of the museum to work with other stakeholders in Velddrif. This always proves itself a winner. The friends of the museum prepared a light lunch and

watermelon feast for the 130 youngsters which were sponsored in part by Laaiplek Spar and Sandboskraal Butchery.



- In February an approximately 300-year-old anchor was donated by Enterprise Fishing, Saldanha. Donnie Basson, skipper of the trawler Atlantic Enterprise, presented the artefact to the museum. It attracted attention on the day of arrival. The journalist/presenter Danie Hefers recorded the event and the historic find went into the world as a You Tube actuality on *Weskus Aktueel*.



- Some time back the last small wheelhouse from the crayfish trawler, Karasberg, was also donated to the museum. She has patiently waited for her permanent position and was moved in March by the willing hands from the Eigevis Group to the front of the museum, where she was mounted and the outside was painted by the same team of workers.



- This indigenous herb garden established by Elsje van der Linde, friend of the museum and Xolelani Mkziwana, museum intern, unfortunately had to be hastily relocated to a piece of land on the harbor side of the hotel/museum. We are still expanding the area and the project is ongoing.



3.5.3 COMMUNITY FACILITIES: MUNICIPAL BUILDINGS AND FACILITIES

3.5.3.1 INTRODUCTION

Community facilities include the following:

- Community halls in all towns;
- Public ablution facilities;
- Play Parks;
- Cemeteries;
- Sports Grounds;
- Swimming pools;
- Open spaces & parks; and
- Resorts.

This section deals with community halls specifically.

3.5.3.2 HUMAN RESOURCES CAPACITY

**TABLE 110: HUMAN RESOURCES: COMMUNITY SERVICES**

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 5           | 2               | 3               | 60.00 %     |

3.5.3.3 FINANCIAL PERFORMANCE

**TABLE 111: FINANCIAL PERFORMANCE (OPERATIONAL): COMMUNITY HALLS**

| COMMUNITY HALLS               |                     |  |                     |          |
|-------------------------------|---------------------|--|---------------------|----------|
| DESCRIPTION                   | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE |
| Employees                     | 3 226 900,00        | 3 189 022,00                                       | 3 115 825,79        | -2,30 %  |
| Other                         | 562 900,00          | 417 500,00   | 358 485,85          | -14,14 % |
| Repairs & Maintenance         | 242 000,00          | 165 000,00   | 159 830,89          | -3,13 %  |
| Total Operational Expenditure | <b>4 031 800,00</b> | <b>3 771 522,00</b>                                | <b>3 634 142,53</b> | -3,64 %  |
| Total Operational Revenue     | -183 000,00         | -233 000,00  | -299 904,08         | 28,71 %  |
| Net Operational Expenditure   | <b>3 848 800,00</b> | <b>3 538 522,00</b>                                | <b>3 334 238,45</b> | -5,77 %  |

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**TABLE 112: FINANCIAL PERFORMANCE (CAPITAL): COMMUNITY HALLS**

| DESCRIPTION                          | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL | VARIANCE |
|--------------------------------------|-------------------------|---------------------------|----------------|----------|
| Furniture & Equipment Community Hall | 100 000,00              | 87 687,00                 | 62 888,60      | -28,28 % |
| Security Measures                    | 100 000,00              | 86 083,00                 | 86 082,30      | 0,00 %   |

| DESCRIPTION                  | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE        |
|------------------------------|-------------------------|---------------------------|-------------------|-----------------|
| Upgrading of Community Halls | 200 000,00              | 41 900,00                 | 41 900,00         | 0,00 %          |
| <b>TOTAL</b>                 | <b>400 000,00</b>       | <b>215 670,00</b>         | <b>190 870,90</b> | <b>-11,50 %</b> |

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### 3.5.3.4 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights include:

- The community halls in Velddrif and Piketberg were furnished with additional chairs and tables. This enabled the municipality to close the gap between the seating capacity of the halls and its furniture and equipment.
- The halls in Piketberg, Porterville, Velddrif and Noordhoek were all fitted with alarms. In turn, for each hall an armed response contract was concluded, which significantly bolstered the capacity to deal with potential vandalism and criminality. Consequently, no incidences of vandalism were reported, and no losses were sustained at these specific community halls.

### 3.5.4 CEMETERIES

#### 3.5.4.1 INTRODUCTION

The cemeteries are well maintained in accordance with a maintenance programme that includes weed control and general cleaning. Graves must be paid before an allocation can be made and the grave will be prepared at least 24 hours before the burial service commences.

#### 3.5.4.2 SERVICE STATISTICS

The Municipality has 14 cemeteries and a total of 330 burials took place in 2022/23. New cemeteries in Piketberg and Porterville were commissioned to cater for longer term needs. The new cemetery in Porterville is slowly filling up and we have secure planning permission to extent the existing cemetery.

**TABLE 113: CEMETERIES PER TOWN**

| TOWN         | CEMETERIES | BURIALS 2018/19 | BURIALS 2019/20 | BURIALS 2020/21 | BURIALS 2021/22 | BURIALS 2022/2023 |
|--------------|------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| Piketberg    | 4          | 118             | 152             | 140             | 134             | 136               |
| Aurora       | 1          | 2               | 1               | 7               | 6               | 11                |
| Velddrif     | 3          | 34              | 69              | 51              | 48              | 65                |
| Redelinghuis | 2          | 17              | 8               | 17              | 10              | 10                |
| Eendekuil    | 2          | 13              | 55              | 30              | 12              | 18                |
| Porterville  | 2          | 82              | 110             | 126             | 78              | 90                |
| <b>TOTAL</b> | <b>14</b>  | <b>266</b>      | <b>395</b>      | <b>371</b>      | <b>288</b>      | <b>330</b>        |



## 3.5.4.3 HUMAN RESOURCE CAPACITY

There is one full time staff member in the Velddrif Cemetery and one in the Piketberg Cemetery. Maintenance and development of the other cemeteries are performed by the staff of the Parks section in each town.

**TABLE 114: HUMAN RESOURCES: CEMETERIES**

| NO OF POSTS. | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|--------------|-----------------|-----------------|-------------|
| 3            | 3               | 0               | 0.00 %      |

## 3.5.4.4 FINANCIAL PERFORMANCE

**TABLE 115: FINANCIAL PERFORMANCE (OPERATIONAL): CEMETERIES**

| DESCRIPTION                   | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL    | VARIANCE |
|-------------------------------|---------------------|--|-------------------|----------|
| Employees                     | 603 200,00          | 612 600,00   | 604 112,48        | -1,39 %  |
| Other                         | 580 500,00          | 313 697,00   | 270 613,36        | -13,73 % |
| Repairs & Maintenance         | 60 000,00           | 83 151,00  | 74 133,65         | -10,84 % |
| Total Operational Expenditure | <b>1 243 700,00</b> | <b>1 009 448,00</b>                                | <b>948 859,49</b> | -6,00 %  |
| Total Operational Revenue     | -600 000,00         | -550 000,00  | -513 696,49       | -6,60 %  |
| Net Operational Expenditure   | <b>643 700,00</b>   | <b>459 448,00</b>                                  | <b>435 163,00</b> | -5,29 %  |

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**TABLE 116: FINANCIAL PERFORMANCE (CAPITAL): CEMETERIES**

| DESCRIPTION                        | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL      | VARIANCE       |
|------------------------------------|-------------------------|---------------------------|---------------------|----------------|
| Fence at cemetery (PB)             | -                       | 810 847,00                | 810 822,67          | 0,00 %         |
| Fence new cemetery: Porterville    | 1 000 000,00            | 991 000,00                | 988 651,31          | -0,24 %        |
| Furniture & Equipment - Cemeteries | 20 000,00               | 2 401,00                  | 2 400,53            | -0,02 %        |
| Gravel access roads - cemetery     | 50 000,00               | 121 300,00                | 121 300,00          | 0,00 %         |
| Renewal of Ablution Facilities     | 350 000,00              | 107 649,00                | 107 648,33          | 0,00 %         |
| Tools                              | 20 000,00               | 19 135,00                 | 19 134,40           | 0,00 %         |
| Upgrade entrance and parking       | 50 000,00               | 50 000,00                 | 49 991,46           | -0,02 %        |
| <b>TOTAL</b>                       | <b>1 490 000,00</b>     | <b>2 102 332,00</b>       | <b>2 099 948,70</b> | <b>-0,11 %</b> |

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### 3.5.4.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights include:

- Regular maintenance and upkeep at cemeteries
- Fencing of the Piketberg cemetery; and
- Completion of the boundary wall at the Porterville cemetery.



Boundary wall at Old Cemetery Porterville



Clearvu fencing at Cemetery No. 2 Piketberg

Challenges that still need to be addressed, include:

- Illegal dumping;
- Improved cemetery maintenance and layout; and
- Vandalism at cemeteries.

## 3.6 ENVIRONMENTAL MANAGEMENT

### 3.6.1 POLLUTION CONTROL

Pollution control matters are dealt with by responding to complaints reported to the Municipality as well as through implementation of Municipal By-Laws. There were eleven (11) air quality related complaints reported during the 2022/23 financial year, where the Environmental Management Officer (Bergrivier Municipality's Air Quality Officer) was involved in addressing some of the complaints, those applicable to the Local Municipality.

Air quality complaints mostly relate to odour and noise reported from the community in Velddrif/Laaipek area and related to a local fish factory. Complaints were addressed in conjunction with the manager of the relevant company and the Air Quality Management Office from West Coast District Municipality. Where necessary, the Environmental Health Department from West Coast District Municipality, based in Velddrif, was also involved.

Bergrivier Municipality attends the quarterly West Coast Air Quality Working Group (WCAQWG) meetings where industries are present. Bergrivier Municipality is also part of the Joint Municipal Air Quality Working Group (JMAQWG) and attended quarterly meetings and regular communication with the West Coast District Municipal (WCDM) Air Quality Manager on air quality related matters. The JMAQWG meetings took place on 21 April 2022, 21 July 2022 and 21 November 2022, 23 February 2023 and 25 May 2023.

The Air Pollution Control By-law was revised and presented for public participation. All comments were addressed, the necessary amendments were made, and the by-law was renamed. The Bergrivier Municipality Air Quality By-law was published and promulgated in the Provincial Gazette, No. 8261 on Friday, 3 July 2020.

Bergrivier Municipality attends the quarterly Berg River Estuary Advisory Forum (BEAF) and the Municipal Coastal Committee meetings (MCC) where any coastal pollution concerns and all relevant coastal and estuary matters are discussed, and possible solutions deliberated. Dates for the BEAF meetings during the 2022/23 financial year were on 4 August 2022, 3 November 2022, 16 February 2023 and 18 May 2023. The MCC meetings were held on 24 August 2022, 9 November 2022, 22 February 2023 and 18 May 2023.

On Sunday morning, the 13<sup>th</sup> of November 2022, an Estuary litter clean-up was arranged by CapeNature. The following groups participated, West Coast Canoe Club, CapeNature and Bergrivier Municipality. The clean-up was done by canoe and kayak paddlers, rubber duct and vessel users which collected waste and litter from the Carinus bridge to the Train bridge on and along the Berg River Estuary. A total of 22 bags of refuse/ litter was collected by the team and was dropped off at the Velddrif Yacht club for collection by Bergrivier Municipality.



### 3.6.2 BIODIVERSITY AND CLIMATE CHANGE

#### 3.6.2.1 BIODIVERSITY

The Bergrivier Municipality: Invasive species monitoring, control and eradication plan, June 2020 was adopted in the Mayoral Committee on 11 June 2020. Invasive Species Monitoring, Control and Eradication were implemented during 2021 – 2023 by means of:

- Removal of small patches of clustered blue gum trees in Aurora by community members in conjunction with the Municipality’s Directorate Community Services;
- Dense bush of Manatoka species at the marshland of the Berg River estuary near Rooibaaai launch site in Velddrif was removed by EPWP team arranged by West Coast District Municipality and Bergrivier Municipality’s Directorate Community Services. Transport and disposal of the branches were done by Bergrivier Municipality’s Directorate Technical Services and
- Tender was allocated and Jah Guide Davids Agriculture contractor removed 6.48 hectares of *Eucalyptus cladocalyx* (and hybrids); Sugar gum on Municipal property: Portion of Erf 1002 Porterville between the local hospital and showground. This took place from March until June 2022.



- Removal of the some of the stumps of the treated Eucalyptus trees took place on site: Portion of Erf 1002 (Porterville), by the Technical Directorate from March to May 2023.



### **Coastal and estuarine management:**

The National Environmental Management: Integrated Coastal Management Act, 2008, (Act No. 24 of 2008) aims to establish a system of integrated coastal and estuarine management. This Act places several obligations on municipalities and defines a municipality as being “a metropolitan, district or local municipality established in terms of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)”. In areas where jurisdiction is shared by a district and local municipality, the district municipality is responsible for the implementation of the provisions of this Act, unless the district municipality has by agreement assigned the implementation of any of the provisions of the Act to the local municipality.

Berg River Estuarine Management Plan, as part of the Western Cape Estuary Management Framework and Implementation Plan, was compiled for the Western Cape Government, Department of Environmental Affairs & Development Planning by Anchor Environmental and Royal Haskoning (version 1 and 2 respectively). This current revision of the Draft Berg River Estuarine Management Plan (EMP), including the Situation Assessment and the Management Plan itself, is in response to a review conducted by the Department of Forestry, Fisheries and the Environment: Oceans and Coasts to ensure compliance with the minimum requirements for estuary management plans as per the National Estuarine Management Protocol. Amendments to the National Estuarine Management Protocol was published on 18 June 2021. The Department of Environmental Affairs and Development Planning (DEADP) placed a gazette notice in the Provincial Government Gazette on 28<sup>th</sup> January 2022. The Draft Estuarine Management Plans (EMPs) were available for public representations till 04 March 2022. Comment on the draft Groot Berg River Estuary Draft Estuarine Management Plan, dated August 2021, was provided by Bergrivier Municipality to DEADP.

The Bergrivier Municipality: By-law relating to the Management and Use of the Berg River Estuary was revised and amended and renamed to the Bergrivier Municipality: By-law relating to the Control of Vessels and Boating activities on the Berg River Estuary. The final draft was presented for comment period from 18 June to 17 July 2020. The Bergrivier Municipality: By-law relating to the Control of Vessels and Boating activities on the Berg River Estuary was adopted by Council on 29 September 2020 and promulgated in the Provincial Gazette Extraordinary, no. 8338 on 23 October 2020. Further revision of the by-law is underway. The by-law now referred to as the Bergrivier Municipality By-law relating to the Berg River Estuary Usage Zones was

available and advertised for public representations on 14 March till 16 May 2022. Due to significant changes from the comments received, the By-law was provided for a second round of comment and public participation during 1 September till 4 November 2022. The By-law was then amended according to the relevant and applicable comments received and sent for legal scrutiny by an appointed attorney during the April, May and June 2023.

A memorandum of agreement was in place between Bergrivier Municipality and CapeNature for the reporting period to ensure law enforcement actions and other duties pertaining the Berg River Estuary in accordance with relevant legislation. A grant has been paid to the Western Cape Nature Conservation Board t/a Cape Nature to fulfill functions. Financial support to the amount of R 591 000.00 and an additional grant of R 209 000 for Marker Buoys for the Berg Estuary, were paid for the financial year 1 July 2022 to 30 June 2023.

The Bergrivier Municipality supported by the West Coast District Municipality (WCDM), has reviewed, and updated its 2013 ICMP in line with the requirements of the ICMA and in support of the implementation of the National CMP (2015) and the Western Cape CMP (2016). This updated CMP builds on its previous strengths and successes; is informed by stakeholder engagement; and responds to the requirements of current legal mandates as well as national-, provincial- and municipal policies, strategies and programmes. The Bergrivier Municipality Second Generation Coastal Management Programme, 2019 – 2024 provided by the consultant CES - Leaders in Environmental and Social Advisory Services on 22 Augustus 2019, was adopted by Council in November 2019.

#### 3.6.2.2 CLIMATE CHANGE

National Government acknowledges that there is undisputed evidence that climate change is occurring, and that further climate change is inevitable. South Africa needs to adapt to the impact of climate change by managing its climate and weather-related risks to reduce its vulnerability (National Climate Change Response Strategy: White Paper 2010). Climate change is a cross cutting issue and relies on a coordinated approach.

Strategy advocates that in addition to top-down approaches, a bottom-up approach must be adopted which is informed by local government and their communities. From this it is evident that the Municipality has a defined role to play in the mitigation of and adaptation to the impacts of climate change. The Western Cape is particularly vulnerable to climate change and the hotter drier conditions predicted for the West Coast could have far reaching impacts. The Municipality's local economy is driven by agriculture and there is concern about the negative impacts of climate change on the agricultural sector which will in turn impact on the local economy.

During March 2014 the Municipal Council adopted a Climate Change Adaptation Plan. This plan was developed for the Municipality in partnership with the Climate Change Sub Directorate of the Western Cape Department of Environmental Affairs and Development Planning as part of their Municipal Support Programme. The objective of the Climate Change Adaptation Plan is to identify ways in which the Municipality can respond to the impacts of climate change within the parameters of its powers and functions and its available resources.

Climate change cannot be addressed by any single entity or organisation, and it is imperative that all stakeholders work together proactively to develop a climate resilient Western Cape, South Africa and World. Climate change is not only an environmental issue, it affects people, infrastructure, and the economy, and as such should not be seen as a separate function, but rather a lens through which the Municipality views its functions. Adapting to climate change is therefore not a new function but rather a way of doing the same things in a different way. This equates to mainstreaming climate change into all planning, development and decision making. Funding has been secured during 2021/22 for review of Bergrivier Municipal Climate Change Adaptation Plan in 2022/23.

The appointed Specialist, appointment done during 2022/23, Gondwana Environmental Solutions International (Pty) Ltd is currently busy reviewing and amending the Bergrivier Municipal Climate Change Adaptation Plan, according to the latest legislation and requirements and to include a mitigation section and response plan. Below is an extract from the Tender specification (two- year tender) on this: The climate change needs, and response assessment must:

- (a) identify climate change response considerations and options;*
- (b) analyse the nature and characteristics of the Municipality and the particular and unique climate change needs and risks that arise as a result of such nature and characteristics;*
- (c) identify and spatially map, within the sphere of operations of the Municipality, risks, vulnerabilities, areas, ecosystems and communities that will arise, or that are vulnerable to the impacts of climate change;*
- (d) be based on the best available science, evidence and information; and*
- (e) identify and determine measures and mechanisms to manage and implement the required climate change response.*

The Climate change response implementation plan must:

- (a) be informed by the climate change needs and response assessment;*
- (b) include measures or programmes relating to both adaptation and mitigation in line with the constitutional mandate of the municipality.*

Once this process is completed, foreseen and required by the end of the 2023/24 Municipal financial year, then budget requests can be made at each respective Directorate according to the requirements to be stipulated within the revised plan.

Options for funding sources also be enquired from the Provincial Department of Environmental Affairs and Development Planning (DEA&DP) Climate Change Directorate.

### 3.7 SAFETY AND SECURITY

This part includes traffic and law enforcement services (including licensing and control of animals and control of public nuisances), fire services and disaster management. These services resort within Community Services

Directorate.

### 3.7.1 TRAFFIC AND LAW ENFORCEMENT SERVICES

#### 3.7.1.1 INTRODUCTION

The Traffic Section is responsible for the safety of pedestrian and vehicular Traffic. They are also responsible for awareness and road safety education. This function involves pre-primary, primary and secondary learners, as well as adults in all the different spheres of our community. On the traffic enforcement side, the primary focus is on speed enforcement, public and private transport as well as driving under the influence of alcohol and narcotics. Law-enforcement on the other hand focusses on Municipal by-laws, which includes the control of animals and combatting of public nuisances. The Licensing Section is responsible for Vehicle Registration and Licensing, Learner – and Driver-testing as well as vehicle testing for roadworthiness. The Traffic and Law Enforcement Division is managed by a Chief Traffic Officer, who is assisted by 15 officers (11 Traffic Officers and 5 Law Enforcement Officers), 11 EPWP Law Enforcement Officers, 15 Law Enforcement Advancement Program (LEAP) officers, 5 Chrysalis students, 4 Vehicle licensing officials as well as several support staff.

The four top service delivery priorities are:

- The safe usage of public roads;
- To create a safe and secure environment;
- The enforcement of the National Road Traffic and Land Transportation Act; and
- The enforcement of the Municipal By-Laws.

The responsibility for Licensing (vehicles and drivers) is a function of the Mobility Department of the Western Cape Government, but the Municipality renders this service as an agency of the Department and receives a subsidy to perform these functions on their behalf. Another responsibility is the monitoring of the Informal Trading Industry which consists of 32 informal trading facilities in Piketberg and 20 in Porterville. There are no informal trading facilities in Velddrif.

#### 3.7.1.2 SERVICE STATISTICS

**TABLE 117: TRAFFIC AND BY-LAW INFRINGEMENTS**

| DETAILS   | 2021/2022 | 2022/23 |
|---|-----------|---------|
| Number of by-law infringements attended                                       | 4 154     | 3 984   |
| Number of Traffic and Law enforcement officers in the field on an average day | 28        | 40      |
| Number of Traffic and law enforcement officers on duty on an average day      | 34        | 47      |



TABLE 118: LICENSING TRANSACTIONS

| TRANSACTION                             | 2021/2022 | 2022/23 |
|---|-----------|---------|
| Driving License Transactions            | 10 481    | 12 227  |
| Motor vehicle Registration Transactions | 60 891    | 59 749  |

## 3.7.1.3 HUMAN RESOURCE CAPACITY

There were four funded vacancies in the Traffic, Law Enforcement, Vehicle Licensing and Testing Section as of 30 June 2023.

TABLE 119: HUMAN RESOURCES: TRAFFIC, LAW ENFORCEMENT AND LICENSING

|                             | NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-----------------------------|-------------|-----------------|-----------------|-------------|
| Traffic and Law Enforcement | 23          | 19              | 4               | 17.39 %     |
| Vehicle Licensing           | 7           | 5               | 2               | 60 %        |

## 3.7.1.4 FINANCIAL PERFORMANCE

TABLE 120: FINANCIAL PERFORMANCE (OPERATIONAL): TRAFFIC, LAW ENFORCEMENT

| DESCRIPTION                          | 2022/23 BUDGET       | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL       | VARIANCE       |
|--------------------------------------|----------------------|--|----------------------|----------------|
| Employees                            | 12 486 500,00        | 12 774 774,00                                      | 12 374 689,33        | -3,13 %        |
| Other                                | 20 576 542,00        | 23 001 284,00                                      | 23 307 327,92        | 1,33 %         |
| Repairs & Maintenance                | 340 000,00           | 361 622,00   | 350 600,39           | -3,05 %        |
| <b>Total Operational Expenditure</b> | <b>33 403 042,00</b> | <b>36 137 680,00</b>                               | <b>36 032 617,64</b> | <b>-0,29 %</b> |
| Total Operational Revenue            | -21 262 000,00       | -22 512 635,00                                     | -23 064 602,46       | 2,45 %         |
| <b>Net Operational Expenditure</b>   | <b>12 141 042,00</b> | <b>13 625 045,00</b>                               | <b>12 968 015,18</b> | <b>-4,82 %</b> |

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TABLE 121: FINANCIAL PERFORMANCE (OPERATIONAL) ROADS AND TRAFFIC REGULATION

| DESCRIPTION                          | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE        |
|--------------------------------------|---------------------|--|---------------------|-----------------|
| Employees                            | 1 266 000,00        | 996 688,00   | 782 215,12          | -21,52 %        |
| Other                                | 533 000,00          | 571 225,00   | 529 333,48          | -7,33 %         |
| Repairs & Maintenance                | 18 000,00           | 17 000,00  | 16 578,94           | -2,48 %         |
| <b>Total Operational Expenditure</b> | <b>1 817 000,00</b> | <b>1 584 913,00</b>                                | <b>1 328 127,54</b> | <b>-16,20 %</b> |
| Total Operational Revenue            | -5 788 000,00       | -4 691 000,00                                      | -4 871 128,04       | 3,84 %          |

| DESCRIPTION                 | 2022/23 BUDGET | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL | VARIANCE |
|-----------------------------|----------------|--|----------------|----------|
| Net Operational Expenditure | -3 971 000,00  | -3 106 087,00                                      | -3 543 000,50  | 14,07 %  |

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**TABLE 122: FINANCIAL PERFORMANCE (CAPITAL)**

| DESCRIPTION                                   | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE       |
|---|-------------------------|---------------------------|-------------------|----------------|
| Air conditioners                              | 40 000,00               | 62 049,00                 | 62 048,70         | 0,00 %         |
| Bodycams                                      | 50 000,00               | 48 700,00                 | 48 695,65         | -0,01 %        |
| Bullet Proof Vests                            | 70 000,00               | -                         | -                 |                |
| Firearms                                      | 60 000,00               | 49 566,00                 | 49 565,17         | 0,00 %         |
| Furniture & Equipment - Traffic Department    | 15 000,00               | 13 125,00                 | 11 497,81         | -12,40 %       |
| New Traffic Vehicles                          | 350 000,00              | 371 234,00                | 371 232,80        |                |
| Replacement of garage doors Test pit Velddrif | 100 000,00              | 144 408,00                | 124 408,00        | -13,85 %       |
| Riot Gear                                     | 60 000,00               | -                         | -                 |                |
| Surveillance Cameras - Ward 5                 | 75 000,00               | 74 331,00                 | 74 330,05         | 0,00 %         |
| <b>TOTAL</b>                                  | <b>820 000,00</b>       | <b>763 413,00</b>         | <b>741 778,18</b> | <b>-2,83 %</b> |

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### 3.7.1.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

The Performance highlights for this year include:

- The increasing of patrols, and visibility in all towns by means of regular roadblocks and integrated operations with our partners, the SAPS, Fire Services, EMS, Neighbourhood watches, Provincial Traffic, Department of Environmental Affairs and Forestry and our service provider, Traffic Management Technologies.



INTEGRATED OPERATIONS WITH OUR COMMUNITY SAFETY PARTNERS

- Road Safety awareness and education at schools;



- Integrated operations with SAPS and Home Affairs officials aimed at illegal immigrants and spaza shops.





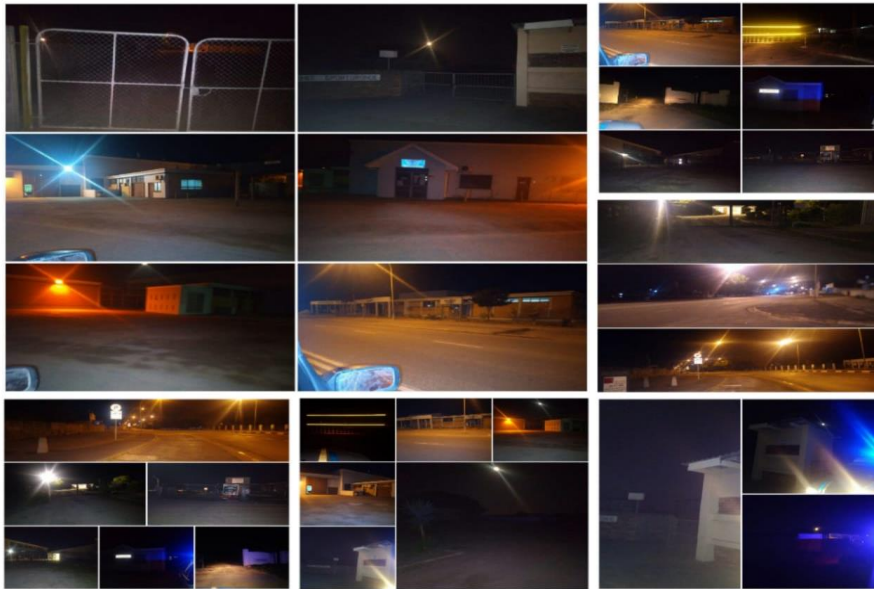
- The removal of illegal structures and occupants;



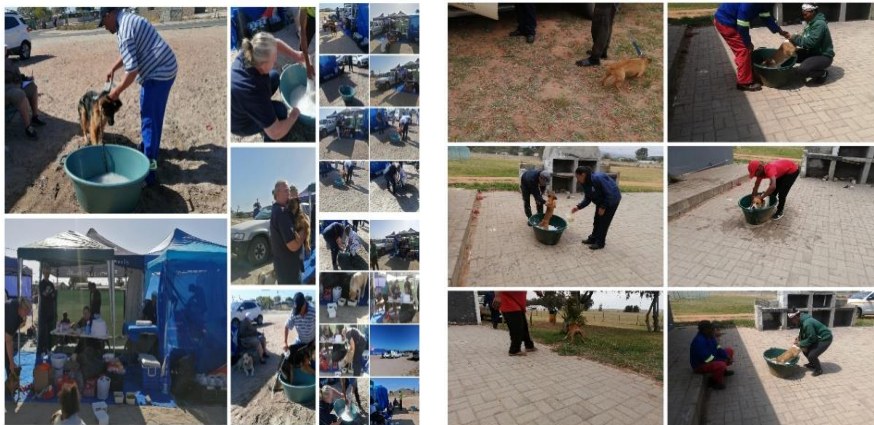
- Traffic and Law Enforcement played their role in the upliftment of the community;



- The protection of Municipal Infrastructure during loadshedding;



- The conducting of animal clinics in cooperation with Swartland SPCA;



- Animal Clinics were held as follows:

|              |   |   |
|--------------|---|---|
| Velddrif     | - | 8 |
| Aurora       | - | 8 |
| Redelinghuis | - | 8 |
| Eendekuil    | - | 8 |

|             |   |   |
|-------------|---|---|
| Porterville | - | 8 |
| Piketberg   | - | 8 |

Challenges that still need to be addressed include:

- Control and lack of specialized knowledge and equipment on noise control;
- Extending services in Motor Registration and Licensing to the smaller towns;
- Shortage of sufficient equipment and resources to address the afterhours speeding challenges;
- Unfunded vacancies on the Organogram to improve service delivery and to ensure efficient Traffic and Municipal Law Enforcement;
- The control and influx of seasonal workers causing a nuisance in public open spaces over weekends; and
- Traffic Patrol vehicle shortages;
- Sufficient manpower during festive season to patrol our resorts and beaches;
- Eskom loadshedding and a possible Total Blackout.

### 3.7.2 FIRE SERVICES AND DISASTER MANAGEMENT

#### 3.7.2.1 INTRODUCTION

In terms of the Disaster Management Amendment Act, 2015 (Act 16 of 2015) “a local municipality must establish capacity for the development and co-ordination of a disaster management plan and the implementation of a disaster management function for the municipality, which forms part of the disaster management plan as approved by the relevant municipal disaster management centre”. To comply with the provisions of the aforementioned Act, Bergrivier Municipality has established a Disaster Management Division. The following interventions have been undertaken:

- The Portfolio committee took note of the Disaster Management Annual Report on 6 September 2023;
- Emergency evacuation plans was compiled for all municipal offices; and
- The summer season preparedness plan for 2023/2024 was submitted to the Portfolio Committee on 4 October 2023.

#### 3.7.2.2 SERVICE STATISTICS

The following tables shows the incidents of different types of fires in the Municipal Area:

**TABLE 123: FIRE STATISTICS**

| BUSH AND GRASS FIRES |        |        |         |        |        |        |        |        |        |        |        |        |
|----------------------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| DESCRIPTION          | JUL 22 | AUG 22 | SEPT 22 | OCT 22 | NOV 22 | DEC 22 | JAN 23 | FEB 23 | MAR 23 | APR 23 | MAY 23 | JUN 23 |
| Aurora               | -      | -      | -       | -      | -      | -      | -      | -      | -      | -      | -      | -      |



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|                 |          |          |          |          |           |          |          |          |          |          |          |          |
|-----------------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|----------|----------|
| Eendekuil       | -        | -        | -        | -        | -         | -        | -        | -        | -        | -        | -        | -        |
| Piketberg       | 2        | 2        | 1        | 4        | 9         | 4        | 3        | 2        | 5        | -        | -        | -        |
| Porterville     | -        | -        | -        | 1        | 7         | 3        | 3        | 4        | 3        | 2        | -        | -        |
| Velddrif        | -        | 1        | 1        | 2        | -         | -        | 2        | -        | 1        | -        | -        | -        |
| Redelinghuis    | -        | -        | -        | -        | -         | -        | -        | -        | -        | 2        | -        | -        |
| <b>SUBTOTAL</b> | <b>2</b> | <b>3</b> | <b>2</b> | <b>8</b> | <b>16</b> | <b>7</b> | <b>8</b> | <b>6</b> | <b>9</b> | <b>4</b> | <b>-</b> | <b>-</b> |

**STRUCTURAL FIRES**

| DESCRIPTION     | JUL 22   | AUG 22   | SEPT 22  | OCT 22   | NOV 22   | DEC 22   | JAN 23   | FEB 23   | MAR 23   | APR 23   | MAY 23   | JUN 23   |
|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Aurora          | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| Eendekuil       | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | 1        | -        |
| Piketberg       | 3        | -        | -        | -        | -        | -        | -        | 1        | -        | 1        | 1        | -        |
| Porterville     | 1        | 1        | -        | 1        | 1        | 1        | -        | 1        | 1        | -        | -        | 2        |
| Velddrif        | 3        | 1        | -        | 2        | -        | 6        | 1        | 1        | -        | 3        | -        | -        |
| Redelinghuis    | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| <b>SUBTOTAL</b> | <b>7</b> | <b>2</b> | <b>-</b> | <b>3</b> | <b>1</b> | <b>7</b> | <b>1</b> | <b>3</b> | <b>1</b> | <b>4</b> | <b>2</b> | <b>2</b> |

**MOTOR VEHICLE ACCIDENTS**

| DESCRIPTION     | JUL 22   | AUG 22   | SEPT 22  | OCT 22   | NOV 22   | DEC 22   | JAN 23   | FEB 23   | MAR 23   | APR 23   | MAY 23   | JUN 2    |
|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Aurora          | -        | -        | -        | 1        | -        | -        | -        | -        | -        | -        | -        | -        |
| Eendekuil       | -        | -        | -        | 2        | -        | -        | -        | -        | -        | -        | -        | -        |
| Piketberg       | 3        | 2        | 3        | 2        | 1        | 3        | 3        | 3        | 1        | 4        | 2        | 2        |
| Porterville     | 2        | 2        | 2        | 1        | -        | 3        | 3        | 3        | 4        | 1        | 2        | 2        |
| Velddrif        | 1        | -        | -        | 2        | 2        | 1        | 1        | 2        | 2        | 3        | -        | -        |
| Redelinghuis    | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| <b>SUBTOTAL</b> | <b>6</b> | <b>4</b> | <b>5</b> | <b>8</b> | <b>3</b> | <b>7</b> | <b>7</b> | <b>8</b> | <b>7</b> | <b>8</b> | <b>4</b> | <b>4</b> |

The statistics have increased from July 2022 – Jun 2023 the previous year.

**TABLE 124: FIRE SAFETY INSPECTIONS FOR THE YEAR UNDER REVIEW 2022/23.**

| INSPECTION TYPE | PBERG | PVILLE | VDRIF | AURORA | E/KUIL | R/HUIS | TOTAL |
|-----------------|-------|--------|-------|--------|--------|--------|-------|
| Businesses      | -     | 1      | 1     | -      | -      | -      | 2     |
| Fuel storage    | 0     | 0      | 0     | 0      | 0      | 0      | 0     |

| INSPECTION TYPE   | PBERG | PVILLE | VDRIF | AURORA | E/KUIL | R/HUIS | TOTAL |
|-------------------|-------|--------|-------|--------|--------|--------|-------|
| Festival areas    | 0     | 0      | 0     | 0      | 0      | 0      | 0     |
| Flammable storage | 3     | 1      | 3     | 0      | 0      | 0      | 7     |
| Building plans    | 11    | 0      | 10    | 0      | 0      | 0      | 21    |
| Fire permits      | 51    | 101    | -     | -      | 11     | 2      | 165   |

### 3.7.2.3 HUMAN RESOURCE CAPACITY

Since the 2019/2020 financial year Mr. Harry Benson is acting Head Disaster Management with 9 contract workers, 24 standby personnel and 2 Chrysalis students. The following people assisted with the function for the year 2022/23:

- 9 x Expanded Public Works Personnel (EPWP);
- 2 x Chrysalis students; and
- 24 x Municipal paid standby personnel.

Currently all towns deliver a 07:30 – 16:30 function with the standby personnel on standby from 16:30 – 07:30 and over weekends.

#### **Staff limitations**

Bergrivier Municipality's Disaster Management Department is limited in carrying out its functions according to the Disaster Management Act, 2002 (Act 57 of 2002) due to the lack of suitably qualified and skilled personnel. This places the Municipality and the community at risk should a serious incident or disaster occur. There is a serious need for permanent suitably qualified staff to assist with the function. This has been escalated to the Western Cape Disaster Management Centre, via the West Coast District Disaster Centre to address the human resource capacity as matter of urgency.

### 3.7.2.4 FINANCIAL PERFORMANCE

The cost of the fire service can vary drastically from year to year depending on the number of incidents. Provision is always made for the worst-case scenario.

**TABLE 125: FINANCIAL PERFORMANCE  
(OPERATIONAL): FIRE SERVICES AND DISASTER MANAGEMENT**

| DESCRIPTION                   | 2022/23 BUDGET      | 2022/23 ADJUSTED BUDGET | ACTUAL 2022/23      | VARIANCE       |
|-------------------------------|---------------------|-------------------------|---------------------|----------------|
| Employees                     | 1 955 150,00        | 1 566 000,00            | 1 448 548,66        | -7,50 %        |
| Other                         | 1 454 000,00        | 1 164 594,00            | 1 136 911,53        | -2,38 %        |
| Repairs & maintenance         | 145 000,00          | 155 000,00              | 127 907,85          | -17,48 %       |
| Total Operational Expenditure | <b>3 554 150,00</b> | <b>2 885 594,00</b>     | <b>2 713 368,04</b> | <b>-5,97 %</b> |
| Total Operational Revenue     | -5 000,00           | -5 000,00               | -5 794,43           | 15,89 %        |
| Net Operational Expenditure   | <b>3 549 150,00</b> | <b>2 880 594,00</b>     | <b>2 707 573,61</b> | <b>-6,01 %</b> |

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**TABLE 126: FINANCIAL PERFORMANCE (CAPITAL): FIRE AND DISASTER MANAGEMENT**

| DESCRIPTION          | 2022/23 BUDGET    | 2022/23 ADJUSTMENT BUDGET | ACTUAL 2022/23    | VARIANCE      |
|----------------------|-------------------|---------------------------|-------------------|---------------|
| Firefighting Vehicle | 240 000,00        | 222 304,00                | 222 303,81        | 0,00 %        |
| <b>TOTAL</b>         | <b>240 000,00</b> | <b>222 304,00</b>         | <b>222 303,81</b> | <b>0,00 %</b> |

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### 3.7.2.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights for the year include:

- 234 x fire prevention inspections were performed throughout the municipal area;
- Fire safety and emergency evacuation talks were arranged throughout the year at various schools and institutions.
- High Voltage vehicle battery and related components firefighter training where received.
- 7 EPWP fire fighters received first aid training by EMS.

Challenges that still need to be addressed include:

- The lack of qualified firefighting and disaster management personnel;
- Shortage of funding to purchase equipment;
- The lack of a 24-hour emergency dispatch centre;
- The lack of a single emergency number for Bergrivier Municipality; and
- The lack of dedicated fire stations and Hazmat equipment.



PHOTO GALLERY 2022/2023

### 3.8 COMMUNITY SERVICES

#### 3.8.1 COMMUNITY SERVICES (PARKS AND OPEN SPACES)

##### 3.8.1.1 INTRODUCTION

The Municipality is responsible for all public parks and open spaces, which are important for the conservation of our biodiversity as well as the aesthetic appearance of our towns.

##### 3.8.1.2 SERVICE STATISTICS

**TABLE 127: PARKS AND OPEN SPACES**

| TOWN         | PARKS AND OPEN SPACES (HA) | PLAY PARKS (NR) |
|--------------|----------------------------|-----------------|
| Piketberg    | 26.4                       | 7               |
| Aurora       | 1.4                        | 1               |
| Dwarskersbos | 0.5                        | 0               |

| TOWN         | PARKS AND OPEN SPACES (HA) | PLAY PARKS (NR) |
|--------------|----------------------------|-----------------|
| Velddrif     | 19.9                       | 2               |
| Redelinghuis | 0.1                        | 1               |
| Eendekuil    | 0.5                        | 2               |
| Porterville  | 4.8                        | 2               |
| <b>TOTAL</b> | <b>53.6</b>                | <b>15</b>       |

### 3.8.1.3 HUMAN RESOURCE CAPACITY

**TABLE 128 HUMAN RESOURCES: COMMUNITY PARKS**

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 27          | 24              | 3               | 11.11 %     |

### 3.8.1.4 FINANCIAL PERFORMANCE

**TABLE 129: FINANCIAL PERFORMANCE (OPERATIONAL): PARKS AND OPEN SPACES**

| DESCRIPTION                   | 2022/23 BUDGET       | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE |
|-------------------------------|----------------------|--|---------------------|----------|
| Employee                      | 7 296 814,00         | 5 777 525,00                                       | 5 230 916,87        | -9,46 %  |
| Other                         | 2 382 100,00         | 2 303 431,00                                       | 2 372 785,32        | 3,01 %   |
| Repairs & Maintenance         | 420 000,00           | 477 963,00   | 435 591,56          | -8,87 %  |
| Total Operational Expenditure | <b>10 098 914,00</b> | <b>8 558 919,00</b>                                | <b>8 039 293,75</b> | -6,07 %  |
| Total Operational Revenue     | -186 000,00          | -100 000,00  | -115 261,04         | 15,26 %  |
| Net Operational Expenditure   | <b>9 912 914,00</b>  | <b>8 458 919,00</b>                                | <b>7 924 032,71</b> | -6,32 %  |

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**TABLE 130: FINANCIAL PERFORMANCE (CAPITAL): PARKS AND OPEN SPACES**

| DESCRIPTION            | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL | VARIANCE  |
|------------------------|-------------------------|---------------------------|----------------|-----------|
| 4 Ton Tipper (VD & PB) | 200 000,00              | -                         | -              |           |
| Benches - open spaces  | 45 000,00               | 33 427,00                 | 33 426,09      | 0,00 %    |
| Brush Cutter           | 50 000,00               | 34 105,00                 | 34 104,42      | 0,00 %    |
| Fencing                | 650 000,00              | -                         | -              |           |
| Furniture & Equipment  | 15 000,00               | 6 489,00                  | 6 488,44       | -0,01 %   |
| Public Toilets (PV)    | 100 000,00              | 34 400,00                 | 34 400,00      | 0,00 %    |
| Ride-on Lawnmowers     | 200 000,00              | 1,00                      | -              | -100,00 % |
| Spraying Can           | 150 000,00              | 169 400,00                | 169 400,00     | 0,00 %    |

| DESCRIPTION                  | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE      |
|------------------------------|-------------------------|---------------------------|-------------------|---------------|
| Truck 1.5 Ton                | 450 000,00              | 459 000,00                | 432 056,99        | -5,87 %       |
| Upgrading of Community Parks | 100 000,00              | 97 120,00                 | 97 119,25         | 0,00 %        |
| <b>TOTAL</b>                 | <b>1 960 000,00</b>     | <b>833 942,00</b>         | <b>806 995,19</b> | <b>-3,23%</b> |

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3.8.1.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Challenges that still need to be addressed, include:

- The vandalism of play equipment in parks;
- Shortage of staff in all towns; and
- Shortage and poor quality of machinery and equipment.

Highlights:

- Various play parks have been upgraded in Piketberg, Velddrif and Porterville.
- The upgrade of the play parks included new play equipment and seating benches. Play parks were equipped with steel equipment, which will enhance the lifespan of our parks.
- Parks and open spaces and adjacent sidewalks are maintained right through the year, and this ensures the aesthetic appearance of our towns and promote a healthy environment.



▪ New Play park in Porterville



Maintenance at Pella Park Porterville



Regular maintenance at open spaces and side walks



### 3.8.2 SPORT FIELDS AND SWIMMING POOLS

#### 3.8.2.1 INTRODUCTION

Bergrivier Municipality has 3 swimming pools, namely one in Porterville and 2 in Piketberg. All 3 swimming pools are seasonally operated, during the summer months. The swimming pool facilities are for the benefit of residents within the area of Bergrivier Municipality, where it can get very hot during the summer months.

#### 3.8.2.2 FINANCIAL PERFORMANCE

**TABLE 131: FINANCIAL PERFORMANCE (OPERATIONAL): SWIMMING POOLS**

| DESCRIPTION                   | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL    | VARIANCE |
|-------------------------------|---------------------|--|-------------------|----------|
| Employee Related Costs        | 832 600,00          | 689 907,00   | 699 641,01        | 1,41 %   |
| Other Expenditure             | 245 400,00          | 299 083,00   | 162 043,30        | -45,82 % |
| Repairs & Maintenance         | 101 000,00          | 126 948,00   | 102 968,16        | -18,89 % |
| Total Operational Expenditure | <b>1 179 000,00</b> | <b>1 115 938,00</b>                                | <b>964 652,47</b> | -13,56 % |
| Total Operational Revenue     | -12 000,00          | -20 000,00   | -18 816,01        | -5,92 %  |
| Net Operational Expenditure   | <b>1 167 000,00</b> | <b>1 095 938,00</b>                                | <b>945 836,46</b> | -13,70 % |

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**TABLE 132: FINANCIAL PERFORMANCE (CAPITAL) SWIMMING POOLS**

| DESCRIPTION                     | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL   | VARIANCE      |
|---------------------------------|-------------------------|---------------------------|------------------|---------------|
| Replace pumps at swimming pools | 100 000,00              | 52 102,00                 | 52 101,84        | 0,00 %        |
| TOTAL                           | <b>100 000,00</b>       | <b>52 102,00</b>          | <b>52 101,84</b> | <b>0,00 %</b> |

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#### 3.8.2.3 PERFORMANCE HIGHLIGHTS AND CHALLENGES

The swimming pools provided respite during the dry summer months. A recurring challenge remains the water scarcity and much needed upgrading of the buildings and pool infrastructure. During the last financial year, the swimming pools in Piketberg were not in use. In case of the Loop Street pool, significant upgrading must be done, after the illegal occupants in the clubhouse were evicted. Similarly, big upgrades are required at the Acacia Street pool, since the fibre-lining has come loose. These upgrades are envisaged for the 2022/23 financial year.

### 3.8.3 SPORT DEVELOPMENT

#### 3.8.3.1 INTRODUCTION

This section focuses on sports development, the submission of funding applications for the creation of new or the upgrading of existing facilities, and the liaison with organised sporting bodies within Bergrivier Municipal Area. Porterville, Piketberg, Velddrif, Redelinghuis, Eendekuil, Aurora, Goedverwacht and Wittewater all have

Local Sports Councils that manage the sport facilities and who contribute to sport development. The Municipality supports these Sport Councils through an annual grant and by maintaining and upgrading the facilities on an on-going basis. Various facilities were improved through maintenance activities and the execution of secure fencing initiatives.



Maintenance at Facilities: Smit Park Sportsgrounds in Velddrif



Clearvu fencing at Watsonia Sportgrounds



Clearvu fencing at B-Field Porterville

### 3.8.3.2 SERVICE STATISTICS

The following table indicates the sports facilities- and sport-codes in each town. It must be noted that the Piketberg and De Hoek golf courses are privately owned and not maintained by the Municipality. The Porterville and Velddrif golf courses, bowls facilities and pigeon clubs are municipal property, but a formal lease agreement was signed between clubs that governs the relationships with the municipality.

**TABLE 133: SPORT FACILITIES AND CODES**

| TOWN         | FACILITY   |
|--------------|--|
| Piketberg    | Rugby/ Athletics/Soccer/ Netball / swimming and cricket/Racing pigeons                 |
| Aurora       | Rugby / Soccer / Netball   |
| Dwarskersbos | Tennis   |
| Velddrif     | Tennis / Netball / Rugby / Soccer/ Cricket / Bowls / Golf / Athletics / Racing pigeons |
| Redelinghuis | Rugby / Soccer / Athletics / Netball   |

| TOWN         | FACILITY  |
|--------------|---|
| Eendekuil    | Rugby / Soccer / Tennis / Netball / Athletics                   |
| Porterville  | Rugby / Soccer / Athletics / Tennis / Netball / Golf / swimming |
| Goedverwacht | Rugby/ Chess  |
| Wittewater   | Rugby/Netball/Soccer  |

### 3.8.3.3 FINANCIAL PERFORMANCE

**TABLE 134: FINANCIAL PERFORMANCE (OPERATIONAL): SPORT FIELDS**

| DESCRIPTION                        | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE |
|------------------------------------|---------------------|--|---------------------|----------|
| <b>SPORTS GROUNDS AND STADIUMS</b> |                     |  |                     |          |
| Employee Related Costs             | 1 682 250,00        | 1 690 000,00                                       | 1 342 136,60        | -20,58 % |
| Other Expenditure                  | 2 187 000,00        | 1 927 244,00                                       | 3 350 714,94        | 73,86 %  |
| Repairs & Maintenance              | 263 500,00          | 515 592,00   | 353 940,82          | -31,35 % |
| Total Operational Expenditure      | <b>4 132 750,00</b> | <b>4 132 836,00</b>                                | <b>5 046 792,36</b> | 22,11 %  |
| Total Operational Revenue          | -                   | -  | -172 681,93         |          |
| Net Operational Expenditure        | <b>4 132 750,00</b> | <b>4 132 836,00</b>                                | <b>4 874 110,43</b> | 17,94 %  |

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**TABLE 135: FINANCIAL PERFORMANCE (CAPITAL) SPORT FIELDS**

| DESCRIPTION                                      | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL      | VARIANCE       |
|--|-------------------------|---------------------------|---------------------|----------------|
| Fencing Watsonia Sportsgrounds                   | 500 000,00              | 1 153 224,00              | 1 153 223,16        | 0,00 %         |
| Furniture & Equipment                            | 20 000,00               | 13 002,00                 | 12 577,39           | -3,27 %        |
| Irrigation Equipment                             | 25 000,00               | 6 653,00                  | 6 652,50            | -0,01 %        |
| Irrigation Pumps                                 | 50 000,00               | 61 233,00                 | 61 233,00           | 0,00 %         |
| Mobile Pavilions                                 | 200 000,00              | 390 839,00                | 390 838,45          | 0,00 %         |
| Pitch Covers (PB)                                | 30 000,00               | 25 800,00                 | 25 800,00           | 0,00 %         |
| Replace lights at sport fields                   | 500 000,00              | 496 108,00                | 496 107,04          | 0,00 %         |
| Tools  | 60 000,00               | 47 858,00                 | 47 856,36           | 0,00 %         |
| Upgrade of New Buildings (Goldsmidt Sport field) | 400 000,00              | 69 000,00                 | 69 000,00           | 0,00 %         |
| Upgrading Sportgrounds                           | 200 000,00              | 509 803,00                | 500 416,51          | -1,84 %        |
| <b>TOTAL</b>                                     | <b>1 985 000,00</b>     | <b>2 773 520,00</b>       | <b>2 763 704,41</b> | <b>-0,35 %</b> |

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3.8.3.4 PERFORMANCE HIGHLIGHTS

Performance highlights of the year include:

3.8.3.4.1 SPORTS DAY

Various sports events and activities were hosted across the Bergrivier Municipal area throughout the financial year. The support and promotion of sporting codes have many beneficial impacts on our society. Safe and constructive physical activity contributes to our wellbeing with the added impact these events have on the local economy and tourism sector.



Fish Factory Tournament at Smit Park Velddrif 28 & 29 October 2022



West Coast Golden Games at Rosenhof Moorreesburg - 3 November 2022



Sport Trust Summer Festival at Org De Rac 10 December 2022



West Coast Canoe Challenge 28 January 2023



Bergrivier Golden Games at Rhino Park Piketberg 21 June 2023



Boland vs SWD at Pella Park Porterville 20 May 2023



Bergrivier Canoe Marathon  
6-9 July 2022

The Golden Games is an annual tournament for older people active in sports. It serves to provide a space for senior citizens to socially interact with one another, and to participate in lively recreational activities. These games aim to enhance the quality of life of older persons, improve their health and encourage them to embrace ‘active aging’. In addition, the objective for the Bergrivier Golden Games Social Joyful Day is to encourage senior citizens to be active and promote longer life through participation in sports. Participants representing their clubs took part in a number of activities and fun games, ranging from track athletics to Jukskei, duck walk, dress up, ball throwing and for those in wheelchairs, washing pegs. Every activity is set up for a variety of level in relation to fitness and ability. The participants competed in two age groups, 60-65 years and 70 and older.

| No | EVENT NAME                  | DATE                 | VENUE                               |
|----|-----------------------------|----------------------|-------------------------------------|
|    | Fish Factory Tournament     | 28 & 29 October 2022 | Smit Park Sportsgrounds             |
|    | West Coast Golden Games     | 3 November 2022      | Rosenhof Sportsgrounds Moorreesburg |
|    | Sport Trust Summer Festival | 21 June 2023         | Org De Rac                          |
|    | Boland vs SWD               | 20 May 2023          | Pella Park Porterville              |
|    | Bergrivier Canoe Marathon   | 6-9 July 2022        | Bergrivier                          |
|    | West Coast Canoe Challenge  | 28 January 2023      | Bergrivier                          |
|    | Bergrivier Golden Games     | 21 June 2023         | Rhino Park Piketberg                |

## PROJECTS

During the financial year a number of projects were completed, namely:

1. Clearvu fencing at Watsonia Sport grounds;
2. Clearvu fencing at B-Field Porterville; and
3. Maintenance at Facilities: Smit Park Sportsgrounds in Velddrif.

3.8.4 RECREATIONAL RESORTS

3.8.4.1 INTRODUCTION

The Municipality has 2 beach/recreational resorts, namely Stywelyne (Laaiplek) and Dwarskersbos. The historical Pelican holiday resort has been developed into a public beach, solely for day-camping purposes. The Municipality manages the resorts itself and strives to always maintain a high standard, as these facilities contribute significantly to the tourism sector.



Regular Maintenance at Holiday Resorts

3.8.4.2 SERVICE STATISTICS

The resorts are well utilized during summer months. Visitor statistics are derived from the Resort Management System and is contained in the table below:

**TABLE 136: UTILISATION OF RECREATION RESORTS (VISITORS PER MONTH)**

| BOOKINGS            | JUL 22 | AUG 22 | SEPT 22 | OCT 22 | NOV 22 | DEC 22 | JAN 23 | FEB 23 | MAR 23 | APR 23 | MAY 23 | JUN 23 | TOTAL        |
|---------------------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------------|
| <b>STYWELYNE</b>    |        |        |         |        |        |        |        |        |        |        |        |        |              |
| Sea View (7)        | 71     | 69     | 73      | 68     | 76     | 108    | 118    | 58     | 73     | 72     | 127    | 104    | <b>1 017</b> |
| Flats (6)           | 29     | 98     | 87      | 88     | 112    | 104    | 61     | 26     | 52     | 40     | 92     | 69     | <b>858</b>   |
| Camping Sites (54)  | 35     | 35     | 31      | 83     | 49     | 387    | 127    | 57     | 121    | 212    | 155    | 6      | <b>1 298</b> |
| <b>DWARSKERSBOS</b> |        |        |         |        |        |        |        |        |        |        |        |        |              |
| Cottages (5)        | 57     | 65     | 35      | 51     | 32     | 83     | 51     | 38     | 28     | 49     | 46     | 35     | <b>570</b>   |



| BOOKINGS            | JUL 22 | AUG 22 | SEPT 22 | OCT 22 | NOV 22 | DEC 22 | JAN 23 | FEB 23 | MAR 23 | APR 23 | MAY 23 | JUN 23 | TOTAL |
|---------------------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| Flats (12)          | 106    | 83     | 71      | 162    | 131    | 154    | 111    | 100    | 77     | 77     | 123    | 60     | 1 125 |
| Camping Sites (154) | 210    | 249    | 414     | 556    | 434    | 2023   | 593    | 722    | 840    | 938    | 279    | 226    | 7484  |
| <b>TOTAL</b>        | 373    | 397    | 520     | 769    | 597    | 2260   | 755    | 860    | 945    | 1064   | 448    | 321    | 9179  |

3.8.4.3 HUMAN RESOURCE CAPACITY

**TABLE 137: HUMAN RESOURCES: RECREATION RESORTS**

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 23          | 21              | 2               | 8,70 %      |

3.8.4.4 FINANCIAL PERFORMANCE

**TABLE 138: FINANCIAL OPERATING BUDGET – RECREATION RESORTS**

| DESCRIPTION                          | 2022/23 BUDGET      | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL      | VARIANCE |
|--------------------------------------|---------------------|--|---------------------|----------|
| <b>HOLIDAY RESORTS</b>               |                     |  |                     |          |
| Employee Related Costs               | 4 085 300,00        | 4 311 501,00                                       | 4 013 283,01        | -6,92 %  |
| Other Expenditure                    | 2 701 000,00        | 2 174 770,00                                       | 2 526 585,51        | 16,18 %  |
| Repairs & Maintenance                | 258 000,00          | 450 000,00   | 425 870,89          | -5,36 %  |
| <b>Total Operational Expenditure</b> | <b>7 044 300,00</b> | <b>6 936 271,00</b>                                | <b>6 965 739,41</b> | 0,42 %   |
| Total Operational Revenue            | -5 420 000,00       | -5 193 869,00                                      | -5 717 248,46       | 10,08 %  |
| <b>Net Operational Expenditure</b>   | <b>1 624 300,00</b> | <b>1 742 402,00</b>                                | <b>1 248 490,95</b> | -28,35 % |

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**TABLE 139: FINANCIAL PERFORMANCE (CAPITAL) RECREATION RESORTS**

| DESCRIPTION                             | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL | VARIANCE |
|---|-------------------------|---------------------------|----------------|----------|
| Furniture & Equipment - Holiday Resorts | 200 000,00              | 181 036,00                | 159 335,97     | -11,99 % |
| Pelican Beach Resort Development        | 500 000,00              | 472 690,00                | 472 689,74     | 0,00 %   |
| Tools and Equipment                     | 30 000,00               | 15 660,00                 | 15 659,13      | -0,01 %  |
| Upgrading of resorts                    | 150 000,00              | 36 000,00                 | 36 000,00      | 0,00 %   |

| DESCRIPTION  | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE       |
|--------------|-------------------------|---------------------------|-------------------|----------------|
| <b>TOTAL</b> | <b>880 000,00</b>       | <b>705 386,00</b>         | <b>683 684,84</b> | <b>-3,08 %</b> |

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### 3.8.4.5 PERFORMANCE HIGHLIGHTS AND CHALLENGES

Performance highlights for the year include:

- Maintenance of ablution facilities and sea view houses;
- Replacement of outdated furniture in all chalets;
- Steady increase in revenue.

Challenges

- Break-ins and vandalism; and
- The resorts are still operating at a loss.



## 3.9 EXECUTIVE, CORPORATE AND FINANCIAL SERVICES

### 3.9.1 EXECUTIVE AND COUNCIL

#### 3.9.1.1 INTRODUCTION

The Executive and Council comprise the Municipal Council and its support staff as well as the Office of the Municipal Manager which includes the Strategic Services Department and Internal Audit Unit. The activities of this section are detailed under Governance (Chapter 2).

#### 3.9.1.2 HUMAN RESOURCES

There were no employee or Councillor vacancies as on 30 June 2023.

**TABLE 140: HUMAN RESOURCES: THE EXECUTIVE AND COUNCIL**

|             | NO OF POSTS | NO OF EMPLOYEES / COUNCILLORS | NO OF VACANCIES | VACANCIES % |
|-------------|-------------|-------------------------------|-----------------|-------------|
| Employees   | 3           | 3                             | 0               | 0 %         |
| Councillors | 13          | 13                            | 0               | 0 %         |

## 3.9.1.3 FINANCIAL PERFORMANCE

**TABLE 141: FINANCIAL PERFORMANCE (OPERATIONAL): THE EXECUTIVE AND COUNCIL**

| DESCRIPTION                          | 2022/23 BUDGET       | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL       | VARIANCE       |
|--------------------------------------|----------------------|--|----------------------|----------------|
| Employee Related Costs               | 1 405 000,00         | 1 453 000,00                                       | 1 394 701,60         | -4,01 %        |
| Other Expenditure                    | 9 197 000,00         | 10 039 800,00                                      | 9 129 673,93         | -9,07 %        |
| <b>Total Operational Expenditure</b> | <b>10 602 000,00</b> | <b>11 492 800,00</b>                               | <b>10 524 375,53</b> | <b>-8,43 %</b> |
| Total Operational Revenue            | -733 000,00          | -733 000,00  | -733 000,00          | 0,00 %         |
| <b>Net Operational Expenditure</b>   | <b>9 869 000,00</b>  | <b>10 759 800,00</b>                               | <b>9 791 375,53</b>  | <b>-9,00 %</b> |

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**TABLE 142: FINANCIAL PERFORMANCE (CAPITAL): THE EXECUTIVE AND COUNCIL**

| DESCRIPTION                          | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE       |
|--------------------------------------|-------------------------|---------------------------|-------------------|----------------|
| Diverse office furniture & equipment | 120 000,00              | 139 000,00                | 132 991,42        | -4,32 %        |
| <b>TOTAL</b>                         | <b>120 000,00</b>       | <b>139 000,00</b>         | <b>132 991,42</b> | <b>-4,32 %</b> |

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## 3.9.2 FINANCIAL SERVICES

## 3.9.2.1 INTRODUCTION

The Financial Services Directorate is responsible for the Budget and Treasury Office, Revenue Management, Expenditure Management and Supply Chain Management. The Department is also responsible for the Valuation Roll. The activities of this section are detailed under Financial Performance (Chapter 5).

## 3.9.2.2 HUMAN RESOURCES

There were 6 vacancies in the Financial Services Directorate as at 30 June 2023.

**TABLE 143: HUMAN RESOURCES: FINANCIAL SERVICES**

| NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-------------|-----------------|-----------------|-------------|
| 47          | 41              | 6               | 12.77 %     |

## 3.9.2.3 FINANCIAL PERFORMANCE

**TABLE 144: FINANCIAL PERFORMANCE (OPERATIONAL): FINANCIAL SERVICES**

| DESCRIPTION | 2022/23 BUDGET | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL | VARIANCE |
|-------------|----------------|--|----------------|----------|
| Employees   | 12 641 500,00  | 10 914 000,00                                      | 10 523 433,92  | -3,58 %  |

| DESCRIPTION                          | 2022/23 BUDGET        | FINAL 2022/23 BUDGET (INCL ADJUSTMENT & VERIMENTS) | 2022/23 ACTUAL         | VARIANCE       |
|--------------------------------------|-----------------------|--|------------------------|----------------|
| Other                                | 19 851 000,00         | 19 496 988,00                                      | 16 869 105,26          | -13,48 %       |
| Repairs & Maintenance                | 58 000,00             | 52 000,00  | 40 851,93              | -21,44 %       |
| <b>Total Operational Expenditure</b> | <b>32 550 500,00</b>  | <b>30 462 988,00</b>                               | <b>27 433 391,11</b>   | <b>-9,95 %</b> |
| Total Operational Revenue            | -114 380 236,00       | -120 743 761,00                                    | -129 572 774,43        | 7,31 %         |
| <b>Net Operational Expenditure</b>   | <b>-81 829 736,00</b> | <b>-90 280 773,00</b>                              | <b>-102 139 383,32</b> | <b>13,14 %</b> |

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**TABLE 145: CAPITAL EXPENDITURE: FINANCIAL SERVICES**

| DESCRIPTION                     | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL    | VARIANCE       |
|---------------------------------|-------------------------|---------------------------|-------------------|----------------|
| Furniture & Equipment - Finance | 50 000,00               | 52 210,00                 | 52 073,67         | -0,26 %        |
| Replacement of computers        | 100 000,00              | 105 405,00                | 105 405,00        |                |
| Vehicle                         | 200 000,00              | 192 385,00                | 192 384,65        | 0,00 %         |
| Vesta - Phoenix (CR)            | 610 000,00              | 145 123,00                | 145 123,00        | 0,00 %         |
| <b>TOTAL</b>                    | <b>960 000,00</b>       | <b>495 123,00</b>         | <b>494 986,32</b> | <b>-0,03 %</b> |

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### 3.9.3 HUMAN RESOURCE SERVICES

#### 3.9.3.1 INTRODUCTION

Human Resource Management falls within the Corporate Services Directorate. Human Resource Services are responsible for human resource management, labour relations, training and development and occupational health and safety. The activities of this section are detailed under Organisational Development Performance (Chapter 4).

#### 3.9.3.2 HUMAN RESOURCES

There was no vacancy in this financial year.

**TABLE 146: HUMAN RESOURCES: HUMAN RESOURCE SERVICES**

| NO OF POSITIONS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|-----------------|-----------------|-----------------|-------------|
| 6               | 6               | 0               | 0 %         |

Human Resources had a capital budget of R 37 200.00 for the 2022/2023 financial year of which R 37 170.42 was spent, which results in a 99.92 % spending.

### 3.9.4 ADMINISTRATION AND LEGAL SUPPORT SERVICES

#### 3.9.4.1 INTRODUCTION

Administration and Legal Support Services is a department within the Directorate Corporate Services which forms an integral part of the daily operations within the municipal context. Our ultimate aim is to reach the strategic objectives of the Municipality.

The department broadly consists of the following sub-divisions:

- Secretariat and Records
- Records and Archives
- Client Services
- Information Communication Technology
- Legal Support Services

#### **Secretariat and Records**

This sub-division deals with a wide variety of functions, including but not limited to:

- Ensuring timeous compilation and distribution of agendas of meetings in accordance with a pre-determined schedule;
- Ensuring the proper drafting of notices;
- Ensuring proper keeping of minutes of meetings; and
- Ensuring timeous delivery of official documents, agendas and minutes to Management and Councillors.

#### **Records and Archives**

The aim of the Records and Archives division is to:

- Ensure that good records keeping, and good records management are maintained;
- To implement the Records Management Policy in order to ensure that information contained in records is managed effectively throughout the municipality;
- Ensure that good records keeping, and good records management practices are adhered and maintained to on a daily basis.

#### **Client Services**

The Client Services section focusses on improving clients' service experience, to create an engaged customer by taking ownership of client issues and following-through on it until it is resolved. The section also includes an office cleaning team who provides friendly service while assisting with the tidiness of Municipal buildings.

#### **Information Communication Technology**

Information is a key resource for all enterprises, and throughout the whole lifecycle of information there is a

huge dependency on technology. Information and related information technologies are pervasive in enterprises and they need to be governed and managed in a holistic manner, taking in the full end-to-end business and IT functional areas of responsibility.

Today, more than ever, the Municipality need to achieve increased:

- Value creation throughout the Municipality;
- User satisfaction with IT engagement and services;
- Compliance with relevant laws, regulations and policies and
- Building Smart Cities.

The Information Communication Technology (ICT) Department strive to achieve their governance and management objectives, i.e., to create optimal value from information and technology by maintaining a balance amongst realizing benefits, managing risk and balancing resources. Further benefits include but are not limited to:

- Maintain high-quality information to support business decisions;
- Achieve strategic goals and realize business benefits through the effective and innovative use of IT;
- Achieve operational excellence through reliable, efficient application of technology;
- Maintain IT-related risk at an acceptable level;
- Optimize the cost of IT services and technology;
- Maintain an awareness of information technology and related service trends, identify innovation opportunities, and plan how to benefit from innovation in relation to business needs; and
- Support compliance with relevant laws, regulations, contractual agreements and policies

### **Legal Support Services**

The Legal Support Services division was established during January 2023. Several opinions, memorandums and enquiries of a legal nature has been attended to. A quarterly report will be submitted to the committee indicative of the matters attended to and the trends reflected within the Legal Support Services Register.

The purpose of Legal Support Services is to:

- Provide Legal Support Services to the Municipality and safeguard the interest of the Municipality in legally related matters;
- Provide written or verbal legal advice and support to the Director Corporate Services, the Municipal Manager and other co-officials which may have legal implications;
- Provide legal guidance regarding council resolutions, litigations, defence of legal action, contracts and services;



- Keep abreast of current trends, legislative changes and provide guidance thereon;
- Research relevant case law and prepare case reports in preparation of disputes when necessary.

This is not an exhaustive list of the functions of Legal Support Services, but merely an indication of the kind of queries that the sub-division may encounter.

### 3.9.4.2 HUMAN RESOURCES

There is one vacancy in the Administrative Services Department as at 30 June 2023.

**TABLE 147: HUMAN RESOURCES: ADMINISTRATION AND LEGAL SUPPORT SERVICES**

| SECTION                                 | NO OF POSTS | NO OF EMPLOYEES | NO OF VACANCIES | VACANCIES % |
|---|-------------|-----------------|-----------------|-------------|
| Administration & Legal Support Services | 20          | 19              | 1               | 5,00 %      |

### 3.9.4.3 FINANCIAL PERFORMANCE

**TABLE 148: FINANCIAL PERFORMANCE (OPERATIONAL): ADMINISTRATION AND LEGAL SUPPORT SERVICES**

| DESCRIPTION                                 | 2022/23 BUDGET      | 2022/23 ADJUSTED BUDGET | 2022/23 ACTUAL      | VARIANCE        |
|---|---------------------|-------------------------|---------------------|-----------------|
| <b>ADMINISTRATIVE AND CORPORATE SUPPORT</b> |                     |                         |                     |                 |
| Employee Related Costs                      | 6 584 000,00        | 5 234 000,00            | 4 187 105,98        | -20,00 %        |
| Other Expenditure                           | 2 753 000,00        | 2 555 700,00            | 2 289 870,17        | -10,40 %        |
| Repairs & Maintenance                       | 86 000,00           | 112 000,00              | 102 643,70          | -8,35 %         |
| <b>Total Operational Expenditure</b>        | <b>9 423 000,00</b> | <b>7 901 700,00</b>     | <b>6 579 619,85</b> | <b>-16,73 %</b> |
| Total Operational Revenue                   | -736 000,00         | -736 000,00             | -736 398,05         | 0,05 %          |
| <b>Net Operational Expenditure</b>          | <b>8 687 000,00</b> | <b>7 165 700,00</b>     | <b>5 843 221,80</b> | <b>-18,46 %</b> |
| <b>INFORMATION TECHNOLOGY</b>               |                     |                         |                     |                 |
| Employee Related Costs                      | 2 077 000,00        | 2 026 000,00            | 2 034 343,76        | 0,41 %          |
| Other Expenditure                           | 2 514 300,00        | 2 919 200,00            | 2 971 436,63        | 1,79 %          |
| Repairs & Maintenance                       | 22 000,00           | 25 800,00               | 11 254,03           | -56,38 %        |
| <b>Total Operational Expenditure</b>        | <b>4 613 300,00</b> | <b>4 971 000,00</b>     | <b>5 017 034,42</b> | <b>0,93 %</b>   |
| Total Operational Revenue                   | -733 000,00         | -733 000,00             | -733 000,00         | 0,00 %          |
| <b>Net Operational Expenditure</b>          | <b>3 880 300,00</b> | <b>4 238 000,00</b>     | <b>4 284 034,42</b> | <b>1,09 %</b>   |

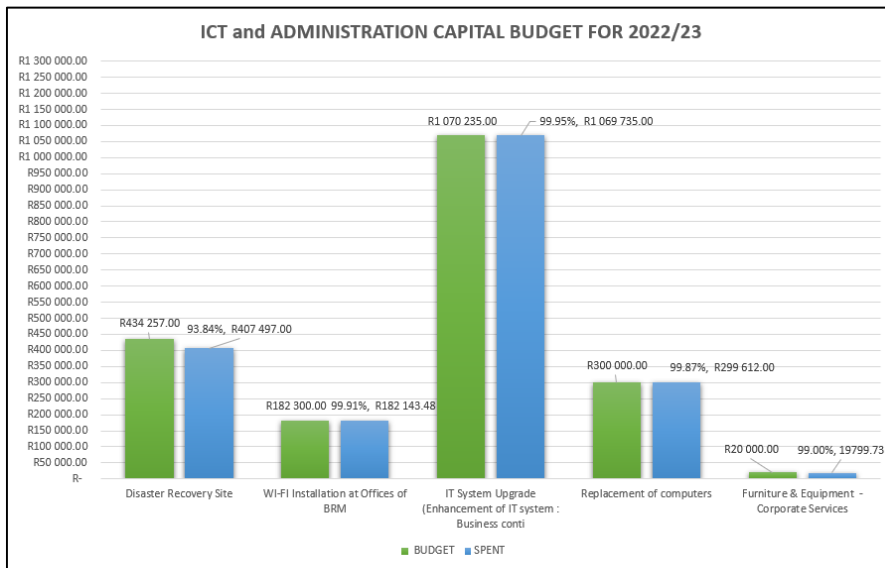
Annual Financial Statements 2022/23

TABLE 149: FINANCIAL PERFORMANCE (CAPITAL): ADMINISTRATION AND LEGAL SUPPORT SERVICES

| DESCRIPTION  | 2022/23 ORIGINAL BUDGET | 2022/23 ADJUSTMENT BUDGET | 2022/23 ACTUAL      | VARIANCE       |
|--|-------------------------|---------------------------|---------------------|----------------|
| <b>ADMINISTRATION</b>  |                         |                           |                     |                |
| Furniture & Equipment  | 20 000,00               | 20 000,00                 | 19 799,73           | -1,00 %        |
| <b>TOTAL</b>   | <b>20 000,00</b>        | <b>20 000,00</b>          | <b>19 799,73</b>    | <b>-1,00 %</b> |
| <b>ICT</b>   |                         |                           |                     |                |
| Disaster Recovery Site                                       | 200 000,00              | 434 257,00                | 407 497,00          | -6,16 %        |
| IT System Upgrade (Enhancement of IT system : Business conti | 1 260 000,00            | 1 070 235,00              | 1 069 735,00        | -0,05 %        |
| Replacement of computers                                     | 300 000,00              | 300 000,00                | 299 612,00          | -0,13 %        |
| WI-FI Installation at Offices of BRM                         | 300 000,00              | 182 300,00                | 182 143,48          | -0,09 %        |
| <b>TOTAL</b>   | <b>2 060 000,00</b>     | <b>1 986 792,00</b>       | <b>1 958 987,48</b> | <b>-1,40 %</b> |

Annual Financial Statements 2021/22

Performance highlights include:



ICT Helpdesk & Disaster Recovery Site



Council Meeting (Porterville): May 2023

The following administrative policies were developed and reviewed by the various departments during the 2022/23 financial year:

**TABLE 150: POLICIES ADOPTED DURING 2022/23**

| POLICY  | RESOLUTION     | DATE OF ADOPTION  |
|---|----------------|-------------------|
| Change Management Strategy  | BKN027/09/2022 | 19 September 2022 |
| Exit Management Policy  | BKN027/09/2022 | 19 September 2022 |
| Induction Policy  | BKN027/09/2022 | 19 September 2022 |
| Acting and Additional Services Rendered Policy  | BKN028/09/2022 | 19 September 2022 |
| Indiensnemingsbeleid  | BKN028/09/2022 | 19 September 2022 |
| Probationary Period Policy  | BKN028/09/2022 | 19 September 2022 |
| Financial Misconduct Disciplinary Board Terms of Reference and Reporting Procedures (Draft) | RVN013/11/2022 | 29 November 2022  |
| Preferential Procurement Policy (Draft)   | RVN013/12/2022 | 13 December 2022  |
| Tools of trade, cellular phone, allowance, and data allowances to Councillors               | RVN010/01/2023 | 24 January 2023   |
| Bursary and Study Assistance Policy   | BKN012/02/2023 | 16 February 2023  |
| Draft Business Continuity and Disaster Recovery Plan  | BKN064/02/2023 | 28 February 2023  |

| POLICY   | RESOLUTION      | DATE OF ADOPTION |
|--|-----------------|------------------|
| Cell phone and Data (Mobile Communication Services)-policy | BKN037/03/2023  | 28 March 2023    |
| Talent Management & Retention Policy                       | BKN042/05/2023  | 23 May 2023      |
| Mentoring & Coaching Policy                                | BKN042/05/2023  | 23 May 2023      |
| Training & Development Policy                              | BKN042/05/2023  | 23 May 2023      |
| Scarce Skills Policy                                       | BKN042/05/2023  | 23 May 2023      |
| Asset Management Policy                                    | RVN027/05/2023  | 30 May 2023      |
| Cash Management and Investment Policy                      | RVN027/05/2023  | 30 May 2023      |
| Credit control and Debt collection Policy                  | RVN027/05/2023  | 30 May 2023      |
| Indigent Policy  | RVN027/05/2023  | 30 May 2023      |
| Property Rates Policy and By-Law                           | RVN027/05/2023  | 30 May 2023      |
| Tariff Policy  | RVN0274/05/2023 | 30 May 2023      |
| Virement Policy  | RVN027/05/2023  | 30 May 2023      |
| Supply Chain Management Policy                             | RVN027/05/2023  | 30 May 2023      |
| Borrowing Policy   | RVN027/05/2023  | 30 May 2023      |
| Funding, Reserves and Long-Term Financial Planning Policy  | RVN027/05/2023  | 30 May 2023      |
| Budget Implementation and Monitoring Policy                | RVN027/05/2023  | 30 May 2023      |
| Petty Cash Policy  | RVN027/05/2023  | 30 May 2023      |
| Creditors councillors and staff payment policy             | RVN027/05/2023  | 30 May 2023      |
| Cost Containment Policy (Draft)                            | RVN027/05/2023  | 30 May 2023      |
| Preferential Procurement Policy                            | RVN027/05/2023  | 30 May 2023      |
| Community Upliftment Policy                                | RVN027/05/2023  | 30 May 2023      |
| Consultant Reduction Strategy 2023/2024                    | RVN027/05/2023  | 30 May 2023      |
| UIFW Policy (Draft)  | RVN027/05/2023  | 30 May 2023      |
| Writing off Irrecoverable Debt Policy                      | RVN027/05/2023  | 30 May 2023      |
| Inventory Management Policy (Draft)                        | RVN027/05/2023  | 30 May 2023      |
| Anti-fraud and Corruption Policy                           | RVN020/06/2023  | 27 June 2023     |
| Risk Committee Charter Policy                              | RVN020/06/2023  | 27 June 2023     |
| Risk Management Policy                                     | RVN020/06/2023  | 27 June 2023     |

**Performance challenges include:**

- Shortage of Human resources in ICT Section;
- Cybercrime;
- Data Management;
- Lack of Fibre networks;
- Change Management – Software Implementation; and
- Reliance on external infrastructure for purposes of telecommunication.

**3.10 DETAILED ANNUAL PERFORMANCE REPORT****3.10.1 INTRODUCTION**

This report comprises the Annual Performance Report of Bergrivier Municipality for 2022/23 which has been compiled in accordance with Section 46 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

**3.10.2 LEGISLATIVE FRAMEWORK**

Section 46 of the Municipal Systems Act, 2000 (Act 32 of 2000), provides that:

*“46(1) A municipality must prepare for each financial year, a performance report reflecting -*

- a) the performance of the municipality and of each external service provider during that financial year;*
- b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and*
- c) measures taken to improve performance.*

*(2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act.”*

**3.10.3 OVERVIEW OF PERFORMANCE MANAGEMENT AND REPORTING SYSTEM**

The Performance Management System used by Bergrivier Municipality is an internet-based system that uses the approved Service Delivery Budget Implementation Plan (SDBIP) as its basis. Section 1 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) defines the service delivery and budget implementation plan (SDBIP) as:

*“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:*

- a) Projections for each month of:
 
  - i. Revenue to be collected, by source; and*
  - ii. Operational and capital expenditure, by vote;**
- b) Service delivery targets and performance indicators for each quarter”.*

c) *Budget processes and related matters*

The SDBIP is a layered plan comprising of a Top Layer SDBIP and Departmental SDBIPs. The Top Layer SDBIP comprises high level service delivery targets. It is a public document which was approved by the Executive Mayor in June 2022 and amended in February 2023 through the Section 72 report. Reporting on the Top Layer SDBIP is done to the Mayoral Committee and Council on a quarterly - (Section 52 Reports), half yearly -(Section 72 Mid-year Budget and Performance Assessment Report) and annual basis (Annual Report). Any amendments to the Top Layer SDBIP must be identified following the submission of the Mid-Year Budget and Performance Assessment Report and the approval of the adjustment budget in February 2022.

The Performance Report of the Municipality is presented according to the Strategic Goals of the Municipality as contained in the 5<sup>th</sup> Generation Integrated Development Plan (IDP).

The strategic goals of the Municipality are:

1. *Strengthen Financial Sustainability;*
2. *Ensure Good Governance;*
3. *Sustainable Service Delivery;*
4. *Facilitate an enabling environment for a diversified economy and growth to alleviate poverty;*
5. *Empowering people through innovation*

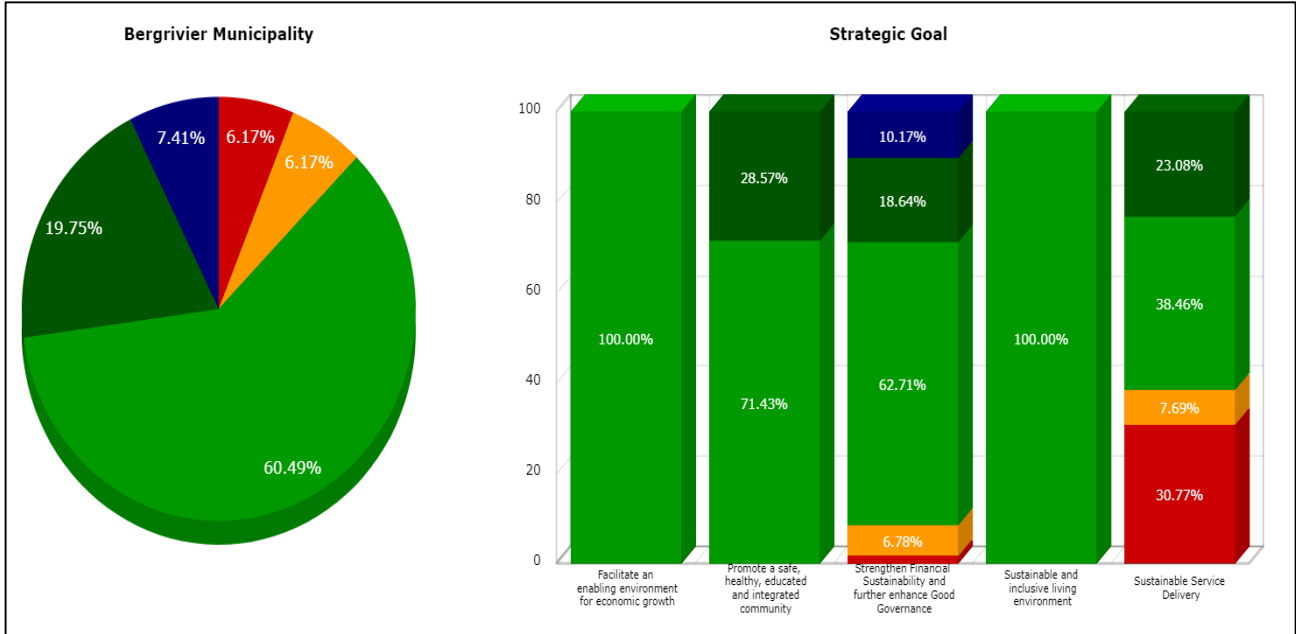
#### 3.10.4 PERFORMANCE AS MEASURED AGAINST THE MUNICIPALITY'S STRATEGIC GOALS

##### 3.10.4.1 PERFORMANCE OVERVIEW

The following graph provides an overview of the Municipality's overall performance for the 2022/23 financial year.



FIGURE 39: ANNUAL PERFORMANCE REPORT 2022/23



|                    | Bergrivier Municipality | Strategic Goal   |  |   |  |                              |             |               |
|--------------------|-------------------------|--|--|---|--|------------------------------|-------------|---------------|
|                    |                         | Facilitate an enabling environment for economic growth | Promote a safe, healthy, educated and integrated community | Strengthen Financial Sustainability and further enhance Good Governance | Sustainable and inclusive living environment | Sustainable Service Delivery | Unspecified | [Unspecified] |
| Not Yet Applicable | -                       | -  | -  | -   | -  | -                            | -           | -             |
| Not Met            | 5 (6.17%)               | -  | -  | 1 (1.69%)   | -  | 4 (30.77%)                   | -           | -             |
| Almost Met         | 5 (6.17%)               | -  | -  | 4 (6.78%)   | -  | 1 (7.69%)                    | -           | -             |
| Met                | 49 (60.49%)             | 1 (100.00%)  | 5 (71.43%)   | 37 (62.71%)   | 1 (100.00%)                                  | 5 (38.46%)                   | -           | -             |
| Well Met           | 16 (19.75%)             | -  | 2 (28.57%)   | 11 (18.64%)   | -  | 3 (23.08%)                   | -           | -             |
| Extremely Well Met | 6 (7.41%)               | -  | -  | 6 (10.17%)  | -  | -                            | -           | -             |
| <b>Total:</b>      | <b>81</b>               | <b>1</b>   | <b>7</b>   | <b>59</b>   | <b>1</b>                                     | <b>13</b>                    | <b>-</b>    | <b>-</b>      |
|                    | <b>100%</b>             | <b>1.23%</b>   | <b>8.64%</b>   | <b>72.84%</b>   | <b>1.23%</b>                                 | <b>16.05%</b>                | <b>-</b>    | <b>-</b>      |

## Performance Report 2022/23

### Facilitate an enabling environment for economic growth

| Responsible Directorate | Strategic Goal   | Strategic Objective  | KPI Name   | Description of Unit of Measurement   | Baseline | Source of Evidence                                  | Calculation Type | Target Type | Past Year Performance | Quarter ending September 2022  |  |  |   | Quarter ending December 2022  |  |  |   | Quarter ending March 2023 |                     |                     |                     | Quarter ending June 2023 |        |        |   | Overall Performance for Quarter ending September 2022 to Quarter ending June 2023 |  |  |  |
|-------------------------|--|--|--|--|----------|---|------------------|-------------|-----------------------|--|--|--|---|---|--|--|---|---------------------------|---------------------|---------------------|---------------------|--------------------------|--------|--------|---|---|--|--|--|
|                         |  |  |  |  |          |   |                  |             |                       | Performance Comment  | Corrective Measures  | Performance Comment  | Corrective Measures   | Performance Comment   | Corrective Measures  | Performance Comment  | Corrective Measures   | Performance Comment       | Corrective Measures | Performance Comment | Corrective Measures | Original Target          | Target | Actual | R |   |  |  |  |
| Community Services      | Facilitate an enabling environment for economic growth | To facilitate an environment for the creation of jobs and small businesses | Monitor the performance of Bergvriër Tourism Organisation in accordance with the SLA by 30 June 2023 | Number of reports submitted from BTO to the Economic Portfolio Committee by 30 June 2023 | 4        | Minutes of Economic Development Portfolio Committee | Accumulative     | Number      | 4                     | [D695] Director Community Services: The BTO report was submitted to the Economic Development Committee on 8 September 2022. (September 2022) | [D695] Director Community Services: No Corrective actions are needed. (September 2022) | [D695] Director Community Services: The BTO report was submitted to the Economic Development Committee on 8 December 2022. (December 2022) | [D695] Director Community Services: No Corrective actions are needed. (December 2022) | [D695] Director Community Services: The BTO report was submitted to the Economic Development Committee on 9 February 2023. (March 2023) | [D695] Director Community Services: No Corrective actions are needed. (March 2023) | [D695] Director Community Services: The BTO report was submitted to the Economic Development Committee on 8 June 2023. (June 2023) | [D695] Director Community Services: No Corrective actions are needed. (June 2023) | 4                         | 4                   | 4                   | G                   |                          |        |        |   |   |  |  |  |

### Summary of Results: Facilitate an enabling environment for economic growth

|     |                        |          |
|-----|------------------------|----------|
| N/A | KPI Not Yet Applicable | 0        |
| R   | KPI Not Met            | 0        |
| O   | KPI Almost Met         | 0        |
| G   | KPI Met                | 1        |
| G2  | KPI Well Met           | 0        |
| B   | KPI Extremely Well Met | 0        |
|     | <b>Total KPIs:</b>     | <b>1</b> |

### Promote a safe, healthy, educated and integrated community

| Responsible Directorate | Strategic Goal   | Strategic Objective   | KPI Name   | Description of Unit of Measurement       | Baseline | Source of Evidence                                       | Calculation Type | Target Type | Past Year Performance | Quarter ending September 2022  |  |  |   | Quarter ending December 2022   |  |  |   | Quarter ending March 2023 |                     |                     |                     | Quarter ending June 2023 |        |        |   | Overall Performance for Quarter ending September 2022 to Quarter ending June 2023 |  |  |  |
|-------------------------|--|---|--|--|----------|--|------------------|-------------|-----------------------|--|--|--|---|--|--|--|---|---------------------------|---------------------|---------------------|---------------------|--------------------------|--------|--------|---|---|--|--|--|
|                         |  |   |  |  |          |  |                  |             |                       | Performance Comment  | Corrective Measures  | Performance Comment  | Corrective Measures   | Performance Comment  | Corrective Measures  | Performance Comment  | Corrective Measures   | Performance Comment       | Corrective Measures | Performance Comment | Corrective Measures | Original Target          | Target | Actual | R |   |  |  |  |
| Community Services      | Promote a safe, healthy, educated and integrated community | To create innovative partnerships with sector departments for improved education outcomes and opportunities for youth | 95% spent of library grant by 30 June 2023 i.t.o approved business plan :(Actual amount spent /Total budget received)x100] | % of library grant spent by 30 June 2023 | 95%      | Detailed Excel Capital Report & Trial Balance from VESTA | Last Value       | Percentage  | 87.45 %               | [D691] Head:Library Services: budget: R8 174 000 spent: R1 746 670.56 (September 2022) | [D691] Head:Library Services: No Corrective actions are needed. (September 2022) | [D691] Head:Library Services: Total budget R8 782 285,00 Expenditure R3 876 578,00 (December 2022) | [D691] Head:Library Services: No Corrective actions are needed. (December 2022) | [D691] Head:Library Services: TOTAL BUDGET: R8 853 684 spent: R5 740 052.53 (March 2023) | [D691] Head:Library Services: No Corrective actions are needed. (March 2023) | [D691] Head:Library Services: Conditional Grant: R3 169 000 MRF: R4 884 000 rollover amount: R 608 285 = R8 661 285 Spent: R8 666 230,75 (June 2023) | [D691] Head:Library Services: No corrective action needed (June 2023) | 95%                       | 95%                 | 100%                | G2                  |                          |        |        |   |   |  |  |  |

|                    |  |   |  |  |     |   |              |            |   |  |  |  |   |   |  |   |   |     |     |          |     |
|--------------------|--|---|--|--|-----|---|--------------|------------|---|--|--|--|---|---|--|---|---|-----|-----|----------|-----|
| Community Services | Promote a safe, healthy, educated and integrated community | To budget strategically, grow and diversify our revenue and ensure value for money-services | Collect 95% of budgeted income by 30 June 2023 for speeding fines (Excl budgeted debt provision) : (Actual amount collected/ total amount budgeted) x 100] | % of budgeted income for speeding fines collected by 30 June 2023  | 95% | Detailed Excel Report                             | Last Value   | Percentage |   |  |  |  |   |   |  | [D692] Director Community Services: The Traffic Fines income until June 2023 is R 5 096 892.35. (June 2023)   | [D692] Director Community Services: No Corrective actions are needed. (June 2023) | 95% | 95% | 119.9 6% | G 2 |
| Community Services | Promote a safe, healthy, educated and integrated community | To promote a safe environment for all who live in Bergrivier                                | Facilitate the upgrading of at least 1 community hall in the municipal area and submit report to Community Service Portfolio Committee by 30 June 2023     | Number of community halls upgraded in municipal area and report submitted to Community Service Portfolio Committee by 30 June 2023 | 1   | Minutes of Community Services Portfolio Committee | Carry Over   | Number     | 1 |  |  |  |   |   |  | [D696] Director Community Services: The designs, technical drawings and the specifications for the installation of cupboards were done, and the request for a formal quotation was advertised. However, the appointment was not done, since the funds were transferred to Technical Services, who needed it for the urgent upgrading of the Velddrif Wastewater Treatment. A report which included the reasons for not completing the project was submitted to the Community Services Portfolio Committee on 6 June 2023. (June 2023) | [D696] Director Community Services: No Corrective actions are needed. (June 2023) | 1   | 1   | 1        | G   |
| Community Services | Promote a safe, healthy, educated and integrated community | To promote a safe environment for all who live in Bergrivier                                | Develop 2 Disaster Management Contingency Plans and submit to Portfolio Committee by 30 June 2023  | Number of Disaster Management Contingency Plans developed and submitted to Portfolio Committee by 30 June 2023                     | 1   | Minutes of Community Services Portfolio Committee | Accumulative | Number     | 1 |  |  |  | [D697] Director Community Services: The Summer preparedness plan was submitted to the Community Services Portfolio Committee on 4 October 2022. (Dec2022) | [D697] Director Community Services: No Corrective actions are needed. (December 2022) |  | [D697] Director Community Services: The Winter preparedness plan was submitted to the Community Services Portfolio Committee on 4 April 2023. (June 2023)   | [D697] Director Community Services: No Corrective actions are needed. (June 2023) | 2   | 2   | 2        | G   |

VOLUME I: DRAFT ANNUAL REPORT 2022/23

|                    |  |   |  |   |         |  |            |        |         |  |  |  |  |  |  |  |  |  |   |   |   |   |   |   |
|--------------------|--|---|--|---|---------|--|------------|--------|---------|--|--|--|--|--|--|--|--|--|---|---|---|---|---|---|
| Community Services | Promote a safe, healthy, educated and integrated community | To promote a safe environment for all who live in Bergrivier  | Compile a festive season preparedness plan and submit to the Director Community Services for approval before 30 September 2022                       | Number of festive season preparedness plans submitted to the Director Community Services for approval before 30 Sept 2022                               | 1       | Number of approved plan signed of by Director Community Services | Carry Over | Number | 1       | [D698] Director Community Services: The Festive season preparedness plan was submitted to the Director Community Services on 30 September 2022. (Sept 2022)                          | [D698] Director Community Services: No Corrective actions are needed. (September 2022) |  |  |  |  |  |  |  | 1   | 1   | 1 | G |   |   |
| Community Services | Promote a safe, healthy, educated and integrated community | To promote healthy lifestyles through the provision of sport and other facilities and opportunities | Review the Public Amenities By - Law and submit to Council by 30 June 2023   | Number of by-laws reviewed relating to Public Amenities and submitted to Council by 30 June 2023  | New KPI | Minutes of Council meeting                                       | Carry Over | Number | 1       |  |  |  |  |  |  |  |  |  | [D699] Director Community Services: The proposed amendments to the Public Amenities By-Law was submitted to Council on 30 May 2023. (June 2023) | [D699] Director Community Services: No Corrective actions are needed. (June 2023) | 1 | 1 | 1 | G |
| Community Services | Promote a safe, healthy, educated and integrated community | To provide a transparent, ethical and corruption free municipality                                  | Develop a maintenance /operational plan for over-grown sidewalks and open spaces and submit to Community Services Portfolio Committee by 31 Sept2022 | Number of maintenance / opera-tional plans for over-grown sidewalks and open spaces submitted to Community Services Portfolio Committee by 31 Septn2022 | New KPI | Minutes of Community Services Portfolio Committee                | Carry Over | Number | New KPI | [D704] Director Community Services: The Operational plan for overgrown sidewalks and open spaces was submitted to Community Services Committee on 6 September 2022. (September 2022) | [D704] Director Community Services: No Corrective actions are needed. (September 2022) |  |  |  |  |  |  |  |   |   | 1 | 1 | 1 | G |

Summary of Results: Promote a safe, healthy, educated and integrated community

|     |                        |          |
|-----|------------------------|----------|
| N/A | KPI Not Yet Applicable | 0        |
| R   | KPI Not Met            | 0        |
| O   | KPI Almost Met         | 0        |
| G   | KPI Met                | 5        |
| G2  | KPI Well Met           | 2        |
| B   | KPI Extremely Well Met | 0        |
|     | <b>Total KPIs:</b>     | <b>7</b> |

Strengthen Financial Sustainability and further enhance Good Governance

| Responsible Directorate | Strategic Goal | Strategic Objective | KPI Name | Description of Unit of Measurement | Baseline | Source of Evidence | Calculation Type | Target Type | Past Year Performance | Quarter ending September 2022 |                     | Quarter ending December 2022 |                     | Quarter ending March 2023 |                     | Quarter ending June 2023 |                     | Overall Performance for Quarter ending September 2022 to Quarter ending June 2023 |        |        |   |
|-------------------------|----------------|---------------------|----------|------------------------------------|----------|--------------------|------------------|-------------|-----------------------|-------------------------------|---------------------|------------------------------|---------------------|---------------------------|---------------------|--------------------------|---------------------|---|--------|--------|---|
|                         |                |                     |          |                                    |          |                    |                  |             |                       | Performance Comment           | Corrective Measures | Performance Comment          | Corrective Measures | Performance Comment       | Corrective Measures | Performance Comment      | Corrective Measures | Original Target   | Target | Actual | R |

|                   |   |  |   |   |    |   |             |            |      |  |   |   |  |  |   |   |  |      |      |      |   |
|-------------------|---|--|---|---|----|---|-------------|------------|------|--|---|---|--|--|---|---|--|------|------|------|---|
| Municipal Manager | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | 100% compliance with Selection & Recruitment Policy when vacant posts within the 3 highest levels of management are filled subject to suitably qualified candidates | % compliance with the selection and recruitment policy and/or legislation | 1% | Minutes of Council meeting for appointment of top 2 levels & appointment letter and signed service contract for level 3 | Stand-Alone | Percentage | 100% | [D625] Municipal Manager: Our Director Financial Services / CFO, Mr F Lotter resigned on 10 June 2022 and his last working day was 31 July 2022. Our Director Technical Services, Mr Victor Felton resigned on 29 July 2022 and his last working day was 30 September 2022. (September 2022) | [D625] Municipal Manager: None required, but please note the following information for the sake of completion: A consultant, Mr Roy Steele from Steele & Associates was appointed (through a formal SCM process) to manage the recruitment and selection process of the Director Financial Services / CFO and Director Technical Services. Interviews for the Director Financial Services / CFO took place on 1 August 2022 and the appointment was made on 10 August 2022 by full Council. The successful candidate was Mr Davy Louw who started his employment at Bergrivier Municipality on 1 September 2022. Interviews for the Director Technical Services took place on 17 October 2022 and the appointment will be made on 25 October 2022. (September 2022) | [D625] Municipal Manager: During this quarter, two new senior employees were appointed within the top 3 levels of management, namely, Director Technical Services, Mr Denwin van Turha, and Manager Administration and Legal Support Services, Ms Lizelle Roos. Both of them commenced with their employment on 1 January 2023. The council decision to appoint the Director Technical Services was taken on 25 October 2022 by full Council unanimously. (December 2022) | [D625] Municipal Manager: None required. (December 2022) | [D625] Municipal Manager: No vacant posts had to be filled within the 3 highest levels of management during this quarter. The Director Technical Services, Mr Denwin van Turha, and Manager Administration and Legal Support Services, Ms Lizelle Roos was appointed in the previous quarter, but both of them commenced with their employment on 1 January 2023. (March 2023) | [D625] Municipal Manager: None required. (March 2023) | [D625] Municipal Manager: During this quarter the MM attended to the selection and recruitment of two positions within the three(3) highest levels of management namely: 1. The Manager Electrical Services retired after a long career at Bergrivier Municipality and the position was advertised during February 2023 with closing date 3 March 2023. None of the applications met the minimum requirements and the position was re-advertised with a closing date of 21 April 2023. The short-listing took place on 2 May 2023 and only one candidate could be invited for an interview. The interview took place on 24 May 2023. After the interview the panel decided unanimously to invite the current candidate to a next round of interviews together with head-hunted candidates for the position. 2. The CFO/ Director Financial Services resigned on the 2nd of May 2023 and requested the | [D625] Municipal Manager: None required. (June 2023) | 100% | 100% | 100% | G |
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MM and MAYCO to consider his personal circumstances and allow him to work out only one month notice period instead of the contractual period of two months. This was considered by the MM and MAYCO and due to the severity of his personal circumstances (including his health) it was approved. The MAYCO considered the item to appoint a CFO on 23 May 2023 and made recommendations to Council at the Council meeting held on 30 May 2023. The recommendations were approved. The implementation plan was also approved and the advertisement advertised in the National media on the weekend of 3/4 June 2023. The advertisement closed on 27 June 2023 at 12H00 and all applications received were forwarded to the appointed consultant for the creation of the long list. The panel will meet on the 17th of July 2023 at 09H00 to compile the shortlist and submit their recommendation to MAYCO for consideration on 18 July 2023





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| Municipal Manager | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality         | MFMA Section 131(1): Ensure that any issues raised by the Auditor General in an Audit Report are addressed by 30 June 2023 | % of issues raised by the Auditor General in an audit report addressed by 30 June 2023 | 100% | Final Audit Report of Auditor-General issued after auditing financial statements & PDO's for 2021/22 financial year | Carry Over | Percentage | 100% |  |  |  |  |  |   | [D630] Municipal Manager: Bergrivier Municipality obtained a clean audit status for the 2021/2022 financial year. Therefore there were no matters reported in the Audit Report. All aspects reported by the AG in the Management Report have been captured on the OPCAR and finalized before 30 June 2023. It has been reported to the Audit Committee on 15 June 2023 at the Audit Committee meeting. There is one aspect in Finance that can only be updated with the finalization of the Annual Financial Statements before the end of August 2023. (June 2023) | [D630] Municipal Manager: None required. (June 2023) | 100% | 100% | 100% | G |
| Municipal Manager | Strengthen Financial Sustainability and further enhance Good            | To create an efficient, effective, economic and accountable administration | Develop a risk based audit plan (RBAP) (MFMA - Section 165(2)(a)) & submit to Audit Committee by 30 June 2023              | RBAP submitted to the Audit Committee by 30 June 2023                                  | 1    | Audit Committee minutes   | Carry Over | Number     | 1    |  |  |  |  |  | [D631] Internal Auditor: Risk-based Internal Audit plan was submitted to PRAC on 15 June 2023 and was approved. (June 2023) | [D631] Internal Auditor: None required (June 2023)   | 1  | 1    | 1    | G    |   |

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| Municipal Manager | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Ensure that the outcomes of the strategic sessions during the annual IDP review process are aligned with the IDP and the budget and submitted to the Budget Steering Committee | Number of reports submitted to the Budget Steering Committee on the outcomes of the strategic sessions during the annual IDP review process | New KPI | Minutes of Budget Steering Committee | Stand-Alone | Number | New KPI |  |  |  |  | [D632] Strategic Manager: Alignment submitted to Council in the framework. During budget steering committee, Directors commenced with making presentations on motivation for projects in capital budget (March 2023) |  |  |  | 1 | 1 | 1 | G |
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| Municipal Manager | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality | Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti-Fraud and Corruption Policy | % of transgressions initiated in terms of the Anti-Fraud and Corruption Policy | 100% | Minutes of the Performance-, Risk and Audit Committee in the quarter following the applicable month | Stand-Alone | Percentage | 100% | [D633] Municipal Manager: No cases of fraud and corruption has been reported to the MM during this quarter. (September 2022) | [D633] Municipal Manager: None required. (September 2022) | [D633] Municipal Manager: During this quarter allegations of possible financial misconduct / fraud and corruption were brought to the attention of the Municipal Manager and handed over to the Internal Auditor for investigation. It comprise of 5 different issues. Due to lack of internal capacity, the Internal Auditor obtained permission to appoint an external consultant to investigate the 5 cases. The SCM processes were started during this quarter and will be finalised during January 2023. The Internal Auditor will report to the MM and Audit Committee as soon as the investigations are finalised. (December 2022) | [D633] Municipal Manager: None required (December 2022) | [D633] Municipal Manager: During this quarter full Council decided to institute disciplinary procedures against a Senior Manager and mandated the Municipal Manager to appoint an evidence lead and chairperson for the disciplinary process. The procedures have been completed in full by the end of February 2023. (March 2023) | [D633] Municipal Manager: None required. (March 2023) | [D633] Municipal Manager: During this quarter the Municipality received the first concept of the Report by the External Company (Mubesco) appointed to do the five audits. The Internal Auditor distributed the reports to the relevant Managers for Management comments. During Febr 2023 the CFO submitted a report to the MM (7 Feb 2023) with possible financial misconduct by a Senior Manager. The Municipal Manager reported it to Council on 10 February 2023 and Council decided to refer it to the Disciplinary Board. They conducted a preliminary investigation and reported back to Council on 28 February 2023. Council considered their report and decided to institute disciplinary action against the Senior Manager. The disciplinary hearing was scheduled for 21 June 2023, but the date was extended on request of his legal representative. (June 2023) | [D633] Municipal Manager: None required. (June 2023) | 100% | 100% | 100% | G |
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| Municipal Manager | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | % of Capital budget spent as at 30 June 2023 : (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100] | % of Capital budget spent as at 30 June 2023 : (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100] | 95% | Detailed Excel Capital Report & Trial Balance from VESTA | Carry Over | Percentage | 94.59 % |  |  |  |  | [D634] Municipal Manager: The actual spending as at 31 March 2023 is R 37 604 417.88 of the total budget of R 58 271 840.00 culminating in a percentage spending of 64%. The percentage spending including shadow cost = 92% or R 54 080 340.13. (March 2023) | [D634] Municipal Manager: Although the spending picked up since December 2022 we did not reach the 70% which is disappointing and addressed regularly with all directorates. (March 2023) | [D634] Municipal Manager: The Municipality did not managed to achieve the required 95% Capital spending during this financial year. The detailed reasons can be found in each Director's comment on their Capital spending. (June 2023) | [D634] Municipal Manager: The corrective measures to ensure 95% spending is as follows: 1. The Municipal Manager issued a written instruction during July 2023 to all Managers and Heads in Office of the Municipal Manager to ensure that only funds that has a realistic opportunity to be spend during the financial year, be included in an Adjust-ment Budget. 2. That provision be made on the MTREF for funding identified for multi-year projects. 3. That all spending patterns be monitored quarterly through reports submitted to the Standing Committees. 4. That better planning be concluded before the funding is received. 5. At the monthly Service Delivery meeting held between the Municipal Manager, all Directors, all Managers and relevant Heads the Section 71 monthly financial report is discussed and | 95% | 95% | 87.59 % | 0 |
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| Municipal Manager | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | % of Capital budget spent of the Office of the Municipal Manager as at 30 June 2023 : (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100] | % of Capital budget spent of the Office of the Municipal Manager as at 30 June 2023: (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100] | 95% | Detailed Excel Capital Report & Trial Balance from VESTA | Carry Over | Percentage | 98.21 % | [D635] Municipal Manager: The following amounts are shadow costs: Mayor and Council: R 12 822.50 MM Office: R 8743.45 Communication: R 8743.45 A total amount of R 30 309.40 is on shadow cost. A total percentage of 13.97% would've been spent if invoices had to be paid in September 2022. (September 2022) | [D635] Municipal Manager: The non delivery of capital items by suppliers are the main cause of invoices that could not be paid in September 2022, resulting in 0% being spent. On shadow 13.97% is spent. Corrective measure: The Office of the MM will first contact the supplier and ensure that they have stock available to deliver within the time frames, otherwise we will make use of a different supplier. (September 2022) | [D635] Municipal Manager: The capital budget in the Office of the MM is divided into 3 sections namely, the office of the MM, the office of the Executive Mayor and Strategic Services. The spending of the 3 sections at the end of December 2022 is as follows: MM Office: 76.03% (R 15 206 of R 20 000) Office of the Executive Mayor (Mayor and Council): 13.24% (R 15 886 spent of R 120 000) Strategic Services: 0 % of R 1 892 609. R 310 000 was originally approved on the budget for Strategic Services for the furniture and equipment of the Youth Centre. During the adjustment budget on 13 December 2022 an additional amount of R 1 582 609 has been added for the finalisation of the next phases of the youth centre. The SCM processes for the acquisition of the tables for the Youth Centre to the amount of R 75 000 were completed before the end of December 2022, but the requisition for the successful formal quotation was only made out on 11 January 2023. Background information: Strategic Services within the Office of the MM received R 310 | [D635] Municipal Manager: Strategic Services and the Office of the Executive Mayor did not start their spending processes early enough in the financial year and did not reach the agreed target of 40% spending by the end of December 2022. The Municipal Manager will address this matter during the annual performance evaluation of the relevant manager. In the Office of the Executive Mayor, the majority of the funding was in the office of the Speaker for furniture and equipment for councillors. It is understandable that this could not yet been spent as the new offices for councillors are not sorted out yet and it could be bad financial management to buy furniture without seeing the offices first. The Directorate Technical Services was tasked to address the office requirements | [D635] Municipal Manager: The capital spending in the Office of the Exec Mayor is on 21.21%. The capital spending for the Office of the MM (including Communication s) is on 99.13%. The capital spending for the Economic Development (Strategic Services) is on 3.12%. Follow ups by the MM is done regularly to try and up the spending in both the Office of the Exec Mayor and Strategic Services. Both have valid reasons for the low spending levels. It is as follows: Office of the Exec Mayor: R100 000 was budgeted for new office furniture for the Councillors and that can only be spend once the actual offices have been secured to ensure that the furniture fit the actual office. Technical Services are still in the process of securing new offices for the Councillors. Strategic Services: A very large part of the funding was only published in the DoRA very late in the financial year. The R1,8 million is for the 2nd phase of the Youth Centre in | [D635] Municipal Manager: Constant follow-up by the MM and requests for reports. (March 2023) | [D635] Municipal Manager: The construction and refurbishment of the Youth Centre is a multiyear project. The funding received from Council for furniture and equipment (R 310 000) has been spend 93,41%. The funding received from TipTrans for the kitchen could not be spend as the successful contractor withdrew their quotation on 30 June 2023 and the process needs to start again. The funding received for the construction of the centre was only received in May 2023 and all the tenders and FQ's for the total of R 1 820 000 was completed. The work will commence in July 2023 with the successful completion of the supply chain processes. The value of 25,62% is therefore not a complete reflection on the scale of work that had to be completed during the year. (June 2023) | [D635] Municipal Manager: The work will commence in July 2023 with the successful completion of the supply chain processes. The value of 25,62% is therefore not a complete reflection on the scale of work that had to be completed during the year. The corrective measures to ensure 95% spending is as follows: 1. The Municipal Manager issued a written instruction during July 2023 to all Managers and Heads in the Office of the Municipal Manager to ensure that only funds that has a realistic opportunity to be spend during the financial year, be included in an Adjustment Budget. 2. That provision be made on the MTREF for funding identified for multiyear projects. 3. That all spending patterns be monitored quarterly through reports submitted to the Standing Committees (Economic | 95% | 95% | 30.64 % | R |
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|                   |   |                         |  |   |         |   |              |        |         |   | 000 in the approved budget (May 2022) for furniture and equipment for the youth centre in Piketberg. The Manager Strategic Services approached Council during September 2022 for permission to use these funds as bridging finance for the finalisation of phase 2 of the youth centre. This was approved by Council, but later declined by the CFO. (Dec 2022)   | of councillors. (December 2022)  | Piketberg. The project manager has been appointed and the FQ for the foundations is in final stages. The material will all be procured before end of June 2023. The spending of the R310 000 for youth centre equipment (aircons and more) is almost done. (March 2023)                        |  |   |  |   |   |   | Development Services). 4. That better planning be concluded before the funding is received. (June 2023) |  |  |  |  |  |
| Municipal Manager | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | Ensure regular reporting to the Economic Development Portfolio Committee on progress made regarding the Small-Town Regeneration Programme. | Number of reports submitted to the Economic Development Portfolio Committee | New KPI | Minutes of Economic Development Portfolio Committee | Accumulative | Number | New KPI | [D636] Strategic Manager: See item EO011 at the Economic Development Standing Committee where feedback was provided during August 2022 & September 2022 including progress made on all aspects of the STR. (September 2022) | [D636] Strategic Manager: None required, but for completion sake, the following background information is provided: Background information: A standing item was created on the Economic Development Standing Committee to allow for regular feedback monthly (at least quarterly) on the programme. September is too early to report on funding submissions. However, a complete project plan has been drafted and mostly costed. The National Task Team of STR is only launched in November 2022 (Sept 2022) | [D636] Strategic Manager: No business plan could be submitted yet as Cogta has not appointed the service provider yet. It is expected that the service provider will be operational in January 2023. However, monthly reports are given to the Economic Portfolio Committee on the progress made (December 2022) | [D636] Strategic Manager: No business plan could be submitted yet as Cogta has not appointed the service provider yet. It is expected that the service provider will be operational in January 2023. A report was submitted to the Economic Portfolio Committee on this matter (December 2022) | [D636] Strategic Manager: The item is a standing item on the agenda of the Economic Portfolio Committee (March 2023) | [D636] Strategic Manager: STR is a standing item on the agenda at the Portfolio Committee meeting (June 2023) |  | 4 | 4 | 7 | B   |  |  |  |  |  |

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| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically  | The percentage of the Corporate Services capital budget actually spent on capital projects as at 30 June 2023 (Actual amount spent on capital projects/ Total amount budgeted for capital projects) X100 | % of Capital budget spent as at 30 June 2023: (Actual amount spent on capital projects/ Total amount budgeted for capital projects) X 100] | 95%  | AFS and Section 71 In-Year Monthly & Quarterly Budget Statement compiled from VESTA Financial System each month | Last Value  | Percentage | 95.66 % | [D637] Director Corporate Services: Total Budget: R 2 265 000,00 Total Expenditure: R 164 823,53 7.28 (September 2022)   | [D637] Director Corporate Services: The project Disaster Recovery Site was scheduled to have the SCM processes completed by the first quarter . The following reasons impacted the delay in the finalization of the SCM processes. The compilation of the floor drawings, the finalization of the bill of quantities and compilation of the compliance documents took longer than anticipated due to amount of role player involved. The FQ will be advertised in October and will possibly reflect shadow spending in the 2nd Quarter. (Dec 2022) (Sept 2022) | [D637] Director Corporate Services: Total Budget: R 2 265 000.00 Total Expenditure: R 1 339 944.10 Percentage: 59.15 (December 2022)                                    | [D637] Director Corporate Services: None required (December 2022) | [D637] Director Corporate Services: Total Budget: R 2 301 235.00 Total Expenditure: R 1 761 740.62 Percentage: 76.56 (March 2023)                                    | [D637] Director Corporate Services: None required (March 2023) | [D637] Director Corporate Services: Total Budget: R 2 325 492.00 Total Expenditure: R 2 294 475.93 Percentage spending: 98.67 (June 2023)                           | [D637] Director Corporate Services: None required (June 2023) | 95%  | 95%  | 98.67 % | G 2 |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Finalise the review of the staff establishment as to comply with the timeframes of such a review within 12 months after a local government election  | Number of staff establishment reports submitted to Council by 31 October 2022  | 1    | Minutes of EMC Meeting  | Carry Over  | Number     | 1       | [D638] Human Resources Manager: None required (September 2022)   | [D638] Human Resources Manager: None required (September 2022)   | [D638] Human Resources Manager: Staff establishment was approved on 25 October 2022. (December 2022)  | [D638] Human Resources Manager: None required (December 2022)     | [D638] Human Resources Manager: None required (March 2023)   | [D638] Human Resources Manager: None required (March 2023)     | [D638] Human Resources Manager: None required (June 2023)   | [D638] Human Resources Manager: None required (June 2023)     | 1    | 1    | 1       | G   |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality         | Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti-Fraud and Corruption Policy                                      | % of transgressions initiated in terms of the Anti-Fraud and Corruption Policy   | 100% | Quarterly reports to Portfolio Committee or EMC when applicable   | Stand-Alone | Percentage | 100%    | [D639] Human Resources Manager: Monthly reports submitted to Corporate Services Committee. o transgressions relating to Fraud and Corruption occurred for the period July - September 2022. (September 2022) | [D639] Human Resources Manager: None required (September 2022)   | [D639] Human Resources Manager: Monthly reports submitted to Corporate Services Committee. No transgressions relating to Fraud and Corruption occurred. (December 2022) | [D639] Human Resources Manager: None required (December 2022)     | [D639] Human Resources Manager: Monthly reports submitted to Corporate Services Committee. No transgressions relating to Fraud and Corruption occurred. (March 2023) | [D639] Human Resources Manager: None required (March 2023)     | [D639] Human Resources Manager: Monthly reports submitted to Corporate Services Committee. No transgressions relating to Fraud and Corruption occurred. (June 2023) | [D639] Human Resources Manager: None required (June 2023)     | 100% | 100% | 100%    | G   |

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| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | 95 % of training budget spent by 30 June 2023 to implement the Work Place Skills Plan (Total amount spent on training/Total amount budgeted)x100)          | % of the training budget spent by 30 June 2023 to implement the Work Place Skills Plan  | 95%  | Monthly Trial Balance Report & Quarterly Budget Statement                      | Last Value | Percentage | 96%  | [D640] Director Corporate Services: Additional funding was allocated to the training budget hence the budget spent was incorrect on the trail balance. Service Providers has been appointed for the second quarter and spending will improve on the second quarter. (September 2022) | [D640] Director Corporate Services: Service Providers has been appointed for the second quarter and spending will improve on the second quarter. (September 2022) | [D640] Director Corporate Services: Total Budget: R 208 000 Total Expenditure: R 106 441.50 51.17% (December 2022)  | [D640] Director Corporate Services: None required (December 2022)                        | [D640] Director Corporate Services: Total Budget: R 178 330 Total Expenditure: R 120 455.50 67.55% (March 2023) | [D640] Director Corporate Services: None required (March 2023)                        | [D640] Director Corporate Services: Total Budget: R 198 000.00 Total Expenditure: R 197 758.42 Percentage spending: 99.88% (June 2023)   | [D640] Director Corporate Services: None required (June 2023)                        | 95%  | 95%  | 99.88 % | G 2 |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Develop an annual departmental strategy for Human Resources and submit to Portfolio Committee by 15 Dec 2022   | No of strategies submitted to Portfolio Committee by 15 December 2022   | 1    | Minutes of Corporate Services Portfolio Committee                              | Carry Over | Number     | 1    | [D641] Human Resources Manager: None required (September 2022)   | [D641] Human Resources Manager: None required (September 2022)  | [D641] Human Resources Manager: Human resource Strategy and Implementation plan was submitted to the Portfolio Committee on 7 December 2022.                                | [D641] Human Resources Manager: None required (December 2022)                            | [D641] Human Resources Manager: None required (March 2023)  | [D641] Human Resources Manager: None required (March 2023)                            | [D641] Human Resources Manager: None required (June 2023)  | [D641] Human Resources Manager: None required (June 2023)                            | 1    | 1    | 1       | G   |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Develop an annual departmental strategy for Planning and Development and submit to Portfolio Committee by 15 December 2022                                 | No of strategies submitted to Portfolio Committee by 15 December 2022   | 1    | Minutes of Corporate Services Portfolio Committee                              | Carry Over | Number     | 1    | [D642] Manager Town Planning and Environmental Management: None required (September 2022)  | [D642] Manager Town Planning and Environmental Management: None required (September 2022)   | [D642] Manager Town Planning and Environmental Management: departmental strategy for Town Planning and Environmental Services was submit to Portfolio Committee. (Dec 2022) | [D642] Manager Town Planning and Environmental Management: None required (December 2022) | [D642] Manager Town Planning and Environmental Management: None required (March 2023)                           | [D642] Manager Town Planning and Environmental Management: None required (March 2023) | [D642] Manager Town Planning and Environmental Management: None required (June 2023)   | [D642] Manager Town Planning and Environmental Management: None required (June 2023) | 1    | 1    | 1       | G   |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Evaluate the performance of all staff with performance contracts on an annual basis according to the agreed upon performance contracts before 30 June 2023 | % of performance evaluations of all staff with performance contracts according to the agreed upon performance contracts before 30 June 2023 | 100% | Minutes of evaluation session of each staff member with a performance contract | Last Value | Percentage | 100% | [D643] Director Corporate Services: None required (September 2022)   | [D643] Director Corporate Services: None required (September 2022)  | [D643] Director Corporate Services: None required (December 2022)   | [D643] Director Corporate Services: None required (December 2022)                        | [D643] Director Corporate Services: None required (March 2023)  | [D643] Director Corporate Services: None required (March 2023)                        | [D643] Director Corporate Services: All T12 - T18 staff members were evaluated on an annual basis. Evaluations took place in 08 September 2022 and 02 March 2023, and captured on the Ignite System. (June 2023) | [D643] Director Corporate Services: None required (June 2023)                        | 100% | 100% | 100%    | G   |

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|--------------------|---|--|--|--|---------|--|--------------|------------|---------|---|--|--|---|--|--|---|--|------|------|------|---|
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | 100% of all complaints registered on IMIS are being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged                | % of complaints registered on IMIS being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged | 100%    | Minutes of Corporate Services Portfolio Committee meetings | Stand-Alone  | Percentage | 100%    | [D645] Director Corporate Services: All complaints registered on IMIS were adhered to and reports were submitted to Corporate Portfolio Committee: * 07 September 2022 * 05 October 2022 (September 2022) | [D645] Director Corporate Services: None required (September 2022) | [D645] Director Corporate Services: All complaints registered on IMIS were adhered to and reports were submitted to Corporate Portfolio Committee: * 02 November 2022 * 07 December 2022 (December 2022) | [D645] Director Corporate Services: None required (December 2022) | [D645] Director Corporate Services: All complaints registered on IMIS were adhered to and reports were submitted to Corporate Portfolio Committee: * 08 February 2023 * 08 March 2023 (March 2023) | [D645] Director Corporate Services: None required (March 2023) | [D645] Director Corporate Services: All complaints registered on IMIS were adhered to and reports were submitted to Corporate Portfolio Committees: * 03 May 2023; and * 07 June 2023 (June 2023) |  | 100% | 100% | 100% | G |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Ensure that selection and recruitment interviews are completed for all vacancies within 3 months from date of approval of requisition and report to Corporate Services Portfolio Committee quarterly | Number of reports submitted to the Corporate Services Portfolio Committee  | New KPI | Minutes of Corporate Services Portfolio Committee          | Accumulative | Number     | New KPI | [D646] Director Corporate Services: Reports were submitted to the following Portfolio Committees: * 07 September 2022 * 05 October 2022 (September 2022)  | [D646] Director Corporate Services: None required (September 2022) | [D646] Director Corporate Services: Reports were submitted to the following Portfolio Committees: * 02 November 2022 * 07 December 2022 (December 2022)  | [D646] Director Corporate Services: None required (December 2022) | [D646] Director Corporate Services: Reports were submitted to the following Portfolio Committees: * 08 March 2023 * 05 April 2023 (March 2023)   | [D646] Director Corporate Services: None required (March 2023) | [D646] Director Corporate Services: Recruitment and selection reports were submitted to the following Portfolio Corporate Services Committees: * 03 May 2023; and * 07 June 2023 (June 2023)      | [D646] Director Corporate Services: None required. This KPI is not necessarily SMART as a report was submitted (KPI met), but not necessarily on the completion of all vacancies within 3 months. This KPI will be rewritten and/or in future financial years. (June 2023) | 4    | 4    | 4    | G |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Ensure that disciplinary hearings commenced within 3 months from and submit reports to the Corporate Services Portfolio Committee quarterly  | Number of reports submitted to the Corporate Services Portfolio Committee  | New KPI | Minutes of Corporate Services Portfolio Committee          | Accumulative | Number     | New KPI | [D647] Director Corporate Services: Reports were submitted to the following Portfolio Committees: * 07 September 2022 * 05 October 2022 (September 2022)  | [D647] Director Corporate Services: None required (September 2022) | [D647] Director Corporate Services: Reports were submitted to the following Portfolio Committees: * 02 November 2022 * 07 December 2022 (December 2022)  | [D647] Director Corporate Services: None required (December 2022) | [D647] Director Corporate Services: Reports were submitted to the following Portfolio Committees: * 08 March 2023 * 05 April 2023 (March 2023)   | [D647] Director Corporate Services: None required (March 2023) | [D647] Director Corporate Services: Disciplinary hearings reports were submitted to the following Corporate Services Portfolio Committees: * 03 May 2023; and * 07 June 2023 (June 2023)          | [D647] Director Corporate Services: None required (June 2023)  | 4    | 4    | 4    | G |
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Develop a Succession Planning Policy to ensure that staff can qualify for senior positions when available and submit to Mayco by 31 March 2023   | Number of Succession Planning Policies submitted to Mayco by 31 March 2023   | New KPI | Minutes of Mayco   | Stand-Alone  | Number     | New KPI | [D648] Director Corporate Services: None required (September 2022)  | [D648] Director Corporate Services: None required (September 2022) | [D648] Director Corporate Services: None required (December 2022)  | [D648] Director Corporate Services: None required (December 2022) | [D648] Director Corporate Services: The Succession Planning Policy was approved by the Executive Mayoral Committee on 28 March 2023. (March 2023)  | [D648] Director Corporate Services: None required (March 2023) | [D648] Director Corporate Services: None required (June 2023)   | [D648] Director Corporate Services: None required (June 2023)  | 1    | 1    | 1    | G |



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|                    |   |  |   |  |         |   |             |            |         |  |  |   |   |  |  |  |  |      |      |      |   |
|--------------------|---|--|---|--|---------|---|-------------|------------|---------|--|--|---|---|--|--|--|--|------|------|------|---|
| Corporate Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Ensure that the administrative offices of Bergrivier Municipality in Piketberg, Velddrif and Porterville has fibre/wifi available subject to available budget and submit report to Corporate Services Portfolio Committee by 30 June 2023 | Number of reports submitted to the Corporate Services Portfolio Committee on availability of fibre/wifi for all municipal offices before 30 June 2023                      | New KPI | Minutes of Corporate Services Portfolio Committee               | Stand-Alone | Number     | New KPI | [D649] Director Corporate Services: None required (September 2022) | [D649] Director Corporate Services: None required (September 2022) | [D649] Director Corporate Services: None required (December 2022)                     | [D649] Director Corporate Services: None required (December 2022) | [D649] Director Corporate Services: None required (March 2023)   | [D649] Director Corporate Services: None required (March 2023) | [D649] Director Corporate Services: A report was submitted to the Corporate Services Committee on the 07 June 2023. (June 2023)  | [D649] Director Corporate Services: None required (June 2023)  | 1    | 1    | 1    | G |
| Technical Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | 100% of all complaints registered on IMIS are being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged based on clients service charter.                   | % of complaints registered on IMIS being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged | 100%    | Minutes of Technical Portfolio Committee                        | Stand-Alone | Percentage | 86.98 % |  |  | [D659] Director: Technical Services: Target achieved (December 2022)                  |   | [D659] Director: Technical Services: Target Met - Minutes provided on meeting with IMIS reports (March 2023)                         |  | [D659] Director: Technical Services: Target met. Any outstanding complaints are being discussed at the monthly Portfolio Committee meeting as well as the Directors meeting on a monthly basis. Some outstanding complaints cannot be addressed within the month of the complaint. (June 2023) | [D659] Director: Technical Services: None (June 2023)          | 100% | 100% | 100% | G |
| Technical Services | Strengthen Financial Sustainability and further enhance Good Governance | To communicate effectively with the public                                 | Revision of the technical functions in the Blackout plan and submit to Technical Portfolio Committee by 30 June 2023  | Number of revisions of the technical functions in the Blackout Plan and submit to Technical Portfolio Committee by 30 June 2023  | 1       | Minutes of Technical Portfolio Committee                        | Carry Over  | Number     | 1       |  |  |   |   |  |  | [D660] Director: Technical Services: Target met (June 2023)  | [D660] Director: Technical Services: None required (June 2023) | 1    | 1    | 1    | G |
| Technical Services | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality         | Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti-Fraud and Corruption Policy   | % of transgressions initiated in terms of the Anti-Fraud and Corruption Policy   | 100%    | Quarterly reports to Portfolio Committee or EMC when applicable | Stand-Alone | Percentage | 100%    |  |  | [D665] Director: Technical Services: Target achieved - Monthly Report (December 2022) |   | [D665] Director: Technical Services: Target Met - Minutes provided on Monthly Report discussion of Disciplinary Actions (March 2023) |  | [D665] Director: Technical Services: Target met (June 2023)  | [D665] Director: Technical Services: None required (June 2023) | 100% | 100% | 100% | G |



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|--------------------|---|--|---|--|---------|--|--------------------|--------|---------|--|---|--|---|--|---|---|--|-----|-----|-------|---|
| Technical Services | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality | Ensure the development of staff in terms of training and development, succession planning and career path development and submit reports to the Technical Portfolio Committee | Number of reports submitted to the Technical Portfolio Committee on the development of staff in terms of training and development, successsion planning and career path development. | New KPI | Minutes of Technical Portfolio Committee   | Stand-Alone        | Number | New KPI |  |   |  |   |  |   |   |  | 1   | 1   | 1     | G |
| Technical Services | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality | Ensure that service delivery standards in terms of the Client Service Charter are adhere to and reports submitted to the Technical Portfolio Committee                        | Number of reports submitted to the Technical Portfolio Committee on the service delivery standards in terms of the Client Service Charter  | New KPI | Minutes of Technical Portfolio Committee   | Accumulative       | Number | New KPI | [D667] Director: Technical Services: Target met (September 2022)   | [D667] Director: Technical Services: Two meetings scheduled for the term (September 2022) | [D667] Director: Technical Services: Target achieved - Monthly report submitted to Portfolio Committee (December 2022) |   | [D667] Director: Technical Services: Target not Met - Committee meeting not scheduled in January but meetings held in February and March. (March 2023) | [D667] Director: Technical Services: Ensure monthly reports is submitted to Portfolio Committee meetings (March 2023) | [D667] Director: Technical Services: Target not met (June 2023)                         | [D667] Director: Technical Services: The target is 12 meetings, however only 10 meetings were scheduled for the 22/23 financial year. 10 meetings were attended and information submitted. (June 2023) | 12  | 12  | 10    | O |
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically  | Improve the net debt collection period by 30 June 2023  | Number of outstanding debtor days by 30 June 2023  | 120     | Annual Financial Statements , supported by figures as per the VESTA financial system | Reverse Last Value | Number | 69.34   | [D668] Accountant: Credit Control: Not applicable (September 2022) | [D668] Accountant: Credit Control: Not applicable (September 2022)                        | [D668] Accountant: Credit Control: Not applicable (December 2022)  | [D668] Accountant: Credit Control: Not applicable (December 2022) | [D668] Accountant: Credit Control: Not applicable (March 2023)   | [D668] Accountant: Credit Control: Not applicable (March 2023)  | [D668] Accountant: Credit Control: Debt collection was improved as required (June 2023) | [D668] Accountant: Credit Control: The unit of measurement was changed to reverse last value from value due to a technical error. No corrective measures therefore required. (June 2023)               | 110 | 110 | 86.90 | B |

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|                    |   |   |   |  |   |  |              |        |   |  |  |  |   |   |  |   |  |   |   |   |   |
|--------------------|---|---|---|--|---|--|--------------|--------|---|--|--|--|---|---|--|---|--|---|---|---|---|
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To grow and diversify our revenue and ensure value for money-services | Monitor virements in the operational budget in accordance with the MFMA to enable efficient and effective service delivery and submit reports to the Finance Portfolio Committee on a quarterly basis                                     | Number of reports submitted to the Finance Portfolio Committee to monitor virements in the operational budget in accordance with the MFMA to enable efficient and effective service delivery | 4 | Minutes of the following Finance Portfolio Committee | Accumulative | Number | 4 | [D669] Head: Assets & Supply Chain Management: Monitor virements in the operational budget in accordance with the MFMA to enable efficient and effective service delivery and submit reports to the Finance Portfolio Committee on a quarterly basis [TL45] (September 2022)   | [D669] Head: Assets & Supply Chain Management: None (September 2022)   | [D669] Head: Assets & Supply Chain Management: none required (November 2022) [D669] Head: Assets & Supply Chain Management: Monitor virements in the operational budget in accordance with the MFMA to enable efficient and effective service delivery and submit reports to the Finance Portfolio Committee on a quarterly basis [TL45] (December 2022) | [D669] Head: Assets & Supply Chain Management: none required (November 2022) [D669] Head: Assets & Supply Chain Management: none required (December 2022) | [D669] Head: Assets & Supply Chain Management: none required (February 2023) [D669] Head: Assets & Supply Chain Management: Monitor virements in the operational budget in accordance with the MFMA to enable efficient and effective service delivery and submit reports to the Finance Portfolio Committee on a quarterly basis [TL45] (March 2023) | [D669] Head: Assets & Supply Chain Management: none required (February 2023) [D669] Head: Assets & Supply Chain Management: none required (March 2023) | [D669] Head: Assets & Supply Chain Management: none required (April 2023) [D669] Head: Assets & Supply Chain Management: none required (May 2023) [D669] Head: Assets & Supply Chain Management: Monitor virements in the operational budget in accordance with the MFMA to enable efficient and effective service delivery and submit reports to the Finance Portfolio Committee on a quarterly basis [TL45] (June 2023) | [D669] Head: Assets & Supply Chain Management: none required (April 2023) [D669] Head: Assets & Supply Chain Management: none required (May 2023) [D669] Head: Assets & Supply Chain Management: none required (June 2023) | 4 | 4 | 4 | G |
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To grow and diversify our revenue and ensure value for money-services | Conduct 1 series of workshops in the 3 major towns to business on compliance with municipal SCM regulation requirements to promote business opportunities in Bergvrievier Municipal Area through the municipal budget by 31 December 2022 | Number of series of workshops conducted to businesses on compliance with SCM regulation requirements by 31 December 2022   | 1 | Attendance register of workshops conducted           | Carry Over   | Number | 1 | [D670] Head: Assets & Supply Chain Management: none required (Nov 2022)[D670] Head: Assets & Supply Chain Management: Conduct 1 series of workshops in the 3 major towns to business on compliance with municipal SCM regulation requirements to promote business opportunities in Bergvrievier Municipal Area through the municipal budget by 31 Dec 2022 [TL46] (Dec 2022) | [D670] Head: Assets & Supply Chain Management: none required (November 2022)[D670] Head: Assets & Supply Chain Management: none required (December 2022) | [D670] Head: Assets & Supply Chain Management: none required (February 2023)[D670] Head: Assets & Supply Chain Management: none required (March 2023)  | [D670] Head: Assets & Supply Chain Management: none required (February 2023)[D670] Head: Assets & Supply Chain Management: none required (March 2023)     | [D670] Head: Assets & Supply Chain Management: none required (May 2023)[D670] Head: Assets & Supply Chain Management: none required (June 2023)   | [D670] Head: Assets & Supply Chain Management: none required (May 2023)[D670] Head: Assets & Supply Chain Management: none required (June 2023)        | [D670] Head: Assets & Supply Chain Management: none required (June 2023)  | [D670] Head: Assets & Supply Chain Management: none required (June 2023)   | 1 | 1 | 1 | G |

|                    |   |   |  |  |     |  |              |            |         |  |   |  |   |  |   |  |  |   |     |     |        |
|--------------------|---|---|--|--|-----|--|--------------|------------|---------|--|---|--|---|--|---|--|--|---|-----|-----|--------|
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To grow and diversify our revenue and ensure value for money-services | Draft and submit a write-off of irrecoverable debt policy and submit to Mayoral Committee and Council- for consideration before end of March 2023  | Number of policies drafted and submitted for the writing off of irrecoverable debt to Mayco and Council before end of March 2023                               | 2   | Minutes of Mayco and Council Meeting                 | Accumulative | Number     | 2       |  |   | [D671] Manager: Income: The Finance Portfolio Committee resolved that no further write-offs will be considered before the Bad Debt write-off policy is approved. The write-off policy was workshopped with the Finance Portfolio Committee and will be tabled for approval in February 2023 after which the report for the writing off of irrecoverable debt will be tabled. It should be noted that a report was tabled to the Portfolio Committee during October 2022. (December 2022) | [D671] Manager: Income: The Finance Portfolio Committee resolved that no further write-offs will be considered before the Bad Debt write-off policy is approved. The write-off policy was workshopped with the Finance Portfolio Committee and will be tabled for approval in February 2023 after which the report for the writing off of irrecoverable debt will be tabled. It should be noted that a report was tabled to the Portfolio Committee during Oct 2022. (Dec 2022) | [D671] Manager: Income: Policies drafted and submitted for the writing off of irrecoverable debt to Mayoral Committee and Council (March 2023) | [D671] Manager: Income: Not necessary (March 2023)            | [D671] Manager: Income: Target was changed during adjustment due to policy to be developed first. (June 2023)  |  | 2 | 1   | 1   | G      |
|                    |   |   | Achieve a payment percentage of 96 % as at 30 June 2023 ((Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue) x 100) | Payment % as at 30 June 2023 ((Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off) /Billed Revenue) x 100) | 96% | Minutes of the following Finance Portfolio Committee | Last Value   | Percentage | 100.08% | [D672] Accountant: Credit Control: Achieved (September 2022) | [D672] Accountant: Credit Control: Not necessary (September 2022) | [D672] Accountant: Credit Control: Payment rate report (December 2022)   | [D672] Accountant: Credit Control: Not necessary (December 2022)  | [D672] Accountant: Credit Control: Payment rate report (March 2023)  | [D672] Accountant: Credit Control: Not necessary (March 2023) | [D672] Accountant: Credit Control: Payment rate report (May 2023) [D672] Accountant: Credit Control: Target almost achieved, but due to economic circumstances, customers have less income to pay all obligations. (June 2023) | [D672] Accountant: Credit Control: Target almost achieved. Revenue enhancement strategy to be implemented further in 2023/24 to achieve a higher payment rate. (June 2023) |   | 96% | 96% | 95.64% |

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|--------------------|---|--|---|---|------|---|--------------|------------|------|---|---|--|--|--|--|--|---|------|------|---|---|
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality         | Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti Fraud and Corruption Policy . | % of identified transgressions initiated in terms of the Anti-Fraud and Corruption Policy   | 100% | Quarterly reports to Portfolio Committee or EMC when applicable   | Stand-Alone  | Percentage | 100% | [D673] Director: Financial Services: None required (July 2022)[D673] Director: Financial Services: None required (August 2022)[D673] Director: Financial Services: Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti Fraud and Corruption Policy . (September 2022) | [D673] Director: Financial Services: None required (July 2022)[D673] Director: Financial Services: None required (August 2022)[D673] Director: Financial Services: None required (September 2022) | [D673] Director: Financial Services: Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti-Fraud and Corruption Policy . (December 2022) | [D673] Director: Financial Services: None required (December 2022) | [D673] Director: Financial Services: Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti Fraud and Corruption Policy . [TL49] (March 2023) | [D673] Director: Financial Services: None required (May 2023)[D673] Director: Financial Services: Develop a culture of zero tolerance to corruption and dishonesty by the efficient completion of disciplinary steps in terms of the Anti Fraud and Corruption Policy . [TL49] (June 2023)   | [D673] Director: Financial Services: None required (May 2023)[D673] Director: Financial Services: None required (June 2023)  | 100%  | 100% | 100% | G |   |
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Evaluate the performance of all staff with performance contracts on an annual basis according to the agreed upon performance contracts before 30 June 2023            | % of performance evaluations of all staff with performance contracts according to the agreed upon performance contracts before 30 June 2023 | 100% | System generated evaluation report of evaluation session of each staff member with a performance contract | Last Value   | Percentage | 100% | [D674] Director: Financial Services: None required (September 2022)   | [D674] Director: Financial Services: None required (September 2022)   |  | [D674] Director: Financial Services: None required (March 2023)    | [D674] Director: Financial Services: None required (March 2023)  | [D674] Director: Financial Services: None required (April 2023) [D674] Director: Financial Services: None required (May 2023) [D674] Director: Financial Services: Evaluate the performance of all staff with performance contracts on an annual basis according to the agreed upon performance contracts before 30 June 2023 [TL50] (June 2023) | [D674] Director: Financial Services: None required (April 2023) [D674] Director: Financial Services: None required (May 2023) [D674] Director: Financial Services: None required (June 2023) | 100%  | 100% | 100% | G |   |
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To grow and diversify our revenue and ensure value for money-services      | Implement the approved Revenue Enhancement strategy to improve revenue generation and collection and submit quarterly reports to the Finance Portfolio Committee      | Number of reports submitted to Finance Portfolio committee on the implementation of the approved Revenue Enhancement strategy               | 4    | Minutes of the following Finance Portfolio Committee Meeting  | Accumulative | Number     | 4    | [D675] Manager: Income: Report (September 2022)   | [D675] Manager: Income: Not necessary (September 2022)  | [D675] Manager: Income: Report submitted (December 2022)   | [D675] Manager: Income: Not necessary (December 2022)              | [D675] Manager: Income: Report submitted (March 2023)  | [D675] Manager: Income: Not necessary (March 2023)   | [D675] Manager: Income: Report submitted (June 2023)   | [D675] Manager: Income: Not necessary (June 2023) | 4    | 4    | 4 | G |

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|--------------------|---|--|---|--|---------|--|--------------|------------|---------|--|--|---|--|--|---|--|--|------|------|------|---|
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | 100% of all complaints registered are being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged     | % of complaints registered being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged | 100%    | Minutes of following Financial Portfolio Committee | Stand Alone  | Percentage | 100%    | [D676] Director: Financial Services: None required (August 2022)[D676] Director: Financial Services: % of complaints registered being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged (September 2022) | [D676] Director: Financial Services: None required (August 2022)[D676] Director: Financial Services: None required (September 2022)  | [D676] Director: Financial Services: % of complaints registered being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged (December 2022) | [D676] Director: Financial Services: None required (December 2022) | [D676] Director: Financial Services: 100% of all complaints registered are being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged [TL52] (March 2023)     | [D676] Director: Financial Services: None required (March 2023)   | [D676] Director: Financial Services: None required (May 2023)[D676] Director: Financial Services: 100% of all complaints registered are being attended to within the Directorate and completed before the end of the month following the date on which the complaint was lodged [TL52] (June 2023) | [D676] Director: Financial Services: None required (May 2023)[D676] Director: Financial Services: None required (June 2023)  | 100% | 100% | 100% | G |
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Ensure that all complaints about municipal accounts and related services are submitted through the IMIS system and report to the Finance Portfolio Committee on a quarterly basis | Number of reports submitted to Finance Portfolio Committee on complaints about municipal accounts and related services submitted through IMIS                      | New KPI | Minutes of Finance Portfolio Committee             | Accumulative | Number     | New KPI | [D677] Director: Financial Services: None required (August 2022) [D677] Director: Financial Services: IMIS report (September 2022)   | [D677] Director: Financial Services: None required (August 2022) [D677] Director: Financial Services: None required (September 2022) | [D677] Director: Financial Services: Number of reports submitted to Finance Portfolio Committee on complaints about municipal accounts and related services submitted through IMIS (December 2022)                      | [D677] Director: Financial Services: None required (December 2022) | [D677] Director: Financial Services: Ensure that all complaints about municipal accounts and related services are submitted through the IMIS system and report to the Finance Portfolio Committee on a quarterly basis [TL53] (March 2023) | [D677] Director: Financial Services: None required (May 2023) [D677] Director: Financial Services: Ensure that all complaints about municipal accounts and related services are submitted through the IMIS system and report to the Finance Portfolio Committee on a quarterly basis [TL53] (June 2023) | [D677] Director: Financial Services: None required (May 2023) [D677] Director: Financial Services: None required (June 2023)   | [D677] Director: Financial Services: None required (May 2023) [D677] Director: Financial Services: None required (June 2023) | 4    | 4    | 4    | G |
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Facilitate quarterly feedback on the Procurement Plan for the 2022/2023 financial year by all Directorates and submit a quarterly report to the Finance Portfolio Committee       | Number of feedback reports on the Procurement Plan submitted to the Finance Portfolio Committee  | New KPI | Minutes of Finance Portfolio Committee             | Accumulative | Number     | New KPI | [D678] Director: Financial Services: Number of feedback reports on the Procurement Plan submitted to the Finance Portfolio Committee (September 2022)  | [D678] Director: Financial Services: None required (September 2022)  | [D678] Director: Financial Services: Number of feedback reports on the Procurement Plan submitted to the Finance Portfolio Committee (December 2022)  | [D678] Director: Financial Services: None required (December 2022) | [D678] Director: Financial Services: Facilitate quarterly feedback on the Procurement Plan for the 2022/2023 financial year by all Directorates and submit a quarterly report to the Finance Portfolio Committee [TL54] (March 2023)       | [D678] Director: Financial Services: None required (May 2023) [D678] Director: Financial Services: Facilitate quarterly feedback on the Procurement Plan for the 2022/2023 financial year by all Directorates and submit a quarterly report to the Finance Portfolio Committee [TL54] (June 2023)       | [D678] Director: Financial Services: None required (May 2023) [D678] Director: Financial Services: None required (June 2023)   | [D678] Director: Financial Services: None required (May 2023) [D678] Director: Financial Services: None required (June 2023) | 4    | 4    | 4    | G |

|                    |   |  |  |  |         |  |             |        |         |   |   |  |  |   |   |   |  |       |       |        |     |
|--------------------|---|--|--|--|---------|--|-------------|--------|---------|---|---|--|--|---|---|---|--|-------|-------|--------|-----|
| Financial Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Conduct an annual roadshow by May 2023 in each town for indigents, with specific attention to the pensioners and submit report to Finance Portfolio Committee      | Number of annual roadshows conducted by May 2023   | New KPI | Minutes of Finance Portfolio Committee   | Stand-Alone | Number | New KPI | [D679] Director: Financial Services: None required (September 2022) | [D679] Director: Financial Services: None required (September 2022) | [D679] Director: Financial Services: None required (December 2022) | [D679] Director: Financial Services: None required (December 2022) | [D679] Director: Financial Services: None required (March 2023) | [D679] Director: Financial Services: None required (March 2023) | [D679] Director: Financial Services: None required (April 2023) [D679] Director: Financial Services: None required (May 2023) [D679] Director: Financial Services: Conduct an annual roadshow by May 2023 in each town for indigents, with specific attention to the pensioners and submit report to Finance Portfolio Committee [TL55] (June 2023) | [D679] Director: Financial Services: None required (April 2023) [D679] Director: Financial Services: None required (May 2023) [D679] Director: Financial Services: None required (June 2023) | 1     | 1     | 1      | G   |
| Council            | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically  | Number of formal households that receive piped water (credit & pre-paid water) that is connected to the municipal water infrastructure network as at 30 June 2023  | Number of households which are billed for water or have prepaid meters as at 30 June 2023  | 9 117   | Debtors Accrual Report extracted from VESTA Financial System   | Last Value  | Number | 9763    | [D680] Manager: Income: Not applicable (September 2022)             | [D680] Manager: Income: Not applicable (September 2022)             | [D680] Manager: Income: Not applicable (December 2022)             | [D680] Manager: Income: Not applicable (December 2022)             | [D680] Manager: Income: Not applicable (March 2023)             | [D680] Manager: Income: Not applicable (March 2023)             | [D680] Manager: Income: Phoenix Billing report (June 2023)  | [D680] Manager: Income: Number of households exceed the target (June 2023)   | 9 117 | 9 117 | 9 979  | G 2 |
| Council            | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically  | Number of formal households connected to the municipal electrical infrastructure network (credit & prepaid electrical metering) (Excl Eskom areas) at 30 June 2023 | Number of households billed for electricity or have prepaid meters (Excl Eskom areas) at 30 June 2023 ( Contour + Active meters) | 9 484   | Debtors Accrual Report from VESTA Financial System & CONTOUR pre-paid monthly electricity report (Contour + Active meters) | Last Value  | Number | 9697    | [D681] Manager: Income: Not applicable (September 2022)             | [D681] Manager: Income: Not applicable (September 2022)             | [D681] Manager: Income: Not applicable (December 2022)             | [D681] Manager: Income: Not applicable (December 2022)             | [D681] Manager: Income: Not applicable (March 2023)             | [D681] Manager: Income: Not applicable (March 2023)             | [D681] Manager: Income: Phoenix Billing report + Contour Active meter report (June 2023)  | [D681] Manager: Income: Number of households exceed the target (June 2023)   | 9 484 | 9 484 | 10 726 | G 2 |



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|         |   |                         |  |  |       |   |            |        |      |   |   |  |  |   |   |  |  |       |       |        |     |
|---------|---|-------------------------|--|--|-------|---|------------|--------|------|---|---|--|--|---|---|--|--|-------|-------|--------|-----|
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | Number of formal households connected to the municipal wastewater sanitation/ sewerage network for sewerage service, irrespective of number of water closets (toilets) at 30 June 2023 | Number of households which are billed for sewerage at 30 June 2023       | 7 423 | Debtors Accrual Report extracted from VESTA Financial System  | Last Value | Number | 7751 | [D682] Manager: Income: Not applicable (September 2022) | [D682] Manager: Income: Not applicable (September 2022) | [D682] Manager: Income: Not applicable (December 2022) | [D682] Manager: Income: Not applicable (December 2022) | [D682] Manager: Income: Not applicable (March 2023) | [D682] Manager: Income: Not applicable (March 2023) | [D682] Manager: Income: Phoenix Billing report (June 2023) | [D682] Manager: Income: Number of households exceed the target (June 2023) | 7 423 | 7 423 | 8 009  | G 2 |
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | Number of formal households for which refuse is removed once per week at 30 June 2023  | Number of households which are billed for refuse removal at 30 June 2023 | 9 573 | Debtors Accrual Report extracted from VESTA Financial System  | Last Value | Number | 9876 | [D683] Manager: Income: Not applicable (September 2022) | [D683] Manager: Income: Not applicable (September 2022) | [D683] Manager: Income: Not applicable (December 2022) | [D683] Manager: Income: Not applicable (December 2022) | [D683] Manager: Income: Not applicable (March 2023) | [D683] Manager: Income: Not applicable (March 2023) | [D683] Manager: Income: Phoenix Billing report (June 2023) | [D683] Manager: Income: Number of households exceed the target (June 2023) | 9 573 | 9 573 | 10 097 | G 2 |
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To alleviate poverty    | Provide free basic water to indigent households  | Number of households receiving free basic water                          | 1 702 | Indigent Report extracted from Vesta Financial System   | Last Value | Number | 1916 | [D684] Manager: Income: Not applicable (September 2022) | [D684] Manager: Income: Not applicable (September 2022) | [D684] Manager: Income: Not applicable (December 2022) | [D684] Manager: Income: Not applicable (December 2022) | [D684] Manager: Income: Not applicable (March 2023) | [D684] Manager: Income: Not applicable (March 2023) | [D684] Manager: Income: Phoenix Billing report (June 2023) | [D684] Manager: Income: Number of households exceed the target (June 2023) | 1 702 | 1 702 | 1 898  | G 2 |
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To alleviate poverty    | Provide free basic electricity to indigent households  | Number of households receiving free basic electricity                    | 1 800 | Indigent Report extracted from Vesta Financial System & CONTOUR pre-paid monthly electricity report | Last Value | Number | 1891 | [D685] Manager: Income: Not applicable (September 2022) | [D685] Manager: Income: Not applicable (September 2022) | [D685] Manager: Income: Not applicable (December 2022) | [D685] Manager: Income: Not applicable (December 2022) | [D685] Manager: Income: Not applicable (March 2023) | [D685] Manager: Income: Not applicable (March 2023) | [D685] Manager: Income: Phoenix Billing report (June 2023) | [D685] Manager: Income: Number of households exceed the target (June 2023) | 1 800 | 1 800 | 1 983  | G 2 |
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To alleviate poverty    | Provide free basic sanitation to indigent households   | Number of households receiving free basic sanitation                     | 1 502 | Indigent Report extracted from Vesta Financial System   | Last Value | Number | 1709 | [D686] Manager: Income: Not applicable (September 2022) | [D686] Manager: Income: Not applicable (September 2022) | [D686] Manager: Income: Not applicable (December 2022) | [D686] Manager: Income: Not applicable (December 2022) | [D686] Manager: Income: Not applicable (March 2023) | [D686] Manager: Income: Not applicable (March 2023) | [D686] Manager: Income: Phoenix Billing report (June 2023) | [D686] Manager: Income: Number of households exceed the target (June 2023) | 1 502 | 1 502 | 1 695  | G 2 |
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To alleviate poverty    | Provide free basic refuse removal to indigent households   | Number of households receiving free basic refuse removal                 | 1 706 | Indigent Report extracted from Vesta Financial System   | Last Value | Number | 1920 | [D687] Manager: Income: Not applicable (September 2022) | [D687] Manager: Income: Not applicable (September 2022) | [D687] Manager: Income: Not applicable (December 2022) | [D687] Manager: Income: Not applicable (December 2022) | [D687] Manager: Income: Not applicable (March 2023) | [D687] Manager: Income: Not applicable (March 2023) | [D687] Manager: Income: Phoenix Billing report (June 2023) | [D687] Manager: Income: Number of households exceed the target (June 2023) | 1 706 | 1 706 | 1 902  | G 2 |

|         |   |                         |   |  |     |  |                    |            |         |  |  |  |  |  |  |  |  |  |      |      |         |   |
|---------|---|-------------------------|---|--|-----|--|--------------------|------------|---------|--|--|--|--|--|--|--|--|--|------|------|---------|---|
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | Financial viability measured into municipality's ability to meet its service debt obligations as at 30 June 2023 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)  | Debt to Revenue as at 30 June 2023 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)   | 26% | Annual Financial Statements , supported by figures as per the VESTA financial system | Reverse Last Value | Percentage | 18.30 % |  |  |  |  |  |  |  | [D688] Manager: Budget and Treasury Office: Debt to Revenue as at 30 June 2023 (June 2023) | [D688] Manager: Budget and Treasury Office: preliminary figures are used and can only be updated after the financial statements are prepared. This target must change to September each year. The unit of measurement was changed due to a technical error from last value to reverse last value (June 2023) | 26%  | 26%  | 23.20 % | B |
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | Financial viability measured in terms of outstanding service debtors as at 30 June 2023 (Total outstanding service debtors/ revenue received for services)  | Service debtors to revenue as at 30 June 2023 - (Total outstanding service debtors/ revenue received for services)   | 36% | Annual Financial Statements , supported by figures as per the VESTA financial system | Reverse Last Value | Percentage | 25.82 % |  |  |  |  |  |  |  | [D689] Manager: Budget and Treasury Office: preliminary figures (June 2023)                | [D689] Manager: Budget and Treasury Office: none required (June 2023)  | 36%  | 36%  | 28.66 % | B |
| Council | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | Financial viability measured in terms of available cash to cover fixed operating expenditure as at 30 June 2023 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excl (Depreciation, Amortisation, & Provision for Bad Debts, Impairment & Loss on Disposal of Assets)) | Cost coverage as at 30 June 2023 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excl (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)) | 2,6 | Annual Financial Statements , supported by figures as per the VESTA financial system | Last Value         | Number     | 4.44    |  |  |  |  |  |  |  | [D690] Manager: Budget and Treasury Office: Cost coverage as at 30 June 2023 (June 2023)   | [D690] Manager: Budget and Treasury Office: none required (June 2023)  | 2.60 | 2.60 | 5.46    | B |

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|                    |   |  |  |  |      |   |             |            |         |   |  |  |   |   |  |   |   |      |      |         |    |
|--------------------|---|--|--|--|------|---|-------------|------------|---------|---|--|--|---|---|--|---|---|------|------|---------|----|
| Community Services | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically, grow and diversify our revenue and ensure value for money- services | Collect 95% of budgeted income by 30 June 2023 for resorts (Excl budgeted debt provision): (Actual amount collected /total amount budgeted)x100]                       | % of budgeted income for resorts collected by 30 June 2023                     | 95%  | Detailed Excel Capital Report & Trial Balance from VESTA        | Last Value  | Percentage | 95.47 % | [D693] Director Community Services: Budget - R 5 420 000.00 Income - R 1 606 174.79 The target was 10% but we achieved 29.63%. (September 2022) | [D693] Director Community Services: No Corrective actions are needed. (September 2022) | [D693] Director Community Services: Budget - R 5 420 000.00 Income - R 3 444 294.23 The target was 35% but we achieved 63.55%. (December 2022) | [D693] Director Community Services: No Corrective actions are needed. (December 2022) | [D693] Director Community Services: Budget - R 5 084 000.00 Income - R 4 743 824.75 The target was 55% but we achieved 93.31%. (March 2023) | [D693] Director Community Services: No Corrective actions are needed. (March 2023) | [D693] Director Community Services: Budget - R 5 084 000.00 Income - R 5 604 147.00 The target was 95% but we achieved 110.23%. (June 2023) | [D693] Director Community Services: No Corrective actions are needed. (June 2023) | 95%  | 95%  | 110.23% | G2 |
| Community Services | Strengthen Financial Sustainability and further enhance Good Governance | To provide a transparent, ethical and corruption free municipality                           | Develop a culture of zero tolerance to corruption and dis-honesty by the efficient completion of disciplinary steps in terms of the Anti Fraud and Corruption Policy . | % of transgressions initiated in terms of the Anti-Fraud and Corruption Policy | 100% | Quarterly reports to Portfolio Committee or EMC when applicable | Stand-Alone | Percentage | 100%    | [D694] Director Community Services: No incidents happened in the Directorate Community Services. (September 2022)                               | [D694] Director Community Services: No Corrective actions are needed. (September 2022) | [D694] Director Community Services: No incidents happened in the Directorate Community Services. (December 2022)                               | [D694] Director Community Services: No Corrective actions are needed. (December 2022) | [D694] Director Community Services: No incidents happened in the Directorate Community Services. (March 2023)                               | [D694] Director Community Services: No Corrective actions are needed. (March 2023) | [D694] Director Community Services: No incidents happened in the Directorate Community Services. (June 2023)                                | [D694] Director Community Services: No Corrective actions are needed. (June 2023) | 100% | 100% | 100%    | G  |

|                    |   |                         |   |   |     |  |            |            |         |  |  |  |  |   |  |  |  |     |     |         |   |
|--------------------|---|-------------------------|---|---|-----|--|------------|------------|---------|--|--|--|--|---|--|--|--|-----|-----|---------|---|
| Community Services | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically | % of Capital budget spent as at 30 June 2023 : (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100] | % of Capital budget spent as at 30 June 2023 : (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100] | 95% | Detailed Excel Capital Report & Trial Balance from VESTA | Carry Over | Percentage | 94.04 % | [D700] Director Community Services: Budget - R 8 910 000.00 Expenditure - R 1 784 761.82 The target was 15% but we achieved 20.03%. (September 2022) | [D700] Director Community Services: No Corrective actions are needed. (September 2022) | [D700] Director Community Services: Budget R9 183 400,00 Expenditure R2 244 949,95 (December 2022) | [D700] Director Community Services: Although actual spending is only 24,45%, the committed expenditure amounts to 54,75%. In addition, an order was issued for 2 vehicles, however these could not be delivered by the suppliers in December 2022, and will only be delivered in early 2023. The appointment of the consultant who will do the project management for a number of our biggest capital projects was finalized in December 2022. This will enable us to still complete our projects by the due dates for the current financial year. (December 2022) | [D700] Director Community Services: Budget R 9 146 400,00 Expenditure R 2 794 517,46 (March 2023) | [D700] Director Community Services: The actual spending is only 30.55%, and the committed expenditure (including shadow cost) amounts to 76.72%. All vehicles purchased are on order and will be delivered by the suppliers by end of May 2023. Engineers was appointed to do the project management of a few infrastructure projects and those projects will be completed by the end of June 2023. Smaller projects will be completed by the end of April 2023 (example, the Piketberg Cemetery Fencing, Ride-on Lawnmowers etc) (March 2023) | [D700] Director Community Services: Budget R8 978 143.00 Expenditure R8 501 930.07 (June 2023) | [D700] Director Community Services: At least 3 projects could not be done in the financial year, since the tender amounts were higher than the available funding. In addition some projects started late, since a consultant first had to be appointed. The implementation of another project was delayed, since the heritage approval first had to be secured, and the buildings plans had to be approved. Finally, the capacity to implement capital projects in the Directorate is severely compromised, due to resource constraints. A serious reconsideration about this is needed, since construction projects are forced upon us, whilst it properly belongs to the Project Management Unit in the Directorate Technical Services. Discussions will be held at Directors meeting in order to determine the responsibility with regards to project | 95% | 95% | 94.70 % | O |
|--------------------|---|-------------------------|---|---|-----|--|------------|------------|---------|--|--|--|--|---|--|--|--|-----|-----|---------|---|



|                    |   |  |  |  |         |   |              |        |         |  |  |  |   |  |   |   |  |   |   |   |   |   |
|--------------------|---|--|--|--|---------|---|--------------|--------|---------|--|--|--|---|--|---|---|--|---|---|---|---|---|
| Community Services | Strengthen Financial Sustainability and further enhance Good Governance | To create an efficient, effective, economic and accountable administration | Conduct a backyarders survey in all towns and submit to Community Services Portfolio Committee by 31 December 2022 | Number of surveys conducted and report submitted to Community Services Portfolio Committee by 31 December 2022 | New KPI | Minutes of Community Services Portfolio Committee | Stand-Alone  | Number | New KPI |  |  | [D706] Director Community Services: The backyarders survey was submitted to the Community Services Portfolio committee on 6 December 2022. (December 2022)   | [D706] Director Community Services: No Corrective actions are needed. (December 2022)   |  |   |   |  |   | 1 | 1 | 1 | G |
| Community Services | Strengthen Financial Sustainability and further enhance Good Governance | To budget strategically  | Submit four (4) business plans to external stakeholders to obtain external funding by 30 June 2023                 | Number of business plans submitted to external stakeholders to obtain external funding by 30 June 2023         | New KPI | Copy of applications submitted                    | Accumulative | Number | New KPI |  |  | [D707] Director Community Services: Three PID applications were submitted to the Department of Human Settlements in October 2022: St Christopher Street; Sand Street; The Haven. (October 2022)<br>[D707] Director Community Services: Two applications were submitted as follows; One to the Department of Cultural Affairs and Sport for sport infrastructure funding. One to the Western Cape Department of Community Safety for a Fire Services Capacity Building Grant. (Dec2022) | [D707] Director Community Services: No Corrective actions are needed. (October 2022)<br>[D707] Director Community Services: No Corrective actions are needed. (December 2022) | [D707] Director Community Services: Two applications were submitted to the Department of Community Safety on 17 January 2023: Control Room Operators; Patrol Vehicles. (January 2023)<br>[D707] Director Community Services: One PID application regarding land purchase (Deezehoek Piketberg) were submitted to the Department of Human Settlements in February 2023. (February 2023) | [D707] Director Community Services: No Corrective actions are needed. (January 2023)<br>[D707] Director Community Services: No Corrective actions are needed. (February 2023) | [D707] Director Community Services: No business plan was submitted. (June 2023) | [D707] Director Community Services: Was not required to submit any business plans because all the required business plans was submitted on the following dates: 1. 21 October 2022<br>2. 17 January 2023<br>3. 28 February 2023<br>(June 2023) | 4 | 4 | 8 | B |   |

**Summary of Results: Strengthen Financial Sustainability and further enhance Good Governance**

|                   |                        |           |
|-------------------|------------------------|-----------|
| N/A               | KPI Not Yet Applicable | 0         |
| R                 | KPI Not Met            | 1         |
| O                 | KPI Almost Met         | 4         |
| G                 | KPI Met                | 37        |
| G2                | KPI Well Met           | 11        |
| B                 | KPI Extremely Well Met | 6         |
| <b>Total KPIs</b> |                        | <b>59</b> |

**Sustainable and inclusive living environment**

| Responsible Directorate | Strategic Goal | Strategic Objective | KPI Name | Description of Unit of Measurement | Baseline | Source of Evidence | Calculation Type | Target Type | Past Year Performance | Quarter ending September 2022 | Quarter ending December 2022 | Quarter ending March 2023 | Quarter ending June 2023 | Overall Performance for Quarter ending September 2022 to Quarter ending June 2023 |
|-------------------------|----------------|---------------------|----------|------------------------------------|----------|--------------------|------------------|-------------|-----------------------|-------------------------------|------------------------------|---------------------------|--------------------------|---|
|                         |                |                     |          |                                    |          |                    |                  |             |                       |                               |                              |                           |                          |   |



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|                    |  |   |   |  |         |   |            |        |   | Performance Comment   | Corrective Measures   | Performance Comment   | Corrective Measures  | Performance Comment   | Corrective Measures   | Performance Comment   | Corrective Measures  | Original Target | Target | Actual | R |
|--------------------|--|---|---|--|---------|---|------------|--------|---|---|---|---|--|---|---|---|--|-----------------|--------|--------|---|
| Corporate Services | Sustainable and Inclusive living environment | To conserve and manage the natural environment and mitigate the impacts of climate change | Ensure public environmental awareness and education | Number of reports submitted to the Portfolio Committee regarding environmental education conducted with the public | New KPI | Minutes of Corporate Services Portfolio Committee | Carry Over | Number | 1 | [D644] Manager Town Planning and Environmental Management: None required (September 2022) | [D644] Manager Town Planning and Environmental Management: None required (September 2022) | [D644] Manager Town Planning and Environmental Management: Public environmental awareness and education was reported to the Portfolio Committee as part of the Departmental monthly report. (December 2022) | [D644] Manager Town Planning and Environmental Management: None required (December 2022) | [D644] Manager Town Planning and Environmental Management: None required (March 2023) | [D644] Manager Town Planning and Environmental Management: None required (March 2023) | [D644] Manager Town Planning and Environmental Management: Public environmental awareness and education was reported to the Portfolio Committee as part of the Departmental monthly report. (June 2023) | [D644] Manager Town Planning and Environmental Management: None required (June 2023) | 1               | 1      | 1      | G |

Summary of Results: Sustainable and inclusive living environment

|     |                        |          |
|-----|------------------------|----------|
| N/A | KPI Not Yet Applicable | 0        |
| R   | KPI Not Met            | 0        |
| O   | KPI Almost Met         | 0        |
| G   | KPI Met                | 1        |
| G2  | KPI Well Met           | 0        |
| B   | KPI Extremely Well Met | 0        |
|     | <b>Total KPI</b>       | <b>1</b> |

Sustainable Service Delivery

| Responsible Directorate | Strategic Goal | Strategic Objective | KPI Name | Description of Unit of Measurement | Baseline | Source of Evidence | Calculation Type | Target Type | Past Year Performance | Overall Performance for Quarter ending September 2022 to Quarter ending June 2023 |                              |                           |                          | Original Target     | Target              | Actual | R |  |  |
|-------------------------|----------------|---------------------|----------|------------------------------------|----------|--------------------|------------------|-------------|-----------------------|---|------------------------------|---------------------------|--------------------------|---------------------|---------------------|--------|---|--|--|
|                         |                |                     |          |                                    |          |                    |                  |             |                       | Quarter ending September 2022   | Quarter ending December 2022 | Quarter ending March 2023 | Quarter ending June 2023 |                     |                     |        |   |  |  |
|                         |                |                     |          |                                    |          |                    |                  |             |                       | Performance Comment   | Corrective Measures          | Performance Comment       | Corrective Measures      | Performance Comment | Corrective Measures |        |   |  |  |

|                    |                              |  |   |  |     |  |                    |            |         |  |  |   |  |   |  |   |   |     |     |         |     |
|--------------------|------------------------------|--|---|--|-----|--|--------------------|------------|---------|--|--|---|--|---|--|---|---|-----|-----|---------|-----|
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework | Limit water losses to 12 % by 30 June 2023 {(Number of Kilotres Water Purchased or Purified minus Number of Kilotres Water Sold (including Free basic water ) / Number of Kilotres Water Purchased or Purified × 100}                                 | % of water losses 12 % or less by 30 June 2023 {(Number of Kilotres Water Purchased or Purified minus Number of Kilotres Water Sold (including Free basic water ) / Number of Kilotres Water Purchased or Purified × 100}              | 10% | Relevant note in Annual Financial Statements for the year ended 30 June 2022       | Reverse Last Value | Percentage | 15.12 % |  |  |   |  |   |  | [D650] Director: Technical Services: Technical and non-technical losses not separated hence target deemed met. (June 2023)  | [D650] Director: Technical Services: Installation process of both bulk and household smart meters in process. Installation and replacement of meters will remain a continuous process. and this will ensure that water losses to be minimized at acceptable levels. (June 2023) | 12% | 12% | 14.59 % | R   |
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework | Limit unaccounted for electricity to 10 % by 30 June 2023 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) × 100} | % unaccounted electricity by 30 June 2023 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl. Free basic electricity) )/ Number of Electricity Units Purchased and/or Generated) × 100} | 10% | Relevant note in Annual Financial Statements for the year ended 30 June 2022       | Reverse Last Value | Percentage | 12.58 % |  |  |   |  |   |  | [D651] Director: Technical Services: Target met due to technical and non-technical losses not split. Technical losses deemed achieved. Losses as determined and provided by Finance (June 2023) | [D651] Director: Technical Services: Continuous update and management of meters and systems losses (June 2023)  | 10% | 10% | 10.72 % | R   |
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework | 95 % of MIG conditional grant spent by 30 June 2023 to upgrade infrastructure : (Total amount spent/ Total amount allocated)x100]   | % of MIG conditional grant spent by 30 June 2023   | 95% | MIG report as signed by CFP and MM and send off to Provincial MIG office and COGTA | Last Value         | Percentage | 94.04 % |  |  | [D652] Director: Technical Services: Target achieved as per PMU (December 2022) |  | [D652] Director: Technical Services: Target achieved (March 2023) |  | [D652] Director: Technical Services: Target met fully (June 2023)   | [D652] Director: Technical Services: None required (June 2023)  | 95% | 95% | 100%    | G 2 |

|                    |                              |   |   |  |     |  |              |            |         |  |  |  |  |  |  |   |  |  |     |         |        |   |
|--------------------|------------------------------|---|---|--|-----|--|--------------|------------|---------|--|--|--|--|--|--|---|--|--|-----|---------|--------|---|
| Technical Services | Sustainable Service Delivery | To improve transport systems and enhance mobility of poor isolated communities in partnership with sector departments | 95 % of conditional road maintenance operational grant spent by 30 June 2023 : (Total amount spent/ Total allocation received)x100] as budgeted in the Bergrivier Municipality Operational Budget | % of conditional road maintenance operational grant spent by 30 June 2023                                      | 95% | Annual submissions of claims to Department of Public Works before 30 June 2022                                       | Last Value   | Percentage | 90.42 % |  |  |  |  | [D653] Director: Technical Services: Target Achieved (March 2023)  |  | [D653] Director: Technical Services: Target met (June 2023)   | [D653] Director: Technical Services: None (June 2023)  | 95%  | 95% | 100%    | G<br>2 |   |
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework  | 95% of the capital budget of Directorate: Technical Services spent by 30 June 2023 ((Total amount spent/Total allocation received)x100)   | % of capital budget of Directorate: Technical Services spent by 30 June 2023                                   | 95% | Monthly Budget Statement-transfers expenditure (Table C7) of Section 71 In-Year Monthly & Quarterly Budget Statement | Last Value   | Percentage | 94.65 % |  |  |  | [D654] Director: Technical Services: Target achieved as per Capital Report (December 2022)   | [D654] Director: Technical Services: Target not Met - due to not all invoices submitted for payment on various Projects. (March 2023)  | [D654] Director: Technical Services: Ensure all invoices is submitted to finance for payment and confirm payments processed. (March 2023)                          | [D654] Director: Technical Services: Target not achieved. During the month of June 2023 twice the volume of rain fell that is more than the seasonal rain that stopped all progress on the sites. No work could be executed during June 2023 because of the rain and very wet soil conditions. This was a 1:20 storm that could not be foreseen during planning stages. Weather warnings will be monitored for planning purposes. (June 2023) | [D654] Director: Technical Services: Weather warnings will be taken into account during the planning phase of capital projects. However, with climate change, the weather patterns remain largely unpredictable. (June 2023) | 95%  | 95% | 88.01 % | O      |   |
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework  | Ensure the implementation of the annual Procurement Plan and submit reports to the Technical Portfolio Committee  | Number of reports submitted to the Technical Portfolio Committee on the implementation of the Procurement Plan | 0   | Minutes of Technical Portfolio Committee   | Accumulative | Number     | New KPI |  |  |  | [D655] Director: Technical Services: The Procurement Plan was not discussed during the November meeting (Nov 2022)<br>[D655] Director: Technical Services: The Procurement Plan was not discussed during the Dec 2022 meeting (Dec 2022) | [D655] Director: Technical Services: Will be corrected for the next reporting (November 2022)<br>[D655] Director: Technical Services: Will be corrected for the next reporting (December 2022) | [D655] Director: Technical Services: Target not Met - Committee meeting not scheduled in January but February and March thus only 2 reports submitted (March 2023) | [D655] Director: Technical Services: Ensure reports is submitted on a monthly basis (March 2023)  | [D655] Director: Technical Services: Target not met. (June 2023)   | [D655] Director: Technical Services: Director Technical Services will ensure that the procurement plan is discussed at monthly meetings and will ensure that all minutes form part of the POE. (June 2023) | 11  | 11      | 7      | R |

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|--------------------|------------------------------|---|--|---|------|---|--------------|------------|---------|--|--|--|--|--|--|--|--|---|---|------|------|------|--------|
| Technical Services | Sustainable Service Delivery | To conserve and manage the natural environment and mitigate the impacts of climate change   | Conduct 2 public awareness initiatives on recycling to reduce households waste   | Number of awareness initiatives   | 2    | Pamphlets & notices distributed   | Accumulative | Number     | 3       |  |  |  |  | [D656] Director: Technical Services: Flyer distributed (December 2022)                 |  |  |  | [D656] Director: Technical Services: Target met (June 2023) | [D656] Director: Technical Services: None required (June 2023)                      | 2    | 2    | 2    | G      |
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework              | 95% water quality level obtained as per SANS 241 physical & micro parameters as at 31 December 2022 and 30 June 2023   | % water quality level as at 31 December 2022 and 30 June 2023   | 95%  | Monthly Supply System Drinking Water Quality Performance Report & Excel Summary of Drinking Water Quality | Last Value   | Percentage | 96.93 % |  |  |  |  | [D657] Director: Technical Services: Target achieved as per report (December 2022)     |  |  |  | [D657] Director: Technical Services: Target met (June 2023) | [D657] Director: Technical Services: None required (June 2023)                      | 95%  | 95%  | 99%  | G<br>2 |
| Technical Services | Sustainable Service Delivery | To create innovative partnerships with sector departments for improved education outcomes and opportunities for youth development | Sign SLAA's for each development to facilitate an environment conducive to infrastructure development in partnership with the developer and/or investors. Signed SLAA's/ total number of developments where SLA's are required)                                    | % of developments with Signed SLAA's with developers and/or investors   | 100% | Signed SLAA's   | Stand-Alone  | Percentage | 100%    |  |  |  |  | [D658] Director: Technical Services: 0 SLA's for 2nd Quarter Dec 2022. (December 2022) | [D658] Director: Technical Services: Target Met (March 2023) |  |  | [D658] Director: Technical Services: Target met (June 2023) | [D658] Director: Technical Services: None required (June 2023)                      | 100% | 100% | 100% | G      |
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework              | Revision of the following maintenance SOP's, namely storm water SOP, refuse removal SOP, pipe repair works SOP, street cleaning SOP, pavements SOP, slurry, chip and spray SOP and Potholes SOP and submit report to Technical Portfolio Committee by 30 June 2023 | Number of maintenance SOP's revised for storm water, refuse removal, pipe repair works, street cleaning, pavements, slurry, chip and spray and potholes and submitted to Technical Services Portfolio Committee by 30 June 2023 | 1    | Minutes of Technical Portfolio Committee  | Carry Over   | Number     |         |  |  |  |  |  |  |  |  | [D661] Director: Technical Services: Target met (June 2023) | [D661] Director: Technical Services: None required. All SOP's submitted (June 2023) | 7    | 7    | 7    | G      |

|                    |                              |  |  |   |      |  |              |            |         |  |  |  |   |  |  |  |  |   |      |      |      |   |
|--------------------|------------------------------|--|--|---|------|--|--------------|------------|---------|--|--|--|---|--|--|--|--|---|------|------|------|---|
| Technical Services | Sustainable Service Delivery | To develop and provide sustainable bulk and community infrastructure in support of the spatial development framework | Establish an approved maintenance plan for all assets by 30 June 2023 and submit report to Technical Portfolio Committee   | Number of reports submitted to the Technical Portfolio Committee.   | 0    | Minutes of Technical Portfolio Committee                                       | Stand-Alone  | Number     | New KPI |  |  |  |   |  |  |  | [D662] Director: Technical Services: Target not met. (June 2023) | [D662] Director: Technical Services: Attention will be given to ensure that all assets are included in the maintenance plan and it will be an annual process to update the plan. Furthermore, the KPI will be revised in the next financial year. (June 2023)               | 1    | 1    | 0    | R |
| Technical Services | Sustainable Service Delivery | To create an efficient, effective, economic and accountable administration   | Evaluate the performance of all staff with performance contracts on an annual basis according to the agreed upon performance contracts before 30 June 2023   | % of performance evaluations of all staff with performance contracts according to the agreed upon performance contracts before 30 June 2023 | 100% | Minutes of evaluation session of each staff member with a performance contract | Last Value   | Percentage | 100%    |  |  |  |   |  |  |  | [D663] Director: Technical Services: Target met (June 2023)      | [D663] Director: Technical Services: None required (June 2023)  | 100% | 100% | 100% | G |
| Technical Services | Sustainable Service Delivery | To create an efficient, effective, economic and accountable administration   | Ensure that selection and recruitment interviews are completed for all vacancies within 3 months from date of approval of requisition and report to Technical Services Portfolio Committee quarterly | Number of reports submitted to the Technical Services Portfolio Committee   | 0    | Minutes of Technical Services Portfolio Committee                              | Accumulative | Number     |         |  |  |  | [D664] Director: Technical Services: Target achieved - monthly report (December 2022) |  | [D664] Director: Technical Services: Target Met - Minutes provide on Monthly Report discussion of Selection and Recruitment (March 2023) |  | [D664] Director: Technical Services: Target met (June 2023)      | [D664] Director: Technical Services: None required. This KPI is not necessarily SMART as a report was submitted (KPI met), but not necessarily on the completion of all vacancies within 3 months. This KPI will be rewritten and/or in future financial years. (June 2023) | 4    | 4    | 4    | G |

**Summary of Results: Sustainable Service Delivery**

|     |                        |   |
|-----|------------------------|---|
| N/A | KPI Not Yet Applicable | 0 |
| R   | KPI Not Met            | 4 |
| O   | KPI Almost Met         | 1 |
| G   | KPI Met                | 5 |
| G2  | KPI Well Met           | 3 |
| B   | KPI Extremely Well Met | 0 |

|  |                   |           |
|--|-------------------|-----------|
|  | <b>Total KPIs</b> | <b>13</b> |
|--|-------------------|-----------|

**Overall Summary of Results**

|     |                        |    |
|-----|------------------------|----|
| N/A | KPI Not Yet Applicable | 0  |
| R   | KPI Not Met            | 5  |
| O   | KPI Almost Met         | 5  |
| G   | KPI Met                | 49 |
| G2  | KPI Well Met           | 16 |
| B   | KPI Extremely Well Met | 6  |



**PERFORMANCE OF EXTERNAL SERVICE PROVIDERS**

Section 46(1)(a) of the Municipal Systems Act, 2000 (Act 32 of 2000), provides that “A Municipality must prepare for each financial year a performance report reflecting.

*(a) the performance of the municipality and of each external service provider during that financial year”.*

For purposes of this report, we have regarded external service providers as being all service providers with a contract of 12 months or longer and all organisations receiving a grant in aid to perform a service on behalf of the Municipality.

**The performance of external service providers was measured and rated as follows:**

- 1 : Very Poor
- 2 : Poor
- 3 : Acceptable
- 4 : Very Good
- 5 : Excellent

No corrective measures were indicated where service is regarded as acceptable, very good and excellent, but for poor or very poor performance, corrected measures should be implemented.

OFFICE OF THE MUNICIPAL MANAGER

| DEPARTMENT                  | SERVICE PROVIDER | TERM OF CONTRACT | CONTRACT VALUE<br>PER ANNUM | DESCRIPTION OF SERVICE / KEY PERFORMANCE AREAS | TARGETS                                      | PERFORMANCE RATING<br>Average | Q1 | Q2 | Q3 | Q4 | PERFORMANCE COMMENT  | CORRECTIVE MEASURE |
|-----------------------------|------------------|------------------|-----------------------------|--|--|-------------------------------|----|----|----|----|----------------------|--------------------|
| Office of Municipal Manager | Ignite Advisory  | 3 Years          | R 305 427.38                | Performance Management System                  | 100% compliance with service level agreement | 4                             | 4  | 4  | 4  | 4  | Service is very good | Non-Required       |

CORPORATE SERVICES

| DEPARTMENT                                 | SERVICE PROVIDER                         | TERM OF CONTRACT                    | CONTRACT VALUE<br>PER ANNUM   | DESCRIPTION OF SERVICE / KEY PERFORMANCE AREAS                    | TARGETS                                       | PERFORMANCE RATING<br>Average | Q1 | Q2 | Q3 | Q4 | PERFORMANCE COMMENT  | CORRECTIVE MEASURE  |
|--|--|-------------------------------------|---|---|---|-------------------------------|----|----|----|----|--|---|
| Administrative Services                    | Telkom                                   | July 2020 – June 2023               | R 1 729 318.20  | New Telephone system  | 100% compliance with service level agreement  | 3.75                          | 3  | 3  | 3  | 3  | Service is acceptable  | None Required   |
|  | Municipal Network Services               | 01 July 2021 – 30 June 2024         | R 518.00  | Radio Computer Network  | 100% compliance with service level agreement  | 3.75                          | 3  | 3  | 3  | 3  | Very good service rendered   | None Required   |
|  | Vodacom                                  | 01 October 2021 - 30 September 2023 | R 745 550.39  | Cell phones   | N/A   | 2.5                           | 3  | 3  | 2  | 2  | The quality of Vodacom service experience declined, and this was raised as a concern and risk with Vodacom’s Regional Manager. | None required   |
|  | TGIS                                     | 01 July 2022 – 30 June 2024         | R 606 441.00  | Electronic Records and Document Management System                 | 100% compliance with service level agreement  | 3.5                           | 4  | 3  | 3  | 4  | Very good service rendered   | Non-Required  |
|  | Tunimart Travel                          | 01 July 2021 - 30 June 2024         | R 222 127.00  | Travel Agency   | Bookings of accommodation, flights etc.       | 2                             | 2  | 2  | 2  | 2  | Service is poor  | Service provider was informed of the poor service the municipality is receiving and SCM was also informed. To source another service provider that can render this service when the contract expires. |
| Town Planning and Environmental Management | CapeNature                               | 01 July 2022 – 30 June 2023         | R 591 000.00 2022/23 grant, additional grant of R 209 000.00 for Marker Buoys | Management of functions related to the Berg River Estuary.        | Compliance with the MOU agreement             | 3                             | 3  | 3  | 3  | 3  | Services and executions of functions as per the MOA has improved   | To ensure service delivery by the beneficiary CapeNature is maintained at an acceptable level of performance  |
| Human Resource                             | Payday                                   | 1 July 2020 – 30 June 2023          | R 286 501.77  | Payroll System  | 100% compliance with service level agreement  | 4                             | 4  | 4  | 4  | 4  | Good service rendered  | Non-Required  |
| Human Resource                             | LRMG (OrgPlus)                           | Feb 2020-January 2023               | R 18 667.65   | Organogram system - updates & maintenance                         | 100% compliance with service level agreement  | 4                             | 4  | 4  | 4  | 4  | Good service rendered  | Non-Required  |
| Human Resource                             | Human Capital Life Coaching & Consulting | March 2022 – June 2023              | R 450 000.00  | Review of the Organisational Structure of Bregrivier Municipality | 100 % compliance with service level agreement | 4                             | 4  | 4  | 4  | 4  | Good service rendered  | Non-required  |
| ICT  | SA Fire Watch                            | 24/02/2022-30/06/2024               | R 224 789.93  | Supply and installation of Fire detection.                        | Maintenance Agreement                         | 3.25                          | 3  | 3  | 3  | 4  | Good service rendered  | Non-Required  |

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|-----|---------------------|-------------------------|--------------|----------------------------------|-----------------------|-----|---|---|---|---|-----------------------|--------------|
| ICT | Sky Metro Equipment | 24/02/2022 – 30/06/2024 | R 490 469.06 | Supply, delivery of IT equipment | Maintenance Agreement | 3.5 | 3 | 3 | 4 | 4 | Good service rendered | Non-Required |
| ICT | TRUSC               | 01/07/2021 – 30/06/2024 | R 5 186.00   | Renting of computer network      | Network               | 4   | 4 | 4 | 4 | 4 | Good service rendered | Non-Required |

**FINANCIAL SERVICES**

| DEPARTMENT | SERVICE PROVIDER        | TERM OF CONTRACT        | CONTRACT VALUE PER ANNUM | DESCRIPTION OF SERVICE / KEY PERFORMANCE AREAS | TARGETS                       | PERFORMANCE RATING Average | Q1 | Q2 | Q3 | Q4 | PERFORMANCE COMMENT | CORRECTIVE MEASURE |
|------------|-------------------------|-------------------------|--------------------------|--|-------------------------------|----------------------------|----|----|----|----|---------------------|--------------------|
| Finance    | Phoenix ERP             | 9 years 11 months       | R 2 664 207.81           | Support and License for Financial Services     | Deliver assistance on time    | 3                          | 3  | 3  | 3  | 3  | Satisfied           | N/A                |
| Finance    | Siyanda Consultants     | 36 months               | R 1 159 978.40           | Accounting                                     | Always on time                | 4                          | 4  | 4  | 4  | 4  | Satisfied           | N/A                |
| Finance    | Contour                 | Tender                  | R 2 914 447.18           | Vending system of prepaid                      | Reliable vending on time      | 3                          | 3  | 2  | 3  | 3  | Satisfied           | N/A                |
| Finance    | Mubesko                 | Tender                  | R 2 444 385.21           | Valuation system                               | Billing                       | 3                          | 3  | 3  | 3  | 3  | Satisfied           | N/A                |
| Finance    | Cab Holdings            | Tender                  | R 986 682.48             | Printing of accounts                           | Billing                       | 3                          | 3  | 3  | 3  | 3  | Satisfied           | N/A                |
| Finance    | HCB Waardeerders        | 2018 - 2022             | R 984 009.00             | Municipal Valuer                               | Billing                       | 3                          | 3  | 3  | 3  | 3  | Satisfied           | N/A                |
| Finance    | INCA Portfolio Managers | 01/03/2022 – 30/06/2024 | R 103 500.00             | Drafting of long term financial plan           | Financial plan                | 4                          | 4  | 4  | 4  | 4  | Very good           | N/A                |
| Finance    | Ducharme                | 01/10/2021 – 30/06/2024 | R 1 596 407.05           | Revenue Enhancement project                    | Revenue/billing rectification | 3                          | 3  | 3  | 3  | 3  | Satisfied           | N/A                |

**TECHNICAL SERVICES**

| DEPARTMENT | SERVICE PROVIDER | TERM OF CONTRACT | CONTRACT VALUE PER ANNUM | DESCRIPTION OF SERVICE / KEY PERFORMANCE AREAS                   | TARGETS                  | PERFORMANCE RATING Average | Q1 | Q2 | Q3 | Q4 | PERFORMANCE COMMENT | CORRECTIVE MEASURE |
|------------|------------------|------------------|--------------------------|--|--------------------------|----------------------------|----|----|----|----|---------------------|--------------------|
| Technical  | Colas            | 3 Years          | R ±200 000.00            | Supply and delivery of Slurry                                    | Deliver products on time | 5                          | -  | 4  | 5  | 5  | Recommended         | N/A                |
| Technical  | Makaza Concrete  | 3 Years          | R ±500 000.00            | Supply and delivery of bags of Premix                            | Deliver products on time | 4                          | -  | 4  | 4  | 4  | Recommended         | N/A                |
| Technical  | Improchem        | 3 Years          | R ±0                     | Supply and delivery of Water treatment (Sudfloc)                 | Deliver products on time | 4                          | -  | 4  | 4  | -  | Recommended         | N/A                |
| Technical  | Chemtol          | 3 Years          | R ±70 000.00             | Supply and delivery of pavers to Velddrif                        | Delivery on time         | 4                          | 4  | 4  | 4  | 4  | Recommended         | N/A                |
| Technical  | SAF Water        | 3 Years          | R ± 230 000.00           | Supply and delivery of Water Treatment (Hydrated Lime)           | Deliver products on time | 4                          | -  | -  | 4  | 4  | Recommended         | N/A                |
| Technical  | West Coast Skies | 3 Years          | R± 20 000.00             | Supply and delivery of Road Materials (Ralumac & Concrete Stone) | Deliver products on time | 4                          | 4  | 4  | 4  | 4  | Recommended         | N/A                |
| Technical  | TipTrans         | 3 Years          | R± 1 800 000.00          | Supply and delivery of Road Materials (Crusher Dust)             | Delivery on time         | 4                          | -  | 4  | -  | 4  | Recommended         | N/A                |
| Technical  | Afrimat          | 3 Years          | R± 1 110 000.00          | Supply and delivery of Road Materials (G4 & G5)                  | Delivery on time         | 4                          | 4  | 4  | 4  | 4  | Recommended         | N/A                |
| Technical  | AWV Products     | 3 Years          | R± 450 000.00            | Supply of Refuse Bags  | Deliver products on time | 4                          | 4  | 4  | 4  | 4  | Recommended         | N/A                |

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|-----------|----------------------------------|---------------|-----------------|---|---|---|---|---|---|---|-------------|---------------|
| Technical | A L ABBOTT                       | 3 Years       | R± 400 000.00   | Monitor and test WTW and WWTW to comply with SANS 241:2006                | Monitoring programme and report failure | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | West Coast Skies                 | 3 Years       | R± 90 000.00    | Supply and delivery of Concrete Products                                  | Deliver products on time                | 4 | - | 4 | - | - | Recommended | N/A           |
| Technical | AWV Projects                     | 3 Years       | R± 870 000.00   | Supply and delivery of Concrete Products                                  | Deliver products on time                | 4 | - | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Ontech                           | 3 Years       | R± 2 000 000.00 | Supply Domestic water meters and boxes                                    | Deliver products on time                | 4 | - | 4 | - | - | Recommended | N/A           |
| Technical | Rocket Trading                   | 3 Years       | R± 5 000 000.00 | Transport of refuse   | Deliver good services                   | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Pison Hawila Construction        | 1 Year        | R ±200 000.00   | Collection and Transport of Recyclables from Porterville to Piketberg MRF | Deliver good service                    | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Barack Projects                  | 3 Years       | R± 15 000.00    | Collection and Transport of Recyclables from Porterville                  | Deliver good service                    | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Zeevas Trading                   | 3 Years       | R ±15 000.00    | Collection and Transport of Recyclables in Piketberg to MRF               | Deliver good service                    | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Rocket Trading                   | 3 Years       | R ± 40 000.00   | Operation of MRF in Velddrif  | Deliver good service                    | 4 | 5 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Piketberg Civils                 | 3 Years       | R± 520 000.00   | Operation of MRF in Piketberg   | Deliver good service                    | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | IMQS                             | Sole supplier | R± 35 000.00    | Infrastructure Management Program   | Deliver good service                    | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Caddie                           | Sole supplier | R± 20 000.00    | Infrastructure Management Program   | Deliver good service                    | 4 | 4 | 4 | 4 | 4 | Recommended | N/A           |
| Technical | Spectrum                         | Sole supplier | R± 1 600 000.00 | Telemetry   | Deliver good service                    | 4 | 4 | 4 | 3 | 4 | Recommended | N/A           |
| Technical | Intech                           | Sole supplier | R ±200 000.00   | Telemetry (VD)  | Deliver good service                    | 3 | 3 | 3 | 3 | 3 | Recommended | N/A           |
| Technical | West Coast District Municipality | Multi Years   | R± 8 000 000.00 | WSP - Velddrif Water  | Supply of potable water to Velddrif     | 4 | 4 | 4 | 4 | 4 | Recommended | None required |

COMMUNITY SERVICES

| DEPARTMENT         | SERVICE PROVIDER   | TERM OF CONTRACT              | CONTRACT VALUE PER ANNUM             | DESCRIPTION OF SERVICE / KEY PERFORMANCE AREAS                                 | TARGETS                  | PERFORMANCE RATING Average | Q1 | Q2 | Q3 | Q4 | PERFORMANCE COMMENT   | CORRECTIVE MEASURE                                |
|--------------------|--|-------------------------------|--------------------------------------|--|--------------------------|----------------------------|----|----|----|----|-----------------------|---|
| Community services | Traffic Management Technologies Services & Supplies (Pty)Ltd | 01 July 2021 – 30 June 2024   | R 2 238 541.98for the financial year | Provision of traffic law enforcement, back-office systems and related services | Compliance with SLA      | 4                          | 4  | 4  | 4  | 4  | Good service delivery | Regular interventions to improve service delivery |
| Community Services | Multi Choice   | 05 December 2013 - Indefinite | R 140 850.00 for the financial year  | DSTV subscription for Stywelyne and Dwarskersbos Beach Resorts                 | Compliance with contract | 4                          | 4  | 4  | 4  | 4  | Good service delivery | None required                                     |
| Community Services | Siyanda Business Solutions (Pty) Ltd                         | 01 July 2022 - 30 June 2025   | R 206 420.60 for the financial year  | Revision of reconciliations of the Directorate                                 | Compliance with contract | 4                          | 4  | 4  | 4  | 4  | Good service delivery | None required                                     |

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|--------------------|---|---------------------------------|---------------------------------------|---|--------------------------|---|---|---|---|---|--------------------------|---------------|
| Community Services | Avalon Works                              | 01 July 2021 – 30 June 2024     | R 180 792.75 for the financial year   | Monitoring of existing alarms at various sites and installation of a new alarm system at Bergrivier Municipality  | Compliance with contract | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Swartland SPCA                            | 01 July 2022 - 30 June 2023     | R 208 000.00 for the financial year   | Prevention of cruelty to animals  | Compliance with SLA      | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | BookMark                                  | 01 July 2022 – 30 June 2025     | R 13 200,00 for the financial year    | Licence and support agreement at Resorts  | Compliance with SLA      | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Bergrivier Toerisme Organisasie           | 01 July 2022 - 30 June 2023     | R 2 407 000.00 for the financial year | Promote and develop tourism   | Compliance with SLA      | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Piketberg Dierehospitaal                  | 01 July 2021 - 30 June 2022     | R 60 124.85 for the financial year    | Administering euthanasia to dogs and cats   | Compliance with contract | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | CK Rumboll & Partners                     | 01 July 2020 – 30 June 2023     | R 114 770.00 for the financial year   | Appointment of a disciplinary team to do feasibility study & project packaging for BM   | Compliance with contract | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Rhode Bros Steel Projects                 | 01 March 2022 – 30 June 2024    | R 20 010.00 for the financial year    | Supply, delivery and installation of play park equipment in Bergrivier Municipal Area   | Compliance with contract | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | D2SL Steel Projects                       | 01 March 2022 – 30 June 2024    | R 65 090.00 for the financial year    | Supply, delivery and install play park equipment in Bergrivier Municipal Area   | Compliance with contract | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Grandma Constructions                     | 01 March 2022 – 30 June 2024    | R16 823.63 for the financial year     | Supply, delivery and install play park equipment in Bergrivier Municipal Area   | Compliance with contract | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Redelinghuys Neighbourhood and Farm Watch | 01 July 2022 – 30 June 2023     | R 250 000.00 for the financial year   | Promote the objective of community safety measures and strategies in the Bergrivier area  | Compliance with SLA      | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Byers Security Solutions                  | 01 December 2021 – 30 June 2024 | R 1 164 155.35 for the financial year | Rendering of Security Services for Bergrivier Municipality and Beach Resorts  | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Jonty Engineering                         | 01 December 2021 – 30 June 2024 | R 2 729 047.82 for the financial year | Supply, delivery and installation of fencing at various sites in Bergrivier Municipality  | Compliance with contract | 4 | 4 | 4 | 4 | 4 | Good service delivery    | None required |
| Community Services | Alumanye PTY LTD                          | 23 November 2021 – 30 June 2024 | R 5 400.00 for the financial year     | Cleaning and cutting of properties  | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Dinah Traders                             | 19 October 2021 – 30 June 2024  | R 72 311.39 for the financial year    | Cleaning and cutting of properties & cleaning and cutting of sidewalks: Porterville, Piketberg and Veldrif (including Port Owen, Laaiplek and Dwarskersbos) | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Jayaith Constructions                     | 23 November 2021 – 30 June 2024 | R 26 500.00 for the financial year    | Cleaning and cutting of properties  | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Baron en Seun Konstruksie                 | 23 November 2021 – 30 June 2024 | R 50 800.00 for the financial year    | Cleaning and cutting of properties  | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |

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|                    |  |                                  |                                     |  |                          |   |   |   |   |   |                          |               |
|--------------------|--|----------------------------------|-------------------------------------|--|--------------------------|---|---|---|---|---|--------------------------|---------------|
| Community Services | Adonis Wes General                         | 23 November 2021 – 30 June 2024  | R21 600.00 for the financial year   | Cleaning and cutting of properties   | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Eden FJ Tuindienste                        | 23 November 2021 – 30 June 2024  | R 33 600.00 for the financial year  | Cleaning and cutting of properties   | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Da Salva Projects                          | 01 July 2022 – 30 June 2025      | R 166 703.30 for the financial year | Supply and installation of air conditioning units for Bergrivier Municipality              | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | DT Sibenza Security Services               | 01 July 2022 – 30 June 2026      | R 17 000.00 for the financial year  | Supply, delivery and set-up of Wendy Houses in Bergrivier Municipal Area                   | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Batsini                                    | 01 June 2023 – 31 October 2023   | R307 223.59 for the financial year  | Maintenance and Repair Works at Velddrif Library   | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Boulo Electrical                           | 02 June 2023 – 15 December 2023  | R 245 613.55 for the financial year | Demolition of existing houses and construction of new houses in Velddrif and Piketberg     | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Zabs Enterprises                           | 17 February 2023 – 30 June 2023  | R 266 483.36 for the financial year | Supply, delivery and construction of fencing at the old cemetery in Porterville            | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | AR Jones                                   | 14 March 2023 – 30 June 2025     | R 580 509.09 for the financial year | Supply and delivery of movable grandstands for Bergrivier Municipality                     | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Landela CC T/A Evergreen Global Structures | 16 January 2023 – 30 June 2025   | R 54 729.96 for the financial year  | Supply and delivery of seating benches for Bergrivier Municipality                         | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Vanguard Fire and Safety                   | 11 January 2023 – 30 June 2025   | R 29 382.50 for the financial year  | Supply and delivery of Human Protective Clothing for Bergrivier Municipality               | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Invuyani Safety                            | 11 January 2023 – 30 June 2025   | R 241 494.25 for the financial year | Supply and delivery of Human Protective Clothing for Bergrivier Municipality               | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | At Work Health and Safety                  | 11 January 2023 – 30 June 2025   | R 49 195.62 for the financial year  | Supply and delivery of Human Protective Clothing for Bergrivier Municipality               | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | Leafix (Pty) Ltd                           | 14 September 2023 – 30 June 2025 | R 323 388.86 for the financial year | Appointment of a Service Provider for Pest and Weed Control Services as well as Herbicides | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |
| Community Services | IX Engineers                               | 16 February 2022 – 30 June 2023  | R 370 273.55 for the financial year | Appointment of a consulting engineers for various projects in Bergrivier Area              | Compliance with contract | 3 | 3 | 3 | 3 | 3 | Average service delivery | None required |



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE



Famous canola fields of Bergrivier Municipal Area

Photographer: Adv. Hanlie Linde

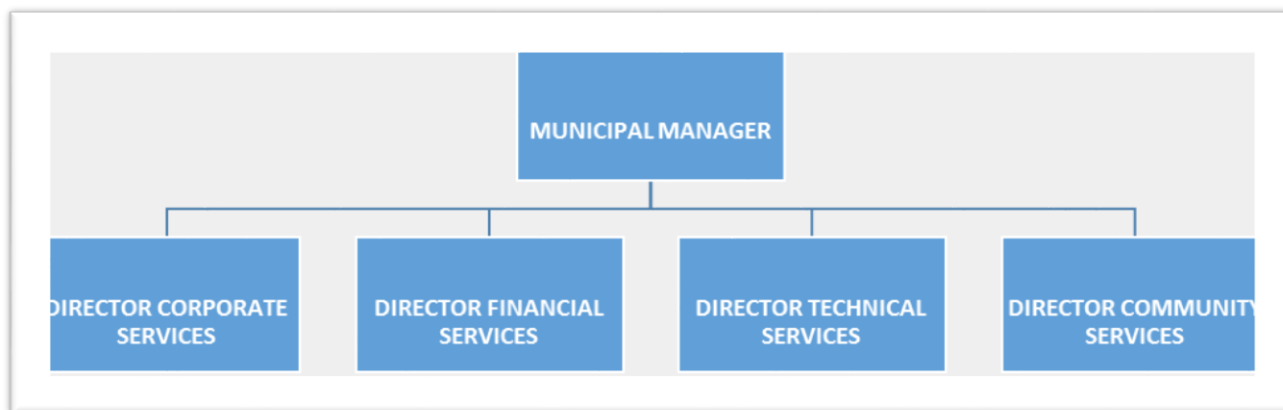
#### 4.1 INTRODUCTION TO THE MUNICIPAL WORKFORCE

Section 67 of the Municipal Systems Act, 2000 (Act 32 of 2000) requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration in accordance with the Employment Equity Act, 1998 (Act 55 of 1998).

##### 4.1.1 STAFF ESTABLISHMENT

The total number of approved positions on the organogram consists of 425 funded positions and no unfunded positions. The figure below depicts the approved macro structure.

**FIGURE 40: APPROVED MACRO STRUCTURE**



##### 4.1.1.1 MANAGEMENT

The Municipal Manager is appointed on a fixed term contract in terms of Section 57 of the Municipal Systems Act and the Directors reporting to the Municipal Manager are appointed on permanent contracts. Employment contracts and performance agreements are in place for the Municipal Manager and all Directors reporting to the Municipal Manager.

The following table indicates the filled/vacant positions of the Municipal Manager and Directors reporting to the Municipal Manager.

**TABLE 151: SENIOR MANAGEMENT TEAM**

| POSITIONS                   | FILLED AS AT 30 JUNE 2023 | EMPLOYMENT CONTRACTS IN PLACE | PERFORMANCE AGREEMENTS IN PLACE |
|-----------------------------|---------------------------|-------------------------------|---------------------------------|
| Municipal Manager           | YES                       | YES                           | YES                             |
| Chief Financial Officer     | NO                        | NO                            | NO                              |
| Director Community Services | YES                       | YES                           | YES                             |
| Director Corporate Services | YES                       | YES                           | YES                             |
| Director Technical Services | YES                       | YES                           | YES                             |

##### 4.1.1.2 WORKFORCE, VACANCIES AND TURNOVER

The municipality employed 381 employees at the end of June 2023 and the total vacancy rate as on 30 June

2023, based on funded positions, was 10.35 % comprising forty-four (44) funded positions. The vacancy rate for funded positions of 10.35 % is higher than the 7.33 % during the previous financial year, 2021/2022. The number of approved positions and the vacancy rate in the Municipality are reflected below.

**TABLE 152: MONTHLY WORKFORCE AND VACANCY RATE**

| DESCRIPTION                               | JUL '22 | AUG '22 | SEPT '22 | OCT '22 | NOV '22 | DEC '22 | JAN '23 | FEB '23 | MAR '23 | APR '23 | MAY '23 | JUN '23 |
|---|---------|---------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Total no. of approved permanent positions | 569     | 569     | 569      | 425     | 425     | 425     | 425     | 425     | 425     | 425     | 425     | 425     |
| No. of permanent positions filled         | 376     | 374     | 372      | 373     | 374     | 375     | 378     | 378     | 377     | 374     | 372     | 376     |
| No. of funded vacant positions            | 30      | 32      | 48       | 47      | 46      | 45      | 42      | 42      | 43      | 46      | 48      | 44      |
| Fixed term contract positions             | 5       | 5       | 5        | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       |
| No. of unfunded vacant positions          | 158     | 158     | 144      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Vacancy rate                              | 7.30%   | 7.79%   | 11.29%   | 11.06%  | 10.82%  | 10.59%  | 9.88%   | 9.88%   | 10.12%  | 10.82%  | 11.29%  | 10.35%  |

4.1.1.3 TURNOVER RATE

**TABLE 153: TURNOVER RATE**

| FINANCIAL YEAR | TOTAL EMPLOYEES AS AT 30 JUNE 2023 | TERMINATIONS DURING THE FINANCIAL YEAR | TURNOVER RATE |
|----------------|------------------------------------|--|---------------|
| 2020/2021      | 384                                | 11                                     | 2.74 %        |

| FINANCIAL YEAR | TOTAL EMPLOYEES AS AT 30 JUNE 2023 | TERMINATIONS DURING THE FINANCIAL YEAR | TURNOVER RATE |
|----------------|------------------------------------|--|---------------|
| 2021/2022      | 379                                | 21                                     | 5.13 %        |
| 2022/2023      | 381                                | 28                                     | 6.59 %        |

The total staff turnover rate for the financial year 2022/2023 is 6.59 %, compared to the turnover rate of the financial year 2021/2022 is 5.13 %. The staff turnover rate is 1.46 % higher than the previous financial year. This can be attributed to the fact that 28 employees were terminated in comparison to the 21 employees in the previous year. The following table indicates the number of approved (funded) positions, number of employees, number of vacancies and vacancy rate per Directorate and function:

TABLE 154: STAFF COMPLEMENT

| DEPARTMENT                             | APPROVED POSITIONS (FUNDED) JUNE 2022 | EMPLOYEES JUNE 2022 | VACANCIES (FUNDED) JUNE 2022 | % VACANCIES JUNE 2022 | DEPARTMENT                             | APPROVED POSITIONS (FUNDED) JUNE 2023 | EMPLOYEES JUNE 2023 | VACANCIES (FUNDED) JUNE 2023 | % VACANCIES JUNE 2023 |
|--|---------------------------------------|---------------------|------------------------------|-----------------------|--|---------------------------------------|---------------------|------------------------------|-----------------------|
| <b>OFFICE OF THE MUNICIPAL MANAGER</b> |                                       |                     |                              |                       | <b>OFFICE OF THE MUNICIPAL MANAGER</b> |                                       |                     |                              |                       |
| Office of the Municipal Manager        | 3                                     | 3                   | 0                            | 0.00%                 | Office of the Municipal Manager        | 3                                     | 3                   | 0                            | 0.00%                 |
| Office of the Executive Mayor          | 2                                     | 2                   | 0                            | 0.00%                 | Office of the Executive Mayor          | 3                                     | 3                   | 0                            | 0.00%                 |
| Strategic Services                     | 4                                     | 4                   | 0                            | 0.00%                 | Strategic Services                     | 4                                     | 4                   | 0                            | 0.00%                 |
| Internal Audit                         | 2                                     | 1                   | 1                            | 0.00%                 | Internal Audit                         | 2                                     | 2                   | 0                            | 0.00%                 |
| SUB-TOTAL                              | 11                                    | 10                  | 1                            | 9.09%                 | SUB-TOTAL                              | 12                                    | 12                  | 0                            | 0.00%                 |
| <b>FINANCIAL SERVICES</b>              |                                       |                     |                              |                       | <b>FINANCIAL SERVICES</b>              |                                       |                     |                              |                       |
| Office of Director Financial Services  | 2                                     | 2                   | 0                            | 0.00%                 | Office of Director Financial Services  | 2                                     | 1                   | 1                            | 50.00%                |
| Expenditure & SCM Services             | 12                                    | 12                  | 0                            | 0.00%                 | Expenditure & SCM Services             | 13                                    | 13                  | 0                            | 0.00%                 |
| Revenue Management                     | 29                                    | 27                  | 2                            | 6.89%                 | Revenue Management                     | 30                                    | 25                  | 5                            | 16.67%                |
| Financial Management & Reporting       | 2                                     | 2                   | 0                            | 0.00 %                | Financial Management & Reporting       | 2                                     | 2                   | 0                            | 0.00 %                |
| SUB-TOTAL                              | 45                                    | 43                  | 2                            | 4.44 %                | SUB-TOTAL                              | 47                                    | 41                  | 6                            | 12.77 %               |
| <b>CORPORATE SERVICES</b>              |                                       |                     |                              |                       | <b>CORPORATE SERVICES</b>              |                                       |                     |                              |                       |

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| DEPARTMENT  | APPROVED POSITIONS (FUNDED) JUNE 2022 | EMPLOYEES JUNE 2022 | VACANCIES (FUNDED) JUNE 2022 | % VACANCIES JUNE 2022 | DEPARTMENT  | APPROVED POSITIONS (FUNDED) JUNE 2023 | EMPLOYEES JUNE 2023 | VACANCIES (FUNDED) JUNE 2023 | % VACANCIES JUNE 2023 |
|---|---------------------------------------|---------------------|------------------------------|-----------------------|---|---------------------------------------|---------------------|------------------------------|-----------------------|
| Office of Director Corporate Services                                       | 2                                     | 2                   | 0                            | 0.00 %                | Office of Director Corporate Services                                       | 2                                     | 2                   | 0                            | 0.00 %                |
| Planning and Development  | 5                                     | 5                   | 0                            | 0.00 %                | Planning and Development  | 5                                     | 5                   | 0                            | 0.00 %                |
| Human Resources   | 6                                     | 6                   | 0                            | 0.00 %                | Human Resources   | 6                                     | 6                   | 0                            | 0.00 %                |
| Administration & IT Services  | 19                                    | 14                  | 5                            | 26.31 %               | Administration & IT Services  | 20                                    | 19                  | 1                            | 5.00 %                |
| SUB-TOTAL   | 32                                    | 27                  | 5                            | 15.62 %               | SUB-TOTAL   | 33                                    | 32                  | 1                            | 3.03 %                |
| <b>COMMUNITY SERVICES</b>   |                                       |                     |                              |                       | <b>COMMUNITY SERVICES</b>   |                                       |                     |                              |                       |
| Office of Director Community Services                                       | 2                                     | 2                   | 0                            | 0.00 %                | Office of Director Community Services                                       | 2                                     | 2                   | 0                            | 0.00 %                |
| Libraries   | 30                                    | 27                  | 3                            | 10.00 %               | Libraries   | 30                                    | 30                  | 0                            | 0.00 %                |
| Traffic and Law Enforcement (Including Disaster Management & Fire Services) | 21                                    | 20                  | 1                            | 4.76 %                | Traffic and Law Enforcement (Including Disaster Management & Fire Services) | 23                                    | 19                  | 4                            | 17.39 %               |
| Recreational Facilities & Resorts   | 23                                    | 20                  | 3                            | 13.04 %               | Recreational Facilities & Resorts   | 23                                    | 21                  | 2                            | 8.70 %                |
| Community Services  | 4                                     | 2                   | 2                            | 50.00 %               | Community Services  | 5                                     | 2                   | 3                            | 60.00 %               |



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| DEPARTMENT                                      | APPROVED POSITIONS (FUNDED) JUNE 2022 | EMPLOYEES JUNE 2022 | VACANCIES (FUNDED) JUNE 2022 | % VACANCIES JUNE 2022 | DEPARTMENT                                      | APPROVED POSITIONS (FUNDED) JUNE 2023 | EMPLOYEES JUNE 2023 | VACANCIES (FUNDED) JUNE 2023 | % VACANCIES JUNE 2023 |
|---|---------------------------------------|---------------------|------------------------------|-----------------------|---|---------------------------------------|---------------------|------------------------------|-----------------------|
| Motor License and Testing                       | 6                                     | 6                   | 0                            | 0.00 %                | Motor License and Testing                       | 7                                     | 5                   | 2                            | 28.57 %               |
| Parks and Open Spaces                           | 27                                    | 25                  | 2                            | 7.40 %                | Parks and Open Spaces                           | 27                                    | 24                  | 3                            | 11.11 %               |
| Cemeteries                                      | 3                                     | 3                   | 0                            | 0.00 %                | Cemeteries                                      | 3                                     | 3                   | 0                            | 0.00 %                |
| Sport Grounds                                   | 7                                     | 6                   | 1                            | 14.28 %               | Sport Grounds                                   | 7                                     | 5                   | 2                            | 28.57 %               |
| Housing   | 3                                     | 3                   | 0                            | 0.00 %                | Housing   | 3                                     | 3                   | 0                            | 0.00 %                |
| SUB-TOTAL                                       | 126                                   | 114                 | 12                           | 9.52 %                | SUB-TOTAL                                       | 130                                   | 114                 | 16                           | 12.31%                |
| <b>TECHNICAL SERVICES</b>                       |                                       |                     |                              |                       | <b>TECHNICAL SERVICES</b>                       |                                       |                     |                              |                       |
| Office of Director Technical Services           | 2                                     | 2                   | 0                            | 0.00 %                | Office of Director Technical Services           | 2                                     | 2                   | 0                            | 0.00 %                |
| Building Control (Including Project Management) | 7                                     | 7                   | 0                            | 0.00 %                | Building Control (Including Project Management) | 9                                     | 9                   | 0                            | 0.00 %                |
| Municipal Buildings                             | 9                                     | 9                   | 0                            | 0.00 %                | Municipal Buildings                             | 9                                     | 8                   | 1                            | 11.11 %               |
| Waste Management                                | 53                                    | 51                  | 2                            | 3.77 %                | Waste Management                                | 56                                    | 50                  | 6                            | 10.71 %               |
| Sanitation                                      | 8                                     | 8                   | 0                            | 0.00 %                | Sanitation                                      | 8                                     | 5                   | 3                            | 62.50 %               |
| Roads & Storm Water Management                  | 66                                    | 64                  | 2                            | 3.03 %                | Roads & Storm Water Management                  | 69                                    | 65                  | 4                            | 5.80 %                |

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| DEPARTMENT  | APPROVED POSITIONS (FUNDED) JUNE 2022 | EMPLOYEES JUNE 2022 | VACANCIES (FUNDED) JUNE 2022 | % VACANCIES JUNE 2022 | DEPARTMENT  | APPROVED POSITIONS (FUNDED) JUNE 2023 | EMPLOYEES JUNE 2023 | VACANCIES (FUNDED) JUNE 2023 | % VACANCIES JUNE 2023 |
|-------------|---------------------------------------|---------------------|------------------------------|-----------------------|-------------|---------------------------------------|---------------------|------------------------------|-----------------------|
| Water       | 28                                    | 25                  | 3                            | 0.00 %                | Water       | 28                                    | 24                  | 4                            | 14.29%                |
| Electricity | 22                                    | 19                  | 3                            | 13.63 %               | Electricity | 22                                    | 19                  | 3                            | 13.63 %               |
| SUB-TOTAL   | 195                                   | 185                 | 10                           | 5.12 %                | SUB-TOTAL   | 203                                   | 182                 | 21                           | 10.34 %               |
| TOTAL       | 409                                   | 379                 | 30                           | 7.33 %                | TOTAL       | 425                                   | 381                 | 44                           | 10.35%                |

4.1.2 EMPLOYMENT EQUITY

The Employment Equity Act (EEA) requires that the Municipality must prepare an Employment Equity Plan. The plan must comply with the requirements set out in Section 20 (1) of the Act. The EEA makes it compulsory for designated employers to implement affirmative action (AA). This means that most employers are required to employ, train and retain the services of employees belonging to designated previously disadvantaged population groups, these being “black” (African, Coloured and Indian), female and disabled people.

The new Employment Equity Plan for the next five (5) years was approved on 12 September 2019. The table below sets out the demographics of the Western Cape, West Coast and Bergervier Municipality compared to the National demographics and is based on information of the “economically active population” (Refers to people between the ages of 15 and 65) as provided by Statistics South Africa in March 2019.

**TABLE 155: DEMOGRAPHIC PROFILE FOR PURPOSES OF EMPLOYMENT EQUITY**

|          | SOUTH AFRICA | WESTERN CAPE | WEST COAST | BERGRIVIER MUNICIPALITY |
|----------|--------------|--------------|------------|-------------------------|
| AFRICAN  | 78.80 %      | 30.23 %      | 15.37 %    | 10.96 %                 |
| COLOURED | 9.60 %       | 47.33 %      | 65.92 %    | 72.83 %                 |
| INDIAN   | 2.60 %       | 1.24 %       | 0.50 %     | 0.39 %                  |
| WHITE    | 9.00 %       | 21.20 %      | 18.21 %    | 15.82 %                 |

4.2 MANAGING THE MUNICIPAL WORKFORCE

4.2.1 HUMAN RESOURCE POLICIES AND PLANS

The Human Resource Department has several policies and plans in place that are regulated by South African Bargaining Council Collective Agreements and South African Legislation. Policies are not static documents and therefore have to be revised regularly. During the 2022/2023 period a process involving all stakeholders, namely employees, councillors and unions, was followed where eight (8) new policies were adopted by Council and four (4) policies were revised. One standard operating procedure (SOP) was also approved.

**TABLE 156: APPROVED AND REVISED HUMAN RESOURCE POLICIES AND SOP’S**

| APPROVED POLICIES / STRATEGIES 2022/2023      | REVISED POLICIES / STRATEGIES 2022/2023                    | APPROVED SOP’S 2022/2023 | REVISED SOP’S 2022/2023                          |
|---|--|--------------------------|--|
| Human Resource Strategy & Implementation Plan | Employment Policy  | Recruitment & Selection  | Acting Appointments                              |
| Induction Policy                              | Acting appointment and Additional Services Rendered Policy | Induction                | Implementation of Bursary Scheme                 |
| Succession Planning Policy                    | Scarce Skills Policy                                       | Exit Management          | Incidents & Injuries on duty reporting procedure |

| APPROVED POLICIES / STRATEGIES 2022/2023 | REVISED POLICIES / STRATEGIES 2022/2023 | APPROVED SOP's 2022/2023    | REVISED SOP's 2022/2023 |
|--|---|-----------------------------|-------------------------|
| Exit Management Policy                   | Training & Development Policy           | TASK Job Evaluation Process |                         |
| Probation Policy                         |   |                             |                         |
| Change Management Strategy               |   |                             |                         |
| Talent Management Policy                 |   |                             |                         |
| Mentoring & Coaching Policy              |   |                             |                         |

4.2.2 TERMINATIONS AND OCCUPATIONAL HEALTH AND SAFETY

4.2.2.1 TERMINATIONS

There were 28 terminations during the financial year and consisted of the following: Thirteen (13) resignations, nine (9) retirements, two (2) deceased, three (3) ill health / incapacity and one (1) misconduct. The table below depicts the terminations as recorded:

**TABLE 157: TERMINATIONS OF PERMANENT EMPLOYEES**

|                       | JULY '22 | AUG '22  | SEPT '22 | OCT '22  | NOV '22  | DEC '22  | JAN '23  | FEB '23  | MAR '23  | APR '23  | MAY '23  | JUN '23  |
|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Resignations          | 2        | 0        | 1        | 1        | 2        | 0        | 0        | 1        | 3        | 1        | 1        | 1        |
| Retirement            | 0        | 2        | 0        | 0        | 1        | 0        | 1        | 0        | 1        | 3        | 1        | 0        |
| Ill Health/Incapacity | 0        | 0        | 0        | 0        | 1        | 0        | 0        | 1        | 0        | 0        | 1        | 0        |
| Deceased              | 0        | 1        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 1        |
| Misconduct            | 0        | 0        | 0        | 0        | 0        | 1        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>TOTAL</b>          | <b>2</b> | <b>3</b> | <b>1</b> | <b>1</b> | <b>4</b> | <b>1</b> | <b>1</b> | <b>2</b> | <b>4</b> | <b>4</b> | <b>3</b> | <b>2</b> |

4.2.2.2 OCCUPATIONAL HEALTH AND SAFETY

4.2.2.2.1 THE FUNCTIONING OF THE CENTRAL OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

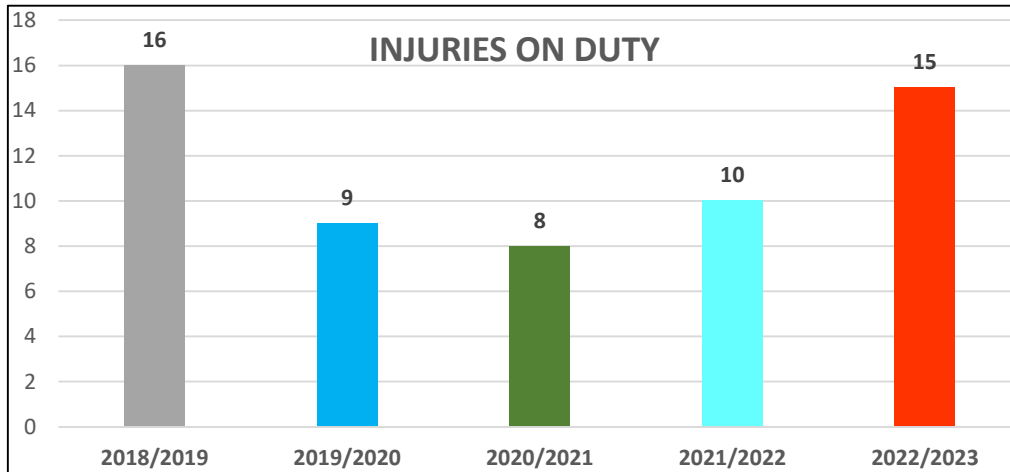
As of 30 June 2023, 99 % of the Health and Safety Representatives were appointed for each workplace (1 % not filled due to vacancies). There is a well-functioning Health and Safety Committees in each town with central quarterly meetings. The term of appointment for Health and Safety Representatives is three (3) years and new Health and Safety Representatives were elected in December 2023.

4.2.2.2.2 REPORTABLE INCIDENTS

A total of fifteen (15) incidents occurred in the 2022/2023 financial year which is an increase from the 2021/2022 financial year (10 incidents).

The graph below shows the injuries on duty reported:

FIGURE 41: INJURIES ON DUTY



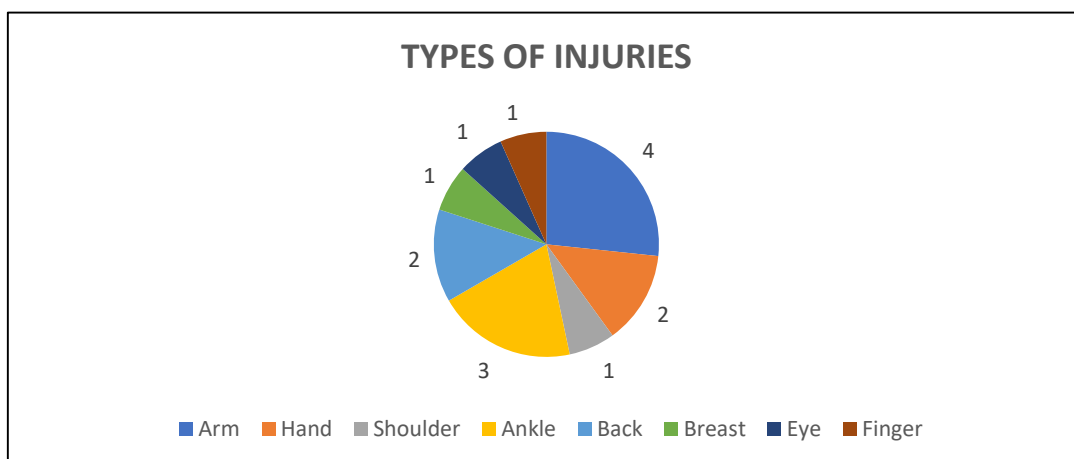
4.2.2.2.3 REPORTABLE INJURIES PER TOWN

Of the fifteen (15) injuries reported nine (9) occurred in Piketberg, five (5) in Velddrif and one (1) in Porterville. The fifteen (15) injuries were not so severe leading to a loss of life and injured employees were not booked off for more than thirteen days. For periods more than 13 days, employees become the responsibility of Department of Employment and Labour to pay their salaries. Investigations were conducted to prevent the re-occurrence of the incidents. During the investigations it was identified that the injuries on duty (IOD) is due to the absence of standard operating procedures (SOP) regarding IOD’s. The Occupational Health & Safety Officer is now in the process to assist departments with risk assessments and drafting of SOP’s regarding IOD’s. None of the incidents were referred to the hospital. The injuries were arm, hand, shoulder, ankle, back, breast, eye, and finger injuries.

4.2.2.2.4 TYPES OF REPORTABLE INJURIES

The types of injuries that occurred are shown in the graph below:

FIGURE 42: TYPE OF INJURIES



4.2.3 ABSENTEEISM

The combined absenteeism rate for sick leave for the Municipal Workforce for the financial year 2022/2023 is shown in the table below:

TABLE 158: ABSENTEEISM

| MONTH          | NO. OF LOST WORKDAYS DUE TO SICK LEAVE | AVERAGE NO. OF EMPLOYEES | AVERAGE NO. OF WORKDAYS | AVERAGE NO. OF EMPLOYEES X AVERAGE NO OF WORKDAYS | ABSENTEEISM RATE |
|----------------|--|--------------------------|-------------------------|---|------------------|
| July 2022      | 66                                     | 381                      | 20.75                   | 7 905.75  | 0.83 %           |
| August 2022    | 237.62                                 | 379                      | 20.75                   | 7 864.25  | 3.02 %           |
| September 2022 | 324.85                                 | 377                      | 20.75                   | 7 822.75  | 4.15 %           |
| October 2022   | 71.56                                  | 378                      | 20.75                   | 7 843.5   | 0.91 %           |
| November 2022  | 131.16                                 | 379                      | 20.75                   | 7 864.25  | 1.67 %           |
| December 2022  | 81                                     | 380                      | 20.75                   | 7 885   | 1.03 %           |
| January 2023   | 163.66                                 | 383                      | 20.75                   | 7 947.25  | 2.06 %           |
| February 2023  | 94                                     | 383                      | 20.75                   | 7 947.25  | 1.18 %           |
| March 2023     | 97                                     | 382                      | 21.75                   | 8 308.5   | 1.17 %           |
| April 2023     | 147                                    | 379                      | 22.75                   | 8 622.25  | 1.70 %           |
| May 2023       | 192                                    | 377                      | 20.75                   | 7 822.75  | 2.45 %           |
| June 2023      | 242                                    | 381                      | 20.75                   | 7 905.75  | 3.06 %           |
| <b>TOTAL</b>   | <b>1 847.85</b>                        | <b>379.91667</b>         | <b>20.75</b>            | <b>N/A</b>  | <b>1.96 %</b>    |

The absenteeism rate decreased from 2.55 % in the previous financial to 1.96 % for the period under review.

#### 4.2.4 PERFORMANCE MANAGEMENT

Performance of workers is evaluated in terms of relevant legislation and Bergrivier Municipality's Performance Management Policy.

#### 4.2.5 DISCLOSURE OF FINANCIAL INTERESTS

The Performance Management Regulations (Regulation 805 of 2006) require that Municipal officials and Councillors disclose their financial interests. The interests of Councillors, the Municipal Manager and Directors are available on request.

#### 4.2.5 EMPLOYEE WELLNESS

Bergrivier Municipality cares about the health and social well-being of its employees and recognizes that there are a number of problems which impact negatively to the employees' personal and work lives. Personal problems can have a detrimental effect on performance, productivity and behaviour in the workplace.



During the financial year the following wellness programs were held:



AWARENESS: THE IMPORTANCE OF A WILL



WORKSHOP: DISCIPLINARY CODE & CODE OF CONDUCT



WELLNESS DAY: EENDEKUIL MUNICIPAL EMPLOYEES

### 4.3 CAPACITATING THE MUNICIPAL WORKFORCE

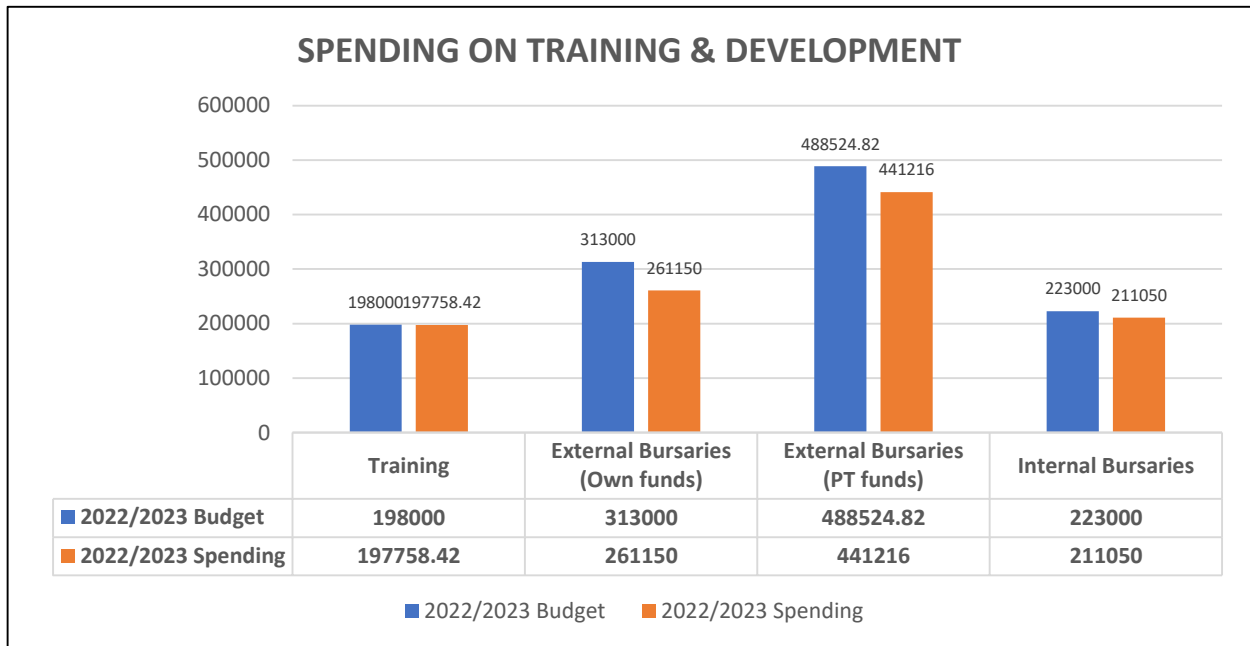
#### 4.3.1 SKILLS DEVELOPMENT AND TRAINING

Section 68(1) of the Municipal Systems Act, 2000 (Act 32 of 2000) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way. The Municipality has a Training Committee in place, which deals with matters concerning the training of Municipal Staff.

To empower its employees and enhance its human capital, the Municipality provides various learning and development opportunities for employees and councillors. The Workplace Skills Plan of the Municipality has

been submitted to the Local Government SETA and annual implementation reports are submitted. The spending on training and development is shown in the graph below.

FIGURE 43: SPENDING ON TRAINING BUDGET



During the financial year 2022/2023 R 197 758.42 was spent on training and development of employees (99.88% of the training budget was spent).

A total of 199 employees received training during this financial year. The municipality spent R 211 050.00 on bursaries for employees (15 employees of Bergrivier Municipality) and R 702 366.00 on external bursaries (Own funds = R 261 150.00 and Provincial Treasury Grant = R 441 216.00) for non-employees (79 beneficiaries).



Code C1 Driver’s License Training



Digger Loader Training





Electrical Training



Grader Training



Motorbike Training



Snake Catching & Handling Training

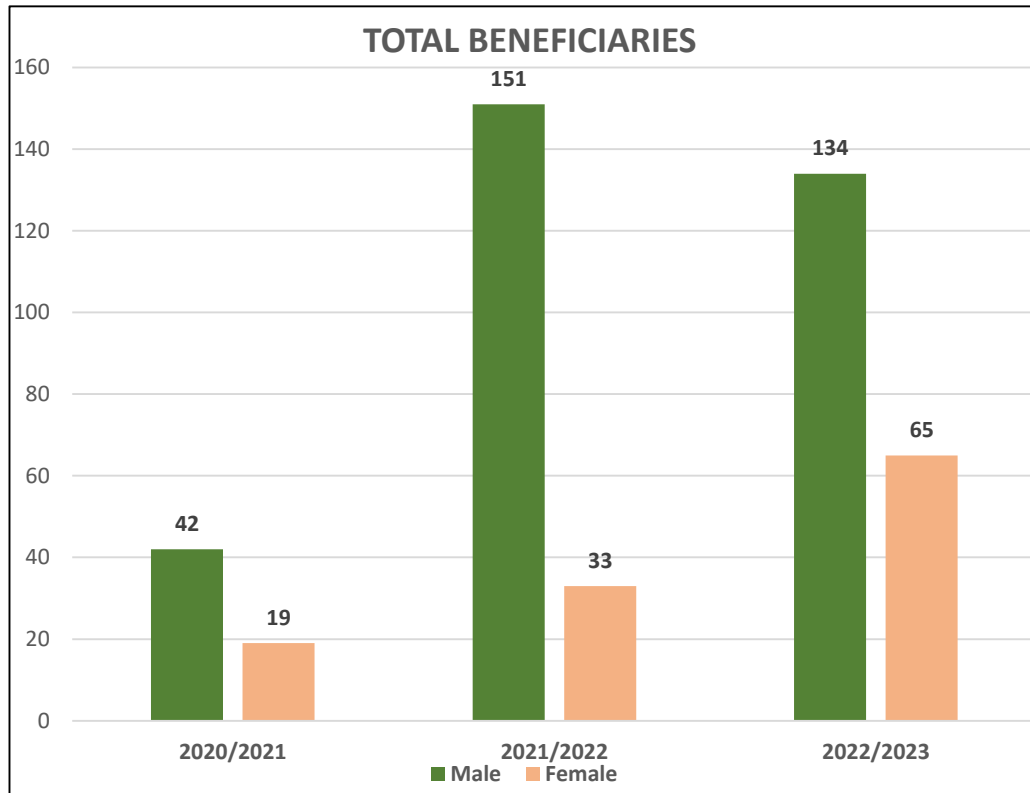
The following training interventions took place during the financial year 2022/2023:

**TABLE 159: TRAINING INTERVENTIONS**

| No. | Directorate        | Training                | Total number of employees who attended training | F | M |
|-----|--------------------|-------------------------|---|---|---|
| 1.  | Technical Services | Road Construction NQF 2 | 5   | 0 | 5 |
| 2.  | Financial Services | FET: LGAAC              | 5   | 4 | 1 |

| No.          | Directorate  | Training                                   | Total number of employees who attended training | F         | M          |
|--------------|--|--|---|-----------|------------|
| 3.           | Community Services   | Motorbike                                  | 4   | 1         | 3          |
| 4.           | Technical Services<br>Community Services<br>Corporate Services   | Investigating Incidents in the workplace   | 31  | 7         | 24         |
| 5.           | Community Services   | Horticulture Learnership                   | 5   | 1         | 4          |
| 6.           | Community Services   | First Aid level 1 & 2                      | 8   | 4         | 4          |
| 7.           | Community Services   | Grade C,D, E Training                      | 8   | 1         | 7          |
| 8.           | Financial Services<br>Corporate Services<br>Technical Services<br>Community Services<br>Office of the MM | MMC  | 14  | 8         | 6          |
| 9.           | Financial Services<br>Corporate Services<br>Community Services   | Report Writing                             | 10  | 8         | 2          |
| 10.          | Technical Services   | Grader                                     | 2   | 0         | 2          |
| 11.          | Technical Services   | Diggerloader                               | 5   | 0         | 5          |
| 12.          | Financial Services<br>Technical Services<br>Community Services   | Snake Handeling                            | 11  | 0         | 11         |
| 13.          | Corporate Services<br>Technical Services<br>Community Services   | Legal Liability                            | 51  | 13        | 38         |
| 14.          | Corporate Services<br>Technical Services<br>Community Services   | Learner and Driving license Code, C,C1, EC | 23  | 6         | 17         |
| 15.          | Corporate Services   | VMware                                     | 1   | 0         | 1          |
| 16.          | Corporate Services<br>Technical Services<br>Community Services   | MS Word and Excel Intermediate and Advance | 15  | 12        | 3          |
| 17.          | Corporate Services   | Veeam                                      | 1   | 0         | 1          |
| <b>TOTAL</b> |  |  | <b>199</b>                                      | <b>65</b> | <b>134</b> |

FIGURE 44: BENEFICIARIES OF TRAINING IN TERMS OF GENDER



4.3.2 REPORTING ON AND MONITORING MUNICIPAL MINIMUM COMPETENCY LEVELS

In terms of Section 14 (2) (b) of the Local Government: Municipal Finance Management Act and the Municipal Regulations on Minimum Competency (Nr. 29967), the municipality must record in its Annual Report the information on minimum competencies as at the end of 30 June 2023.

In terms of Section 83 (1) of the Municipal Finance Management Act, the Accounting Officer, Senior Managers, the Chief Financial Officer, Non-Financial Managers and other Financial Officials of a Municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. As prescribed by National Treasury, such financial management competencies were promulgated in Government Notice 493 dated 15 June 2007 and amended by Government Notice 1146 dated 26 October 2018.

The following is a summary of the officials who are competent as of 30 June 2023 in the minimum competency levels:

TABLE 160: MINIMUM COMPETENCY LEVELS

| NO | NAME OF EMPLOYEE | OCCUPATION   | DATE OF COMPLETION |
|----|------------------|--|--------------------|
| 1  | H Linde          | Municipal Manager  | October 2012       |
| 2  | VW Felton        | Director Technical Services (Resigned 30/09/2022)          | September 2014     |
| 3  | FM Lötter        | Director Financial Services (Resigned 31/07/2022)          | November 2016      |
| 4  | D Louw           | Director Financial Services (Employment date: 01/09/2022 - | 16 April 2012      |

| NO | NAME OF EMPLOYEE | OCCUPATION                              | DATE OF COMPLETION |
|----|------------------|---|--------------------|
|    |                  | Resigned: 31/05/2023)                   |                    |
| 5  | JWA Kotzee       | Director Corporate Services             | September 2013     |
| 6  | D Josephus       | Director: Community Services            | November 2016      |
| 7  | AW Rheeder       | Manager: Human Resource Services        | October 2013       |
| 8  | W Wagener        | Manager: Planning & Development         | October 2013       |
| 9  | M Crous          | Manager: Income                         | May 2011           |
| 10 | JP Sass          | Manager: Budget & Treasury Office       | August 2012        |
| 11 | JJ Breunissen    | Manager: Civil Services                 | October 2013       |
| 12 | C Ranna          | Internal Auditor (Appointed 01/03/2022) | October 2017       |
| 13 | L Louw           | Accountant: Budget and Treasury Office  | August 2012        |
| 14 | IBJ Saunders     | Head: Supply Chain Management           | February 2014      |
| 15 | N Bothma         | Manager: Supply Chain Management        | July 2011          |
| 16 | A van Sittert    | Manager: Strategic Services             | November 2016      |
| 17 | D Carolissen     | Manager: Community Facilities           | August 2019        |

#### 4.4 WORKFORCE EXPENDITURE

Section 66 of the Local Government: Municipal Finance Management Act (MFMA) states that the Accounting Officer of a Municipality must, in a format and for periods as may be prescribed, report to Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, as per type of expenditure.

The Municipality's employee costs for 2022/2023 totaled an amount of R 154 328 161.75 (excluding remuneration of councilors). This constitutes 33.53 % of the total operational expenditure and is a decrease from the previous year's 35.19 %. No appointments are made unless the positions are funded and vacant on the staff establishment. To obtain value for money from workforce expenditure, the mandate for appointment is to appoint the candidate on the minimum notch of the scale, unless motivation exists for appointment on a higher notch.



## CHAPTER 5 FINANCIAL PERFORMANCE



Velddrif/Laaiplek: A Beautiful Small Active Harbour

Photographer Unknown: Photo provided

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE AND POSITION

## 5.1.1 STATEMENTS OF FINANCIAL PERFORMANCE

The following table provides a summary of the Municipality's financial performance as of 30 June 2023:

**TABLE 161: SUMMARY OF FINANCIAL PERFORMANCE**

| NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 |                      |                    |                      |                      |                    |                      |
|--|----------------------|--------------------|----------------------|----------------------|--------------------|----------------------|
|  | ORIGINAL BUDGET      | BUDGET ADJUSTMENTS | FINAL BUDGET         | ACTUAL OUTCOME       | BUDGET VARIANCE    | RESTATED OUTCOME     |
|  | 2023                 | 2023               | 2023                 | 2023                 | 2023               | 2022                 |
| <b>Financial Performance</b>   |                      |                    |                      |                      |                    |                      |
| Property rates   | 94 702 236           | -                  | 94 702 236           | 95 278 092           | 575 856            | 84 410 540           |
| Service charges  | 247 704 166          | (9 308 000)        | 238 396 166          | 225 992 346          | (12 403 820)       | 223 181 312          |
| Investment revenue   | 7 981 000            | 2 344 000          | 10 325 000           | 12 455 184           | 2 130 184          | 7 447 059            |
| Transfers and subsidies - operational                                      | 73 909 434           | 1 974 664          | 75 884 098           | 75 193 332           | (690 766)          | 68 724 780           |
| Other own revenue  | 47 850 000           | 4 319 000          | 52 169 000           | 56 666 162           | 4 497 162          | 43 200 711           |
| <b>Total Operating Revenue (excluding capital transfers)</b>               | <b>472 146 836</b>   | <b>(670 336)</b>   | <b>471 476 500</b>   | <b>465 585 116</b>   | <b>(5 891 384)</b> | <b>426 964 401</b>   |
| Employee costs   | (166 889 715)        | 6 463 786          | (160 425 929)        | (153 510 124)        | 6 915 805          | (146 167 167)        |
| Remuneration of councillors  | (6 993 000)          | 8 000              | (6 985 000)          | (6 791 323)          | 193 677            | (6 800 868)          |
| Debt impairment  | (30 490 142)         | (1 183 058)        | (31 673 200)         | (31 488 315)         | 184 885            | (14 650 501)         |
| Depreciation and asset impairment  | (28 668 000)         | (1 602 000)        | (30 270 000)         | (30 869 526)         | (599 526)          | (26 583 723)         |
| Finance charges  | (19 514 400)         | (2 333 200)        | (21 847 600)         | (21 856 976)         | (9 376)            | (17 970 731)         |
| Bulk purchases   | (128 498 000)        | 6 275 000          | (122 223 000)        | (118 609 439)        | 3 613 561          | (118 995 098)        |
| Inventory consumed   | (17 780 200)         | (5 495 391)        | (23 275 591)         | (17 673 355)         | 5 602 236          | (15 361 683)         |
| Contracted Services  | (38 447 400)         | 1 101 265          | (37 346 135)         | (33 616 806)         | 3 729 329          | (32 895 292)         |
| Transfers and grants   | (7 797 000)          | (769 025)          | (8 566 025)          | (8 389 039)          | 176 986            | (6 736 094)          |
| Other expenditure  | (40 286 580)         | (4 760 684)        | (45 047 264)         | (37 531 085)         | 7 516 179          | (30 995 144)         |
| Losses   | (2 705 000)          | -                  | (2 705 000)          | -                    | 2 705 000          | -                    |
| <b>Total Expenditure</b>   | <b>(488 069 437)</b> | <b>(2 295 307)</b> | <b>(490 364 744)</b> | <b>(460 335 987)</b> | <b>30 028 757</b>  | <b>(417 156 301)</b> |

|   |                     |                    |                     |                   |                   |                   |
|---|---------------------|--------------------|---------------------|-------------------|-------------------|-------------------|
| <b>Surplus/(Deficit)</b>                                  | <b>(15 922 601)</b> | <b>(2 965 643)</b> | <b>(18 888 244)</b> | <b>5 249 128</b>  | <b>24 137 372</b> | <b>9 808 100</b>  |
| Transfers and subsidies - capital (monetary) - Government | 23 610 566          | (875 098)          | 22 735 468          | 20 244 717        | (2 490 751)       | 19 804 396        |
| Transfers and subsidies - capital (monetary) - Other      | 528 000             | 120 299            | 648 299             | 532 641           | (115 658)         | 233 619           |
| Transfers and subsidies - capital (in-kind)               | -                   | 2 250 000          | 2 250 000           | 2 250 000         | -                 | -                 |
| <b>Surplus/(Deficit) for the year</b>                     | <b>8 215 965</b>    | <b>(1 470 442)</b> | <b>6 745 523</b>    | <b>28 276 487</b> | <b>21 530 964</b> | <b>29 846 114</b> |

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**TABLE 162: FINANCIAL PERFORMANCE OF OPERATIONAL SERVICE**

| FINANCIAL PERFORMANCE PER FUNCTIONALITY | OPERATING REVENUE  |                    |                    |                 | OPERATING EXPENDITURE |                   |                   |                 |
|---|--------------------|--------------------|--------------------|-----------------|-----------------------|-------------------|-------------------|-----------------|
|   | ORIGINAL BUDGET    | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE | ORIGINAL BUDGET       | FINAL BUDGET      | ACTUAL OUTCOME    | BUDGET VARIANCE |
|   | R                  | R                  | R                  | %               | R                     | R                 | R                 | %               |
| <b>Municipal Manager</b>                | <b>57 657 000</b>  | <b>58 043 951</b>  | <b>41 401 904</b>  | <b>-29%</b>     | <b>32 593 480</b>     | <b>33 722 260</b> | <b>32 843 164</b> | <b>-3%</b>      |
| Mayor and Council                       | -                  | -                  | -                  | 0%              | 10 602 000            | 11 492 800        | 11 344 577        | -1%             |
| Municipal Manager                       | 57 657 000         | 57 600 000         | 40 987 407         | -29%            | 15 608 900            | 15 510 800        | 15 380 279        | -1%             |
| Economic Development Planning           | -                  | 443 951            | 414 497            | -7%             | 4 882 300             | 5 558 260         | 4 913 809         | -12%            |
| Internal Audit                          | -                  | -                  | -                  | 0%              | 1 500 280             | 1 160 400         | 1 204 498         | 4%              |
| <b>Finance</b>                          | <b>109 990 236</b> | <b>116 398 761</b> | <b>124 772 037</b> | <b>7%</b>       | <b>46 097 500</b>     | <b>43 535 988</b> | <b>39 806 242</b> | <b>-9%</b>      |
| Budget and Treasury Office              | 109 985 236        | 116 348 761        | 124 706 124        | 7%              | 32 550 500            | 30 462 988        | 27 533 958        | -10%            |
| Supply Chain Management                 | -                  | -                  | -                  | 0%              | 2 432 000             | 2 462 000         | 2 464 307         | 0%              |
| Director Finance Services               | 5 000              | 50 000             | 65 913             | 2%              | 8 684 000             | 8 525 000         | 8 030 909         | -6%             |
| <b>Corporate Services</b>               | <b>3 128 000</b>   | <b>3 093 000</b>   | <b>6 544 371</b>   | <b>112%</b>     | <b>38 156 451</b>     | <b>37 161 900</b> | <b>32 858 709</b> | <b>-12%</b>     |
| Planning and Development                | 225 000            | 190 000            | 235 798            | 24%             | 5 797 151             | 5 796 000         | 5 614 268         | -3%             |

| FINANCIAL PERFORMANCE PER FUNCTIONALITY | OPERATING REVENUE  |                    |                    |                 | OPERATING EXPENDITURE |                    |                    |                 |
|---|--------------------|--------------------|--------------------|-----------------|-----------------------|--------------------|--------------------|-----------------|
|   | ORIGINAL BUDGET    | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE | ORIGINAL BUDGET       | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE |
|   | R                  | R                  | R                  | %               | R                     | R                  | R                  | %               |
| Human Resources                         | 2 900 000          | 2 900 000          | 6 305 175          | 117%            | 16 075 000            | 16 216 000         | 13 804 024         | -15%            |
| Information Technology                  | -                  | -                  | -                  | 0%              | 4 613 300             | 4 971 000          | 5 017 034          | 1%              |
| Administrative and Corporate Support    | 3 000              | 3 000              | 3 398              | 13%             | 9 423 000             | 7 901 700          | 6 267 771          | -21%            |
| Director Corporate Services             | -                  | -                  | -                  | 0%              | 2 248 000             | 2 277 200          | 2 155 612          | -5%             |
| <b>Technical Services</b>               | <b>258 169 600</b> | <b>252 208 399</b> | <b>249 594 489</b> | <b>-1%</b>      | <b>289 667 350</b>    | <b>295 373 039</b> | <b>278 600 297</b> | <b>-6%</b>      |
| Building Control                        | 1 551 000          | 2 101 000          | 2 340 792          | 11%             | 2 888 500             | 2 605 370          | 2 524 591          | -3%             |
| Project Management Unit-                | 2 785 564          | 2 881 698          | 2 881 700          | 0%              | 3 842 850             | 4 301 480          | 4 387 230          | 2%              |
| Property Services                       | 2 595 000          | 4 695 000          | 951 607            | -80%            | 7 444 900             | 7 865 975          | 7 545 466          | -4%             |
| Director Technical Services             | -                  | -                  | -                  | 0%              | 2 139 000             | 1 609 000          | 1 483 898          | -8%             |
| Solid Waste Removal                     | 32 837 000         | 32 871 665         | 39 807 619         | 21%             | 45 579 100            | 47 977 549         | 47 400 977         | -1%             |
| Street Cleaning                         | -                  | -                  | -                  | 0%              | 4 971 650             | 4 901 000          | 4 597 535          | -6%             |
| Sewerage                                | 17 786 000         | 17 936 000         | 21 717 537         | 21%             | 12 352 600            | 12 014 441         | 10 077 844         | -16%            |
| Wastewater Treatment                    | -                  | -                  | -                  | 0%              | 2 064 000             | 2 489 000          | 2 035 470          | -18%            |
| Storm Water Management                  | -                  | -                  | -                  | 0%              | 802 600               | 822 964            | 1 047 116          | 27%             |
| Water Distribution                      | 38 004 036         | 39 923 036         | 42 812 196         | 7%              | 21 713 250            | 27 482 981         | 24 647 370         | -10%            |
| Water Treatment                         | -                  | -                  | -                  | 0%              | 1 795 500             | 1 924 000          | 1 994 714          | 4%              |
| Roads                                   | 1 858 000          | 1 877 000          | 1 802 750          | -4%             | 33 734 200            | 33 814 744         | 32 971 853         | -2%             |

| FINANCIAL PERFORMANCE PER FUNCTIONALITY | OPERATING REVENUE  |                    |                    |                 | OPERATING EXPENDITURE |                    |                    |                 |
|---|--------------------|--------------------|--------------------|-----------------|-----------------------|--------------------|--------------------|-----------------|
|   | ORIGINAL BUDGET    | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE | ORIGINAL BUDGET       | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE |
|   | R                  | R                  | R                  | %               | R                     | R                  | R                  | %               |
| Electricity                             | 160 753 000        | 149 923 000        | 137 280 289        | -8%             | 149 039 550           | 146 156 535        | 136 558 281        | -7%             |
| Street Lighting                         | -                  | -                  | -                  | 0%              | 1 299 650             | 1 408 000          | 1 327 952          | -6%             |
| <b>Community Services</b>               | <b>43 202 000</b>  | <b>41 732 389</b>  | <b>43 272 314</b>  | <b>4%</b>       | <b>81 554 656</b>     | <b>80 571 557</b>  | <b>76 227 575</b>  | <b>-5%</b>      |
| Director Community Services             | -                  | -                  | -                  | 0%              | 3 210 000             | 3 950 954          | 3 796 388          | -4%             |
| Libraries and Archives                  | 8 074 000          | 8 426 885          | 8 452 769          | 0%              | 8 616 000             | 8 956 285          | 8 215 127          | -8%             |
| Community Halls & Facilities            | 183 000            | 233 000            | 299 904            | 29%             | 4 020 800             | 3 760 522          | 3 623 143          | -4%             |
| Cemeteries                              | 600 000            | 550 000            | 513 696            | -7%             | 1 235 700             | 1 001 448          | 930 195            | -7%             |
| Housing Core                            | 22 000             | -                  | -                  | 0%              | 1 912 000             | 1 923 197          | 1 857 854          | -3%             |
| Housing Non-Core                        | 1 650 000          | -                  | 40 413             | 0%              | 1 745 000             | 41 000             | 37 755             | -8%             |
| Traffic Control                         | 21 262 000         | 22 512 635         | 23 064 602         | 2%              | 33 317 042            | 36 051 680         | 35 849 553         | -1%             |
| Fire Fighting and Protection            | 5 000              | 5 000              | 5 794              | 16%             | 3 535 150             | 2 866 594          | 2 694 368          | -6%             |
| Community Parks                         | 186 000            | 100 000            | 115 261            | 15%             | 10 038 914            | 8 498 919          | 7 757 822          | -9%             |
| Sports Grounds and Stadiums             | -                  | -                  | 172 682            | 0%              | 4 087 750             | 4 087 836          | 3 432 216          | -16%            |
| Swimming Pools                          | 12 000             | 20 000             | 18 816             | -6%             | 1 173 000             | 1 109 938          | 958 652            | -14%            |
| Holiday Resorts                         | 5 420 000          | 5 193 869          | 5 717 248          | 10%             | 6 868 300             | 6 760 271          | 5 768 374          | -15%            |
| Road and Traffic Regulation             | 5 788 000          | 4 691 000          | 4 871 128          | 4%              | 1 795 000             | 1 562 913          | 1 306 128          | -16%            |
| <b>TOTAL</b>                            | <b>472 146 836</b> | <b>471 476 500</b> | <b>465 585 116</b> | <b>-1%</b>      | <b>488 069 437</b>    | <b>490 364 744</b> | <b>460 335 987</b> | <b>-6%</b>      |

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### 5.1.2 FINANCIAL GRANTS

The Municipality received the following operating transfers and grants during the 2022/23 financial year:

TABLE 163: OPERATING GRANTS AND TRANSFERS

| DESCRIPTION  | BUDGET YEAR 2022/23 |                 |                |
|--|---------------------|-----------------|----------------|
|  | ORIGINAL BUDGET     | ADJUSTED BUDGET | YEAR TD ACTUAL |
| R THOUSANDS  |                     |                 |                |
| <b>RECEIPTS:</b>   |                     |                 |                |
| <b><u>Operating Transfers and Grants</u></b>                         |                     |                 |                |
| <b>National Government:</b>  | <b>63 914</b>       | <b>64 011</b>   | <b>64 011</b>  |
| Local Government Equitable Share                                     | 57 506              | 57 506          | 57 506         |
| Municipal Infrastructure Grant                                       | 2 786               | 2 882           | 2 882          |
| Expanded Public Works Programme                                      | 1 662               | 1 662           | 1 662          |
| Financial Management Grant   | 1 550               | 1 550           | 1 550          |
| Integrated National Electrification Programme (Municipal) Grant      | –                   | –               | –              |
| Water Services Infrastructure Grant                                  | 411                 | 411             | 411            |
| Other transfers and grants – Municipal Disaster Relief Grant (COGTA) | –                   | –               | –              |
| <b>Provincial Government:</b>  | <b>9 823</b>        | <b>11 464</b>   | <b>11 045</b>  |
| Libraries  | 8 033               | 8 366           | 8 366          |
| Human Settlements  | 1 650               | –               | 40             |
| Maintenance of Roads   | 140                 | 140             | 121            |
| Municipal Capacity Building Grant                                    | –                   | 2 514           | 2 073          |
| Public Employment Support Grant                                      | –                   | 445             | 445            |
| Other transfers and grants – Local Government Support Grant          | –                   | –               | –              |
| <b>District Municipality:</b>  | <b>–</b>            | <b>237</b>      | <b>34</b>      |
| <i>Joint District and Metro Approach Grant</i>                       | –                   | 237             | 34             |
| <b>Other grant providers:</b>  | <b>172</b>          | <b>172</b>      | <b>514</b>     |
| <i>Heist op den Berg</i>   | 172                 | 172             | 103            |
| <i>Chieta Training Grant</i>   | –                   | –               | 411            |
| <b>Total Operating Transfers and Grants</b>                          | <b>73 909</b>       | <b>75 884</b>   | <b>75 604</b>  |
| <b><u>Capital Transfers and Grants</u></b>                           |                     |                 |                |
| <b>National Government:</b>  | <b>15 971</b>       | <b>16 611</b>   | <b>16 611</b>  |



| DESCRIPTION   | BUDGET YEAR 2022/23 |                 |                |
|---|---------------------|-----------------|----------------|
|   | ORIGINAL BUDGET     | ADJUSTED BUDGET | YEAR TD ACTUAL |
| R THOUSANDS   |                     |                 |                |
| Municipal Infrastructure Grant                                  | 13 231              | 13 872          | 13 872         |
| Financial Management Grant                                      | –                   | –               | –              |
| Integrated National Electrification Programme (Municipal) Grant | –                   | –               | –              |
| Water Services Infrastructure Grant                             | 2 739               | 2 739           | 2 739          |
| Other capital transfers   |                     |                 | –              |
| <b>Provincial Government:</b>                                   | <b>140</b>          | <b>4 541</b>    | <b>3 404</b>   |
| Regional Socio - Economic Project                               | 120                 | 120             | 120            |
| Libraries   | 20                  | 295             | 295            |
| Fire Service Capacity Building Grant                            | –                   | –               | –              |
| Development of Sport and Recreation Facilities                  | –                   | –               | –              |
| Department of Human Settlements                                 | 7 500               | 526             | 269            |
| Loadshedding Emergency Relief Grant                             | –                   | 3 600           | 2 719          |
| <b>District Municipality:</b>                                   | <b>–</b>            | <b>1 583</b>    | <b>230</b>     |
| Joint District and Metro Approach Grant                         | –                   | 1 583           | 230            |
| <b>Other grant providers:</b>                                   | <b>528</b>          | <b>648</b>      | <b>533</b>     |
| Heist op den Berg   | 528                 | 648             | 533            |
| <b>Total Capital Transfers and Grants</b>                       | <b>16 639</b>       | <b>23 384</b>   | <b>20 777</b>  |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>                 | <b>90 548</b>       | <b>99 268</b>   | <b>96 382</b>  |

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The following transfers and grants that the Municipality received during the 2022/23 financial year were utilized as follows:

➤ **MUNICIPAL INFRASTRUCTURE GRANT (MIG)**

The amount of R 1 063 317,00 was unspent on 30 June 2022. An amount of R 326 290,00 was repaid to National Treasury. The grant for 2022/23 financial year for Bergrivier Municipality was R 16 017 000,00. During the year R 2 881 700,00 was spent on operational expenses and R 13 872 327,00 was spent on capital expenditure relating to the upgrade of roads and storm water, upgrade of sidewalks, Porterville

upgrading of roads and Velddrif pump line and pump station. Bergrivier Municipality had no unspent amount at the end of the financial year .

➤ **FINANCIAL MANAGEMENT CAPACITY BUILDING GRANT (PROVINCIAL GOVERNMENT)**

The amount of R 188 525,00 was unspent on 30 June 2022. An allocation of R 2 325 000,00 for the 2022/23 financial year was received and spent on external bursaries for 15 students to the amount of R 441 216,00. The grant was also spent on Revenue Enhancement (R 843 858.98), GIS (R 120 000,00), Asset Management/Unbundling (R 497 790,03) and Electronic Stores Application R 170 000,00) . The amount of R 440 660,00 was unspent on 30 June 2023. An application to roll-over the unspent mount was submitted to Provincial Treasury.

➤ **EXTENDED PUBLIC WORKS PROGRAMME (EPWP)**

R 1 662 000,00 was received, and the funds were utilised to create temporary job opportunities for unemployed persons. The Grant funds were mainly implemented for the following focus areas:

- to enhance the living conditions of the community;
- Solid Waste Collection and Awareness Campaign;
- Chipping of green waste and recycling;
- Water conservation and demand management;
- Storm water channel and retention walls Porterville;
- Data Capturer;
- Law Enforcement;
- Fire Fighting Services;
- Construction of pavements;
- Testing and cleaning Covid-19;
- Pre-paid metering;
- Replacement of mid-block water pipelines;
- Mosaic Tourism Porterville; and
- Maintenance and Beautification of Parks.

➤ **LIBRARY SERVICES GRANT**

The amount of R 608 285,00 was unspent on 30 June 2022. R 8 053 000,00 was received from Provincial Government and the funds were used to deliver library services for 14 libraries in our area and included the salaries of temporary workers. R 8 366 007,00 of this grant was used for operational expenditure and R 295 278,00 for capital projects which included a new vehicle, air conditioners and computer equipment.

➤ **REGIONAL SOCIO-ECONOMIC PROJECT/VIOLENCE PREVENTION THROUGH URBAN UPGRADING**

An allocation of R 120 000,00 was received in the 2022/23 financial year and was used for the Laaiplek RSEP project (pedestrian walkway upgrade between CBD and Noordhoek residential neighbourhood). The project was completed and on 30 June 2023 there was a balance of R 185,00 available of the RSEP grant. This balance will be paid back to Provincial Government as per Treasury Circular Mun No. 9/2021.

➤ **PUBLIC EMPLOYMENT SUPPORT GRANT**

The amount of R 444 729,00 was unspent on 30 June 2022. The unspent was used for Operation clean up in Velddrif, Noordhoek, Laaiplek and Dwarskersbos, Safety Ambassadors, Pelican Beach Resort and Mosaic project and Refuse bins.

➤ **DEVELOPMENT OF SPORT AND RECREATION FACILITIES**

The amount of R 300 000 was unspent on 30 June 2022. The amount was repaid to Provincial Treasury.

➤ **LOADSHEDDING EMERGENCY RELIEF GRANT**

An allocation of R 3 600 000 was received in the 2022/23 financial year and was used for the purchasing of generators for water treatment and booster pump station.

➤ **JOINT DISTRICT AND METRO APPROACH GRANT**

An allocation of R 1 820 000,00 was received in the 2022/23 financial year and was used for the construction of Phase 2 of the Pietie Fredericks Youth Centre in Piketberg. During the year R 229 542,00 was spent and an amount of R 1 556 027,00 was unspent at the end of the financial year.

### 5.1.3 ASSET MANAGEMENT

The asset base of the Municipality is integral to the municipality's ability to provide services to the community in terms of its constitutional mandate such as provision of water, electricity, sanitation and maintenance of roads. It is the duty of the Municipality in terms of its asset management policy to ensure that assets are safeguarded and maintained so that they are operating in the manner intended for its use and are not unproductive or idle.

Assets that are unproductive, idle or not operating in the manner intended or to sufficient capacity are assessed on an ongoing basis for impairment and written off and replaced where applicable. Assets are managed and maintained by the Directorate under which they resort, and provision is made under their respective operational budgets for maintenance over the life cycle of the asset. The Asset Unit within Financial Services is responsible for maintaining the asset register, annual asset counts, capturing of newly acquired assets on the asset register and the removal of obsolete or written off assets from the asset register. During the 2022/23 financial year no auction took place.

The following table indicates the five largest assets acquired during 2022/23:

**TABLE 164: TREATMENT OF THE 5 LARGEST ASSETS ACQUIRED DURING THE FINANCIAL YEAR**

| DESCRIPTION                               | ORIGINAL BUDGET      | ADJUSTMENT BUDGET    | ACTUAL               | VARIANCE             |
|---|----------------------|----------------------|----------------------|----------------------|
| Piketberg Reservoir                       | 7 391 305,00         | 7 391 304,34         | 7 391 304,34         | -0,66                |
| Water renewals (Eendekuil)                | 8 775 000,00         | 6 425 000,00         | 5 981 893,13         | -443 106,87          |
| Repair existing combi-courts (EE, PV, VD) | 4 500 000,00         | 4 500 000,00         | 2 717 772,98         | -1 782 227,02        |
| Prepaid smart metering (EL)               | 1 525 000,00         | 3 875 000,00         | 3 816 698,08         | -58 301,92           |
| Blackout projects                         |                      | 3 600 000,00         | 2 719 206,71         | -880 793,29          |
| <b>TOTAL</b>                              | <b>22 191 305,00</b> | <b>25 791 305,00</b> | <b>22 626 875,24</b> | <b>-3 164 429,76</b> |

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## 5.2 FINANCIAL RATIOS AND INDICATORS

Municipalities make use of several operating ratios and indicators to enable them to benchmark their financial performance. The following are of particular importance:

### 5.2.1 CURRENT RATIO

The current ratio is calculated based on current assets divided by current liabilities. The current ratio is a measure of the ability of the Municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the Municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a current ratio of 1:1. Anything below 1:1 indicates a shortage in cash to meet creditor obligations. During 2015/16, Bergrivier Municipality had the third best current ratio in the Western Cape at 3,12:1. This ratio further increased to 3,22:1 at the end of 2016/17 and 3,78:1 at the end of the 2017/18 financial years. The restated figures for 2017/2018 shows a slightly decrease in the ratio to 3,61:1. The ratio increased in 2018/2019 to 4,19:1. The ratio decreased in 2019/2020 to 3,27:1. The ratio decreased in 2020/2021 from 3,27: 1 to 3,17: 1. The decrease can be attributed to the slight increase in the unspent grants. The ratio increased in 2022/2023 to 3,40:1.

The national norm is 1,5 – 2:1.

**TABLE 165: CURRENT RATIO**

| YEAR                 | CURRENT ASSETS | CURRENT LIABILITIES | RATIO  |
|----------------------|----------------|---------------------|--------|
| 2018/2019            | 156 800 812    | 38 073 278          | 4.12:1 |
| 2018/2019 (Restated) | 160 412 079    | 38 328 847          | 4.19:1 |
| 2019/2020            | 193 860 293    | 59 339 687          | 3.27:1 |
| 2019/2020 (Restated) | 193 842 516    | 59 332 788          | 3.27:1 |

| YEAR               | CURRENT ASSETS | CURRENT LIABILITIES | RATIO  |
|--------------------|----------------|---------------------|--------|
| 2020/2021          | 222 256 087    | 70 043 204          | 3.17:2 |
| 2020/2021 Restated | 221 548 570    | 70 424 475          | 3.15:2 |
| 2021/2022          | 236 059 345    | 68 055 142          | 3.47:2 |
| 2021/2022 Restated | 236 161 195    | 69 098 721          | 3.42:2 |
| 2022/2023          | 268 061 871    | 78 466 839          | 3.42:2 |

5.2.2 COST COVERAGE

The cost coverage is the multiple of the available cash plus investments divided by monthly fixed operational expenditure. The multiple indicates the municipality’s ability to meet at least its monthly fixed operational commitments from cash and short-term investments without collecting any additional revenue during that month. The norm ranges between 1 to 3 months. It implies that the more cash reserves the municipality has available, the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services. The Municipality’s cost coverage showed an improvement from the previous financial years from 2.77 in 2015/16 to 4.00 months in the 2016/17 and eventually to 3.61 months in the 2017/18 financial year. The Municipality’s cost coverage decreased to 2.89 months in the 2018/2019 financial year. The Municipality’s cost coverage increased to 3.73 months in the 2019/2020 financial year.

The cost coverage increased from 3.73 months in 2021/2020 to 4.88 months in 2020/2021. The increase is due to the higher cash balance being available because of an improved collection rate coupled to austerity measures and cost saving initiatives across the board.

The Municipality’s cost coverage increased to 5.27 months in the 2022/2023 financial year. The national norm is 1 – 3 months.

**TABLE 166: COST COVERAGE PERCENTAGE**

| YEAR                 | AVAILABLE CASH & INVESTMENT | MONTHLY FIXED OPERATIONAL EXPENDITURE | RATIO |
|----------------------|-----------------------------|---------------------------------------|-------|
| 2018/2019            | 70 784 143                  | 23 780 060                            | 2,98  |
| 2018/2019 (Restated) | 70 316 683                  | 24 317 486                            | 2,89  |
| 2019/2020            | 96 779 527                  | 25 962 591                            | 3,73  |
| 2019/2020 (Restated) | 96 779 527                  | 25 967 219                            | 3,73  |
| 2020/2021            | 132 892 834                 | 27 250 448                            | 4,88  |
| 2020/2021 Restated   | 141 645 797                 | 27 305 541                            | 5,19  |
| 2021/2022            | 143 588 264                 | 31 315 819                            | 4,59  |
| 2021/2022 Restated   | 143 588 264                 | 31 326 840                            | 4,58  |

| YEAR      | AVAILABLE CASH & INVESTMENT | MONTHLY FIXED OPERATIONAL EXPENDITURE | RATIO |
|-----------|-----------------------------|---------------------------------------|-------|
| 2022/2023 | 174 710 842                 | 33 164 846                            | 5,27  |

5.2.3 SERVICE DEBTORS TO REVENUE

The service debtor to revenue ratio is the percentage outstanding debtors to annual revenue. The Municipality’s outstanding service debtors to revenue showed an improvement from the previous year. The national norm is 45 %.

**TABLE 167: OUTSTANDING SERVICE DEBTORS TO REVENUE RATIO**

| YEAR                 | TOTAL OUTSTANDING SERVICE DEBTORS | ANNUAL REVENUE RECEIVED FOR SERVICES | RATIO   |
|----------------------|-----------------------------------|--------------------------------------|---------|
| 2018/2019            | 87 444 556                        | 160 631 071                          | 54,44 % |
| 2018/2019 (Restated) | 89 192 398                        | 162 921 664                          | 54,75 % |
| 2019/2020            | 101 522 607                       | 181 434 786                          | 55,96 % |
| 2019/2020 (Restated) | 101 004 750                       | 181 434 786                          | 55,67 % |
| 2020/2021            | 85 252 207                        | 195 726 102                          | 43,56 % |
| 2020/2021 Restated   | 61 158 092                        | 185 136 297                          | 33,03 % |
| 2021/2022            | 70 118 019                        | 212 962 297                          | 32,93 % |
| 2021/2022 Restated   | 70 118 019                        | 212 962 297                          | 32,93 % |
| 2022/2023            | 82 495 932                        | 215 862 307                          | 38,22 % |

5.2.4 DEBT COVERAGE

Debt coverage is basically operating revenue excluding grants, divided by debt service payments.

**TABLE 168: DEBT COVERAGE RATIO**

| YEAR                 | TOTAL OPERATING REVENUE - OPERATING GRANTS | DEBT SERVICE PAYMENTS WITHIN FINANCIAL YEAR | RATIO |
|----------------------|--|---|-------|
| 2018/2019            | 313 050 079                                | 11 673 958                                  | 26,82 |
| 2018/2019 (Restated) | 300 985 302                                | 11 673 958                                  | 25,78 |
| 2019/2020            | 337 785 956                                | 12 641 177                                  | 26,72 |
| 2019/2020 (Restated) | 337 443 241                                | 12 641 177                                  | 26,69 |
| 2020/2021            | 354 962 030                                | 15 085 547                                  | 23,53 |
| 2020/2021 Restated   | 354 459 919                                | 15 085 547                                  | 23,50 |
| 2021/2022            | 377 188 545                                | 17 593 939                                  | 21,44 |



| YEAR               | TOTAL OPERATING REVENUE - OPERATING GRANTS | DEBT SERVICE PAYMENTS WITHIN FINANCIAL YEAR | RATIO |
|--------------------|--|---|-------|
| 2021/2022 Restated | 378 277 636                                | 17 593 939                                  | 21,50 |
| 2022/2023          | 413 007 986                                | 23 168 058                                  | 17,83 |

5.2.5 CREDITOR SYSTEM EFFICIENCY

Creditor’s systems efficiency is based on the percentage of creditors paid within 30 days as required by Section 65 (e) of the Municipal Finance Management Act,2003 ( Act 56 of 2003). The Municipality’s creditor efficiency rate is 100 % meaning that all creditors are paid strictly in accordance with the legislative requirements.

5.2.6 CAPITAL CHARGES TO OPERATING EXPENDITURE

The Capital Charges to Operating Expenditure ratio is a percentage of interest and principal debt paid divided by operating expenditure. The Municipality’s capital charges to expenditure has slightly increased from the previous year.

**TABLE 169: CAPITAL CHARGES TO OPERATING EXPENDITURE RATIO**

| YEAR                 | INTEREST + PRINCIPLE PAID | OPERATING EXPENDITURE | RATIO  |
|----------------------|---------------------------|-----------------------|--------|
| 2018/2019            | 11 523 685                | 321 654 267           | 3,58 % |
| 2018/2019 (Restated) | 11 523 685                | 328 644 397           | 3,51 % |
| 2019/2020            | 11 678 606                | 367 923 120           | 3,17 % |
| 2019/2020 (Restated) | 11 678 606                | 365 370 147           | 3,20 % |
| 2020/2021            | 12 689 335                | 386 792 222           | 3,28 % |
| 2020/2021 Restated   | 12 689 337                | 386 911 099           | 3,28 % |
| 2021/2022            | 15 072 241                | 417 020 794           | 3,61 % |
| 2021/2022 Restated   | 25 850 245                | 417 156 301           | 6,20 % |
| 2022/2023            | 31 514 147                | 460 335 988           | 6,85 % |

5.2.7 EMPLOYEE COSTS

Employee costs are calculated as a percentage of total operating expenditure. The Municipality’s employee cost ratio showed a slight decrease from the 2019/20 financial year from 37.65 % in 2017/18 to 37.55 % in the 2018/19 financial year. The employee cost ratio decreased to 35.84 % in the 2019/2020 financial year. The 2020/2021 employee cost ratio shows a slight decrease from the previous year. The 2022/2023 employee cost ratio showed a further slight decrease from the previous year.

TABLE 170: EMPLOYEE COST RATIO

| YEAR                 | EMPLOYEE COSTS | OPERATING EXPENDITURE | RATIO   |
|----------------------|----------------|-----------------------|---------|
| 2018/2019            | 123 486 307    | 321 654 267           | 38,39 % |
| 2018/2019 (Restated) | 123 397 594    | 328 644 397           | 37,55 % |
| 2019/2020            | 130 947 771    | 367 923 120           | 35,59 % |
| 2019/2020 (Restated) | 130 947 771    | 365 370 147           | 35,84 % |
| 2020/2021            | 134 976 575    | 386 792 222           | 34,90 % |
| 2020/2021 Restated   | 135 119 215    | 386 911 099           | 34,92 % |
| 2021/2022            | 146 665 018    | 417 020 794           | 35,17 % |
| 2021/2022 Restated   | 146 797 263    | 417 156 301           | 35,19 % |
| 2022/2023            | 154 328 162    | 460 335 988           | 33,53 % |

## 5.2.8 REPAIRS AND MAINTENANCE

Repairs and Maintenance costs are calculated as a percentage of the Municipality's total operating expenditure. It must be noted that employee and transport costs are not included in expenditure as the Municipality does not have a costing system. This ratio indicates whether sufficient provision is made, in respect of repairs and maintenance for property, plant and equipment. One of the Municipality's development priorities is to maintain our existing infrastructure in a good state of repair to prevent unnecessary capital outlay in the future. The Municipality's repairs and maintenance ratio showed a decrease from the previous year. The national norm is 8 %.

TABLE 171: REPAIRS AND MAINTENANCE RATIO

| YEAR                 | REPAIRS AND MAINTENANCE | OPERATING EXPENDITURE | RATIO  |
|----------------------|-------------------------|-----------------------|--------|
| 2018/2019            | 8 483 267               | 321 654 267           | 2,64 % |
| 2018/2019 (Restated) | 8 593 315               | 328 644 397           | 2,61 % |
| 2019/2020            | 8 179 030               | 367 923 120           | 2,22 % |
| 2019/2020 (Restated) | 8 179 030               | 365 370 147           | 2,24 % |
| 2020/2021            | 8 870 137               | 386 792 222           | 2,29 % |
| 2020/2021 Restated   | 8 884 596               | 386 911 099           | 2,30 % |
| 2021/2022            | 11 096 196              | 417 020 794           | 2,66 % |
| 2021/2022 Restated   | 11 096 196              | 417 156 301           | 2,66 % |
| 2022/2023            | 10 745 766              | 460 335 988           | 2,33 % |

### 5.2.9 DEBT RECOVERY RATE

The Municipality's debt recovery rate for 2022/23 is 95,77 % which is an increase from the previous year's 95.01 %. The debt recovery rate is based on the last 12 months receipts divided by the last 12 months billing. Debt recovery is deemed a priority, and the Municipality will be investigating alternative debt collection methods and implemented a strategic revenue enhancement action plan during 2022/23. The increase in the rate could be attributed to the better understanding of the new financial system, more effective credit control procedures, and the in-house follow up of outstanding accounts with no services.

Alternative methods to pay municipal accounts was investigated and implemented during the 2022/23 financial year. This will ensure that accounts can be paid outside normal office hours. Handover of accounts with only rates and availability charges has also started and will continue during the 2023/24 financial year. Alternatives steps to blacklist consumers will also be investigated. The national norm is 95 %.

**TABLE 172: DEBT RECOVERY RATE**

| YEAR                 | RECEIPTS    | BILLING     | RATIO  |
|----------------------|-------------|-------------|--------|
| 2018/2019 (Restated) | 213 989 147 | 238 111 634 | 89,87% |
| 2019/2020            | 241 132 561 | 263 354 762 | 91,56% |
| 2019/2020 (Restated) | 241 496 353 | 263 338 023 | 91,71% |
| 2020/2021            | 270 819 033 | 279 981 127 | 96,73% |
| 2020/2021 Restated   | 270 084 748 | 279 479 016 | 96,64% |
| 2021/2022            | 297 159 810 | 312 758 101 | 95,01% |
| 2021/2022 Restated   | 297 159 810 | 312 758 101 | 95,01% |
| 2022/2023            | 314 459 559 | 328 347 580 | 95,77% |

## 5.3 SPENDING AGAINST CAPITAL BUDGET

### 5.3.1 CAPITAL EXPENDITURE

The original capital budget for 2022/23 was R 83 154 566,00. The final budget for 2022/2023 after adjustments and virements amounts to R 85 001 344,00. The total capital expenditure for the year was R 74 713 623,00.

### 5.3.2 SOURCES OF FINANCE

The Municipality's major sources of capital finance are:

- ▲ Internally generated funds (Capital Replacement Reserve fund) (CRR);
- ▲ Loans, which will be elaborated on under paragraph 5.8;
- ▲ Municipal Infrastructure Grant Funding (MIG) which is used for infrastructure development projects, and
- ▲ Department of Mineral and Energy (DME) funding.

## 5.4 CASH FLOW MANAGEMENT AND INVESTMENTS

## 5.4.1 CASH FLOW

The Municipality's cash flow for the 2022/23 financial year was as follows:

TABLE 173: CASH FLOW OUTCOMES

|  | ORIGINAL BUDGET     | BUDGET ADJUSTMENT  | FINAL BUDGET        | ACTUAL OUTCOME      | BUDGET VARIANCE   | RESTATED OUTCOME    |
|--|---------------------|--------------------|---------------------|---------------------|-------------------|---------------------|
|  | 2023                | 2023               | 2023                | 2023                | 2023              | 2022                |
|  | R                   | R                  | R                   | R                   | R                 | R                   |
| <b>CASH FLOWS</b>                              |                     |                    |                     |                     |                   |                     |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>     |                     |                    |                     |                     |                   |                     |
| <b>Receipts</b>                                |                     |                    |                     |                     |                   |                     |
| Property rates, penalties & collection charges | 89 142 951          | (0)                | 89 142 951          | 92 386 529          | 3 243 578         | 83 107 956          |
| Service charges                                | 241 842 037         | (9 360 374)        | 232 481 663         | 223 512 426         | (8 969 237)       | 214 279 354         |
| Other revenue                                  | 22 931 858          | (760 058)          | 22 171 800          | 22 178 926          | 7 126             | 22 229 098          |
| Government - operating                         | 73 909 434          | 910 391            | 74 819 825          | 74 701 690          | (118 135)         | 64 534 939          |
| Government - capital                           | 24 138 566          | (3 755 386)        | 20 383 180          | 20 777 358          | 394 178           | 20 038 015          |
| Interest                                       | 10 432 743          | 2 846 549          | 13 279 292          | 12 430 129          | (849 163)         | 7 429 272           |
| <b>Payments</b>                                |                     |                    |                     |                     |                   |                     |
| Suppliers and employees                        | (396 865 895)       | 3 322 976          | (393 542 919)       | (362 908 891)       | 30 634 028        | (349 254 713)       |
| Finance charges                                | (7 802 400)         | (135 200)          | (7 937 600)         | (7 936 992)         | 608               | (7 206 042)         |
| Transfers and grants                           | (7 797 000)         | (739 025)          | (8 536 025)         | (8 389 039)         | 146 986           | (6 736 094)         |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>      | <b>49 932 294</b>   | <b>(7 670 127)</b> | <b>42 262 167</b>   | <b>66 752 137</b>   | <b>24 489 970</b> | <b>48 421 785</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>    |                     |                    |                     |                     |                   |                     |
| <b>Receipts</b>                                |                     |                    |                     |                     |                   |                     |
| Proceeds on disposal of PPE                    | -                   | 3 400 000          | 3 400 000           | 3 574 759           | 174 759           | 616 852             |
| <b>Payments</b>                                |                     |                    |                     |                     |                   |                     |
| Capital assets                                 | (83 154 566)        | 403 222            | (82 751 344)        | (69 681 094)        | 13 070 250        | (54 333 310)        |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>   | <b>(83 154 566)</b> | <b>3 803 222</b>   | <b>(79 351 344)</b> | <b>(66 106 334)</b> | <b>13 245 010</b> | <b>(53 716 458)</b> |

|  | ORIGINAL BUDGET    | BUDGET ADJUSTMENT  | FINAL BUDGET       | ACTUAL OUTCOME    | BUDGET VARIANCE   | RESTATED OUTCOME |
|--|--------------------|--------------------|--------------------|-------------------|-------------------|------------------|
|  | 2023               | 2023               | 2023               | 2023              | 2023              | 2022             |
|  | R                  | R                  | R                  | R                 | R                 | R                |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                    |                    |                    |                   |                   |                  |
| <b>Receipts</b>                              |                    |                    |                    |                   |                   |                  |
| Borrowing long term/refinancing              | 40 000 000         | (369 865)          | 39 630 135         | 39 630 135        | -                 | 14 650 000       |
| Increase (decrease) in consumer deposits     | 394 572            | 428                | 395 000            | 503 812           | 108 812           | 466 654          |
| <b>Payments</b>                              |                    |                    |                    |                   |                   |                  |
| Repayment of borrowing                       | (10 081 955)       | (2 217 021)        | (12 298 976)       | (9 657 171)       | 2 641 805         | (7 879 514)      |
| <b>NET CASH FROM FINANCING ACTIVITIES</b>    | <b>30 312 617</b>  | <b>(2 586 458)</b> | <b>27 726 159</b>  | <b>30 476 776</b> | <b>2 750 617</b>  | <b>7 237 140</b> |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b> | <b>(2 909 655)</b> | <b>(6 453 363)</b> | <b>(9 363 018)</b> | <b>31 122 578</b> | <b>40 485 596</b> | <b>1 942 467</b> |
| Cash/cash equivalents at the year begin:     | 126 446 973        | 17 141 291         | 143 588 264        | 143 588 264       | -                 | 141 645 797      |
| Cash/cash equivalents at the year-end:       | 123 537 318        | 10 687 928         | 134 225 246        | 174 710 842       | 40 485 596        | 143 588 264      |

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#### 5.4.2 BORROWING AND INVESTMENTS

The Municipality raised a new external loan to the value of R 39 630 135,00 during the 2022/23 financial year to finance long-term capital expenditure projects aimed at improving service delivery.

**TABLE 174: EXTERNAL DEBT CREATED, REPAYED OR REDEEMED AND EXPECTED BORROWING**

| INSTITUTION          | LOAN          |        | MATURITY   | OPENING BALANCE | RECEIVED    | REDEEMED    | CLOSING BALANCE |
|----------------------|---------------|--------|------------|-----------------|-------------|-------------|-----------------|
|                      | NUMBER        | RATE   | DATE       | 1 JULY 2022     | DURING YEAR | DURING YEAR | 30 JUNE 2023    |
| <b>ANNUITY LOANS</b> |               |        |            |                 |             |             |                 |
| Nedbank              | 05/7831032282 | 11,27% | 2023/06/12 | 591 472         | -           | (591 472)   | -               |
| DBSA                 | 61001029      | 12,41% | 2030/06/30 | 11 859 227      | -           | (936 687)   | 10 922 541      |
| DBSA                 | 61006811      | 11,53% | 2031/06/30 | 2 872 968       | -           | (195 605)   | 2 677 364       |
| DBSA                 | 61006837      | 11,59% | 2036/06/30 | 7 597 601       | -           | (236 024)   | 7 361 576       |

| INSTITUTION                | LOAN                 |        | MATURITY   | OPENING BALANCE   | RECEIVED          | REDEEMED           | CLOSING BALANCE    |
|----------------------------|----------------------|--------|------------|-------------------|-------------------|--------------------|--------------------|
|                            | NUMBER               | RATE   | DATE       | 1 JULY 2022       | DURING YEAR       | DURING YEAR        | 30 JUNE 2023       |
| DBSA                       | 61006975             | 11,33% | 2032/06/30 | 3 013 501         | -                 | (174 809)          | 2 838 692          |
| Standard Bank              | 537707               | 8,90%  | 2024/06/30 | 2 059 068         | -                 | (969 676)          | 1 089 392          |
| Standard Bank              | 536748               | 10,07% | 2023/06/30 | 1 464 793         | -                 | (1 464 793)        | -                  |
| ABSA                       | 3044701437           | 10,57% | 2026/06/01 | 2 995 562         | -                 | (637 083)          | 2 358 479          |
| ABSA                       | 3046456438           | 10,12% | 2027/06/30 | 3 729 384         | -                 | (603 872)          | 3 125 512          |
| DBSA                       | 61007572             | 9,28%  | 2029/06/29 | 4 599 801         | -                 | (496 152)          | 4 103 649          |
| DBSA                       | 61007573             | 8,90%  | 2024/06/30 | 496 524           | -                 | (237 715)          | 258 809            |
| DBSA                       | 61007642             | 10,07% | 2030/06/30 | 5 699 623         | -                 | (492 272)          | 5 207 351          |
| Standard Bank              | 654527               | 9,02%  | 2031/06/30 | 11 047 024        | -                 | (840 928)          | 10 206 096         |
| ABSA                       | 3054195743           | 7,22%  | 2026/06/30 | 2 814 695         | -                 | (629 709)          | 2 184 985          |
| Standard Bank              | 729304               | 11,05% | 2032/06/30 | 11 750 000        | -                 | (685 024)          | 11 064 976         |
| Standard Bank              | 729271               | 10,62% | 2027/06/30 | 2 900 000         | -                 | (465 346)          | 2 434 654          |
| Standard Bank              | 797102               | 10,22% | 2028/06/30 | -                 | 14 846 835        | -                  | 14 846 835         |
| Standard Bank              | 797125               | 12,08% | 2038/06/30 | -                 | 10 925 000        | -                  | 10 925 000         |
| Nedbank                    | 19/11396464000<br>01 | 11,70% | 2033/06/30 | -                 | 13 858 300        | -                  | 13 858 300         |
| <b>Total Annuity Loans</b> |                      |        |            | <b>75 491 244</b> | <b>39 630 135</b> | <b>(9 657 170)</b> | <b>105 464 209</b> |

Annual Financial Statements 2022/23

### 5.5 SUPPLY CHAIN MANAGEMENT

The Supply Chain Unit has capacity constraints, due to new legislation and more compliance adherence enforced onto Municipalities by National Treasury. Currently the Unit manages the responsibilities and requirements to the best of their abilities.

### 5.6 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice, and it provides the rules by which



municipalities are required to disclose financial transactions. The National Treasury, in association with other key stakeholders, has led the process of the development of accounting reforms in the South African Public Sector since 1998. There are also clear roles of responsibilities for the ASB (Accounting Standards Board), the National Treasury and the Auditor-General, which can be summarised as follows:

- ⤴ The ASB sets the accounting standards;
  - ⤴ National Treasury assists in the implementation of the standards by, for example, developing the appropriate formats, making recommendations and regulating the approach to implementation, providing guidance and rendering support for implementation, including training; and
  - ⤴ The Auditor-General audits annual financial statements in line with the standards.
- The accounting principles, concepts and disclosure requirements are included in the standards of Generally Recognised Accounting Practice (GRAP), also referred to as the accounting standards. The accounting standards give the following guidance to the preparers of Annual Financial Statements when dealing with specific topics. They explain:
- ⤴ the accounting treatment of transactions, including when to recognise these entries;
  - ⤴ the accounting measurement of transactions; and
  - ⤴ the presentation and disclosure requirements of transactions in the entity's Annual Financial Statements.

In terms of paragraph 63 of the Framework for the Preparation and Presentation of Annual Financial Statements the application of GRAP normally results in financial statements that convey what is generally understood as a fair presentation of such information.

### **B-BBEE Compliance**

Section 13F(1)(g) of the Broad-Based Black Economic Empowerment Act, 2003 (Act 53 Of 2003) (*as amended*) requires the B-BBEE Commission to receive and analyse reports prescribed in Section 13G. Section 13G addresses the BEE compliance by organs of state, public entities and private sector enterprises. Bergrivier Municipality is compliant.

### **5.7 MUNICIPAL STANDARD CHART OF ACCOUNTS (mSCOA) COMPLIANCE**

The National Treasury published the Municipal Regulations on Standard Chart of Accounts (mSCOA) in Government Gazette 37577 dated 22 April 2014 with the aim of implementing a uniform system of reporting amongst the then 278 municipalities. This system was to be implemented by 01 July 2017 by all municipalities and immediately start reporting to National Treasury using the new system. Bergrivier Municipality's financial system was not mSCOA compatible and /or compliant and we had to procure and implement a new financial system, namely Phoenix that is developed by VESTA Technical Services.

### **5.8 2022/23 ANNUAL FINANCIAL STATEMENTS**

The Annual Financial Statements of the Bergrivier Municipality for 2021/22 have been prepared in accordance with Municipal Finance Management Act, 2003 (Act No 56 of 2003) (MFMA) and the Standards of Generally

Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in Accordance with Section 122(3) of the said Act. The Annual Financial Statements which contain the report of the Auditor General are appended as Volume II.

## ACRONYMS AND ABBREVIATIONS

|       |  |
|-------|--|
| ACDI  | African Climate Change Development Initiative                |
| AFS   | Annual Financial Statements                                  |
| AG    | Auditor General  |
| ANC   | African National Congress                                    |
| ASB   | Accounting Standards Board                                   |
| BBBEE | Broad-based Black Economic Empowerment                       |
| BEAF  | Bergriver- Estuary Advisory Forum                            |
| BEMF  | Berg Estuary Management Forum                                |
| BEMP  | Bergriver Estuarine Management Plan                          |
| BTO   | Bergrivier Tourism Organisation                              |
| CBD   | Central Business District                                    |
| CDW's | Community Development Workers                                |
| CFO   | Chief Finance Officer  |
| COGTA | Cooperative of Governance Traditional Affairs                |
| CWP   | Community Workers Programme                                  |
| DA    | Democratic Alliance  |
| DBDSA | Development Bank of South Africa                             |
| DCAS  | Department of Culture, Art and Sport                         |
| DDM   | District Development Model                                   |
| DCoG  | Department of Co-operative Government                        |
| DEADP | Department of Environmental Affairs and Development Planning |
| DORA  | Division of Revenue Act                                      |
| DWS   | Department of Water and Sanitation                           |
| ECD   | Early Childhood Development                                  |
| EDP   | Economic Development Partnership                             |
| EEA   | Employment Equity Act  |
| EMS   | Emergency Medical Services                                   |

|        |   |
|--------|---|
| EE     | Employment Equity                         |
| EPWP   | Expanded Public Works Programme           |
| FET    | Further Education and Training            |
| FLOW   | Fostering Local Wellbeing                 |
| FMG    | Financial Management Grant                |
| FTE    | Full time Equivalent                      |
| GDPR   | Gross Domestic Product for the Region     |
| GIS    | Geographical Information System           |
| GRAP   | Generally Recognized Accounting Practice  |
| HDI    | Human Development Index                   |
| ICMP   | Integrated Coastal Management Plan        |
| ICMA   | Integrated Coastal Management Act         |
| ICT    | Information Communication Technology      |
| IDP    | Integrated Development Plan               |
| IDZ    | Industrial Development Zone               |
| INE    | Integrated National Electrification       |
| IOD    | Injury on Duty                            |
| IWMP   | Integrated Waste Management Plan          |
| JDA    | Joint District Approach                   |
| JDMA   | Joint District Management Approach        |
| JMAQWG | Joint Municipal Air Quality Working Group |
| KPA    | Key Performance Areas                     |
| KPI    | Key Performance Indicators                |
| LAB    | Local Action for Biodiversity             |
| LBSAP  | Local Biodiversity Strategic Action Plan  |
| LED    | Local Economic Development                |
| LDAC   | Local Drug Action Committee               |
| LLF    | Local Labour Forum                        |

|            |  |
|------------|--|
| LRC        | Local Reference Committee                                      |
| MCC        | Municipal Coastal Committee                                    |
| MDB        | The Municipal Demarcation Board                                |
| MEC        | Member of Executive Council                                    |
| MERO       | Municipal Economic Review and Outlook                          |
| MFMA       | Local Government Municipal Financial Management Act 56 of 2003 |
| MIG        | Municipal Infrastructure Grant                                 |
| MM         | Municipal Manager  |
| MPAC       | Municipal Public Accounts Committee                            |
| MRF        | Material Recovery Facilities                                   |
| MSA        | Local Government Municipal Systems Act 32 of 2000              |
| mSCOA      | Municipal Standard Chart of Accounts                           |
| NBR        | National Building Regulations                                  |
| NGO        | Non-Governmental Organisation                                  |
| NRW        | Non-revenue water  |
| OHS        | Occupational Health and Safety                                 |
| PA         | Patriotic Alliance   |
| PACA       | Participatory Appraisal of Competitive Advantage               |
| PDO        | Predetermined Objective  |
| PGWC       | Provincial Government of the Western Cape                      |
| PMS        | Performance Management System                                  |
| POP Centre | Path Onto Prosperity Centre                                    |
| PR         | Proportional Representation Councillors                        |
| PRAC       | Performance-, Risk- and Audit Committee                        |
| RSEP       | Regional Socio-Economic Project                                |
| RTO        | Regional Tourism Organisation                                  |
| SALGA      | South African Local Government Association                     |
| SCM        | Supply Chain Management  |

|        |   |
|--------|---|
| SDBIP  | Service Delivery and Budget Implementation Plan |
| SEDA   | Small Enterprise Development Agency             |
| SEP    | Social Economic Profile                         |
| SMME   | Small-, Medium- and Micro Enterprises           |
| SOP    | Standard Operating Procedure                    |
| TMF    | Table Mountain Fund                             |
| UAW    | Unaccounted for water                           |
| UCT    | University of Cape Town                         |
| UISP   | Upgrading of Informal Settlement Programme      |
| VIP    | Ventilated Pit Latrine                          |
| VVSG   | Vereniging van Vlaamse Steden en Gemeentes      |
| WCAQWG | West Coast Air Quality Working Group            |
| WC/WDM | Water Conservation / Water Demand Management    |
| WCBDC  | West Coast Business Development Centre          |
| WCDM   | West Coast District Municipality                |
| WHO    | World Health Organisation                       |
| WSDP   | Water Services Development Plan                 |
| WSIG   | Water Services Infrastructure Grant             |
| WWTW   | Wastewater Treatment Works                      |



## ANNEXURES

The following Annexures are available on request:

|              |   |
|--------------|---|
| ANNEXURE 1:  | COUNCILLORS: COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE  |
| ANNEXURE 2:  | COMMITTEE AND COMMITTEE PURPOSES  |
| ANNEXURE 3:  | THIRD TIER ADMINISTRATIVE STRUCTURE   |
| ANNEXURE 4:  | FUNCTIONS OF MUNICIPALITY/ENTITY  |
| ANNEXURE 5:  | WARD REPORTING  |
| ANNEXURE 6:  | WARD INFORMATION  |
| ANNEXURE 7:  | RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE  |
| ANNEXURE 8:  | LONG TERM CONTRACTORS AND PUBLIC PARTNERSHIPS   |
| ANNEXURE 9:  | MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE   |
| ANNEXURE 10: | DISCLOSURE OF FINANCIAL INTEREST  |
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| ANNEXURE 12: | CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG  |
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| ANNEXURE 14: | CAPITAL PROGRAMME BY PROJECT CURRENT YEAR   |
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| ANNEXURE 16: | SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS  |
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| ANNEXURE 18: | DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY  |
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| ANNEXURE 21: | CODE OF CONDUCT FOR COUNCILLORS   |
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**ANNEXURE 1**  
**COUNCILLORS: COMMITTEE**  
**ALLOCATION AND COUNCIL**  
**ATTENDANCE**

Available on request

# ANNEXURE 2

## COMMITTEE AND COMMITTEE PURPOSES

Available on request

# ANNEXURE 3

## THIRD TIER ADMINISTRATIVE STRUCTURE

Available on request

# ANNEXURE 4

## FUNCTIONS OF MUNICIPALITY/ENTITY

Available on request

# ANNEXURE 5

## WARD REPORTING

Available on request



# ANNEXURE 6

## WARD INFORMATION

Available on request

# ANNEXURE 7

## RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

Available on request

**ANNEXURE 8**  
**COUNCILLORS: COMMITTEE**  
**ALLOCATION AND COUNCIL**  
**ATTENDANCE**

Available on request

# ANNEXURE 9

## MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE

Available on request

# ANNEXURE 10

## DISCLOSURE OF FINANCIAL INTEREST

Available on request

# ANNEXURE 11

## REVENUE COLLECTION PERFORMANCE

Available on request

**ANNEXURE 12**  
**CONDITIONAL GRANTS**  
**RECEIVED: EXCLUDING MIG**

Available on request



**ANNEXURE 13**  
**CAPITAL EXPENDITURE – NEW**  
**AND UPGRADE/RENEWAL**  
**PROGRAMMES - INCLUDING MIG**

Available on request

# ANNEXURE 14

## CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Available on request

**ANNEXURE 15**  
**CAPITAL PROGRAMME BY**  
**PROJECT BY WARD CURRENT**  
**YEAR**

Available on request

**ANNEXURE 16**  
**SERVICE CONNECTION**  
**BACKLOGS AT SCHOOLS AND**  
**CLINICS**

Available on request

**ANNEXURE 17**  
**SERVICE BACKLOGS**  
**EXPERIENCED BY THE**  
**COMMUNITY WHERE ANOTHER**  
**SPHERE OF GOVERNMENT OF**  
**RESPONSIBLE FOR SERVICE**  
**PROVISION**

Available on request

**ANNEXURE 18**  
**DECLARATION OF LOANS AND**  
**GRANTS MADE BY THE**  
**MUNICIPALITY**

Available on request

**ANNEXURE 19**  
**DECLARATION OF RETURNS NOT**  
**MADE IN DUE TIMES UNDER**  
**MFMA S 71**

**NONE**



**ANNEXURE 20**  
**NATIONAL AND PROVINCIAL**  
**OUTCOME FOR LOCAL**  
**GOVERNMENT**

Available on request

# ANNEXURE 21

## CODE OF CONDUCT FOR COUNCILLORS

Available on request

# ANNEXURE 22

## REPORT FROM THE OVERSIGHT COMMITTEE

Available on request

# ANNEXURE 23

## CLIENT SERVICE CHARTER

Available on request

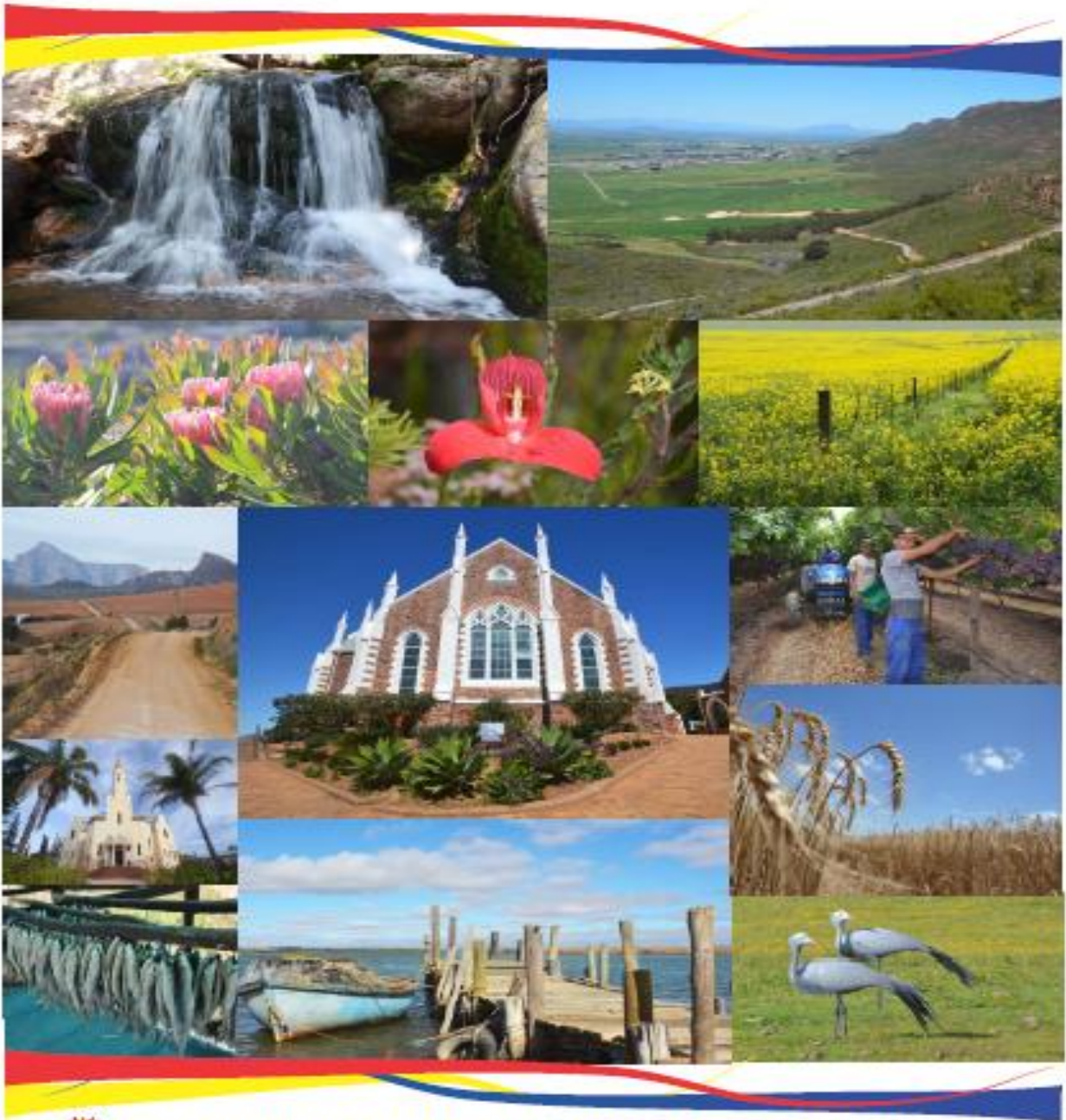
**ANNEXURE 24**  
**REPORT FROM THE BERGRIVIER**  
**TOURISM ORGANISATION:**  
**1 JULY 2022 – 30 JUNE 2023**

Available on request

**ANNEXURE 25**  
**REPORTS FROM THE MUSEUM**  
**COMMITTEE:**  
**1 JULY 2022 – 30 JUNE 2023**

Available on request

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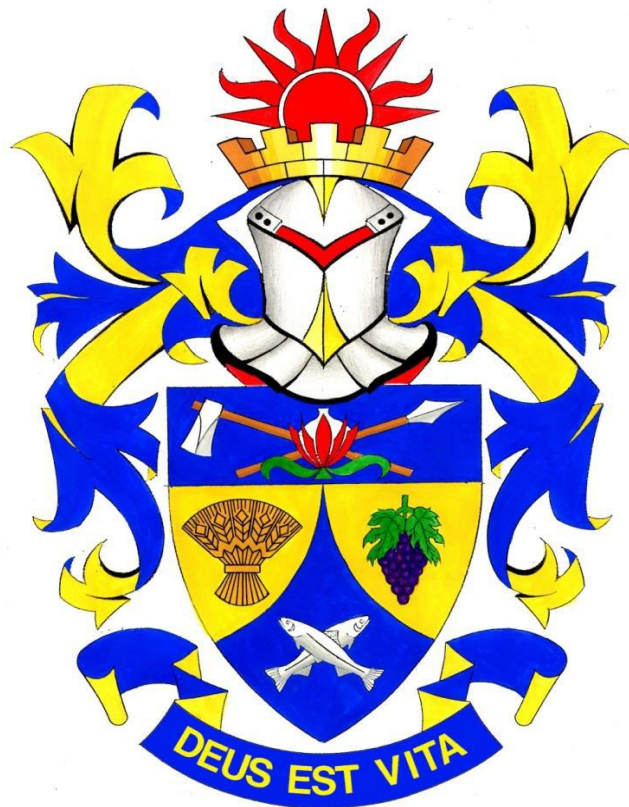


**MUNISIPALITEIT - BERGRIVIER - MUNICIPALITY**

**ONS DIEN MET TROTS / WE SERVE WITH PRIDE**



# BERGRIVIER LOCAL MUNICIPALITY



## AUDIT REPORT OF AUDITOR GENERAL

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

## Report on the audit of the financial statements

### Opinion

I have audited the financial statements of the Bergrivier Municipality set out on pages 4 to 90, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Bergrivier Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

### Context for opinion

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.

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.

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

### Emphasis of matters

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

### Material impairments

As disclosed in note 3 to the financial statements, the municipality has provided for impairment of receivables from exchange transactions of R38,8 million (2021-22: R28,9 million).

As disclosed in note 4 to the financial statements, the municipality has provided for impairment of receivables from non-exchange transactions of R41 million (2021-22: R39,2 million).

As disclosed in note 6 to the financial statements, the municipality has provided for impairment of long-term receivables from non-exchange transactions of R5,8 million (2021-22: R5 million).

As disclosed in note 36 to the financial statements, the municipality has impaired receivables by R32,6 million (2021-22: R14,4 million).

### Other matter

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

Unaudited supplementary schedules

The supplementary information set out on pages 91 to 101 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 (MFMA) 125

In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

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.

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

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.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor’s report.

Report on the audit of the annual performance report

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.

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

| Objective  | Page numbers | Purpose   |
|--|--------------|---|
| <b>Strengthen financial sustainability and further enhance good governance</b> | 7 - 31       | The strategic objective relates to the core function of the municipality, which is the delivery of basic services to the community. |

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.

I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives;
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements;
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated;
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents;
- the reported performance information is presented in the annual performance report in the prescribed manner; and
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

I did not identify any material findings on the reported performance information for the selected objective.

#### Other matter

I draw attention to the matter below.

#### Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets.

#### Report on compliance with legislation

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.

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.

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.

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

#### Other information in the annual report

The accounting officer is responsible for the other information included in the annual report, which includes the audit committee's 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.

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.

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.

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

#### Internal control deficiencies

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.

I did not identify any significant deficiencies in internal control.

Auditor-General

Cape Town

30 November 2023



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.



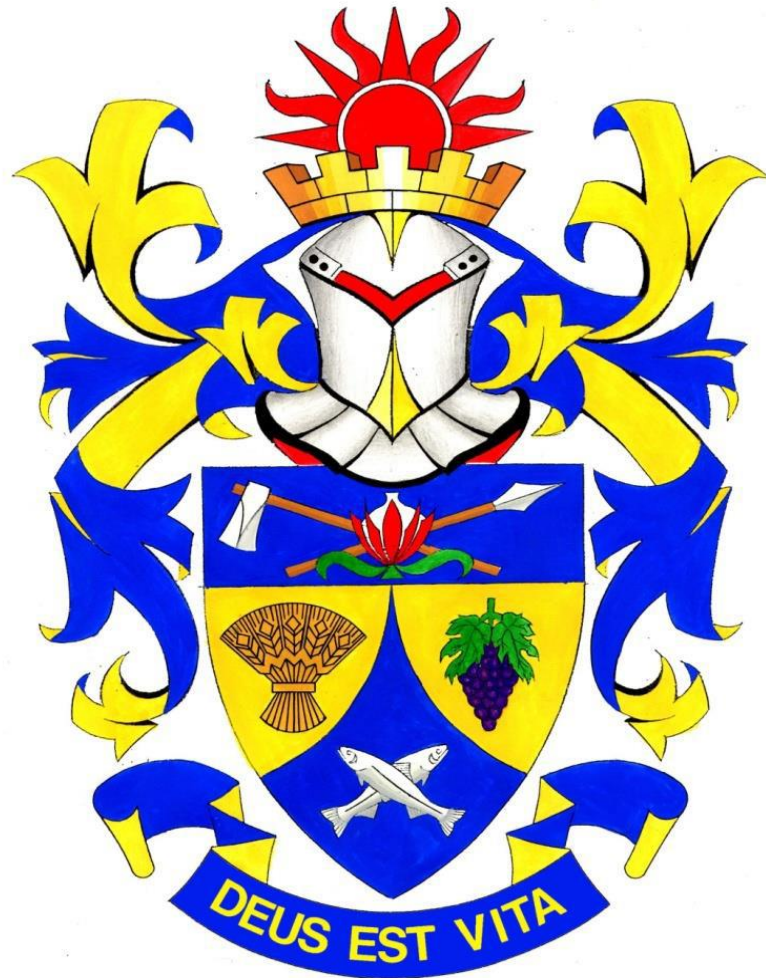
Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

| Legislation   | Sections or regulations  |
|---|--|
| Municipal Finance Management Act 56 of 2003   | Section 1 – paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 – definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b) |
| MFMA: Municipal Budget and Reporting Regulations, 2009  | Regulations 71(1), 71(2), 72   |
| MFMA: Municipal Investment Regulations, 2005  | Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)  |
| MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014                               | Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)  |
| MFMA: Municipal Supply Chain Management Regulations, 2005   | Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a) Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a) Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b) Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c) Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43 Regulations 44, 46(2)(e), 46(2)(f)   |
| Municipal Systems Act 32 of 2000  | Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b) Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a) Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)  |
| MSA: Municipal Planning and performance Management Regulations, 2001  | Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)  |
| MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006 | Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)   |
| MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014                                       | Regulations 17(2), 36(1)(a)  |
| MSA: Disciplinary Regulations for Senior Managers, 2011   | Regulations 5(2), 5(3), 5(6), 8(4)   |
| Annual Division of Revenue Act  | Section 11(6)(b), 12(5), 16(1); 16(3)  |
| Construction Industry Development Board Act 38 of 2000  | Section 18(1)  |
| Construction Industry Development Board Regulations   | Regulations 17, 25(7A)   |
| Municipal Property Rates Act 6 of 2004  | Section 3(1)   |
| Preferential Procurement Policy Framework Act 5 of 2000   | Sections 2(1)(a), 2(1)(f)  |
| Preferential Procurement Regulations, 2017  | Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8) Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 11(1), 11(2)  |

| Legislation   | Sections or regulations                                    |
|---|--|
| 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)  |

# BERGRIVIER LOCAL MUNICIPALITY



## REPORT OF AUDIT COMMITTEE

**2022/2023**

**Performance, Risk Audit Committee  
Annual Performance Report**

**1. Introduction**

Section 166 of the Municipal Finance Management Act No. 56 of 2003, requires every Municipality to establish and maintain an audit committee. The independent audit committee which must advise the municipal council, the political office-bearers, the accounting officer and the management staff of municipality relating to matters stipulated under MFMA section 166.

The Performance, Risk and Audit Committee (“PRAC”) of Bergrivier Municipality is well established and functioning as required. An updated Committee Charter has also been developed and reviewed by the Committee during the period under review and was approved by the Council.

All the members of the Audit Committee are also members of the Performance Audit Committee, as reflected in its name.

**2. PRAC Members and Attendance:**

During the period from 01 July 2022 to 30 June 2023, the Committee consisted of five members none of whom are councilors or officials of the Municipality. The committee met four (4) times during the 2022/2023 financial year and a summary is highlighted below:

| Members            | Capacity         | Dates of Meetings attended |           |           |           |
|--------------------|------------------|----------------------------|-----------|-----------|-----------|
|                    |                  | 26-Aug-22                  | 28-Nov-22 | 17-Mar-23 | 15-Jun-23 |
| Mr. Chris De Jager | PRAC Chairperson | ✓                          | ✓         | ✓         | -         |
| Ms. R Gani         | PRAC member      | ✓                          | ✓         | ✓         | ✓         |
| Ms. G Bolton       | PRAC member      | ✓                          | ✓         | ✓         | ✓         |
| Mr. D Smit         | PRAC member      | ✓                          | ✓         | ✓         | ✓         |
| Ms. M Kinnes       | PRAC member      | ✓                          | -         | ✓         | -         |

The abovementioned meetings were well attended by the Municipal Manager, Executive Management Team members and the Internal Audit Department.

**3. Executive Summary**

Based on the reports that were submitted and reviewed by the PRAC, the PRAC made the following observations in terms of MFMA Section 166 requirements:

|                                |                        |                |
|--------------------------------|------------------------|----------------|
| Governance                     | Performance Management | External Audit |
| Internal Control               | Compliance Management  | Internal Audit |
| Finance/ Financial Information | Risk Management        |                |
| ICT Services                   |                        |                |

**Legend**

|  |                                  |
|--|----------------------------------|
|  | Provides Assurance               |
|  | Provides Limited/ Some Assurance |
|  | Provides No Assurance            |

**(a) Governance**

Based on the assurance reports that we tabled to the PRAC, the Committee is pleased that the governance structures within the Municipality are in place and is functional. Internal Audit also provided ethics training to the staff during the financial year.

### **(b) Internal Controls**

Internal control is the system of controls and directives that are designed to provide effective assurance that assets are safeguarded, that liabilities and capital are efficiently managed and that the municipality fulfils its mandate, in compliance with relevant statutory and governance duties and requirements.

Based on the audit actions plans and internal audit reports the Committee believes that the significant internal controls are in place, however certain control deficiencies have been identified and should be addressed.

The Committee will monitor the progress made by Management towards the improvement of their internal control environment.

### **(c) Finance/ Financial Information**

The committee reviewed the S71, S52 Financial Reports, Income Management and Supply Chain Management (SCM) Reports for the 2022/2023 financial year.

The PRAC also reviewed the draft AFS of the Municipality for the period 1 July 2022 to 30 June 2023 and is overall satisfied with the compilation process and of the Municipality.

The Committee's view is that in general the financial position of the municipality is relatively positive and that the municipality has also complied with the required audit procedures and applicable legislation. The municipality is commended for once again achieving a clean audit report from the Auditor-General.

### **(d) Information and Communication Technology (ICT)**

ICT is a rapidly advancing discipline within the public sector, and management should allocate sufficient resources to the effective functioning of the ICT environment.

Based on the assurance reports (ICT quarterly report and Management Report issued by the AGSA) that were tabled to the PRAC, the Committee believes that the significant internal controls are in place, however certain control deficiencies have been identified. The Committee will monitor the progress made by Management towards the improvement of the ICT governance, risk environment and control processes.

### **(e) Performance Management**

In terms of Section 14(4) (a) of the Regulations the Performance Audit Committee/ PRAC has the responsibility to –

- i) review the quarterly reports produced and submitted by the internal audit process;*
- ii) review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and*

iii) *at least twice during each financial year submit a performance audit report to the council of the municipality.*

The Committee is satisfied that the Municipality utilizes mechanisms, systems and processes for auditing the results of performance measurement as part of its internal and external audit processes, including assessments of the functionality of the performance management system whether the system complied with the requirements of the MSA, and include assessments of the extent to which the performance measurements were reliable in measuring the performance of the municipality on key as well as general performance indicators.

During the 2022/2023 financial year the committee reviewed all the quarterly performance reports. Ms R Gani attended the formal performance evaluations of the Municipal Manager and Directors.

#### **(f) Compliance requirements**

The Internal Audit function monitors the Eunomia Compliance on a regular basis and submit the compliance report quarterly to the PRAC.

Based on the Eunomia Compliance Report and AGSA's opinion on compliance within the Municipality, the PRAC is overall satisfied with the compliance processes within the Municipality.

#### **(g) Risk Management**

The Committee has reviewed the risk management processes implemented by management during the financial year, and is satisfied with the progress made with the implementation of risk management within the municipality. The Risk Registers as well as the quarterly Risk Reports were submitted to the Committee during the period under review.

Based on the discussions and assurances obtained, the Committee is satisfied with the progress towards the implementation of the Risk Management Policy and Plan of the Municipality. The Committee is further of the opinion that the high-risk areas of the Municipality are covered during its risk management processes.

#### **(h) External Audit (Auditor-General of South Africa)**

The PRAC reviewed the 2022/2023 Audit and Management Report and is satisfied with the audit that was conducted by the Auditor-General of South Africa (AGSA). It is recommended that the municipal administration ensure that all internal controls deficiencies are addressed as soon as possible.

#### **(i) Internal Audit**

Bergvriev Municipality has an in-house Internal Audit function. The structure of the IAA makes provision for the following posts, namely: Internal Auditor (1 post: Filled) and Assistant Internal Auditor (1 post: Filled).

A number of audits have been completed during the year under review and these reports have been presented to the Committee for discussion. The Committee will monitor the progress on the implementation of the deficiencies identified by Internal Audit. The Internal Audit Department also managed to complete 100% of the 2022/2023 Risk-Based Internal Audit Plan (RBIAP). In addition to completing the RBIAP, a number of ad hoc activities were also performed by the Internal Audit function.



The following internal audit reports were reviewed and approved by the PRAC during the year under review:

**Internal Audit Reports:**

- Bi-Annual Stock count
- Division of Revenue Act (DORA)
- Eunomia Compliance Report
- Maintenance on Proclaimed Main roads
- Performance Management Review (PDO) Quarter 1
- Performance Management Review (PDO) Quarter 2
- Performance Management Review (PDO) Quarter 3
- Performance Management Review (PDO) Quarter 4
- Review of Building Control Processes
- Risk Management Audit 2023 (Swartland)
- Stock count June 2023
- Traffic Fines

**Ad Hoc Reports:**

- Upperlimits of Councillors
- ICT Infrastructure
- Material Purchased
- Salaries verification
- Sewer truck (Roadworthy, Service and Repair)
- Akasia Swimming Pool (Mubesko)
- Porterville Graveyard Fencing (Mubesko)
- Eric Goldsmith Sportgrounds (Mubesko)
- Smithspark Sportgrounds (Mubesko)

**4. Conclusion**

Overall and subjected to the issues raised in the report, the Committee is pleased with the continuous progress made by the Bergrivier Municipality in improving the overall governance, risk management and control environment.

On behalf of the Performance, Risk & Audit Committee (PRAC).



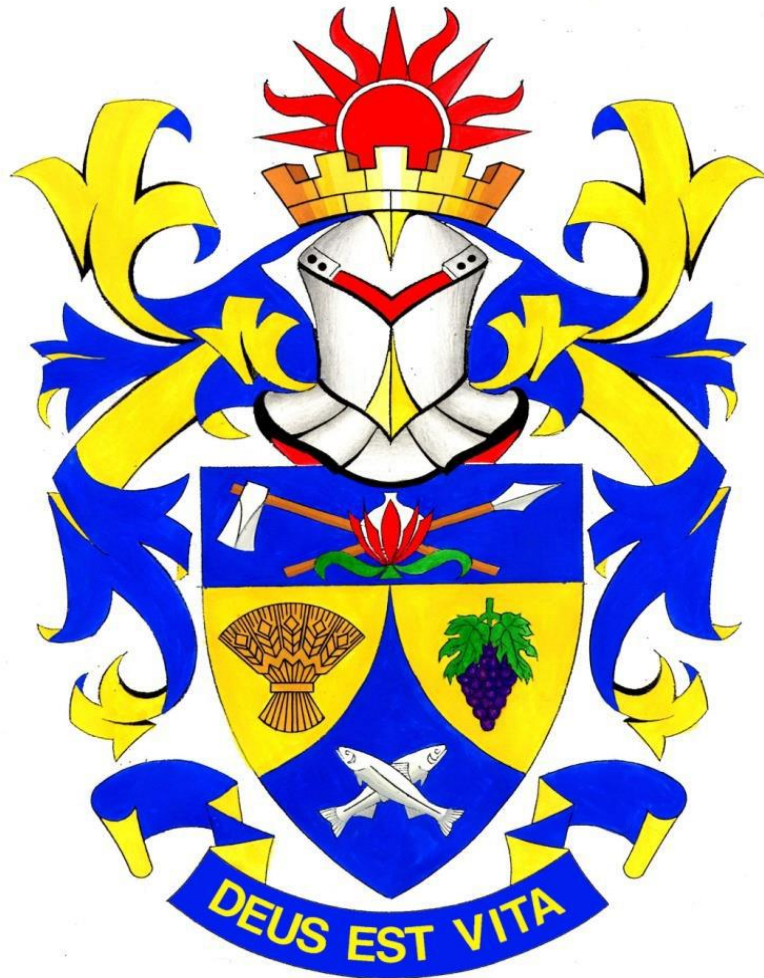

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**Mr C De Jager**

**PRAC Chairperson**

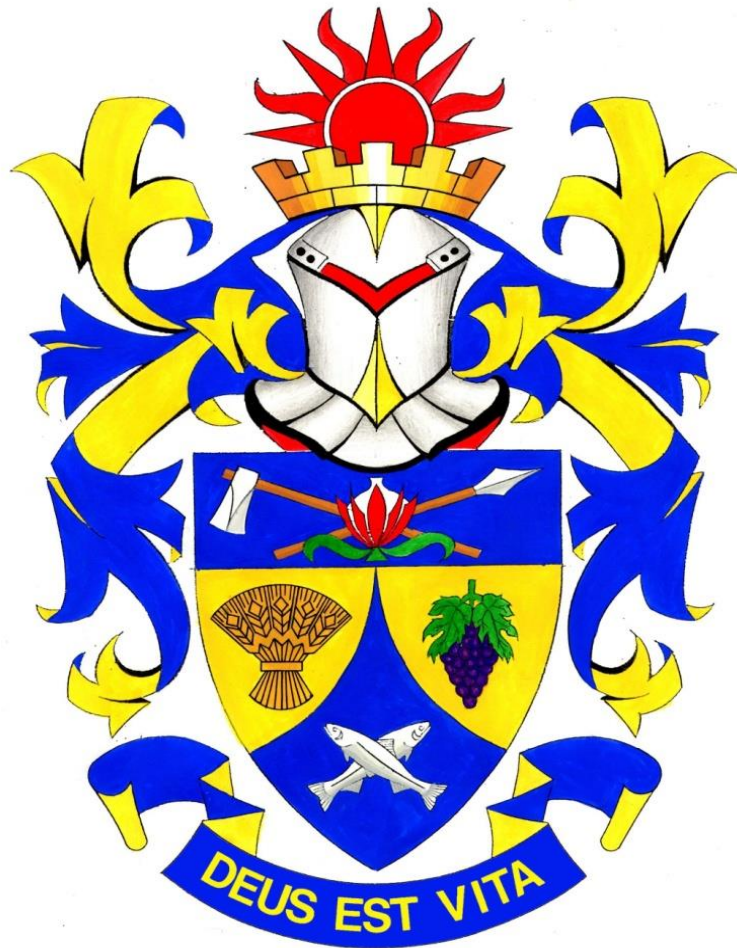
**Date: 30 November 2023**

# BERGRIVIER LOCAL MUNICIPALITY



**AUDITED ANNUAL FINANCIAL STATEMENTS 30 JUNE 2023**

# BERGRIVIER LOCAL MUNICIPALITY



## AUDITED ANNUAL FINANCIAL STATEMENTS

30 JUNE 2023

# BERGRIVIER LOCAL MUNICIPALITY

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# BERGRIVIER LOCAL MUNICIPALITY

## GENERAL INFORMATION

### NATURE OF BUSINESS

Bergrivier Local Municipality performs the functions as set out in the Constitution of South Africa, 1996

### LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act, 1998 (Act 117 of 1998) as amended.

### JURISDICTION

The Bergrivier Local Municipality includes the following areas:

|             |              |              |
|-------------|--------------|--------------|
| Piketberg   | Eendekuil    | Aurora       |
| Porterville | Redelinghuys | Wittewater   |
| Velddrif    | Dwarskersbos | Goedverwacht |

### MEMBERS OF THE COUNCIL

|              |   |
|--------------|---|
| Ward 1       | Cllr J Daniels  |
| Ward 2       | Cllr AJ du Plooy  |
| Ward 3       | Ald A de Vries  |
| Ward 4       | Ald RM van Rooy   |
| Ward 5       | Ald MA Wessels  |
| Ward 6       | Cllr A Small  |
| Ward 7       | Cllr JJ Moolman   |
| Proportional | Ald R Swarts  |
| Proportional | Cllr SS Lesch   |
| Proportional | Cllr R Laubscher (Resigned 7 July 2023)                                 |
| Proportional | Ald EB Manuel   |
| Proportional | Cllr IS Adams   |
| Proportional | Cllr BU Maarman   |
| Proportional | Cllr A Isaacs (Declared elected 17 July 2023; Inaugurated 25 July 2023) |

### MEMBERS OF THE MAYORAL COMMITTEE

|                        |                 |
|------------------------|-----------------|
| Executive Mayor        | Ald RM van Rooy |
| Deputy Executive Mayor | Ald MA Wessels  |
| Executive Councillor   | Cllr J Daniels  |
| Executive Councillor   | Ald A de Vries  |

### MUNICIPAL MANAGER

Adv. H Linde

### CHIEF FINANCIAL OFFICER

Mrs N Bothma (Acting from 1 August 2022 - 31 August 2022 and from 1 June 2023 - 31 August 2023)

Mr D Louw (Appointed 1 September 2022 - resigned 31 May 2023)

Mr FM Lötter (Resigned 31 July 2022)

### PERFORMANCE, RISK AND AUDIT COMMITTEE (PRAC)

Mr CB de Jager (Chairperson)

Ms R Gani

Ms G Bolton

Ms M Kinnes

Mr D Smith

### REGISTERED OFFICE

13 Church Street  
Piketberg

# BERGRIVIER LOCAL MUNICIPALITY

## GENERAL INFORMATION

### POSTAL ADDRESS

PO Box 60  
Piketberg  
7320

### AUDITORS

Office of the Auditor General (WC)

### PRINCIPAL BANKERS

Nedbank Limited

### ATTORNEYS

MH Sethosa Inc.  
Marais Muller Hendricks Inc.  
Van der Spuy and Associates  
De Villiers van Zyl Inc.  
Sune van der Merwe Attorneys  
Brand and Partners

### RELEVANT LEGISLATION

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)  
Collective Agreements  
Compensation for Occupational Injuries and Diseases Act, 1993 (Act 130 of 1993)  
Division of Revenue Act  
Electricity Act, 1987 (Act 41 of 1987)  
Employment Equity Act, 1998 (Act 55 of 1998)  
Employment Services, 2014 (Act 4 of 2014)  
Housing Act, 1997 (Act 107 of 1997)  
Labour Relations Act, 1995 (Act 66 of 1995)  
Municipal Budget and Reporting Regulations  
Municipal Finance Management Act, 2003 (Act 56 of 2003)  
Municipal Planning and Performance Management Regulations  
Municipal Property Rates Act, 2004 (Act 6 of 2004)  
Municipal Regulations on a Standard Chart of Accounts, 2014  
Municipal Structures Act, 1998 (Act 117 of 1998) as amended  
Municipal Systems Act, 2000 (Act 32 of 2000) as amended  
National Environmental Management Act, 2008 (Act 62 of 2008)  
National Minimum Wage Act 9 of 2018  
Occupational Health and Safety Act, 1993 (Act 85 of 1993)  
Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)  
Protection of Personal Information Act, 2013  
Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998)  
SALGBC Leave Regulations  
Skills Development Levies Act, 1999 (Act 9 of 1999)  
Supply Chain Management Regulations, 2005  
The Income Tax Act  
Unemployment Insurance Act, 1966 (Act 30 of 1966)  
Unemployment Insurance Contributions Act 4 of 2002  
Value Added Tax Act  
Water Services Act, 1997 (Act 108 of 1997)

The listed legislation only relate to the main legislation and is not an exhaustive list of all legislation applicable to the Municipality.

# BERGRIVIER LOCAL MUNICIPALITY

## APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

### ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

I am responsible for the preparation of these annual financial statements for the year ended 30 June 2023, which are set out on pages 1 to 90 in terms of Section 126 (1) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) and which I have signed on behalf of the Municipality.

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

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

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2024 and is satisfied that the Municipality can continue in operational existence for the foreseeable future.

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

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



Adv. H Linde  
Municipal Manager



Date



# BERGRIVIER LOCAL MUNICIPALITY

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

|  | Notes | 2023<br>R<br>(Actual) | 2022<br>R<br>(Restated) |
|--|-------|-----------------------|-------------------------|
| <b>ASSETS</b>                              |       |                       |                         |
| <b>Current Assets</b>                      |       |                       |                         |
|  |       | <b>268 061 871</b>    | <b>236 161 195</b>      |
| Cash and Cash Equivalents                  | 2     | 174 710 842           | 143 588 264             |
| Receivables from Exchange Transactions     | 3     | 44 988 208            | 43 632 742              |
| Receivables from Non-Exchange Transactions | 4     | 45 275 533            | 45 557 355              |
| Taxes                                      | 15    | 349 279               | -                       |
| Operating Lease Asset                      | 5     | 6 330                 | 18 481                  |
| Current Portion of Long-term Receivables   | 6     | 1 662 930             | 2 409 493               |
| Inventory                                  | 7     | 1 068 749             | 954 860                 |
| <b>Non-Current Assets</b>                  |       |                       |                         |
|  |       | <b>553 597 975</b>    | <b>507 411 855</b>      |
| Long-term Receivables                      | 6     | 4 511 176             | 6 253 120               |
| Investment Property                        | 8     | 17 949 777            | 18 002 338              |
| Property, Plant and Equipment              | 9     | 527 877 349           | 479 589 434             |
| Intangible Assets                          | 10    | 2 805 662             | 3 112 951               |
| Heritage Assets                            | 11    | 454 012               | 454 012                 |
| <b>Total Assets</b>                        |       | <b>821 659 846</b>    | <b>743 573 050</b>      |
| <b>Current Liabilities</b>                 |       |                       |                         |
|  |       | <b>78 466 839</b>     | <b>69 098 721</b>       |
| Current Portion of Long-term Liabilities   | 12    | 11 906 786            | 9 656 967               |
| Consumer Deposits                          | 13    | 5 289 894             | 4 786 082               |
| Payables from Exchange Transactions        | 14    | 39 436 915            | 33 167 053              |
| Taxes                                      | 15    | -                     | 496 959                 |
| Unspent Conditional Government Grants      | 16    | 3 660 324             | 4 563 122               |
| Unspent Public Contributions               | 17    | 158 319               | 123 819                 |
| Operating Lease Liability                  | 5     | 57 320                | 30 295                  |
| Current Employee Benefits                  | 18    | 17 957 280            | 16 274 423              |
| <b>Non-Current Liabilities</b>             |       |                       |                         |
|  |       | <b>249 009 653</b>    | <b>208 567 461</b>      |
| Long-term Liabilities                      | 12    | 93 557 423            | 65 834 277              |
| Employee Benefits                          | 19    | 40 129 000            | 41 521 000              |
| Non-Current Provisions                     | 20    | 115 323 231           | 101 212 184             |
| <b>Total Liabilities</b>                   |       | <b>327 476 492</b>    | <b>277 666 182</b>      |
| <b>NET ASSETS</b>                          |       | <b>494 183 354</b>    | <b>465 906 868</b>      |
| <b>COMMUNITY WEALTH</b>                    |       |                       |                         |
| Accumulated Surplus                        |       | 451 604 782           | 430 538 396             |
| Capital Replacement Reserve                | 21    | 42 318 000            | 35 107 900              |
| Housing Development Fund                   | 21    | 260 572               | 260 572                 |
|  |       | <b>494 183 354</b>    | <b>465 906 868</b>      |

# BERGRIVIER LOCAL MUNICIPALITY

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

|   | Notes | 2023<br>R<br>(Actual) | 2022<br>R<br>(Restated) |
|---|-------|-----------------------|-------------------------|
| <b>REVENUE</b>                                |       |                       |                         |
| <b>REVENUE FROM NON-EXCHANGE TRANSACTIONS</b> |       | <b>234 142 816</b>    | <b>205 116 874</b>      |
| <b>Taxation Revenue</b>                       |       | <b>95 278 092</b>     | <b>84 410 540</b>       |
| Property Rates                                | 22    | 95 278 092            | 84 410 540              |
| <b>Transfer Revenue</b>                       |       | <b>98 631 846</b>     | <b>88 762 795</b>       |
| Government Grants and Subsidies - Operating   | 23    | 75 604 488            | 68 724 780              |
| Government Grants and Subsidies - Capital     | 23    | 20 777 358            | 20 038 015              |
| Contributed Assets                            | 24    | 2 250 000             | -                       |
| <b>Other Revenue</b>                          |       | <b>40 232 878</b>     | <b>31 943 540</b>       |
| Availability Charges                          | 25    | 10 130 038            | 10 219 015              |
| Insurance Refund                              |       | 178 476               | 449 380                 |
| Fines, Penalties and Forfeits                 | 26    | 24 030 344            | 19 883 402              |
| Actuarial Gains                               | 27    | 5 894 019             | 1 391 744               |
| <b>REVENUE FROM EXCHANGE TRANSACTIONS</b>     |       | <b>254 469 658</b>    | <b>241 885 541</b>      |
| <b>Operating Activities</b>                   |       | <b>254 469 658</b>    | <b>241 885 541</b>      |
| Service Charges                               | 28    | 215 862 307           | 212 962 297             |
| Rental of Facilities and Equipment            | 29    | 6 983 148             | 6 488 097               |
| Interest Earned - external investments        | 30    | 12 455 184            | 7 447 059               |
| Interest Earned - outstanding debtors         |       | 7 077 142             | 5 166 250               |
| Licences and Permits                          |       | 87 189                | 84 694                  |
| Agency Services                               | 31    | 4 871 128             | 4 676 053               |
| Other Income                                  | 32    | 4 660 990             | 4 872 043               |
| Gain on disposal of Non-Monetary Assets       | 33    | 2 472 569             | 189 048                 |
| <b>TOTAL REVENUE</b>                          |       | <b>488 612 474</b>    | <b>447 002 416</b>      |
| <b>EXPENDITURE</b>                            |       |                       |                         |
| Employee Related Costs                        | 34    | 154 328 162           | 146 797 263             |
| Remuneration of Councillors                   | 35    | 6 791 323             | 6 800 868               |
| Debt Impairment                               | 36    | 31 488 315            | 14 650 501              |
| Depreciation and Amortisation                 | 37    | 30 869 526            | 26 583 723              |
| Finance Charges                               | 38    | 21 856 976            | 17 970 731              |
| Bulk Purchases                                | 39    | 126 464 478           | 125 095 464             |
| Contracted Services                           | 40    | 33 616 806            | 32 895 292              |
| Transfers and Grants                          | 41    | 8 389 039             | 6 736 094               |
| Other Expenditure                             | 42    | 46 531 363            | 39 626 366              |
| <b>TOTAL EXPENDITURE</b>                      |       | <b>460 335 988</b>    | <b>417 156 301</b>      |
| <b>NET SURPLUS FOR THE YEAR</b>               |       | <b>28 276 486</b>     | <b>29 846 115</b>       |

# BERGRIVIER LOCAL MUNICIPALITY

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

|  | CAPITAL<br>REPLACEMENT<br>RESERVE<br>R | HOUSING<br>DEVELOPMENT<br>FUND<br>R | ACCUMULATED<br>SURPLUS<br>R | TOTAL<br>R         |
|--|--|-------------------------------------|-----------------------------|--------------------|
| <b>Balance on 30 June 2021 - Previously Reported</b> | <b>30 848 500</b>                      | <b>260 572</b>                      | <b>407 244 037</b>          | <b>438 353 109</b> |
| Correction of error restatement - note 43.4          | -                                      | -                                   | (2 292 356)                 | (2 292 356)        |
| <b>Balance on 30 June 2021 - Restated</b>            | <b>30 848 500</b>                      | <b>260 572</b>                      | <b>404 951 680</b>          | <b>436 060 752</b> |
| Net Surplus for the year                             | -                                      | -                                   | 29 846 115                  | 29 846 115         |
| Transfer to Capital Replacement Reserve              | 21 257 946                             | -                                   | (21 257 946)                | -                  |
| Property, Plant and Equipment purchased              | (16 998 546)                           | -                                   | 16 998 546                  | -                  |
| <b>Balance on 30 June 2022 - Restated</b>            | <b>35 107 900</b>                      | <b>260 572</b>                      | <b>430 538 396</b>          | <b>465 906 868</b> |
| Net Surplus for the year                             | -                                      | -                                   | 28 276 486                  | 28 276 486         |
| Transfer to Capital Replacement Reserve              | 25 821 107                             | -                                   | (25 821 107)                | -                  |
| Property, Plant and Equipment purchased              | (18 611 007)                           | -                                   | 18 611 007                  | -                  |
| <b>Balance on 30 June 2023</b>                       | <b>42 318 000</b>                      | <b>260 572</b>                      | <b>451 604 782</b>          | <b>494 183 354</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

|  | Notes     | 2023<br>R<br>(Actual) | 2022<br>R<br>(Restated) |
|--|-----------|-----------------------|-------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>             |           |                       |                         |
| <b>Receipts</b>  |           |                       |                         |
| Property Rates   |           | 92 386 529            | 83 107 956              |
| Service Charges and Interest on outstanding Debtors    |           | 223 512 426           | 214 279 354             |
| Other Revenue and receipts                             |           | 22 682 738            | 22 695 752              |
| Government Grants                                      |           | 95 479 048            | 84 572 954              |
| Investment Income                                      |           | 12 430 129            | 7 429 272               |
| <b>Payments</b>  |           |                       |                         |
| Suppliers and employees                                |           | (362 908 891)         | (349 254 713)           |
| Finance charges  |           | (7 936 992)           | (7 206 042)             |
| Transfer and Grants                                    |           | (8 389 039)           | (6 736 094)             |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>              | <b>44</b> | <b>67 255 949</b>     | <b>48 888 439</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>             |           |                       |                         |
| <b>Receipts</b>  |           |                       |                         |
| Proceeds from sale of Non-Monetary Assets              |           | 3 574 759             | 616 852                 |
| <b>Payments</b>  |           |                       |                         |
| Purchase of Capital Assets                             |           | (69 681 094)          | (54 333 310)            |
| <b>NET CASH USED INVESTING ACTIVITIES</b>              |           | <b>(66 106 334)</b>   | <b>(53 716 458)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>             |           |                       |                         |
| <b>Receipts</b>  |           |                       |                         |
| New loans raised                                       |           | 39 630 135            | 14 650 000              |
| <b>Payments</b>  |           |                       |                         |
| Loans repaid   |           | (9 657 171)           | (7 879 514)             |
| <b>NET CASH FROM FINANCING ACTIVITIES</b>              |           | <b>29 972 964</b>     | <b>6 770 486</b>        |
| <b>NET INCREASE IN CASH HELD</b>                       |           | <b>31 122 578</b>     | <b>1 942 467</b>        |
| Cash and Cash Equivalents at the beginning of the year |           | 143 588 264           | 141 645 797             |
| Cash and Cash Equivalents at the end of the year       |           | 174 710 842           | 143 588 264             |

# BERGRIVIER LOCAL MUNICIPALITY

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

|  | ORIGINAL<br>BUDGET<br>R | ADJUSTMENTS<br>R   | FINAL<br>BUDGET<br>R | ACTUAL<br>R        | ACTUAL<br>VS<br>FINAL BUDGET<br>R |
|--|-------------------------|--------------------|----------------------|--------------------|-----------------------------------|
| <b>STATEMENT OF FINANCIAL POSITION</b>   |                         |                    |                      |                    |                                   |
| <b>ASSETS</b>                            |                         |                    |                      |                    |                                   |
| <b>Current assets</b>                    |                         |                    |                      |                    |                                   |
| Cash                                     | 23 537 318              | 10 687 928         | 34 225 246           | 61 415 171         | 27 189 925                        |
| Call investment deposits                 | 100 000 000             | -                  | 100 000 000          | 113 295 671        | 13 295 671                        |
| Consumer debtors                         | 70 063 873              | 13 600 573         | 83 664 445           | 85 429 701         | 1 765 256                         |
| Other Receivables                        | 7 642 704               | (1 456 925)        | 6 185 779            | 5 189 649          | (996 130)                         |
| Current portion of long-term receivables | 2 516 338               | (106 845)          | 2 409 493            | 1 662 930          | (746 563)                         |
| Inventory                                | 1 079 539               | (129 680)          | 949 860              | 1 068 749          | 118 889                           |
| <b>Total current assets</b>              | <b>204 839 772</b>      | <b>22 595 051</b>  | <b>227 434 823</b>   | <b>268 061 871</b> | <b>40 627 048</b>                 |
| <b>Non current assets</b>                |                         |                    |                      |                    |                                   |
| Long-term receivables                    | 4 429 997               | 1 823 123          | 6 253 120            | 4 511 176          | (1 741 944)                       |
| Investment property                      | 15 898 489              | (228 819)          | 15 669 670           | 17 949 777         | 2 280 107                         |
| Property, plant and equipment            | 536 320 638             | 1 023 731          | 537 344 369          | 527 877 349        | (9 467 020)                       |
| Intangible Assets                        | 4 184 852               | (1 365 778)        | 2 819 074            | 2 805 662          | (13 412)                          |
| Other non-current assets                 | 454 012                 | -                  | 454 012              | 454 012            | -                                 |
| <b>Total non current assets</b>          | <b>561 287 988</b>      | <b>1 252 256</b>   | <b>562 540 244</b>   | <b>553 597 975</b> | <b>(8 942 270)</b>                |
| <b>TOTAL ASSETS</b>                      | <b>766 127 760</b>      | <b>23 847 308</b>  | <b>789 975 067</b>   | <b>821 659 846</b> | <b>31 684 778</b>                 |
| <b>LIABILITIES</b>                       |                         |                    |                      |                    |                                   |
| <b>Current liabilities</b>               |                         |                    |                      |                    |                                   |
| Borrowing                                | 10 081 955              | 2 217 021          | 12 298 976           | 11 906 786         | (392 190)                         |
| Consumer deposits                        | 5 114 000               | 67 082             | 5 181 082            | 5 289 894          | 108 812                           |
| Trade and other payables                 | 33 765 291              | 551 097            | 34 316 387           | 43 312 878         | 8 996 491                         |
| Provisions and Employee Benefits         | 18 072 798              | (1 365 953)        | 16 706 845           | 17 957 280         | 1 250 435                         |
| <b>Total current liabilities</b>         | <b>67 034 044</b>       | <b>1 469 247</b>   | <b>68 503 291</b>    | <b>78 466 839</b>  | <b>9 963 548</b>                  |
| <b>Non current liabilities</b>           |                         |                    |                      |                    |                                   |
| Borrowing                                | 96 411 028              | (5 887 601)        | 90 523 427           | 93 557 423         | 3 033 996                         |
| Provisions and Employee Benefits         | 154 591 281             | 2 365 903          | 156 957 184          | 155 452 230        | (1 504 953)                       |
| <b>Total non current liabilities</b>     | <b>251 002 310</b>      | <b>(3 521 699)</b> | <b>247 480 611</b>   | <b>249 009 653</b> | <b>1 529 042</b>                  |
| <b>TOTAL LIABILITIES</b>                 | <b>318 036 353</b>      | <b>(2 052 452)</b> | <b>315 983 902</b>   | <b>327 476 492</b> | <b>11 492 590</b>                 |
| <b>NET ASSETS</b>                        | <b>448 091 407</b>      | <b>25 899 759</b>  | <b>473 991 165</b>   | <b>494 183 354</b> | <b>20 192 188</b>                 |
| <b>COMMUNITY WEALTH</b>                  |                         |                    |                      |                    |                                   |
| Accumulated Surplus                      | 416 982 334             | 21 640 359         | 438 622 693          | 451 604 781        | 12 982 088                        |
| Reserves                                 | 31 109 072              | 4 259 400          | 35 368 472           | 42 578 572         | 7 210 100                         |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>448 091 407</b>      | <b>25 899 759</b>  | <b>473 991 165</b>   | <b>494 183 354</b> | <b>20 192 188</b>                 |

Refer to note 46.2 for explanations of material variances.

Material variances are considered to be any variances greater than R4 million.

# BERGRIVIER LOCAL MUNICIPALITY

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

|   | ORIGINAL<br>APPROVED<br>BUDGET<br>R | ADJUSTMENTS<br>R   | FINAL<br>APPROVED<br>BUDGET<br>R | VIREMENTS<br>R | FINAL<br>BUDGET<br>R | ACTUAL<br>R        | ACTUAL<br>VS<br>FINAL BUDGET<br>R |
|---|-------------------------------------|--------------------|----------------------------------|----------------|----------------------|--------------------|-----------------------------------|
| <b>STATEMENT OF FINANCIAL PERFORMANCE</b>                 |                                     |                    |                                  |                |                      |                    |                                   |
| <b>REVENUE</b>  |                                     |                    |                                  |                |                      |                    |                                   |
| Property Rates  | 94 702 236                          | -                  | 94 702 236                       | -              | 94 702 236           | 95 278 092         | 575 856                           |
| Service Charges - Electricity Revenue                     | 160 568 000                         | (11 375 000)       | 149 193 000                      | -              | 149 193 000          | 135 158 166        | (14 034 834)                      |
| Service Charges - Water Revenue                           | 36 807 166                          | 1 919 000          | 38 726 166                       | -              | 38 726 166           | 40 006 101         | 1 279 935                         |
| Service Charges - Sanitation Revenue                      | 17 762 000                          | 150 000            | 17 912 000                       | -              | 17 912 000           | 17 801 223         | (110 777)                         |
| Service Charges - Refuse Revenue                          | 32 567 000                          | (2 000)            | 32 565 000                       | -              | 32 565 000           | 33 026 856         | 461 856                           |
| Rental of Facilities and Equipment                        | 1 674 000                           | (29 000)           | 1 645 000                        | -              | 1 645 000            | 1 380 150          | (264 850)                         |
| Interest Earned - External Investments                    | 7 981 000                           | 2 344 000          | 10 325 000                       | -              | 10 325 000           | 12 455 184         | 2 130 184                         |
| Interest Earned - Outstanding Debtors                     | 5 000 000                           | 1 000 000          | 6 000 000                        | -              | 6 000 000            | 7 077 142          | 1 077 142                         |
| Fines   | 21 286 000                          | 1 636 000          | 22 922 000                       | -              | 22 922 000           | 24 030 344         | 1 108 344                         |
| Licences and Permits                                      | 77 000                              | (20 000)           | 57 000                           | -              | 57 000               | 87 189             | 30 189                            |
| Agency Services   | 5 788 000                           | (1 097 000)        | 4 691 000                        | -              | 4 691 000            | 4 871 128          | 180 128                           |
| Transfers Recognised - Operational                        | 73 909 434                          | 1 974 664          | 75 884 098                       | -              | 75 884 098           | 75 193 332         | (690 766)                         |
| Other Revenue   | 11 325 000                          | (571 000)          | 10 754 000                       | -              | 10 754 000           | 10 853 621         | 99 621                            |
| Gains   | 2 700 000                           | 3 400 000          | 6 100 000                        | -              | 6 100 000            | 8 366 588          | 2 266 588                         |
| <b>Total Revenue (excluding capital transfers)</b>        | <b>472 146 836</b>                  | <b>(670 336)</b>   | <b>471 476 500</b>               | <b>-</b>       | <b>471 476 500</b>   | <b>465 585 116</b> | <b>(5 891 384)</b>                |
| <b>EXPENDITURE</b>  |                                     |                    |                                  |                |                      |                    |                                   |
| Employee Related Costs                                    | 166 889 715                         | (6 546 988)        | 160 342 727                      | 83 202         | 160 425 929          | 153 510 124        | (6 915 805)                       |
| Remuneration of Councillors                               | 6 993 000                           | (8 000)            | 6 985 000                        | -              | 6 985 000            | 6 791 323          | (193 677)                         |
| Debt Impairment   | 30 490 142                          | 1 183 058          | 31 673 200                       | -              | 31 673 200           | 31 488 315         | (184 885)                         |
| Depreciation and Asset Impairment                         | 28 668 000                          | 1 602 000          | 30 270 000                       | -              | 30 270 000           | 30 869 526         | 599 526                           |
| Finance Charges   | 19 514 400                          | 2 333 200          | 21 847 600                       | -              | 21 847 600           | 21 856 976         | 9 376                             |
| Bulk purchases - electricity                              | 128 498 000                         | (6 000 000)        | 122 498 000                      | (275 000)      | 122 223 000          | 118 609 439        | (3 613 561)                       |
| Inventory consumed  | 17 780 200                          | 5 367 270          | 23 147 470                       | 128 121        | 23 275 591           | 17 673 355         | (5 602 236)                       |
| Contracted Services                                       | 38 447 400                          | (1 112 570)        | 37 334 830                       | 11 305         | 37 346 135           | 33 616 806         | (3 729 329)                       |
| Transfers and Grants                                      | 7 797 000                           | 739 025            | 8 536 025                        | 30 000         | 8 566 025            | 8 389 039          | (176 986)                         |
| Other Expenditure   | 40 286 580                          | 4 738 312          | 45 024 892                       | 22 372         | 45 047 264           | 37 531 085         | (7 516 179)                       |
| Losses  | 2 705 000                           | -                  | 2 705 000                        | -              | 2 705 000            | -                  | (2 705 000)                       |
| <b>Total Expenditure</b>                                  | <b>488 069 437</b>                  | <b>2 295 307</b>   | <b>490 364 744</b>               | <b>-</b>       | <b>490 364 744</b>   | <b>460 335 987</b> | <b>(30 028 757)</b>               |
| <b>Surplus/(Deficit)</b>                                  | <b>(15 922 601)</b>                 | <b>(2 965 643)</b> | <b>(18 888 244)</b>              | <b>-</b>       | <b>(18 888 244)</b>  | <b>5 249 128</b>   | <b>24 137 372</b>                 |
| Transfers and subsidies - capital (monetary) - Government | 23 610 566                          | (875 098)          | 22 735 468                       | -              | 22 735 468           | 20 244 717         | (2 490 751)                       |
| Transfers and subsidies - capital (monetary) - Other      | 528 000                             | 120 299            | 648 299                          | -              | 648 299              | 532 641            | (115 658)                         |
| Transfers and subsidies - capital (in-kind)               | -                                   | 2 250 000          | 2 250 000                        | -              | 2 250 000            | 2 250 000          | -                                 |
| <b>Surplus/(Deficit) for the year</b>                     | <b>8 215 965</b>                    | <b>(1 470 442)</b> | <b>6 745 523</b>                 | <b>-</b>       | <b>6 745 523</b>     | <b>28 276 487</b>  | <b>21 530 964</b>                 |

Refer to note 46.3 for explanations of material variances.

Material variances are considered to be any variances greater than R4 million.

# BERGRIVIER LOCAL MUNICIPALITY

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

|  | ORIGINAL<br>BUDGET<br>R | ADJUSTMENTS<br>R   | FINAL<br>BUDGET<br>R | ACTUAL<br>R         | ACTUAL<br>VS<br>FINAL BUDGET<br>R |
|--|-------------------------|--------------------|----------------------|---------------------|-----------------------------------|
| <b>CASH FLOW STATEMENT</b>                       |                         |                    |                      |                     |                                   |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |                         |                    |                      |                     |                                   |
| <b>Receipts</b>                                  |                         |                    |                      |                     |                                   |
| Property rates, penalties & collection charges   | 89 142 951              | -                  | 89 142 951           | 92 386 529          | 3 243 578                         |
| Service charges                                  | 241 842 037             | (9 360 374)        | 232 481 663          | 223 512 426         | (8 969 237)                       |
| Other revenue                                    | 22 931 858              | (760 058)          | 22 171 800           | 22 178 926          | 7 126                             |
| Government Grants                                | 98 048 000              | (2 844 995)        | 95 203 005           | 95 479 048          | 276 043                           |
| Interest   | 10 432 743              | 2 846 549          | 13 279 292           | 12 430 129          | (849 163)                         |
| <b>Payments</b>                                  |                         |                    |                      |                     |                                   |
| Suppliers and Employees                          | (396 865 895)           | 3 322 976          | (393 542 919)        | (362 908 891)       | 30 634 028                        |
| Finance Charges                                  | (7 802 400)             | (135 200)          | (7 937 600)          | (7 936 992)         | 608                               |
| Transfers and Grants                             | (7 797 000)             | (739 025)          | (8 536 025)          | (8 389 039)         | 146 986                           |
| <b>Net Cash from/(used) Operating Activities</b> | <b>49 932 294</b>       | <b>(7 670 127)</b> | <b>42 262 167</b>    | <b>66 752 137</b>   | <b>24 489 970</b>                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |                         |                    |                      |                     |                                   |
| <b>Receipts</b>                                  |                         |                    |                      |                     |                                   |
| Proceeds on disposal of PPE                      | -                       | 3 400 000          | 3 400 000            | 3 574 759           | 174 759                           |
| <b>Payments</b>                                  |                         |                    |                      |                     |                                   |
| Capital Assets                                   | (83 154 566)            | 403 222            | (82 751 344)         | (69 681 094)        | 13 070 250                        |
| <b>Net Cash from/(used) Investing Activities</b> | <b>(83 154 566)</b>     | <b>3 803 222</b>   | <b>(79 351 344)</b>  | <b>(66 106 334)</b> | <b>13 245 010</b>                 |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |                         |                    |                      |                     |                                   |
| <b>Receipts</b>                                  |                         |                    |                      |                     |                                   |
| Borrowing long term/refinancing                  | 40 000 000              | (369 865)          | 39 630 135           | 39 630 135          | -                                 |
| Increase/(Decrease) in Consumer Deposits         | 394 572                 | 428                | 395 000              | 503 812             | 108 812                           |
| <b>Payments</b>                                  |                         |                    |                      |                     |                                   |
| Repayment of Borrowing                           | (10 081 955)            | (2 217 021)        | (12 298 976)         | (9 657 171)         | 2 641 805                         |
| <b>Net Cash from/(used) Financing Activities</b> | <b>30 312 617</b>       | <b>(2 586 458)</b> | <b>27 726 159</b>    | <b>30 476 776</b>   | <b>2 750 617</b>                  |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      | <b>(2 909 655)</b>      | <b>(6 453 363)</b> | <b>(9 363 018)</b>   | <b>31 122 578</b>   | <b>40 485 596</b>                 |
| Cash and Cash Equivalents at the year begin      | 126 446 973             | 17 141 291         | 143 588 264          | 143 588 264         | -                                 |
| Cash and Cash Equivalents at the year end        | 123 537 318             | 10 687 928         | 134 225 246          | 174 710 842         | 40 485 596                        |

Refer to note 46.4 for explanations of material variances.

Material variances are considered to be any variances greater than R4 million.



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1 ACCOUNTING POLICIES

#### 1.01 BASIS OF PREPARATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless specified otherwise.

The annual financial statements have been prepared in accordance with the Municipal Finance Management Act (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework, have been developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.

Assets, liabilities, revenue and expenses have not been offset, except when offsetting is permitted or required by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated otherwise. The details of any changes in accounting policies are explained in the relevant notes to the financial statements.

A summary of the significant accounting policies, which have been consistently applied except where an exemption has been granted, are disclosed below.

#### 1.02 TRANSITIONAL PROVISIONS

The Municipality resolved to take advantage of the following transitional provisions:

In terms of Directive 7 - "The Application of Deemed Cost on the Adoption of Standards of GRAP", the Municipality applied deemed cost to Investment Property and Property, Plant and Equipment where the acquisition cost of an asset could not be determined.

#### 1.03 PRESENTATION CURRENCY

The financial statements are presented in South African Rand, rounded off to the nearest Rand, which is the Municipality's functional currency.

#### 1.04 GOING CONCERN ASSUMPTION

These financial statements have been prepared on a going concern basis.

#### 1.05 COMPARATIVE INFORMATION

##### 1.05.1 Prior year comparatives

When the presentation or classification of items in the financial statements are amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification is disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

##### 1.05.2 Amended Accounting Policies

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements.

No significant amendments were made to the accounting policies in the current year.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.06 MATERIALITY

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decision or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. 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.

Standards of GRAP set out how an item should be recognised, measured and disclosed in the financial statements. In some cases, the Municipality does not recognise, measure, present or disclose information in accordance with the specific requirements outlined in the Standards of GRAP if the effect of applying those requirements are immaterial.

### 1.07 BUDGET INFORMATION

Budget information is presented on the accrual basis and is based on the same fiscal period as the actual amounts.

The Statement of Comparison of Budget and Actual Amounts includes the comparison between the approved and final budget amounts, as well as a comparison between the actual amounts and final budget amounts.

The disclosure of comparative information in respect of the previous period is not required by the Standards of GRAP.

### 1.08 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

#### 1.08.1 Effective dates determined

Where a Standard of GRAP has been issued but is not yet effective, the Municipality may resolve to early adopt such a Standard of GRAP if an effective date has been determined by the Minister of Finance.

The Municipality resolved to early adopt the following pronouncements to the Standards of GRAP which were issued but not yet effective:

| Pronouncement   | Effective Date |
|---|----------------|
| Improvements to the Standards of GRAP (2020)                        | 1 April 2023   |
| Amendments to GRAP 1 on Presentation of Financial Statements (2019) | 1 April 2023   |
| iGRAP 21 on The Effect of Past Decisions on Materiality             | 1 April 2023   |

The effect of the above-mentioned pronouncements to the Standards of GRAP which were early adopted is considered insignificant. The early adopted pronouncements mainly relate to the clarification of accounting principles.

The Municipality further resolved not to early adopt the following Standards of GRAP which was issued but is not yet effective:

#### 1.08.1.1 GRAP 25 (Revised 2021) - Employee Benefits (effective 1 April 2023)

The objective of this Standard is to prescribe the accounting and disclosure for employee benefits. This Standard was revised to align it with IPSAS 39 on Employee Benefits.

The impact of this Standard on the financial statements will not be significant.

#### 1.08.1.2 iGRAP 7 (Revised 2021) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction (effective 1 April 2023)

This Interpretation addresses the following:

- (a) When refunds or reductions in future contributions should be regarded as available in accordance with the definition of the asset ceiling.
- (b) How a minimum funding requirement might affect the availability of reductions in future contributions.

No significant impact is expected as the Municipality's current treatment is already to a large extent in line with the Interpretation's requirements.



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.08.1.3 GRAP 104 (Revised 2019) - Financial Instruments (effective 1 April 2025)

The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments. This Standard was revised to align it with IFRS 9 on Financial Instruments.

The impact of the revised Standard may be significant on the financial statements, due to the following key changes to the Standard:

- (a) Changes in the classification of instruments for subsequent measurement – financial assets are measured at either amortised cost or fair value based on the reason why they are held and their economic characteristics. Specific liabilities are measured at fair value, and all others are measured at amortised cost.
- (b) The approach to impairing financial assets changed from an incurred loss to an expected loss model. As indicated in the name, expected losses estimate the expected default of financial assets over a period of time rather than only recognising an impairment loss when an event occurs.
- (c) Loan commitments and financial guarantee contracts are recognised and measured differently. They are no longer in the scope of GRAP 19 on *Provisions, Contingent Liabilities and Contingent Assets*. When entering into these transactions there is an economic consequence that exposes an entity to risk. Accounting for them as financial instruments best captures this risk exposure.
- (d) With the changes in the classification of instruments and impairment approach, there is new information that GRAP 104 requires entities to disclose.

### 1.08.2 Effective dates not yet determined

Where a Standard of GRAP has been issued but not yet effective and the Minister of Finance has not yet determined an effective date for application, the Municipality may select to apply the principles established in that standard in developing an appropriate accounting policy dealing with a particular section or event.

The following Standards of GRAP have been issued but are not yet effective as the Minister of Finance has not yet determined the effective date for application:

#### 1.08.2.1 GRAP 103 (Revised 2022) - Heritage Assets

The objective of this Standard is to prescribe the accounting treatment for heritage assets and related disclosure requirements.

This revised Standard may have a significant impact with regards to heritage assets which have a dual purpose. Even though some heritage assets can have cultural significance while being used in delivering services, the revised Standard will now require that all heritage assets be accounted for using GRAP 103. A consequence of this amendment is that a heritage asset will no longer be depreciated. Instead, a heritage asset should be tested for impairment when an impairment indicator has been triggered.

#### 1.08.2.2 Amendments to GRAP 1 on Presentation of Financial Statements (2022)

The amendments to the Standard clarifies how to apply going concern assumption in the public sector and improve disclosure on related judgements and conclusions.

Currently, the Municipality is not faced with any going concern issues and therefore these amendments will have no effect on the financial statements.

## 1.09 RESERVES

### 1.09.1 Capital Replacement Reserve (CRR)

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus to the CRR.

The following provisions are set for the creation and utilisation of the CRR:

- (a) The cash funds that back up the CRR are invested until utilised.
- (b) The CRR may only be utilised for the purpose of purchasing items of property, plant and equipment, and may not be used for the maintenance of these items.
- (c) Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR and the accumulated surplus is credited by a corresponding amount.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.09.2 Housing Development Fund (HDF)

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from National and Provincial Government, used to finance housing selling schemes undertaken by the Municipality, were extinguished on 1 April 1998 and transferred to the Housing Development Fund. Housing selling schemes, both completed and in progress, as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sale of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

The following provisions are set for the creation and utilisation of the HDF:

- (a) The HDF is fully cash-backed.
- (b) The proceeds in this fund are utilised for housing development in accordance with the National Housing Policy and also for housing development projects approved by the MEC for Human Settlements.
- (c) Any contributions to or from the fund are shown as transfers in the Statement of Changes in Net Assets.

### 1.10 INVESTMENT PROPERTY

#### 1.10.1 Initial Recognition

Investment property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, for administration purposes, or the sale of an asset in the ordinary course of operations. Property with a currently undetermined use, is also classified as investment property.

Investment property is recognised as an asset when it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the Municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially measured at cost on its acquisition date. The cost of investment property is the purchase price and other costs attributable to bring the asset to a condition necessary for it to be capable of operating in the manner intended by the Municipality.

Where an investment property is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition and any other costs attributable to bring the asset to a condition necessary for it to be capable of operating in the manner intended by the Municipality. The cost of self-constructed investment property is the cost at date of completion. Transfers are made to or from investment property only when there is a change in use.

Where investment property 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.

#### 1.10.2 Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of investment property are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

#### 1.10.3 Depreciation – Cost Model

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Depreciation of an asset ceases at the date that the asset is derecognised.

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. The depreciation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The depreciation method is reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

At each reporting date the Municipality assesses whether there is any indication that expectations about the residual value and the useful life of an asset may have changed since the preceding reporting date. If any such indication exists, the expected residual value and useful life are revised and the effect of any changes in estimate accounted for on a prospective basis.

The annual depreciation rates are based on the following estimated useful lives:

|           | YEARS   |
|-----------|---------|
| Land      | N/A     |
| Buildings | 5 - 100 |

### 1.10.4 Impairment

Investment property is reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

### 1.10.5 Derecognition

An 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 determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Financial Performance in the period of the retirement or disposal.

Compensation from third parties for items of investment property that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

## 1.11 PROPERTY, PLANT AND EQUIPMENT

### 1.11.1 Initial Recognition

Property, plant and equipment are tangible non-current 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 year.

The cost of an item of property, plant and equipment is recognised as an asset if 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.

Items of property, plant and equipment are initially recognised at cost on its acquisition date. 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 the Municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired through a non-exchange transaction, the cost is deemed to be equal to the fair value of that asset as at date of acquisition and any 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 the Municipality.

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.

Spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.11.2 Subsequent Measurement - Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the Municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits or service potential associated with the asset.

### 1.11.3 Depreciation

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Depreciation of an asset ceases at the date that the asset is derecognised.

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. The depreciation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The depreciation method is reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

At each reporting date the Municipality assesses whether there is any indication that expectations about the residual value and the useful life of an asset may have changed since the preceding reporting date. If any such indication exists, the expected residual value and useful life are revised and the effect of any changes in estimate accounted for on a prospective basis.

The annual depreciation rates are based on the following estimated useful lives:

|                           | YEARS   |                                   | YEARS  |
|---------------------------|---------|-----------------------------------|--------|
| <b>Land and Buildings</b> |         | <b>Leased Assets</b>              |        |
| Land                      | N/A     | Furniture and Office Equipment    | 2 - 5  |
| Buildings                 | 5 - 100 | <b>Community Assets</b>           |        |
| Work in progress          | N/A     | Community Facilities              | 5 - 50 |
| <b>Infrastructure</b>     |         | Sport and Recreational Facilities | 5 - 50 |
| Electrical                | 5 - 100 | Work in progress                  | N/A    |
| Roads                     | 5 - 100 | <b>Other Assets</b>               |        |
| Sanitation                | 5 - 100 | Computer Equipment                | 3 - 15 |
| Solid Waste               | 3 - 80  | Furniture and Office Equipment    | 5 - 30 |
| Storm Water               | 5 - 80  | Machinery and Equipment           | 2 - 30 |
| Water Supply              | 3 - 80  | Transport Assets                  | 2 - 30 |
| Work in progress          | N/A     |                                   |        |

### 1.11.4 Impairment

Property, plant and equipment is reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

### 1.11.5 Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.12 INTANGIBLE ASSETS

#### 1.12.1 Initial Recognition

An intangible asset is an identifiable non-monetary asset without physical substance.

The Municipality recognises an intangible asset only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Municipality and the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost on its acquisition date. The cost of an intangible asset 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 the Municipality. Trade discounts and rebates are deducted in arriving at the cost.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost is measured at its fair value at the date of acquisition and any 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 the Municipality.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, its deemed cost is the carrying amount of the asset(s) given up.

Internally generated intangible assets are subject to a strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) its intention to complete the intangible asset and use or sell it;
- (c) its ability to use or sell the intangible asset;
- (d) how the intangible asset will generate probable future economic benefits or service potential;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

#### 1.12.2 Subsequent Measurement - Cost Model

Intangible assets are subsequently carried at cost less accumulated amortisation and any accumulated impairments losses.

#### 1.12.3 Amortisation

The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is still subject to an annual impairment test.

Amortisation of an intangible with a finite life asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Amortisation ceases at the date that the asset is derecognised.

Amortisation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the intangible assets. The amortisation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The residual value of an intangible asset with a finite useful life is considered to be zero.

The amortisation period and amortisation method are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

The annual amortisation rates are based on the following estimated useful lives:

Computer Software

| Years  |
|--------|
| 5 - 15 |



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.12.4 Impairment

Intangible assets are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

### 1.12.5 Derecognition

Intangible assets are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

## 1.13 HERITAGE ASSETS

### 1.13.1 Initial Recognition

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance and is held and preserved indefinitely for the benefit of present and future generations.

A heritage asset is recognised 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.

Heritage assets are initially recognised at cost on its acquisition date. The cost of heritage assets 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 the Municipality. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, the cost is deemed to be equal to the fair value of that asset as at date of acquisition and any 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 the Municipality.

Where a heritage asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, its deemed cost is the carrying amount of the asset(s) given up.

### 1.13.2 Subsequent Measurement – Cost Model

Heritage assets are carried at its cost less any accumulated impairment losses.

### 1.13.3 Depreciation

Heritage assets are not depreciated.

### 1.13.4 Impairment

Heritage assets are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.13.5 Derecognition

Heritage assets are derecognised when it is disposed or when there are no further economic benefits expected from the use of the heritage asset.

The gain or loss arising on the disposal or retirement of a heritage asset is determined as the difference between the sales proceeds and the carrying value of the heritage asset and is recognised in the Statement of Financial Performance.

Compensation from third parties for heritage assets that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

### 1.14 IMPAIRMENT OF NON-MONETARY ASSETS

An impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.

Cash-generating assets are assets used with the objective of generating a commercial return. Non-cash-generating assets are assets other than cash-generating assets.

The Municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Municipality estimates the recoverable amount of the asset.

#### 1.14.1 Recoverable amount of Cash-generating assets

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

The best evidence of fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

#### 1.14.2 Recoverable amount of Non-cash-generating assets

The recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its value in use.

The value in use for a non-cash generating asset is the present value of the asset's remaining service potential. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

#### 1.14.3 Impairment loss

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in the Statement of Financial Performance.

An impairment loss of assets carried at a revalued amount in accordance with another Standard of GRAP is treated as a revaluation decrease in accordance with that Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### 1.14.4 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 assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

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 had no impairment loss been recognised for the asset in prior periods.



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# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in the Statement of Financial Performance.

A reversal of an impairment loss of assets carried at a revalued amount in accordance with another Standard of GRAP is treated as a revaluation increase in accordance with that Standard of GRAP.

After the reversal of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### 1.15 INVENTORIES

#### 1.15.1 Initial Recognition

Inventories are assets:

- (a) in the form of materials or supplies to be consumed in the production process;
- (b) in the form of materials or supplies to be consumed or distributed in the rendering of services;
- (c) held for sale or distribution in the ordinary course of operations; or
- (d) in the process of production for sale or distribution.

Inventories are recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Municipality, and the cost of the inventories can be measured reliably.

Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus non-recoverable taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventories are acquired through a non-exchange transaction, the cost is measured at the fair value as at the date of acquisition plus any other costs in bringing the inventories to their current location and condition.

#### 1.15.2 Subsequent Measurement

When inventories are sold, exchanged or distributed 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 expense is recognised when the goods are distributed, or related service is rendered.

Inventories are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost.

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 would incur to acquire the asset on the reporting date.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories is 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, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The basis of allocating cost to inventory items is the weighted average method.

At reporting date, the water volume is determined by way of dip readings and the calculated volume in the distribution network. Water inventory is then measured by multiplying the cost per kilo litre of purified water by the amount of water in storage.

Cost of land held for sale is assigned by using specific identification of their individual costs.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.16 EMPLOYEE BENEFITS

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. The contributions to fund obligations for the payment of retirement benefits are recognised in the Statement of Financial Performance in the year during which they become payable.

Defined-benefit plans are post-employment benefit plans other than defined-contribution plans.

#### 1.16.1 Post-Retirement Benefits

The Municipality provides retirement benefits for its employees and councillors. Retirement benefits consist of defined-contribution plans and defined-benefit plans.

##### 1.16.1.1 Multi-employer defined benefit plans

The Municipality contributes to various National and Provincial-administered defined benefit plans on behalf of its qualifying employees. These funds are multi-employer funds. The contributions to fund obligations for the payment of retirement benefits are recognised in the Statement of Financial Performance in the year they become payable. These defined benefit funds are actuarially valued on the projected unit credit method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

##### 1.16.1.2 Post Retirement Medical Benefits

The Municipality provides post-retirement medical benefits by subsidizing the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 60% (70% for employment prior to 1 October 2018) as contribution and the remaining 40% (30% for employment prior to 1 October 2018) is paid by the members. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The present value of the defined benefit liability is actuarially determined. The plan is unfunded.

Contributions are recognised in the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The liability is calculated by means of the projected unit credit actuarial valuation method. The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the 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 requirements. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are recognised in the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, are recognised in the Statement of Financial Performance in the period that it occurs. These obligations are valued annually by independent qualified actuaries.

#### 1.16.2 Long-term Benefits

##### 1.16.2.1 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 annually and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are recognised in the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is recognised in the Statement of Financial Performance in the period that it occurs. These obligations are valued annually by independent qualified actuaries.

#### 1.16.3 Short-term 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.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Short-term employee benefits include items such as:

- (a) Wages, salaries and social security contributions;
- (b) 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; and
- (c) 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 service to the municipality during a reporting period, the municipality recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service

- (a) 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 recognise 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
- (b) as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset

### 1.16.3.1 Staff Leave

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at reporting date and also on the total remuneration package of the employee.

Accumulating leave is carried forward and can be used in future periods if the current period's entitlement is not used in full. All unused leave will be paid out to the specific employee at the end of that employee's employment term. Accumulated leave is vesting.

### 1.16.3.2 Bonuses

The liability for staff bonuses is based on the accrued bonus for each employee at reporting date.

## 1.17 PROVISIONS

A provision is a liability of uncertain timing or amount. Provisions are recognised when the Municipality has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resource embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate of future outflows of resources. Where the effect is material, non-current provisions are discounted to their present value using a discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

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 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 will not exceed the amount of the provision. In the Statement of Financial Performance, the expense relating to a provision may be presented net of the amount recognised for a reimbursement.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

- (a) The Municipality has a detailed formal plan for the restructuring identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented.
- (b) The Municipality 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.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision is derecognised.

### 1.18 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.

#### 1.18.1 Municipality as Lessee

##### 1.18.1.1 Finance Leases

At the commencement of the lease term, the Municipality recognises assets acquired under finance leases as assets and the associated lease obligations as liabilities in the Statement of Financial Position.

At the inception of the lease, the assets and liabilities are recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The discount rate to be used in calculating the present value of the minimum lease payment is the interest rate implicit in the lease. If the rate implicit to the lease is not available the Municipality's incremental borrowing rate is used. Any initial direct costs of the Municipality are added to the amount recognised as an asset.

Subsequent to initial recognition, the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents, if any, are charged as expenses to the Statement of Financial Performance in the periods in which they are incurred. The leased assets are accounted for in accordance with the stated accounting policies applicable to the assets.

##### 1.18.1.2 Operating leases

Lease payment under an operating lease is recognised as an expense in the Statement of Financial Performance on a straight-line basis over lease term, unless another systematic basis is more representative of the time pattern of the user's benefit. The difference between the straight-lined expenses and actual payments made will give rise to a liability.

#### 1.18.2 Municipality as Lessor

##### 1.18.2.1 Finance Leases

The Municipality recognises lease payments receivable under a finance lease as assets (receivable) in the Statement of Financial Position. The asset (receivable) is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the Municipality, discounted at the interest rate implicit in the lease.

The asset (receivable) is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis in the Statement of Financial Performance.

##### 1.18.2.2 Operating Leases

Operating lease revenue is recognised in the Statement of Financial Performance on a straight-line basis over the term of the relevant lease, unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. The difference between the straight-lined revenue and actual payments received will give rise to an asset.

### 1.19 FINANCIAL INSTRUMENTS

#### 1.19.1 Initial Recognition

Financial instruments (financial assets and financial liabilities) are recognised on the Municipality's Statement of Financial Position when it becomes party to the contractual provisions of the instrument.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Financial instruments are initially recognised at fair value plus, in the case of a financial asset or financial liability not at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. If finance charges in respect of financial assets and financial liabilities are significantly different from similar charges usually obtained in an open market transaction, adjusted for the specific risks of the Municipality, such differences are immediately recognised in the period it occurs, and the unamortised portion adjusted over the period of the loan transactions.

### 1.19.2 Subsequent Measurement

Financial instruments are categorised as follow:

- (a) **Financial instruments at amortised cost** are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They are included in current assets or current liabilities, except for maturities greater than 12 months, which are classified as non-current. After initial recognition, both financial assets and financial liabilities are measured at amortised cost, using the effective interest rate method. Financial assets are also subject to an impairment review.
- (b) **Financial instruments at cost** are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured. Both financial assets and financial liabilities are subsequently measured at cost. Financial assets are subject to an impairment review.
- (c) **Financial instruments at fair value** comprise of financial assets or financial liabilities that are:
  - (i) derivatives;
  - (ii) combined instruments that are designated at fair value;
  - (iii) instruments held for trading;
  - (iv) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
  - (v) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Both, financial assets and financial liabilities are subsequently measured at fair value with unrealised gains or losses recognised directly in the Statement of Financial Performance.

### 1.19.3 Impairment and uncollectability of financial assets

Financial assets, other than those at fair value, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence of impairment of financial assets.

#### 1.19.3.1 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 discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Cash flows relating to short-term financial assets are not discounted where the effect of discounting is immaterial. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance.

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 is reversed by adjusting an allowance account. The amount of the reversal is recognised in Statement of Financial Performance.

#### 1.19.3.2 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 is not be reversed.

### 1.19.4 Derecognition of financial instruments

#### 1.19.4.1 Financial assets

The Municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. Financial assets (receivables) are also derecognised when Council approves the write-off of financial assets due to non-recoverability.



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

If the Municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the Municipality continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

### 1.19.4.2 Financial liabilities

The Municipality derecognises financial liabilities when the Municipality's obligations are discharged, cancelled or they expire.

The Municipality recognises the difference between the carrying amount of the 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, in the Statement of Financial Performance.

### 1.19.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## 1.20 STATUTORY RECEIVABLES

Statutory receivables arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset. Statutory receivables can arise from both exchange and non-exchange transactions.

### 1.20.1 Initial Recognition

Statutory receivables are recognised when the related revenue (exchange or non-exchange revenue) is recognised or when the receivable meets the definition of an asset. The Municipality initially measure statutory receivables at their transaction amount.

### 1.20.2 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 subsequently changed to reflect any interest or other charges that may have accrued on the receivable, less any impairment losses and amounts derecognised.

### 1.20.3 Impairment and uncollectability of statutory receivables

The Municipality assesses at each reporting date whether there is any indication that a statutory receivable may be impaired.

If there is an indication that a statutory receivable 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 is reduced, through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance. In estimating the future cash flows, the Municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the Municipality discounts the estimated future cash flows using a rate that reflects the current risk free rate and any risks specific to the statutory receivable for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows. Any previously recognised impairment loss is adjusted by adjusting the allowance account. The amount of any adjustment is recognised in the Statement of Financial Performance.

### 1.20.4 Derecognition

The Municipality derecognises a statutory receivable when the rights to the cash flows from the receivable are settled, expire or are waived or the Municipality transfers the receivable and substantially all the risks and rewards of ownership of the receivable to another entity.

When the Municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of receivable to another entity, the Municipality derecognises the receivable and recognises separately any rights and obligations created or retained in the transfer.



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.21 CASH AND CASH EQUIVALENTS

Cash includes cash on hand, cash held with banks, and call deposits. Cash equivalents are short-term highly liquid investments with registered banking institutions with maturities of three months or less from inception, readily convertible to cash without significant change in value.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred in the Statement of Financial Performance.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any bank overdrafts.

### 1.22 RECEIVABLES

Receivables are recognised initially at fair value, which approximates amortised cost less provision for impairment. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of receivables is established when there is objective evidence that the Municipality will not be able to collect all amounts due according to the original terms of receivables. An estimate is made for impairment of receivables, based on past default experience of all outstanding amounts at reporting date.

Bad debts are written off in the year during which they are identified as irrecoverable, subject to the approval by the appropriate delegated authority. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the Statement of Financial Performance.

### 1.23 TAXES (VALUE ADDED TAX)

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included in the Statement of Financial Position. The Municipality accounts for value-added tax (VAT) on the payment basis.

### 1.24 PAYABLES AND ANNUITY LOANS

Payables and annuity loans are initially recognised at fair value and subsequently measured at amortised cost using an effective interest rate, which is the initial carrying amount, less repayments, plus interest.

### 1.25 CONSUMER DEPOSITS

Consumer deposits are disclosed as a current liability. Consumer deposits are levied in line with council's policy to consumers when services are initially connected. When services are disconnected or terminated, the outstanding deposit is utilised against any arrear accounts the consumer might be liable for on that date. Any excess deposit after all debt is settled is refunded to the specific consumer.

### 1.26 CONDITIONAL GOVERNMENT GRANTS AND PUBLIC CONTRIBUTIONS

Grants, transfers and donations received or receivable are recognised as assets when the resources that have been transferred to the Municipality meet the definition and criteria for recognition as assets.

Conditional grants, transfers and donations are recognised as revenue to the extent that the Municipality has complied with the conditions embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the conditions have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

The liability recognised to the extent that the conditions associated with the grant, transfer or donation have not been met, always has to be cash-backed. The cash which backs up the liability is invested as a individual investment or part of the general investments of the Municipality until it is utilised.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Interest earned on investments of grants, transfers and donations are treated in accordance with conditions as stipulated in the agreement. If it is payable to the grantor it is recorded as part of the creditor and if it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

### 1.27 REVENUE

At the time of initial recognition, the full amount of revenue is recognised where the Municipality has an enforceable legal obligation to collect, unless the Municipality has no intention of collecting this revenue. Where the Municipality has no intention of collecting the revenue, rebates and discounts are offset against the related revenue. If the Municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

#### 1.27.1 Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions refers to transactions where the Municipality received revenue from another entity without directly giving approximately equal value in exchange.

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

##### 1.27.1.1 Taxation Revenue

Taxation revenue comprises of property rates. Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

##### 1.27.1.2 Transfer Revenue

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred, meet the criteria for recognition as an asset. A corresponding liability is recognised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met.

Grants, transfers and donations without any conditions attached are recognised as revenue when the asset is recognised.

##### 1.27.1.3 Availability Charges

Availability charges are based on the approved tariffs of the Municipality. These charges are levied where the Municipality has installed the relevant infrastructure networks (relating to water, electricity, sewerage and solid waste) in the area where the consumer resides, but the consumer has not requested to be and is not connected to the networks.

##### 1.27.1.4 Fines

Fine Revenue constitutes both spot fines and summonses. All fines issued during the year less any cancellations or reductions are recognised as revenue.

##### 1.27.1.5 Insurance Refund

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

##### 1.27.1.6 Unclaimed deposits

All unclaimed deposits are initially recognised as a liability until 36 months expires, when all unclaimed deposits into the Municipality's bank account will be treated as revenue. This policy is in line with prescribed debt principle as enforced by law.

##### 1.27.1.7 Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Income from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the MFMA (Act 56 of 2003), and is recognised upon the recovery thereof from the responsible party.



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# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.27.1.8 Services in-kind

Services in-kind include services provided by individuals to the Municipality at no charge or where the Municipality has the right to use assets at no charge.

The Municipality's recognises services in-kind that are significant to its operations as assets and recognises 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.

When the criteria for recognition is satisfied, services in-kind are recognised at their fair value as at the date of acquisition.

If the services in-kind are not significant to the Municipality's operations or does not satisfy the criteria for recognition, the Municipality only disclose the nature and type of services in-kind received during the reporting period.

### 1.27.1.9 Contributed Assets

Contributed assets are recognised at fair value when such items of property, plant and equipment qualifies for recognition and become available for use by the Municipality.

### 1.27.2 Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

#### 1.27.2.1 Service Charges

Service Charges are levied in terms of approved tariffs.

Service charges relating to electricity and water are based on consumption and a basic charge as per the approved tariffs. Meters are read on a monthly basis and are recognised as revenue when invoiced. Where the Municipality was unable to take the actual month's reading of certain consumers, a provisional estimate of consumption for that month will be created, based on consumption history. The provisional estimates of consumption are recognised as revenue when invoiced, except at reporting date when estimates of consumption up to the reporting date are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. It is estimated that pre-paid electricity is consumed within 5 to 7 days after date of purchase. The pre-paid electricity sold, but not consumed yet at reporting date is recognised as a liability under Payables from Exchange Transactions in the Statement of Financial Position.

Service charges relating to sewerage and sanitation are recognised on a monthly basis in arrears by applying the approved tariff to each property. These service charges are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved and are levied on a monthly basis.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

#### 1.27.2.2 Interest earned

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

#### 1.27.2.3 Rental income

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.27.2.4 Income from Agency Services

Revenue arising out of situations where the Municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the Municipality as compensation for executing the agreed services.

Income from agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

### 1.27.2.5 Other Tariffs

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

### 1.27.2.6 Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- (a) The Municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods.
- (b) The Municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- (c) The amount of revenue can be measured reliably.
- (d) It is probable that the economic benefits or service potential associated with the transaction will flow to the Municipality.
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

### 1.27.2.7 Deferred payment

In most cases, the consideration is in the form of cash or cash equivalents and the amount of revenue is the amount of cash or cash equivalents received or receivable. However, when the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

## 1.27.3 Construction Contracts

Contractor is an entity that performs construction work pursuant to a construction 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 Municipality participates as a non-accredited municipality in the National Housing Programme. The Municipality's roles and responsibilities in the housing development process are set out in the binding arrangements entered into with the provincial Department of Human Settlements. The Municipality assesses the terms and conditions of each contract concluded with the provincial Department of Human Settlements to establish whether the contract is a construction contract or not.

The Accounting Standards Board (ASB) issued a *Guideline on accounting for arrangements undertaken in terms of the National Housing Programme*. The guideline makes a distinction between a project manager and a project developer.

Where the Municipality is appointed as the project manager, it will assist with the process of appointing a contractor to construct houses on behalf of the provincial Department of Human Settlements. The responsibility of appointment and payment of the contractors ultimately vest with the provincial Department of Human Settlements.

Where the Municipality is appointed as the project developer, it will take on the responsibility for the construction of the houses. As project developer the Municipality will appoint contractors and will make payments for work completed on meeting milestones agreed between itself and the contractor.

In general, where the Municipality is appointed as the project manager, it will act as an agent for the provincial Department of Human Settlements. Where the Municipality is appointed as the project developer, it is considered that the Municipality has entered into a construction contract with the provincial Department of Human Settlements.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

The binding agreements entered into with the provincial Department of Human Settlements are non-commercial fixed price contracts. The objective of the arrangements is to construct low cost houses for the beneficiaries of the National Housing Programme in return for full reimbursement of costs from the Department through a housing grant or subsidy.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date, as measured by the proportion that contract costs incurred for the work performed to date bear to the estimate total contract costs.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs shall be recognised as an expense in the period in which they are incurred.

### 1.28 BORROWING COSTS

Borrowing costs that are incurred by the Municipality are expensed in the Statement of Financial Performance in the period during which they are incurred, regardless of how the borrowings are applied.

### 1.29 SERVICE CONCESSION ARRANGEMENTS

Service concession arrangement is a contractual arrangement between a grantor and an operator in which an operator uses the services concession asset to provide a mandated function on behalf of a grantor for a specified period, where the operator is compensated for its services over the period of service concession arrangement.

A grantor is the entity that grants the right to use the service concession asset to the operator, which in this case will be the Municipality.

A mandated function involves the delivery of a public service by an operator on behalf of a grantor that falls within the grantor's mandate.

An operator is the entity that uses the service concession asset to provide a mandated function subject to the grantor's control of the asset.

A service concession asset is an asset used to provide a mandated function in a service concession arrangement that:

- (a) is provided by the operator which:
  - the operator constructs, develops, or acquires from a third party; or
  - is an existing asset of the operator; or
- (b) is provided by the grantor which:
  - is an existing asset of the grantor; or
  - is an upgrade to an existing asset of the grantor.

The Municipality recognises an asset provided by the operator and an upgrade to an existing asset of the Municipality, as a service concession asset if the Municipality controls or regulates what services the operator must provide with the asset, to whom it must provide them, and at what price, and if the Municipality controls (through ownership, beneficial entitlement or otherwise) any significant residual interest in the asset at the end of the term of the arrangement. This applies to an asset used in a service concession arrangement for its entire economic life (a "whole-of-life" asset).

After initial recognition or reclassification, service concession assets are clearly identified from other assets within the same asset category, and are clearly identified from owned and/or leased assets.

Where the Municipality recognises a service concession asset, and the asset is not an existing asset of the Municipality (grantor), the Municipality (grantor) also recognises a liability.

The Municipality does not recognise a liability when an existing asset of the Municipality is reclassified as a service concession asset, except in circumstances where additional consideration is provided by the operator.

The Municipality initially measures the service concession asset as follows:

- (a) Where the asset is not an existing asset of the Municipality, the asset is measured at its fair value.
- (b) Where the asset is an existing asset of the Municipality and it meets the recognition criteria of a service concession asset, the asset is reclassified as a service concession asset, and the asset is accounted for in accordance with the policy on Investment property, Property, plant and equipment, Intangible assets, or Heritage assets, as appropriate.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

The Municipality initially measures the liability at the same amount as the service concession asset, adjusted by the amount of any other consideration from the Municipality to the operator, or from the operator to the Municipality.

Where the Municipality has an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition, or upgrade of a service concession asset, the Municipality accounts for the liability as a financial liability.

The Municipality allocates the payments to the operator and accounts for them according to their substance as a reduction in the liability recognised, a finance charge, and charges for services provided by the operator.

The finance charge and charges for services provided by the operator in a service concession arrangement are accounted for as expenses.

Where the asset and service components of a service concession arrangement are separately identifiable, the service components of payments from the entity to the operator are allocated by reference to the relative fair values of the service concession asset and the services.

Where the asset and service components are not separately identifiable, the service component of payments from the Entity to the operator is determined using estimation techniques.

Where the Municipality does not have an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition, or upgrade of a service concession asset, and grants the operator the right to earn revenue from third-party users or another revenue-generating asset, the Municipality accounts for the liability as the unearned portion of the revenue arising from the exchange of assets between the Municipality and the operator.

The Municipality recognises revenue and reduces the liability according to the substance of the service concession arrangement.

If the Municipality pays for the construction, development, acquisition, or upgrade of a service concession asset partly by incurring a financial liability and partly by the grant of a right to the operator, it accounts separately for each part of the total liability.

The Municipality accounts for other liabilities, contingent liabilities, and contingent assets arising from a service concession arrangement in accordance with the policy on Provisions, Contingent liabilities and contingent assets and Financial instruments.

The Municipality accounts for revenues from a service concession arrangement, other than those relating to the grant of a right to the operator model, in accordance with the Standard of GRAP on Revenue from exchange transactions.

### 1.30 UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in a form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

### 1.31 IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), the Public Office Bearers Act, and (Act. No. 20 of 1998) or is in contravention of the Municipality's Supply Chain Management Policy. Irregular expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

### 1.32 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.33 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality. A contingent liability could also be a present obligation that arises from past events, but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality.

The Municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the probability of an outflow of resources embodying economic benefits or service potential is remote. A contingent asset is disclosed where the inflow of economic benefits or service potential is probable.

### 1.34 CAPITAL COMMITMENTS

Capital commitments disclosed in the financial statements represents the contractual balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

### 1.35 EVENTS AFTER REPORTING DATE

Events after the 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:

- (a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- (b) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If non-adjusting events after the reporting date are material, the Municipality discloses the nature and an estimate of the financial effect.

### 1.36 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.

Related party transaction is a transfer of resources, services or obligations between the Municipality and a related party, regardless of whether a price is charged.

Management is considered a related party and comprises 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.

A close family member of management is also considered to be related party. A person is considered to be a close member of the family of another person if they are married or live together in a relationship similar to a marriage or are separated by no more than two degrees of natural or legal consanguinity or affinity.

The Municipality is exempt from the disclosure requirements in relation to related party transactions if that transactions occurs within the normal supplier and/or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the Municipality to have adopted if dealing with that individual entity or person in the same circumstances, and the terms and conditions are within the normal operating parameters established by Municipality's legal mandate.

Where the Municipality is exempt from the disclosures in accordance with the above-mentioned paragraph, the Municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable to users of the financial statements to understand the effect of related party transactions.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Remuneration of management includes remuneration derived for services provided to the Municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the Municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration. Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the Municipality.

The Municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties. Only transactions with such parties which are not at arm's length and not on normal commercial terms, are disclosed.

### 1.37 ACCOUNTING BY PRINCIPALS AND AGENTS

An agent is an entity that has been directed 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).

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 the 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.

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 shall re-assess whether they act as a principal or an agent in accordance with this Standard of GRAP.

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 an entity 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:

- (a) It does not have the power to determine the significant terms and conditions of the transaction.
- (b) It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- (c) 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 or whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The Municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether an entity is an agent.

Where the Municipality acts as a principal, it recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirement of the relevant Standards of GRAP.

Where the Municipality acts as an agent, it 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 other Standards of GRAP.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.38 LIVING AND NON-LIVING RESOURCES

Living resources are those resources that undergo biological transformation which comprises the processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a living resource.

Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted. Non-living resources, other than land, is not recognised as assets. The Standard only requires disclosure of the relevant resources.

The Municipality has assessed that it does not control any living resources, but is however responsible for non-living resources as set out in notes to the financial statements.

### 1.39 SEGMENT REPORTING

A segment is an activity of the Municipality:

- (a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same Municipality);
- (b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- (c) for which separate financial information is available.

Management comprises of 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.

Financial information relating to the reporting segments are aligned to the financial information distributed to management on a regular basis (similar basis of preparation). This information is utilised to measure performance of the relevant services provided by the Municipality and also to ensure that resources are appropriately allocated to various departments/segments to provide high quality services to the community.

Adjustments and eliminations made in preparing the Municipality's financial statements, which includes the allocation basis of revenues and expenses, are prepared on a similar basis as the information distributed to management on a regular basis.

Financial information distributed to management does not include a segment/department analysis of assets and liabilities associated with each segment/department. In line with this principle utilised during the financial year, the segment reporting included in the financial statements are prepared on a similar basis which excludes such an analysis. Assets and liabilities are reported on for the Municipality as a whole.

Management reviews capital expenditure/performance on a regular basis and accordingly the relevant information is reported on per segment.

### 1.40 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the Municipality's accounting policy, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements:

#### 1.40.1 Application of Directive 7

For deemed cost applied to Property, Plant and Equipment as per adoption of Directive 7, management used the depreciation cost method which was based on assumptions about the remaining duration of the assets.

For deemed cost applied to land and buildings as per adoption of Directive 7, management made use of an independent valuator. The valuator's valuation was based on assumptions about the market's buying and selling trends and the remaining duration of the assets.

For deemed cost applied to Investment Property as per adoption of Directive 7, management made use of an independent valuator. The valuator's valuation was based on assumptions about the market's buying and selling trends and the remaining duration of the assets.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

GRAP implementation date for the Municipality is 1 July 2007 which is also the date applicable when applying Directive 7. The GRAP compliant period is therefore determined to be from 1 July 2007 to the current year's reported date. Where the economic useful life of an item of Property, Plant and Equipment is less than the GRAP compliant period, it is assumed that the item was either incorrectly written off in the past, or that the capital expenditure of the said item was incorrectly included in surplus. In such cases the item shall not be recognised on GRAP implementation date, but shall be taken into account on that date of the opening balances of the comparative amounts.

### 1.40.2 Impairment of Receivables

The calculation in respect of the impairment of receivables is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

### 1.40.3 Useful lives and residual values

The useful lives of assets are based on management's estimates. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate.

The estimated residual values of assets are also based on management's judgement on whether the assets will be sold or used to the end of their useful lives, and what their condition will be at that time.

### 1.40.4 Impairment of non-monetary assets

Non-monetary assets can include, but is not limited to, Property, Plant and Equipment, Investment Property and Intangible assets.

The Municipality is not a profit-oriented entity, as its primary objective is service delivery. Tariffs and charges are cost-reflective to ensure continued financial sustainability. No profit element is included in the determination of a tariff. As such, management has determined that the Municipality does not control assets that meet the definition of cash-generating assets and that the Standard of GRAP on Impairment of Non-cash-generating Assets will apply to all assets of the Municipality.

The calculation in respect of the impairment of non-monetary assets is based on an assessment of the extent to which the recoverable amount of the asset has declined below the carrying amount. This calculation will only be performed if there is an indication of an impairment.

### 1.40.5 Post-Retirement and Long-term Benefits

The cost of post retirement medical benefits and long-service awards are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

### 1.40.6 Provisions and Contingent Liabilities

Management's judgement is required when recognising and measuring provisions, as well as when measuring contingent liabilities. Provisions are discounted where the time value effect is material.

The provision for rehabilitation of the landfill site is recognised as and when the environmental liability arises. The provision is calculated by a qualified environmental engineer. The provision represents the net present value at the reporting date of the expected future cash flows to rehabilitate the landfill site. The discount rate used to calculate the effect of time value of money is linked to the index for earthwork as published by Statistics South Africa.

### 1.40.7 Financial Instruments and Statutory Receivables

The Municipality analyses the terms and conditions of the transactions that give rise to its receivables in order to understand whether they arise directly from legislation or similar means, or from a separate contract concluded with a party. Judgement is applied in applying the principles as set out in the respective Standards of GRAP on Financial Instruments and Statutory Receivables.

### 1.40.8 Financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management. In making the judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in the Standard of GRAP on Financial Instruments.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1.40.9 Revenue Recognition

Accounting Policy on Revenue from Non-Exchange Transactions and Accounting Policy on Revenue from Exchange Transactions describes the conditions under which revenue will be recognised by management of the Municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as prescribed in the Standard of GRAP on Revenue from Exchange Transactions and Standard of GRAP on Revenue from Non-Exchange Transactions. Specifically, when goods are sold, whether the significant risks and rewards of ownership of the goods have been transferred to the buyer and when services are rendered, whether the service has been performed.

In considering the revenue to which the Municipality is entitled, the Municipality considers other factors that may impact the inflow of future economic benefits or service potential on initial recognition of revenue. Such factors include fines issued which will be reduced or withdrawn after reporting date. The Municipality applies judgement based on past experience and current facts and circumstances in order to adjust the traffic fine revenue accordingly.

### 1.40.10 Recognition and Derecognition of Land

In order for land to meet the definition of an asset, the Municipality must be able to prove that control is being exercised. Control of land is evidenced by either legal ownership and/or the right to direct access to land, and to restrict or deny the access of others to land.

To demonstrate access/restriction rights, the Municipality assesses whether it has a substantive right for an unlimited period through a binding arrangement.

The above-mentioned assessment is subject to management's judgements and assumptions are applied to conclude that the Municipality controls land.

### 1.40.11 Materiality

Since materiality is an entity-specific concept, its application may result in different outcomes based on the Municipality's circumstances. The assessment of materiality therefore requires management to apply judgement about:

- (a) How information could reasonably be expected to influence the discharge of accountability by the Municipality or decisions that the users make on the basis of those financial statements.
- (b) How the nature or size or both, of the information could reasonably be expected to influence users' decisions.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

|                                    | 2023               | 2022               |
|------------------------------------|--------------------|--------------------|
| <b>2 CASH AND CASH EQUIVALENTS</b> |                    |                    |
| Bank Accounts                      | 61 395 321         | 22 790 092         |
| Investment Deposits                | 113 295 671        | 120 778 322        |
| Cash Floats                        | 19 850             | 19 850             |
| <b>Total</b>                       | <b>174 710 842</b> | <b>143 588 264</b> |

Due to the short term nature of cash deposits, all balances included above are in line with their fair values.

Cash and Cash Equivalents are held to support the following commitments:

|   |                    |                    |
|---|--------------------|--------------------|
| Unspent Conditional Grants                      | 3 660 324          | 4 563 122          |
| Unspent Borrowings                              | 6 554 000          | -                  |
| Capital Replacement Reserve                     | 42 318 000         | 35 107 900         |
| Cash portion of Housing Development Fund        | 260 572            | 260 572            |
| Department of Human Settlements                 | 327 182            | 525 958            |
| Cash available for working capital requirements | 121 590 764        | 103 130 712        |
| <b>Total Cash and Cash Equivalents</b>          | <b>174 710 842</b> | <b>143 588 264</b> |

### Bank Accounts

|  |                   |                   |
|--|-------------------|-------------------|
| Nedbank Limited - Account number 11-6976-1380 (Primary Bank Account) | 61 395 321        | 22 790 092        |
| Nedbank Limited - Account number 11-6976-1402 (Traffic Account)      | -                 | -                 |
| <b>Total</b>   | <b>61 395 321</b> | <b>22 790 092</b> |

Bank accounts consists out of the following accounts:

#### ***Nedbank Limited - Account number 11-6976-1380 (Primary Bank Account)***

|   |            |            |
|---|------------|------------|
| Cash book balance at beginning of year      | 22 790 092 | 9 051 931  |
| Cash book balance at end of year            | 61 395 321 | 22 790 092 |
| Bank statement balance at beginning of year | 22 263 286 | 8 478 144  |
| Bank statement balance at end of year       | 60 789 849 | 22 263 286 |

#### ***Nedbank Limited - Account number 11-6976-1402 (Traffic Account)***

|   |   |   |
|---|---|---|
| Cash book balance at beginning of year      | - | - |
| Cash book balance at end of year            | - | - |
| Bank statement balance at beginning of year | - | - |
| Bank statement balance at end of year       | - | - |

Account is cleared on a monthly basis to Nedbank Primary Bank Account.

### Investment Deposits

Call investment deposits consist out of the following accounts:

|  |                    |                    |
|--|--------------------|--------------------|
| ABSA - Call Account - Account Number 93-6177-2313              | 21 446 110         | 10 458 366         |
| ABSA - Fixed Deposit - Account Number 20-8049-4253             | -                  | 40 051 463         |
| NEDBANK - Fixed Deposit - Account Number 20-8102-4857          | 40 812 055         | -                  |
| NEDBANK - Fixed Deposit - Account Number 03/7881004312/000047  | -                  | 30 216 986         |
| NEDBANK - Fixed Deposit - Account Number 03/7881004312/000050  | 51 037 507         | -                  |
| STANDARD BANK - Fixed Deposit - Account Number 00078722675/010 | -                  | 40 051 507         |
| <b>Total</b>   | <b>113 295 672</b> | <b>120 778 322</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

2023

2022

### 3 RECEIVABLES FROM EXCHANGE TRANSACTIONS

#### Service Receivables

Electricity  
Water  
Refuse  
Sewerage  
Interest  
Other

82 495 932

70 118 019

13 964 761  
17 072 588  
19 816 619  
11 382 430  
16 164 708  
4 094 826

15 804 253  
13 105 258  
14 433 578  
8 382 389  
14 363 985  
4 028 556

#### Other Receivables

Prepaid Expenses  
West Coast District Municipality

1 299 850

2 407 385

1 299 850  
-

1 143 233  
1 264 152

#### Total Gross Balance

Less: Allowance for Debt Impairment

83 795 782

72 525 404

(38 807 574)

(28 892 662)

#### Total Net Receivable

44 988 208

43 632 742

Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest of prime +1% is levied on late payments.

Prepaid Expenses mainly relate to membership and licence fees of which the benefits will be received in the following year.

The West Coast District Municipality (WCDM) receivable is raised in terms of the services concession agreement as referred to in note 39.

#### Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year

28 892 662

30 880 663

Movement in the contribution to the provision

13 507 886

4 775 781

Electricity  
Water  
Refuse  
Sewerage  
Interest  
Other

139 350  
2 672 315  
4 091 167  
2 595 827  
3 949 733  
59 494

654 188  
1 342 917  
1 255 085  
1 009 527  
252 645  
261 418

Bad Debts Written off

(3 592 974)

(6 763 782)

Electricity  
Water  
Refuse  
Sewerage  
Interest  
Other

(43 780)  
(326 634)  
(462 857)  
(325 673)  
(2 352 875)  
(81 155)

(141 434)  
(1 296 521)  
(1 460 625)  
(869 563)  
(2 282 898)  
(712 741)

Balance at the end of the year

38 807 574

28 892 662

The Allowance for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over the last 12 months. No allowance for debt impairment is made for outstanding government debt. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

2023

2022

### 3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

|                                  | Gross Balance<br>R | Allowance for Debt<br>Impairment<br>R | Net Receivable<br>R |
|----------------------------------|--------------------|---------------------------------------|---------------------|
| <b>30 June 2023</b>              |                    |                                       |                     |
| <b>Service Receivables</b>       |                    |                                       |                     |
| Electricity                      | 13 964 761         | (1 603 841)                           | 12 360 920          |
| Water                            | 17 072 588         | (8 591 335)                           | 8 481 253           |
| Refuse                           | 19 816 619         | (11 977 916)                          | 7 838 703           |
| Sewerage                         | 11 382 430         | (7 217 825)                           | 4 164 605           |
| Interest                         | 16 164 708         | (7 740 712)                           | 8 423 996           |
| Other                            | 4 094 826          | (1 675 945)                           | 2 418 881           |
| <b>Other Receivables</b>         |                    |                                       |                     |
| Prepayments                      | 1 299 850          | -                                     | 1 299 850           |
| <b>Total</b>                     | <b>83 795 782</b>  | <b>(38 807 574)</b>                   | <b>44 988 208</b>   |
| <b>30 June 2022</b>              |                    |                                       |                     |
| <b>Service Receivables</b>       |                    |                                       |                     |
| Electricity                      | 15 804 253         | (1 508 271)                           | 14 295 982          |
| Water                            | 13 105 258         | (6 245 654)                           | 6 859 604           |
| Refuse                           | 14 433 578         | (8 349 606)                           | 6 083 972           |
| Sewerage                         | 8 382 389          | (4 947 671)                           | 3 434 718           |
| Interest                         | 14 363 985         | (6 143 854)                           | 8 220 131           |
| Other                            | 4 028 556          | (1 697 606)                           | 2 330 950           |
| <b>Other Receivables</b>         |                    |                                       |                     |
| Prepayments                      | 1 143 233          | -                                     | 1 143 233           |
| West Coast District Municipality | 1 264 152          | -                                     | 1 264 152           |
| <b>Total</b>                     | <b>72 525 404</b>  | <b>(28 892 662)</b>                   | <b>43 632 742</b>   |

### Ageing of Receivables from Exchange Transactions

#### Electricity

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Current (0 - 30 days)   | 9 951 489         | 12 079 771        |
| Past Due (31 - 60 Days) | 888 367           | 777 504           |
| Past Due (61 - 90 Days) | 362 472           | 469 280           |
| Past Due (90 Days +)    | 2 762 433         | 2 477 698         |
| <b>Total</b>            | <b>13 964 761</b> | <b>15 804 253</b> |

#### Water

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Current (0 - 30 days)   | 4 711 634         | 3 998 039         |
| Past Due (31 - 60 Days) | 1 152 812         | 1 182 089         |
| Past Due (61 - 90 Days) | 672 798           | 599 295           |
| Past Due (90 Days +)    | 10 535 344        | 7 325 835         |
| <b>Total</b>            | <b>17 072 588</b> | <b>13 105 258</b> |

#### Refuse

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Current (0 - 30 days)   | 2 853 691         | 2 311 681         |
| Past Due (31 - 60 Days) | 1 323 175         | 1 029 254         |
| Past Due (61 - 90 Days) | 801 542           | 571 814           |
| Past Due (90 Days +)    | 14 838 211        | 10 520 828        |
| <b>Total</b>            | <b>19 816 619</b> | <b>14 433 577</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

### 3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

#### Sewerage

|                         |                   |                  |
|-------------------------|-------------------|------------------|
| Current (0 - 30 days)   | 1 476 936         | 1 316 752        |
| Past Due (31 - 60 Days) | 733 925           | 601 610          |
| Past Due (61 - 90 Days) | 453 447           | 356 229          |
| Past Due (90 Days +)    | 8 718 122         | 6 107 799        |
| <b>Total</b>            | <b>11 382 430</b> | <b>8 382 389</b> |

#### Interest

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Current (0 - 30 days)   | 777 472           | 504 296           |
| Past Due (31 - 60 Days) | 733 541           | 457 881           |
| Past Due (61 - 90 Days) | 660 098           | 401 141           |
| Past Due (90 Days +)    | 13 993 598        | 13 000 667        |
| <b>Total</b>            | <b>16 164 708</b> | <b>14 363 985</b> |

#### Other

|                         |                  |                  |
|-------------------------|------------------|------------------|
| Current (0 - 30 days)   | 122 503          | 84 499           |
| Past Due (31 - 60 Days) | 92 432           | 64 354           |
| Past Due (61 - 90 Days) | 37 869           | 45 264           |
| Past Due (90 Days +)    | 3 842 022        | 3 834 440        |
| <b>Total</b>            | <b>4 094 826</b> | <b>4 028 556</b> |

#### Summary Ageing of all Receivables from Exchange Transactions

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Current (0 - 30 days)   | 19 893 725        | 20 295 038        |
| Past Due (31 - 60 Days) | 4 924 252         | 4 112 692         |
| Past Due (61 - 90 Days) | 2 988 226         | 2 443 022         |
| Past Due (90 Days +)    | 54 689 729        | 43 267 266        |
| <b>Total</b>            | <b>82 495 932</b> | <b>70 118 019</b> |

### 4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

#### Service Receivables

Property Rates  
Availability Charges

**57 384 262**      **57 936 062**

|            |            |
|------------|------------|
| 42 938 596 | 40 274 271 |
| 14 445 666 | 17 661 791 |

#### Other Receivables

Unpaid Traffic Fines  
Sundry Receivables  
Fraud Investigations  
Deposits

**28 870 720**      **26 812 225**

|            |            |
|------------|------------|
| 27 429 860 | 22 605 810 |
| 827 054    | 1 114 256  |
| -          | 2 503 408  |
| 613 806    | 588 751    |

#### Total Gross Balance

**86 254 982**      **84 748 287**

Less: Allowance for Debt Impairment

(40 979 449)      (39 190 932)

#### Total Net Receivable

**45 275 533**      **45 557 355**

As previously reported

45 455 505

Correction of error restatement - note 43.1

101 850

Restated balance

**45 557 355**

Rates are payable monthly within 30 days after the date of accounts. An option to pay rates annually is also available and the account must be settled on or before 30 September. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest of prime +1% is levied on late payments.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

2023

2022

### 4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

#### Reconciliation of Allowance for Debt Impairment

|   |                   |                   |
|---|-------------------|-------------------|
| Balance at the beginning of the year          | 39 190 932        | 51 269 017        |
| Movement in the contribution to the provision | 18 375 384        | 7 979 086         |
| Property Rates                                | 362 381           | (4 203 763)       |
| Availability Charges                          | (707 693)         | (3 514 521)       |
| Unpaid Traffic Fines                          | 18 210 590        | 14 592 840        |
| Sundry Receivables                            | -                 | 64 572            |
| Unpaid Grants                                 | -                 | 97 000            |
| Fraud Investigations                          | 510 106           | 942 959           |
| Bad Debts Written off                         | (16 586 867)      | (20 057 171)      |
| Property Rates                                | (227 239)         | (893 807)         |
| Availability Charges                          | -                 | (11 769)          |
| Unpaid Traffic Fines                          | (13 856 220)      | (16 149 470)      |
| Sundry Receivables                            | -                 | (64 572)          |
| Unpaid Grants                                 | -                 | (97 000)          |
| Fraud Investigations                          | (2 503 408)       | (2 840 553)       |
| Balance at the end of the year                | <b>40 979 449</b> | <b>39 190 932</b> |

The Allowance for impairment of receivables has been made for all consumer balances outstanding based on the payment ratio over the last 12 months. No allowance for debt impairment is made for outstanding government debt. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.

The allowance for debt impairment of unpaid traffic fines has been made for all balances outstanding based on the cumulative collection rate. All unpaid traffic fines older than 1 year are impaired in full.

|                            | Gross Balance<br>R | Allowance for Debt<br>Impairment<br>R | Net Receivable<br>R |
|----------------------------|--------------------|---------------------------------------|---------------------|
| <b>30 June 2023</b>        |                    |                                       |                     |
| <b>Service Receivables</b> |                    |                                       |                     |
| Property Rates             | 42 938 596         | (12 167 504)                          | 30 771 092          |
| Availability Charges       | 14 445 666         | (3 475 415)                           | 10 970 251          |
| <b>Other Receivables</b>   |                    |                                       |                     |
| Unpaid Traffic Fines       | 27 429 860         | (25 336 530)                          | 2 093 330           |
| Sundry Receivables         | 827 054            | -                                     | 827 054             |
| Deposits                   | 613 806            | -                                     | 613 806             |
| <b>Total</b>               | <b>86 254 982</b>  | <b>(40 979 449)</b>                   | <b>45 275 533</b>   |
| <b>30 June 2022</b>        |                    |                                       |                     |
| <b>Service Receivables</b> |                    |                                       |                     |
| Property Rates             | 40 274 271         | (12 032 362)                          | 28 241 909          |
| Availability Charges       | 17 661 791         | (4 183 108)                           | 13 478 683          |
| <b>Other Receivables</b>   |                    |                                       |                     |
| Unpaid Traffic Fines       | 22 605 810         | (20 982 160)                          | 1 623 650           |
| Sundry Receivables         | 1 114 256          | -                                     | 1 114 256           |
| Fraud Investigations       | 2 503 408          | (1 993 302)                           | 510 106             |
| Deposits                   | 588 751            | -                                     | 588 751             |
| <b>Total</b>               | <b>84 748 287</b>  | <b>(39 190 932)</b>                   | <b>45 557 355</b>   |



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# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

| <i>Figures in Rand</i>   | 2023              | 2022              |
|--|-------------------|-------------------|
| <b>4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)</b>  |                   |                   |
| <b>Ageing of Property Rates</b>  |                   |                   |
| Current (0 - 30 days)  | 7 045 850         | 6 184 969         |
| Past Due (31 - 60 Days)  | 2 489 219         | 1 878 664         |
| Past Due (61 - 90 Days)  | 1 014 273         | 838 177           |
| Past Due (90 Days +)   | 32 389 254        | 31 372 461        |
| <b>Total</b>   | <b>42 938 596</b> | <b>40 274 271</b> |
| <b>Ageing of Availability Charges</b>  |                   |                   |
| Current (0 - 30 days)  | 857 297           | 948 555           |
| Past Due (31 - 60 Days)  | 504 917           | 524 501           |
| Past Due (61 - 90 Days)  | 379 619           | 350 274           |
| Past Due (90 Days +)   | 12 703 833        | 15 838 461        |
| <b>Total</b>   | <b>14 445 666</b> | <b>17 661 791</b> |
| <b>5 OPERATING LEASES</b>  |                   |                   |
| <b>5.1 OPERATING LEASE ASSET</b>   |                   |                   |
| <b>Operating Lease Asset</b>   | <b>6 330</b>      | <b>18 481</b>     |
| The operating lease asset is derived from contracts where the Municipality acts as the lessor in the agreement.  |                   |                   |
| <b>Reconciliation of Operating Lease Asset</b>   |                   |                   |
| Balance at the beginning of the year   | 18 481            | 31 028            |
| Movement during the year   | (12 151)          | (12 547)          |
| Balance at the end of the year   | <b>6 330</b>      | <b>18 481</b>     |
| <b>The Municipality will receive the following lease payments from contracts that have defined lease payments and terms.</b>   |                   |                   |
| Within 1 Year  | 870 096           | 922 336           |
| Between 1 and 5 Years  | 2 968 276         | 3 088 896         |
| After 5 Years  | 1 592 473         | 2 341 949         |
| Total operating lease payments   | <b>5 430 845</b>  | <b>6 353 181</b>  |
| This lease income was determined from contracts that have a specific conditional income and does not include lease income which has a undetermined conditional income.                                     |                   |                   |
| The leases are in respect of land and buildings being leased. The renewal option after lapsing of the contracts are available. Significant lease agreements include, but are not limited to the following: |                   |                   |
| - Lease of Piketberg commonage for a period of 9 years and 11 months ending 28 February 2030 with no annual escalation.  |                   |                   |
| - Lease of houses on Erf 486 Velddrif for period of 3 years ending 31 March 2024, with an annual escalation of 10%.  |                   |                   |
| The Municipality does not engage in any sub-lease arrangements nor did the Municipality receive any contingent rent during the year.   |                   |                   |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

2023

2022

### 5 OPERATING LEASES (CONTINUED)

#### 5.2 OPERATING LEASE LIABILITY

|                                  |               |               |
|----------------------------------|---------------|---------------|
| <b>Operating Lease Liability</b> | <b>57 320</b> | <b>30 295</b> |
|----------------------------------|---------------|---------------|

The operating lease liability is derived from contracts where the Municipality acts as the lessee in the agreement.

#### Reconciliation of Operating Lease Liability

|                                       |               |               |
|---------------------------------------|---------------|---------------|
| Balance at the beginning of the year  | 30 295        | 2 211         |
| Movement during the year              | 27 025        | 28 085        |
| <b>Balance at the end of the year</b> | <b>57 320</b> | <b>30 295</b> |

The Municipality will incur the following lease expenditure from contracts that have defined lease payments and terms.

|                                       |                  |                  |
|---------------------------------------|------------------|------------------|
| Within 1 Year                         | 224 589          | 212 880          |
| Between 1 and 5 Years                 | 1 028 861        | 975 223          |
| After 5 Years                         | 23 389           | 301 615          |
| <b>Total operating lease payments</b> | <b>1 276 838</b> | <b>1 489 718</b> |

Operating leases consist out of the following leases:

- Lease of office space for a period of 6 years and 11 months (ending July 2028) with an escalation of 5.5% per annum.

The Municipality does not engage in any sub-lease arrangements.

The Municipality did not pay any contingent rent during the year.

### 6 LONG-TERM RECEIVABLES

|   |             |             |
|---|-------------|-------------|
| Receivables with repayment arrangements | 11 950 544  | 13 708 848  |
| Less: Allowance for Debt Impairment     | (5 776 438) | (5 046 236) |

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| <b>Total Net Receivable</b> | <b>6 174 106</b> | <b>8 662 613</b> |
|-----------------------------|------------------|------------------|

|  |                  |                  |
|--|------------------|------------------|
| Less: Current portion of Long-term Receivables | <b>1 662 930</b> | <b>2 409 493</b> |
|--|------------------|------------------|

|   |           |           |
|---|-----------|-----------|
| Receivables with repayment arrangements | 1 662 930 | 2 409 493 |
|---|-----------|-----------|

|              |                  |                  |
|--------------|------------------|------------------|
| <b>Total</b> | <b>4 511 176</b> | <b>6 253 120</b> |
|--------------|------------------|------------------|

#### Receivables with repayment arrangements

Debtors amounting to R11 950 544 (2022 - R13 708 848) have arranged to settle their account over an re-negotiated period. Total payments to the value of R9 200 833 (2022 - R9 996 692) have been deferred beyond 12 months after year end and subsequently included as part of long-term receivables.

#### Reconciliation of Allowance for Debt Impairment

|   |                  |                  |
|---|------------------|------------------|
| Balance at the beginning of the year          | 5 046 236        | 3 416 938        |
| Movement in the contribution to the provision | 730 202          | 1 629 297        |
| <b>Balance at the end of the year</b>         | <b>5 776 438</b> | <b>5 046 236</b> |

The allowance for debt impairment of arrangements has been made for all balances outstanding based on the payment ratio over the last 12 months. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.



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# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

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### 7 INVENTORY

|              |                  |                |
|--------------|------------------|----------------|
| Water        | 177 639          | 159 018        |
| Spare Parts  | 887 538          | 795 841        |
| Fuel         | 3 573            | -              |
| <b>Total</b> | <b>1 068 749</b> | <b>954 860</b> |

Inventory are disclosed at the lower of cost or net realisable value.

The Municipality recognised only purification costs in respect of non-purchased purified water inventory.

No inventory were pledged as security for liabilities.

Inventory written down due to losses identified during the annual stores counts

Inventory recognised as an expense during the year

|                               |                   |                   |
|-------------------------------|-------------------|-------------------|
| Fuel                          | 414 022           | -                 |
| Water - by nature of expense  | 16 840 857        | 15 144 180        |
| Bulk Purchases                | 7 855 039         | 6 107 260         |
| Contracted Services           | 384 298           | 440 994           |
| Depreciation and Amortisation | 1 883 770         | 1 839 932         |
| Employee Related Costs        | 2 435 533         | 2 338 835         |
| Finance charges               | 306 060           | 777 604           |
| Internal Charges              | 759 316           | 658 645           |
| Other Expenditure             | 3 216 840         | 2 980 910         |
| Spare parts                   | 2 184 510         | 1 717 283         |
| <b>Total</b>                  | <b>19 439 389</b> | <b>16 861 463</b> |

### 8 INVESTMENT PROPERTY

|   |                   |                   |
|---|-------------------|-------------------|
| Investment Property - Carrying Value        | <b>17 949 777</b> | <b>18 002 338</b> |
| As previously reported                      |                   | 14 687 670        |
| Correction of error restatement - note 43.2 |                   | 3 314 668         |
| Restated balance                            |                   | <b>18 002 338</b> |

The carrying value of Investment Property is reconciled as follows:

|                               |                   |                   |
|-------------------------------|-------------------|-------------------|
| <b>Opening Carrying Value</b> | <b>18 002 338</b> | <b>18 102 820</b> |
| Cost                          | 18 659 515        | 18 706 915        |
| Accumulated Depreciation      | (657 176)         | (604 095)         |
| Accumulated Impairment        | -                 | -                 |
| Additions                     | -                 | -                 |
| Contributed Assets            | -                 | -                 |
| Disposals                     | (1 000)           | (47 400)          |
| Depreciation                  | (51 562)          | (53 082)          |
| <b>Closing Carrying Value</b> | <b>17 949 777</b> | <b>18 002 338</b> |
| Cost                          | 18 658 515        | 18 659 515        |
| Accumulated Depreciation      | (708 738)         | (657 176)         |
| Accumulated Impairment        | -                 | -                 |

There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.

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

|  |         |         |
|--|---------|---------|
| Revenue derived from the rental of investment property | 746 609 | 800 159 |
|--|---------|---------|

No significant operating expenditure was incurred on investment property during the 2021/22 and 2022/23 financial year.

No significant adjustments were made to the remaining useful lives as a result of the annual review of useful lives.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

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### 9 PROPERTY, PLANT AND EQUIPMENT

|   | Cost<br>R          | Accumulated<br>Depreciation<br>R | Accumulated<br>Impairment<br>R | Carrying<br>Value<br>R |
|---|--------------------|----------------------------------|--------------------------------|------------------------|
| <b>30 June 2023</b>                         |                    |                                  |                                |                        |
| Land and Buildings                          | 79 021 290         | (6 405 509)                      | -                              | 72 615 782             |
| Infrastructure                              | 482 506 029        | (142 228 520)                    | -                              | 340 277 509            |
| Community Assets                            | 82 794 310         | (28 361 457)                     | -                              | 54 432 854             |
| Other Assets                                | 79 661 041         | (37 575 005)                     | -                              | 42 086 036             |
| Capitalised Restoration Cost                | 63 056 732         | (44 591 563)                     | -                              | 18 465 169             |
| <b>Total</b>                                | <b>787 039 403</b> | <b>(259 162 054)</b>             | <b>-</b>                       | <b>527 877 349</b>     |
| <b>30 June 2022</b>                         |                    |                                  |                                |                        |
| Land and Buildings                          | 75 588 808         | (5 829 829)                      | -                              | 69 758 979             |
| Infrastructure                              | 435 710 423        | (130 120 660)                    | -                              | 305 589 763            |
| Community Assets                            | 72 446 665         | (26 736 034)                     | -                              | 45 710 631             |
| Other Assets                                | 70 977 554         | (36 470 176)                     | -                              | 34 507 378             |
| Capitalised Restoration Cost                | 57 870 575         | (33 847 892)                     | -                              | 24 022 683             |
| <b>Total</b>                                | <b>712 594 025</b> | <b>(233 004 592)</b>             | <b>-</b>                       | <b>479 589 434</b>     |
| As previously reported                      |                    |                                  |                                | 483 301 147            |
| Correction of error restatement - note 43.2 |                    |                                  |                                | (3 711 714)            |
| Restated balance                            |                    |                                  |                                | 479 589 434            |

There are no PPE pledged as security for financial liabilities.

**9.1 Repairs and Maintenance incurred on Property, Plant and Equipment** **10 742 766** **11 096 196**

#### 9.2 Capital Restoration Costs

The Municipality is required by relevant Environmental Legislation to rehabilitate landfill sites at the closure date of each respective site. The "Capitalised Restoration Cost" asset, which is capitalised in line with the requirements of GRAP 17 and iGRAP 2, relates to the initial estimate of costs involved to restore landfill sites under control of the Municipality.

#### 9.3 Change in estimate useful lives

During the current year the remaining useful lives of Property, Plant and Equipment were reviewed, and accordingly adjusted. The effect on the current and future periods are as follow:

|  | 2023     | 2024     | After 2024 |
|--|----------|----------|------------|
| Increase / (Decrease) in Depreciation and Amortisation | 72 819   | 90 162   | (162 981)  |
| Increase / (Decrease) in Accumulated Surplus           | (72 819) | (90 162) | 162 981    |
| Increase / (Decrease) in Property, Plant and Equipment | (72 819) | (90 162) | 162 981    |

**9.4 Carrying value of assets subject to service concession arrangement** **1 740 431** **1 796 044**

In 2006 the Municipality entered into a service concession arrangement with the West Coast District Municipality (WCDM) for an initial period of 10 years wherein the WCDM operates the Municipality's assets to provide bulk water to the Municipality to distribute to its consumers.

The agreement was subsequently extended. The other parties to this arrangement are Saldanha and Swartland municipalities which also appointed the WCDM as an operator.



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

2023

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### 9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The WCDM uses the bulk water services assets to provide water to the local municipalities and private users. In terms of the service level agreement, the local municipalities determine a tariff, in consultation with the WCDM, that allows the WCDM to recover the costs the WCDM incurs in the provision of the bulk water services. The local municipalities also pay the WCDM an administrative fee of 10% of the operational costs which is also included in the tariff above.

The local municipalities recognise the costs recovered by the WCDM through the tariff as expenditure in their respective financial statements by its nature, as bulk purchases for water. The local municipalities also recognise all revenue earned from providing water to consumers, through monthly billing of the consumers, within their respective areas of jurisdiction.

The WCDM also provides water services to third parties and bills the third parties directly (farmers in remote areas and some big businesses). The provision of the water to these third parties is approved by the local municipalities when the tariff for the year is approved. The water provided to third parties by the WCDM is thus recognised in their records in line with GRAP 32.

#### 9.5 Work in Progress projects taking a significant longer period to complete

The Municipality did not identify any work in progress projects which are taking a significant longer period to complete.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### 9.6 Reconciliation of Carrying Value

| 30 June 2023                         | Cost               |                   |                    |                    |                            |                    | Accumulated Depreciation and Impairment |                     |                       |                    |                    | Carrying Value     |
|--------------------------------------|--------------------|-------------------|--------------------|--------------------|----------------------------|--------------------|---|---------------------|-----------------------|--------------------|--------------------|--------------------|
|                                      | Opening Balance    | Additions         | Disposals          | Contributed Assets | Transfer to Capital Assets | Closing Balance    | Opening Balance                         | Depreciation Charge | Impairment (Reversal) | Disposals          | Closing Balance    |                    |
|                                      | R                  | R                 | R                  | R                  | R                          | R                  | R                                       | R                   | R                     | R                  | R                  |                    |
| <b>Land and Buildings</b>            | <b>75 588 808</b>  | <b>3 432 482</b>  | -                  | -                  | -                          | <b>79 021 290</b>  | <b>5 829 829</b>                        | <b>575 679</b>      | -                     | -                  | <b>6 405 509</b>   | <b>72 615 782</b>  |
| Land                                 | 46 342 363         | -                 | -                  | -                  | -                          | 46 342 363         | -                                       | -                   | -                     | -                  | -                  | 46 342 363         |
| Buildings                            | 29 246 446         | -                 | -                  | -                  | 2 619 369                  | 31 865 814         | 5 829 829                               | 575 679             | -                     | -                  | 6 405 509          | 25 460 306         |
| Work in progress                     | -                  | 3 432 482         | -                  | -                  | (2 619 369)                | 813 114            | -                                       | -                   | -                     | -                  | -                  | 813 114            |
| <b>Infrastructure</b>                | <b>435 710 423</b> | <b>48 216 107</b> | <b>(1 420 502)</b> | -                  | -                          | <b>482 506 029</b> | <b>130 120 660</b>                      | <b>12 855 940</b>   | -                     | <b>(748 079)</b>   | <b>142 228 520</b> | <b>340 277 509</b> |
| Electrical                           | 70 668 041         | -                 | (15 747)           | -                  | 573 467                    | 71 225 760         | 23 349 265                              | 2 087 220           | -                     | (7 634)            | 25 428 851         | 45 796 909         |
| Roads                                | 86 015 668         | -                 | (632 230)          | -                  | 18 668 963                 | 104 052 401        | 26 969 465                              | 3 791 916           | -                     | (231 728)          | 30 529 653         | 73 522 748         |
| Sanitation                           | 98 685 526         | -                 | (523 516)          | -                  | 3 911 620                  | 102 073 629        | 23 304 365                              | 3 124 070           | -                     | (352 893)          | 26 075 541         | 75 998 088         |
| Solid Waste                          | 16 337 239         | -                 | -                  | -                  | 790 434                    | 17 127 673         | 5 430 851                               | 552 325             | -                     | -                  | 5 983 176          | 11 144 498         |
| Storm Water                          | 27 890 512         | -                 | (36 849)           | -                  | 4 109 481                  | 31 963 144         | 9 109 152                               | 698 585             | -                     | (17 019)           | 9 790 717          | 22 172 427         |
| Water Supply                         | 109 621 453        | -                 | (212 159)          | -                  | 16 008 704                 | 125 417 998        | 41 957 563                              | 2 601 824           | -                     | (138 805)          | 44 420 582         | 80 997 416         |
| Work in progress                     | 26 491 985         | 48 216 107        | -                  | -                  | (44 062 669)               | 30 645 423         | -                                       | -                   | -                     | -                  | -                  | 30 645 423         |
| <b>Community Assets</b>              | <b>72 446 665</b>  | <b>10 347 645</b> | -                  | -                  | -                          | <b>82 794 310</b>  | <b>26 736 034</b>                       | <b>1 625 422</b>    | -                     | -                  | <b>28 361 457</b>  | <b>54 432 854</b>  |
| Community Facilities                 | 32 532 807         | -                 | -                  | -                  | 2 890 735                  | 35 423 542         | 10 952 438                              | 661 389             | -                     | -                  | 11 613 828         | 23 809 714         |
| Sport and Recreational Facilities    | 38 646 085         | -                 | -                  | -                  | 2 741 399                  | 41 387 484         | 15 783 596                              | 964 033             | -                     | -                  | 16 747 629         | 24 639 855         |
| Work in progress                     | 1 267 773          | 10 347 645        | -                  | -                  | (5 632 134)                | 5 983 284          | -                                       | -                   | -                     | -                  | -                  | 5 983 284          |
| <b>Other Assets</b>                  | <b>70 977 554</b>  | <b>10 322 265</b> | <b>(3 888 778)</b> | <b>2 250 000</b>   | -                          | <b>79 661 041</b>  | <b>36 470 176</b>                       | <b>4 564 839</b>    | -                     | <b>(3 460 010)</b> | <b>37 575 005</b>  | <b>42 086 036</b>  |
| Computer Equipment                   | 7 806 390          | 1 605 159         | (667 726)          | -                  | -                          | 8 743 823          | 3 918 890                               | 721 609             | -                     | (651 179)          | 3 989 320          | 4 754 503          |
| Furniture and Office Equipment       | 12 551 599         | 1 179 630         | (644 736)          | -                  | -                          | 13 086 493         | 7 124 509                               | 851 690             | -                     | (537 312)          | 7 438 887          | 5 647 606          |
| Machinery and Equipment              | 13 878 520         | 360 010           | (375 100)          | -                  | -                          | 13 863 430         | 7 313 803                               | 819 556             | -                     | (253 142)          | 7 880 217          | 5 983 213          |
| Transport Assets                     | 36 741 044         | 7 177 466         | (2 201 216)        | 2 250 000          | -                          | 43 967 295         | 18 112 974                              | 2 171 984           | -                     | (2 018 377)        | 18 266 581         | 25 700 714         |
| <b>Capitalised Restoration Costs</b> | <b>57 870 575</b>  | <b>5 186 156</b>  | -                  | -                  | -                          | <b>63 056 732</b>  | <b>33 847 892</b>                       | <b>10 743 671</b>   | -                     | -                  | <b>44 591 563</b>  | <b>18 465 169</b>  |
| Landfill Site Rehabilitation         | 57 870 575         | 5 186 156         | -                  | -                  | -                          | 63 056 732         | 33 847 892                              | 10 743 671          | -                     | -                  | 44 591 563         | 18 465 169         |
|                                      | <b>712 594 025</b> | <b>77 504 657</b> | <b>(5 309 279)</b> | <b>2 250 000</b>   | -                          | <b>787 039 403</b> | <b>233 004 592</b>                      | <b>30 365 552</b>   | -                     | <b>(4 208 089)</b> | <b>259 162 054</b> | <b>527 877 349</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### 9.6 Reconciliation of Carrying Value

| 30 June 2022                         | Cost               |                   |                    |                    |                            | Accumulated Depreciation and Impairment |                    |                     |                       |                    | Carrying Value     |                    |
|--------------------------------------|--------------------|-------------------|--------------------|--------------------|----------------------------|---|--------------------|---------------------|-----------------------|--------------------|--------------------|--------------------|
|                                      | Opening Balance    | Additions         | Disposals          | Contributed Assets | Transfer to Capital Assets | Closing Balance                         | Opening Balance    | Depreciation Charge | Impairment (Reversal) | Disposals          |                    | Closing Balance    |
|                                      | R                  | R                 | R                  | R                  | R                          | R                                       | R                  | R                   | R                     | R                  |                    | R                  |
| <b>Land and Buildings</b>            | <b>73 537 803</b>  | <b>2 051 005</b>  | -                  | -                  | -                          | <b>75 588 808</b>                       | <b>5 315 324</b>   | <b>514 506</b>      | -                     | -                  | <b>5 829 829</b>   | <b>69 758 979</b>  |
| Land                                 | 46 342 363         | -                 | -                  | -                  | -                          | 46 342 363                              | -                  | -                   | -                     | -                  | -                  | 46 342 363         |
| Buildings                            | 26 180 659         | 318 800           | -                  | -                  | 2 746 987                  | 29 246 446                              | 5 315 324          | 514 506             | -                     | -                  | 5 829 829          | 23 416 616         |
| Work in progress                     | 1 014 781          | 1 732 205         | -                  | -                  | (2 746 987)                | -                                       | -                  | -                   | -                     | -                  | -                  | -                  |
| <b>Infrastructure</b>                | <b>398 348 015</b> | <b>37 362 408</b> | -                  | -                  | -                          | <b>435 710 423</b>                      | <b>119 024 165</b> | <b>11 096 495</b>   | -                     | -                  | <b>130 120 660</b> | <b>305 589 763</b> |
| Electrical                           | 58 567 105         | -                 | -                  | -                  | 12 100 935                 | 70 668 041                              | 21 484 171         | 1 865 094           | -                     | -                  | 23 349 265         | 47 318 776         |
| Roads                                | 81 589 740         | -                 | -                  | -                  | 4 425 927                  | 86 015 668                              | 23 962 672         | 3 006 793           | -                     | -                  | 26 969 465         | 59 046 203         |
| Sanitation                           | 90 185 444         | -                 | -                  | -                  | 8 500 081                  | 98 685 526                              | 20 536 451         | 2 767 914           | -                     | -                  | 23 304 365         | 75 381 161         |
| Solid Waste                          | 14 934 885         | -                 | -                  | -                  | 1 402 355                  | 16 337 239                              | 4 945 151          | 485 700             | -                     | -                  | 5 430 851          | 10 906 389         |
| Storm Water                          | 27 476 850         | -                 | -                  | -                  | 413 663                    | 27 890 512                              | 8 468 599          | 640 554             | -                     | -                  | 9 109 152          | 18 781 360         |
| Water Supply                         | 104 030 928        | -                 | -                  | -                  | 5 590 525                  | 109 621 453                             | 39 627 122         | 2 330 441           | -                     | -                  | 41 957 563         | 67 663 890         |
| Work in progress                     | 21 563 063         | 37 362 408        | -                  | -                  | (32 433 487)               | 26 491 985                              | -                  | -                   | -                     | -                  | -                  | 26 491 985         |
| <b>Community Assets</b>              | <b>67 791 198</b>  | <b>4 655 467</b>  | -                  | -                  | -                          | <b>72 446 665</b>                       | <b>25 339 207</b>  | <b>1 396 828</b>    | -                     | -                  | <b>26 736 034</b>  | <b>45 710 631</b>  |
| Community Facilities                 | 31 291 416         | 580 482           | -                  | -                  | 660 909                    | 32 532 807                              | 10 360 562         | 591 877             | -                     | -                  | 10 952 438         | 21 580 369         |
| Sport and Recreational Facilities    | 35 736 634         | 2 806 465         | -                  | -                  | 102 986                    | 38 646 085                              | 14 978 645         | 804 951             | -                     | -                  | 15 783 596         | 22 862 489         |
| Work in progress                     | 763 149            | 1 268 519         | -                  | -                  | (763 895)                  | 1 267 773                               | -                  | -                   | -                     | -                  | -                  | 1 267 773          |
| <b>Other Assets</b>                  | <b>66 155 080</b>  | <b>8 433 122</b>  | <b>(3 610 649)</b> | -                  | -                          | <b>70 977 554</b>                       | <b>35 881 718</b>  | <b>3 833 241</b>    | -                     | <b>(3 244 783)</b> | <b>36 470 176</b>  | <b>34 507 378</b>  |
| Computer Equipment                   | 6 797 313          | 1 214 268         | (205 190)          | -                  | -                          | 7 806 390                               | 3 567 835          | 508 324             | -                     | (157 270)          | 3 918 890          | 3 887 500          |
| Furniture and Office Equipment       | 11 445 462         | 1 426 886         | (320 750)          | -                  | -                          | 12 551 599                              | 6 604 292          | 766 726             | -                     | (246 509)          | 7 124 509          | 5 427 089          |
| Machinery and Equipment              | 12 650 232         | 2 294 238         | (1 065 950)        | -                  | -                          | 13 878 520                              | 7 460 814          | 709 899             | -                     | (856 909)          | 7 313 803          | 6 564 717          |
| Transport Assets                     | 35 262 073         | 3 497 730         | (2 018 759)        | -                  | -                          | 36 741 044                              | 18 248 777         | 1 848 292           | -                     | (1 984 095)        | 18 112 974         | 18 628 071         |
| <b>Capitalised Restoration Costs</b> | <b>54 649 677</b>  | <b>3 220 898</b>  | -                  | -                  | -                          | <b>57 870 575</b>                       | <b>24 554 105</b>  | <b>9 293 787</b>    | -                     | -                  | <b>33 847 892</b>  | <b>24 022 683</b>  |
| Landfill Site Rehabilitation         | 54 649 677         | 3 220 898         | -                  | -                  | -                          | 57 870 575                              | 24 554 105         | 9 293 787           | -                     | -                  | 33 847 892         | 24 022 683         |
|                                      | <b>660 481 773</b> | <b>55 722 901</b> | <b>(3 610 649)</b> | -                  | -                          | <b>712 594 025</b>                      | <b>210 114 519</b> | <b>26 134 856</b>   | -                     | <b>(3 244 783)</b> | <b>233 004 592</b> | <b>479 589 434</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

|  | 2023                     | 2022                     |
|--|--------------------------|--------------------------|
| <b>10 INTANGIBLE ASSETS</b>  |                          |                          |
| Intangible Assets - Carrying Value   | <u>2 805 662</u>         | <u>3 112 951</u>         |
| The carrying value of intangible Assets is reconciled as follows:  |                          |                          |
| <b>Opening Carrying Value</b>  | <b>3 112 951</b>         | <b>3 231 774</b>         |
| Cost   | 7 249 754                | 7 332 334                |
| Accumulated Amortisation   | (4 136 803)              | (4 100 560)              |
| Accumulated Impairment   | -                        | -                        |
| Additions  | 145 123                  | 291 500                  |
| Amortisation   | (452 412)                | (395 785)                |
| Disposal   | -                        | (14 538)                 |
| Cost   | -                        | (374 080)                |
| Accumulated Amortisation   | -                        | 359 541                  |
| <b>Closing Carrying Value</b>  | <b>2 805 662</b>         | <b>3 112 951</b>         |
| Cost   | 7 394 877                | 7 249 754                |
| Accumulated Amortisation   | (4 589 216)              | (4 136 803)              |
| Accumulated Impairment   | -                        | -                        |
| No intangible asset were assessed having an indefinite useful life.  |                          |                          |
| There are no internally generated intangible assets at reporting date.   |                          |                          |
| There are no intangible assets whose title is restricted.  |                          |                          |
| There are no intangible assets pledged as security for liabilities.  |                          |                          |
| No significant adjustments were made to the remaining useful lives as a result of the annual review of useful lives. |                          |                          |
| <b>11 HERITAGE ASSETS</b>  |                          |                          |
| Heritage Assets - Carrying Value   | <u>454 012</u>           | <u>454 012</u>           |
| The carrying value of Heritage Assets are reconciled as follows:   |                          |                          |
| <b>Opening Carrying Value</b>  | <b>454 012</b>           | <b>454 012</b>           |
| Cost   | 454 012                  | 454 012                  |
| Accumulated Impairment   | -                        | -                        |
| Movement   | -                        | -                        |
| <b>Closing Carrying Value</b>  | <b>454 012</b>           | <b>454 012</b>           |
| Cost   | 454 012                  | 454 012                  |
| Accumulated Impairment   | -                        | -                        |
| There are no heritage assets whose title is restricted.  |                          |                          |
| There are no heritage assets pledged as security for liabilities.  |                          |                          |
| There are no contractual commitments for the acquisition, maintenance or restoration of heritage assets.             |                          |                          |
| <b>12 LONG-TERM LIABILITIES</b>  |                          |                          |
| Annuity Loans  | 105 464 209              | 75 491 244               |
| Less: Current portion  | (11 906 786)             | (9 656 967)              |
| <b>Total</b>   | <u><b>93 557 423</b></u> | <u><b>65 834 277</b></u> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

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### 12 LONG-TERM LIABILITIES (CONTINUED)

Long-term Liabilities were utilised as follow:

|   |              |              |
|---|--------------|--------------|
| Total Long-term Liabilities taken up                  | 105 464 209  | 75 491 244   |
| Used to finance Property, Plant and Equipment at cost | (98 910 209) | (75 491 244) |

|                           |                  |          |
|---------------------------|------------------|----------|
| <b>Unspent Borrowings</b> | <b>6 554 000</b> | <b>-</b> |
|---------------------------|------------------|----------|

Long-term liabilities have been utilised in accordance with the Municipal Finance Management Act.

#### Annuity Loans

Annuity Loans, disclosed at amortised cost, consist out of the following agreements:

| Institution and loan number | Rate   | Maturity Date | Carrying Value of Liability |                   |
|-----------------------------|--------|---------------|-----------------------------|-------------------|
| Nedbank (05/7831032282)     | 11.27% | 2023/06/12    | -                           | 591 472           |
| DBSA (61001029)             | 12.41% | 2030/06/30    | 10 922 541                  | 11 859 227        |
| DBSA (61006811)             | 11.53% | 2031/06/30    | 2 677 364                   | 2 872 968         |
| DBSA (61006837)             | 11.59% | 2036/06/30    | 7 361 576                   | 7 597 601         |
| DBSA (61006975)             | 11.33% | 2032/06/30    | 2 838 692                   | 3 013 501         |
| Standard Bank (537707)      | 8.90%  | 2024/06/30    | 1 089 392                   | 2 059 068         |
| Standard Bank (536748)      | 10.07% | 2023/06/30    | -                           | 1 464 793         |
| ABSA (3044701437)           | 10.57% | 2026/06/01    | 2 358 479                   | 2 995 562         |
| ABSA (3046456438)           | 10.12% | 2027/06/30    | 3 125 512                   | 3 729 384         |
| DBSA (61007572)             | 9.28%  | 2029/06/29    | 4 103 649                   | 4 599 801         |
| DBSA (61007573)             | 8.90%  | 2024/06/30    | 258 809                     | 496 524           |
| DBSA (61007642)             | 10.07% | 2030/06/30    | 5 207 351                   | 5 699 623         |
| Standard Bank (654527)      | 9.02%  | 2031/06/30    | 10 206 096                  | 11 047 024        |
| ABSA (3054195743)           | 7.22%  | 2026/06/30    | 2 184 985                   | 2 814 695         |
| Standard Bank (729304)      | 11.05% | 2032/06/30    | 11 064 976                  | 11 750 000        |
| Standard Bank (729271)      | 10.62% | 2027/06/30    | 2 434 654                   | 2 900 000         |
| Standard Bank (797102)      | 10.22% | 2028/06/30    | 14 846 835                  | -                 |
| Standard Bank (797125)      | 12.08% | 2038/06/30    | 10 925 000                  | -                 |
| Nedbank (19/1139646400001)  | 11.70% | 2033/06/30    | 13 858 300                  | -                 |
| <b>Total</b>                |        |               | <b>105 464 209</b>          | <b>75 491 244</b> |

All annuity loans are unsecured.

Annuity loans are payable as follows:

|  |                    |                    |
|--|--------------------|--------------------|
| Payable within one year                  | 23 168 058         | 17 593 939         |
| Payable within two to five years         | 81 434 802         | 55 071 543         |
| Payable after five years                 | 61 519 544         | 43 936 831         |
| <b>Total amount payable</b>              | <b>166 122 404</b> | <b>116 602 312</b> |
| Less: Outstanding Future Finance Charges | (60 658 195)       | (41 111 068)       |
| <b>Present value of annuity loans</b>    | <b>105 464 209</b> | <b>75 491 244</b>  |

### 13 CONSUMER DEPOSITS

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Water and Electricity Deposits | <b>5 289 894</b> | <b>4 786 082</b> |
|--------------------------------|------------------|------------------|

The fair value of consumer deposits approximate their carrying value. Interest are not paid on these amounts.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

|   | 2023              | 2022              |
|---|-------------------|-------------------|
| <b>14 PAYABLES FROM EXCHANGE TRANSACTIONS</b> |                   |                   |
| Trade Payables                                | 26 196 384        | 20 503 458        |
| Retentions                                    | 129 273           | 105 969           |
| Payments Received in Advance                  | 4 744 475         | 5 442 634         |
| Unused Pre-paid Electricity                   | 1 214 123         | 876 657           |
| Sundry Creditors                              | 2 701 378         | 2 227 546         |
| Sundry Deposits                               | 361 763           | 487 724           |
| Unknown Receipts                              | 3 699 244         | 2 962 280         |
| Department of Human Settlements               | 327 182           | 525 958           |
| Accrued Interest                              | 44 920            | 34 826            |
| West Coast District Municipality              | 18 173            | -                 |
| <b>Total</b>                                  | <b>39 436 915</b> | <b>33 167 053</b> |

Payables are being recognised net of any discounts received.

The credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary.

The carrying value of trade and other payables approximates its fair value.

Sundry deposits include hall, builders and housing deposits.

The West Coast District Municipality (WCDM) payable is raised in terms of the services concession agreement as referred to in note 39.

Department of Human Settlements balance consist of the following:

|  |                |                |
|--|----------------|----------------|
| Advances received in terms of principal-agent arrangements - note 54.2 | 327 182        | 525 958        |
| <b>Total</b>   | <b>327 182</b> | <b>525 958</b> |

## 15 TAXES

|  |                |                  |
|--|----------------|------------------|
| VAT Claimable/(Payable)                    | 1 824 393      | 1 686 762        |
| VAT Input in Suspense                      | 2 865 683      | 2 180 304        |
| VAT Output in Suspense - net               | (4 340 797)    | (4 364 025)      |
| VAT Output in Suspense                     | (9 281 261)    | (8 179 331)      |
| Less: VAT on Allowance for Debt Impairment | 4 940 464      | 3 815 306        |
| <b>Total</b>                               | <b>349 279</b> | <b>(496 959)</b> |

### Reconciliation of VAT on Allowance for Debt Impairment

|   |                  |                  |
|---|------------------|------------------|
| Balance at beginning of year                        | 3 815 306        | 4 081 643        |
| Increase/(decrease) in debt impairment contribution | 1 125 157        | (266 337)        |
| <b>Balance at the end of the year</b>               | <b>4 940 464</b> | <b>3 815 306</b> |

## 16 UNSPENT CONDITIONAL GOVERNMENT GRANTS

|                       |                  |                  |
|-----------------------|------------------|------------------|
| National Government   | -                | 2 403 022        |
| Provincial Government | 3 093 834        | 1 541 539        |
| Other Grant Providers | 566 490          | 618 561          |
| <b>Total</b>          | <b>3 660 324</b> | <b>4 563 122</b> |

Detail reconciliations of all grants received and grant conditions met are included in note 23. Unspent grant balances are recognised to the extent that conditions are not yet met.

No grants were withheld in the current year.

Due to the short term nature of unspent grant balances, the carrying value approximates the fair value of the unspent conditional grants at year-end.

Unspent grants can mainly be attributed to projects that are work in progress on the relevant financial year-ends.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

|   | 2023              | 2022              |
|---|-------------------|-------------------|
| <b>17 UNSPENT PUBLIC CONTRIBUTIONS</b>  |                   |                   |
| PVVK Management Services  | 158 319           | 123 819           |
| <b>Total</b>  | <b>158 319</b>    | <b>123 819</b>    |
| The public contribution is earmarked for the refurbishment of a youth centre.   |                   |                   |
| Unspent public contribution balances are recognised to the extent that conditions of the contribution are not yet met. During the year under review, no expenditure was incurred in relation to this public contribution.             |                   |                   |
| Due to the short term nature of unspent public contributions, the carrying value approximates the fair value of the unspent public contribution at year-end.  |                   |                   |
| <b>18 CURRENT EMPLOYEE BENEFITS</b>   |                   |                   |
| Bonuses   | 4 078 499         | 3 812 164         |
| Staff Leave   | 9 520 300         | 9 004 596         |
| Performance Bonuses   | 494 662           | 402 085           |
| Overtime, Acting and Standby Allowances   | 1 110 820         | 1 043 578         |
| Current portion of Non-Current Employee Benefits - note 19  | 2 753 000         | 2 012 000         |
| Post Retirement Medical Benefits  | 1 632 000         | 1 497 000         |
| Long Service Awards   | 1 121 000         | 515 000           |
| <b>Total</b>  | <b>17 957 280</b> | <b>16 274 423</b> |
| As previously reported  |                   | 15 230 845        |
| Correction of error restatement - note 43.3   |                   | 1 043 578         |
| <b>Restated balance</b>   |                   | <b>16 274 423</b> |
| The movement in current employee benefits are reconciled as follows:  |                   |                   |
| <b>18.1 Bonuses</b>   |                   |                   |
| Opening Balance   | 3 812 164         | 3 683 829         |
| Contribution during the year  | 7 360 225         | 6 775 978         |
| Payments made   | (7 093 890)       | (6 647 643)       |
| Balance at the end of the year  | <b>4 078 499</b>  | <b>3 812 164</b>  |
| Bonuses are being paid to all municipal staff, excluding section 57 Managers. The balance at year end represent to portion of the bonus that have already vested for the current salary cycle.  |                   |                   |
| <b>18.2 Staff Leave</b>   |                   |                   |
| Opening Balance   | 9 004 596         | 9 409 506         |
| Contribution during the year  | 1 254 782         | 238 137           |
| Payments made   | (739 078)         | (643 046)         |
| Balance at the end of the year  | <b>9 520 300</b>  | <b>9 004 596</b>  |
| Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave or when employment is terminated. |                   |                   |
| <b>18.3 Performance Bonuses</b>   |                   |                   |
| Opening Balance   | 402 085           | 462 295           |
| Contribution during the year  | 480 954           | 388 154           |
| Payments made   | (388 378)         | (448 363)         |
| Balance at the end of the year  | <b>494 662</b>    | <b>402 085</b>    |
| Performance bonuses are being paid to the Municipal Manager, Chief Financial Officer, Director Community Services and Director Technical Services after an evaluation of performance by the Council.                                  |                   |                   |



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 18 CURRENT EMPLOYEE BENEFITS (CONTINUED)

#### 18.4 Overtime, Acting and Standby Allowances

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Balance at beginning of year   | 1 043 578        | 911 334          |
| Contribution during the year   | 1 110 820        | 1 043 578        |
| Payments made                  | (1 043 578)      | (911 334)        |
| Balance at the end of the year | <b>1 110 820</b> | <b>1 043 578</b> |

Acting, standby and overtime worked by staff in the current financial year, but only paid in following financial year.

### 19 EMPLOYEE BENEFITS

|  |                   |                   |
|--|-------------------|-------------------|
| Post Retirement Medical Benefits           | 35 391 000        | 36 446 000        |
| Long Service Awards                        | 7 491 000         | 7 087 000         |
| <b>Sub-Total</b>                           | <b>42 882 000</b> | <b>43 533 000</b> |
| Less: Current portion of Employee Benefits | <b>2 753 000</b>  | <b>2 012 000</b>  |
| Post Retirement Medical Benefits           | 1 632 000         | 1 497 000         |
| Long Service Awards                        | 1 121 000         | 515 000           |
| <b>Total</b>                               | <b>40 129 000</b> | <b>41 521 000</b> |

#### 19.1 Post Retirement Medical Benefits

The movement in Post Retirement Medical Benefits are reconciled as follows:

|                              |                   |                   |
|------------------------------|-------------------|-------------------|
| Opening Balance              | 36 446 000        | 34 007 000        |
| Contribution during the year | 5 874 000         | 5 050 000         |
| Current Service Cost         | 1 652 000         | 1 690 000         |
| Interest Cost                | 4 222 000         | 3 360 000         |
| Payments made                | (1 491 526)       | (1 442 026)       |
| Actuarial Loss/(Gain)        | (5 437 474)       | (1 168 974)       |
| Total balance at year-end    | 35 391 000        | 36 446 000        |
| Less: Current portion        | (1 632 000)       | (1 497 000)       |
| <b>Total</b>                 | <b>33 759 000</b> | <b>34 949 000</b> |

The Post Retirement Medical Benefit Plan is a defined benefit plan, of which the members are made up as follows:

|                        |            |            |
|------------------------|------------|------------|
| In-service members     | 181        | 177        |
| In-service non-members | 197        | 200        |
| Continuation members   | 32         | 29         |
| <b>Total</b>           | <b>410</b> | <b>406</b> |

The unfunded liability in respect of past service recognised in the Statement of Financial Position is as follows:

|              | In-Service<br>Members<br>R | In-Service<br>non-Members<br>R | Continuation<br>Members<br>R | Total unfunded<br>Liability<br>R |
|--------------|----------------------------|--------------------------------|------------------------------|----------------------------------|
| 30 June 2023 | 15 457 000                 | 2 458 000                      | 17 476 000                   | <b>35 391 000</b>                |
| 30 June 2022 | 16 124 000                 | 2 816 000                      | 17 506 000                   | <b>36 446 000</b>                |
| 30 June 2021 | 15 380 000                 | 2 584 000                      | 16 043 000                   | <b>34 007 000</b>                |
| 30 June 2020 | 11 530 000                 | 2 092 000                      | 15 762 000                   | <b>29 384 000</b>                |
| 30 June 2019 | 13 491 716                 | 2 677 741                      | 17 911 370                   | <b>34 080 827</b>                |

The Municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 19 EMPLOYEE BENEFITS (CONTINUED)

|   | Liabilities<br>(Gain) / Loss<br>R | Assets<br>Gain / (Loss)<br>R |
|---|-----------------------------------|------------------------------|
| <b>Experience adjustments were calculated as follows:</b> |                                   |                              |
| 30 June 2023  | (527 000)                         | -                            |
| 30 June 2022  | (360 000)                         | -                            |
| 30 June 2021  | (1 100 000)                       | -                            |
| 30 June 2020  | (1 825 000)                       | -                            |
| 30 June 2019  | (1 129 000)                       | -                            |

The Municipality contributes to the following medical schemes on a monthly basis:

Bonitas  
LA Health  
Hosmed  
Samwumed  
Keyhealth

Key Actuarial Assumptions used are as follows:

#### i) Interest Rates

|   |        |        |
|---|--------|--------|
| Discount rate                                   | 12.45% | 11.82% |
| Health care cost inflation rate                 | 8.06%  | 8.44%  |
| Net-of-health-care-cost-inflation discount rate | 4.06%  | 3.12%  |
| Maximum subsidy inflation rate                  | 5.67%  | 5.96%  |
| Net-of-maximum-subsidy-inflation discount rate  | 6.42%  | 5.54%  |

The discount rate used is a composite of all government bonds and is calculated using a technique is known as "bootstrapping"

#### ii) Mortality Rates

The PA 90 ultimate table, rated down by 1 year of age for post retirement, and the SA 85-90 table for in service employees, were used by the actuaries.

#### iii) Normal Retirement Age

It has been assumed that in-service members will retire at age 62, which then implicitly allows for expected rates of early and ill-health retirement.

#### iv) Last Valuation

The last valuation was performed on 10 July 2023

#### v) Actuarial Valuation Method

The Projected Unit Credit Method has been used to value the liabilities.

#### Sensitivity Analysis - Liability at year-end

| Assumption                             | Eligible<br>Employees<br>(R) | Continuation<br>members<br>(R) | Total liability<br>(R) | % change |
|--|------------------------------|--------------------------------|------------------------|----------|
| Liability                              | 17 915 000                   | 17 476 000                     | 35 391 000             |          |
| Health care inflation rate ( + 1% )    | 19 341 000                   | 18 981 000                     | 38 322 000             | 8%       |
| Health care inflation rate ( - 1% )    | 15 992 000                   | 16 105 000                     | 32 097 000             | -9%      |
| Discount rate ( + 1% )                 | 15 184 000                   | 16 142 000                     | 31 326 000             | -11%     |
| Discount rate ( - 1% )                 | 21 347 000                   | 19 024 000                     | 40 371 000             | 14%      |
| Post-employment mortality ( + 1 year ) | 17 553 000                   | 16 935 000                     | 34 488 000             | -3%      |
| Post-employment mortality ( - 1 year ) | 18 266 000                   | 18 016 000                     | 36 282 000             | 3%       |
| Average retirement age ( - 1 year )    | 19 864 000                   | 17 476 000                     | 37 340 000             | 6%       |
| Membership continuation ( - 10% )      | 15 692 000                   | 17 476 000                     | 33 168 000             | -6%      |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 19 EMPLOYEE BENEFITS (CONTINUED)

#### Sensitivity Analysis - Future Service and Interest Cost (Current Financial Year)

| Assumption                             | Current Service |                      |                   | % change |
|--|-----------------|----------------------|-------------------|----------|
|  | Cost<br>(R)     | Interest Cost<br>(R) | Total Cost<br>(R) |          |
| Estimated for 2022/23                  | 1 652 000       | 4 222 000            | 5 874 000         |          |
| Health care inflation rate ( + 1% )    | 1 786 000       | 4 598 000            | 6 384 000         | 9%       |
| Health care inflation rate ( - 1% )    | 1 463 000       | 3 804 000            | 5 267 000         | -10%     |
| Discount rate ( + 1% )                 | 1 385 000       | 4 009 000            | 5 394 000         | -8%      |
| Discount rate ( - 1% )                 | 1 991 000       | 4 461 000            | 6 452 000         | 10%      |
| Post-employment mortality ( + 1 year ) | 1 615 000       | 4 103 000            | 5 718 000         | -3%      |
| Post-employment mortality ( - 1 year ) | 1 688 000       | 4 340 000            | 6 028 000         | 3%       |
| Average retirement age ( - 1 year )    | 1 742 000       | 4 456 000            | 6 198 000         | 6%       |
| Membership continuation ( - 10% )      | 1 447 000       | 3 942 000            | 5 389 000         | -8%      |

#### Sensitivity Analysis - Future Service and Interest Cost (Next Financial Year)

| Assumption                             | Current Service |                      |                   | % change |
|--|-----------------|----------------------|-------------------|----------|
|  | Cost<br>(R)     | Interest Cost<br>(R) | Total Cost<br>(R) |          |
| Estimated for 2023/24                  | 1 539 000       | 4 308 000            | 5 847 000         |          |
| Health care inflation rate ( + 1% )    | 1 667 000       | 4 672 000            | 6 339 000         | 8%       |
| Health care inflation rate ( - 1% )    | 1 364 000       | 3 898 000            | 5 262 000         | -10%     |
| Discount rate ( + 1% )                 | 1 302 000       | 4 107 000            | 5 409 000         | -7%      |
| Discount rate ( - 1% )                 | 1 837 000       | 4 532 000            | 6 369 000         | 9%       |
| Post-employment mortality ( + 1 year ) | 1 507 000       | 4 195 000            | 5 702 000         | -2%      |
| Post-employment mortality ( - 1 year ) | 1 568 000       | 4 418 000            | 5 986 000         | 2%       |
| Average retirement age ( - 1 year )    | 1 603 000       | 4 550 000            | 6 153 000         | 5%       |
| Membership continuation ( - 10% )      | 1 349 000       | 4 031 000            | 5 380 000         | -8%      |

### 19.2 Long Service Awards

The movement in Long Service Awards are reconciled as follows:

|                              |                  |                  |
|------------------------------|------------------|------------------|
| Opening Balance              | 7 087 000        | 6 730 000        |
| Contribution during the year | 1 368 000        | 1 187 000        |
| Current Service Cost         | 605 000          | 581 000          |
| Interest Cost                | 763 000          | 606 000          |
| Payments made                | (507 455)        | (607 230)        |
| Actuarial Loss/(Gain)        | (456 545)        | (222 770)        |
| Total balance at year-end    | <b>7 491 000</b> | <b>7 087 000</b> |
| Less: Current portion        | (1 121 000)      | (515 000)        |
| <b>Total</b>                 | <b>6 370 000</b> | <b>6 572 000</b> |

The Long Service Awards plans are defined benefit plans.

|   |     |     |
|---|-----|-----|
| Number of employees that are eligible for Long Service Awards | 374 | 372 |
|---|-----|-----|

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### 19 EMPLOYEE BENEFITS (CONTINUED)

The unfunded liability in respect of past service recognised in the Statement of Financial Position is as follows:

Unfunded Liability  
R

|              |           |
|--------------|-----------|
| 30 June 2023 | 7 491 000 |
| 30 June 2022 | 7 087 000 |
| 30 June 2021 | 6 730 000 |
| 30 June 2020 | 5 961 000 |
| 30 June 2019 | 6 252 795 |

The Municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25.

Experience adjustments were calculated as follows:

Liabilities  
(Gain) / Loss  
R

Assets  
Gain / (Loss)  
R

|              |          |   |
|--------------|----------|---|
| 30 June 2023 | (48 545) | - |
| 30 June 2022 | (90 770) | - |
| 30 June 2021 | 498 336  | - |
| 30 June 2020 | (9 947)  | - |
| 30 June 2019 | 275 911  | - |

Key Actuarial Assumptions used are as follows:

#### i) Interest Rates

|   |        |        |
|---|--------|--------|
| Discount rate   | 11.38% | 11.16% |
| General Salary Inflation (long-term)                                      | 6.62%  | 7.33%  |
| Net Effective Discount Rate applied to salary-related Long Service Awards | 4.47%  | 3.57%  |

The discount rate used is a composite of all government bonds and is calculated using a technique is known as "bootstrapping"

#### ii) Last Valuation

The last valuation was performed on 10 July 2023.

#### iii) Actuarial Valuation Method

The Projected Unit Credit Method has been used to value the liabilities.

#### Sensitivity Analysis on the Unfunded Accrued Liability

| Assumption                              | Current Liability<br>(R) | Liability<br>(R) | % Change |
|---|--------------------------|------------------|----------|
| General earnings inflation rate ( + 1%) | 7 491 000                | 7 926 000        | 6%       |
| General earnings inflation rate ( - 1%) | 7 491 000                | 7 096 000        | -5%      |
| Discount rate ( + 1% )                  | 7 491 000                | 7 084 000        | -5%      |
| Discount rate ( - 1% )                  | 7 491 000                | 7 945 000        | 6%       |
| Average retirement age ( + 2 years )    | 7 491 000                | 8 523 000        | 14%      |
| Average retirement age ( - 2 years )    | 7 491 000                | 6 437 000        | -14%     |
| Withdrawal rates ( x 2 )                | 7 491 000                | 6 193 000        | -17%     |
| Withdrawal rates ( x 0.5 )              | 7 491 000                | 8 385 000        | 12%      |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 19 EMPLOYEE BENEFITS (CONTINUED)

#### Sensitivity Analysis on the Current-service and Interest Costs

| Assumption                              | Current Service |                      | Total<br>(R) | % Change |
|---|-----------------|----------------------|--------------|----------|
|   | Cost<br>(R)     | Interest Cost<br>(R) |              |          |
| Estimated for 2023/24                   | 615 000         | 791 000              | 1 406 000    |          |
| General earnings inflation rate ( + 1%) | 662 000         | 840 000              | 1 502 000    | 7%       |
| General earnings inflation rate ( - 1%) | 573 000         | 746 000              | 1 319 000    | -6%      |
| Discount rate ( + 1% )                  | 577 000         | 810 000              | 1 387 000    | -1%      |
| Discount rate ( - 1% )                  | 657 000         | 768 000              | 1 425 000    | 1%       |
| Average retirement age ( + 2 years )    | 684 000         | 908 000              | 1 592 000    | 13%      |
| Average retirement age ( - 2 years )    | 542 000         | 681 000              | 1 223 000    | -13%     |
| Withdrawal rates ( x 2 )                | 464 000         | 643 000              | 1 107 000    | -21%     |
| Withdrawal rates ( x 0.5 )              | 728 000         | 892 000              | 1 620 000    | 15%      |

### 19.3 Other Pension Benefits

#### Defined Benefit Plans

Council contributes to the following defined benefit plans:

|   |         |         |
|---|---------|---------|
| LA Retirement Fund (Former Cape Joint Pension Fund) | 906 605 | 874 457 |
|---|---------|---------|

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2022 revealed that the fund is in a sound financial position with a funding level of 104.5% (30 June 2021 - 102.0%).

|  |            |            |
|--|------------|------------|
| Consolidated Retirement Fund (Former Cape Retirement Fund) | 12 963 067 | 12 197 926 |
|--|------------|------------|

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2022 revealed that the fund is in a sound financial position with a funding level of 100.4% (30 June 2021 - 100.5%).

|              |                   |                   |
|--------------|-------------------|-------------------|
| <b>Total</b> | <b>13 869 672</b> | <b>13 072 383</b> |
|--------------|-------------------|-------------------|

Both the LA Retirement Fund and Consolidated Retirement Fund are multi-employer plans. Multiple local authorities participate in these multi-employer funds. Multi-employer plans are defined as defined benefit plans. When sufficient information is not available to use defined benefit accounting for a multi-employer plan, an entity will account for the plan as if it were a defined contribution plan.

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the Retirement Funds are not split per participating employer. Therefore, the Municipality is unable to determine the value of the plan assets as defined in GRAP 25.

As part of the Municipality's process to value the defined benefit liabilities, the Municipality requested pensioner data from the fund administrator. The fund administrator claim that the pensioner data to be confidential and were not willing to share the information with the Municipality. Without detailed pensioner data the Municipality was unable to calculate a reliable estimate of the accrued liability in respect of pensioners who qualify for a defined benefit pension.

Therefore, although the LA Retirement Fund and Consolidated Retirement Fund are Multi-employer funds defined as defined benefit plan, it will be accounted for as defined contribution plan due to sufficient information not being available.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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|--|------------------|------------------|
| <b>19 EMPLOYEE BENEFITS (CONTINUED)</b>                          |                  |                  |
| <b>Defined Contribution Plans</b>                                |                  |                  |
| Council contributes to the following defined contribution plans: |                  |                  |
| Municipal Councillors Pension Fund                               | 79 612           | 104 410          |
| SAMWU National Provident Fund                                    | 1 971 544        | 2 010 923        |
| <b>Total</b>   | <b>2 051 156</b> | <b>2 115 333</b> |

The retirement benefit funds are subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

### 20 NON-CURRENT PROVISIONS

|  |                    |                    |
|--|--------------------|--------------------|
| Provision for Rehabilitation of Landfill-sites | <b>115 323 231</b> | <b>101 212 184</b> |
|--|--------------------|--------------------|

The movement in Rehabilitation Provision - Landfill Sites are reconciled as follows:

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| Opening Balance                 | 101 212 184        | 91 179 282         |
| Contribution during the year    | 14 111 047         | 10 032 902         |
| Increase/(Decrease) in estimate | 5 186 156          | 3 220 898          |
| Interest Cost                   | 8 924 890          | 6 812 004          |
| <b>Total</b>                    | <b>115 323 231</b> | <b>101 212 184</b> |

The calculation for the rehabilitation of the landfill site provision was compiled by an independent qualified engineer in order to determine the present value to rehabilitate the landfill sites at the end of its useful life.

The future obligations for rehabilitating the landfill sites has been calculated using a discount rate of 9.18% (2022 - 8.82%) which is based on the South African 5 year Government Bond yield.

The total obligation at year-end can be attributed to the following sites:

| Location     | Site Dimension (m <sup>2</sup> ) | Rehabilitation cost per m <sup>2</sup> (Rand) | Current Cost of Rehabilitation | Current Cost of Rehabilitation |
|--------------|----------------------------------|---|--------------------------------|--------------------------------|
| Porterville  | 55 022                           | 933   | 49 482 453                     | 43 101 924                     |
| Piketberg    | 57 000                           | 978   | 53 253 791                     | 46 909 596                     |
| Aurora       | 7 370                            | 1 261   | 8 910 835                      | 7 875 144                      |
| Redelinghuys | 1 340                            | 2 860   | 3 676 152                      | 3 325 520                      |
| <b>Total</b> |                                  |   | <b>115 323 231</b>             | <b>101 212 184</b>             |

The estimate cost, based on an average inflation rate of 5.59% (2022 - 5.52%), and date of decommission of the sites are as follows:

| Location     | Estimated Decommission Date | Future Cost of Rehabilitation | Future Cost of Rehabilitation |
|--------------|-----------------------------|-------------------------------|-------------------------------|
| Porterville  | 2025                        | 54 548 300                    | 51 515 180                    |
| Piketberg    | 2025                        | 60 008 713                    | 57 263 176                    |
| Aurora       | 2025                        | 9 944 600                     | 9 524 346                     |
| Redelinghuys | 2025                        | 4 102 630                     | 4 021 946                     |
| <b>Total</b> |                             | <b>128 604 243</b>            | <b>122 324 648</b>            |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

| <i>Figures in Rand</i>      | 2023              | 2022              |
|-----------------------------|-------------------|-------------------|
| <b>21 RESERVES</b>          |                   |                   |
| Capital Replacement Reserve | 42 318 000        | 35 107 900        |
| Housing Development Fund    | 260 572           | 260 572           |
| <b>Total</b>                | <b>42 578 572</b> | <b>35 368 472</b> |

The Capital Replacement Reserve is used to finance future capital expenditure from own funds.

The Housing Development Fund was established in terms of section 15 (5) and 16 of the Housing Act, Act 107 of 1997. The proceeds in this fund are utilised for housing development projects approved by the MEC. Any surplus/(deficit) on the Housing Department in the Statement of Financial Performance is transferred to the Housing Development Fund.

|                             |                   |                   |
|-----------------------------|-------------------|-------------------|
| <b>22 PROPERTY RATES</b>    |                   |                   |
| Rateable Land and Buildings | 95 278 092        | 84 410 540        |
| <b>Total</b>                | <b>95 278 092</b> | <b>84 410 540</b> |

**Property rate levied are based on the following rateable valuations:**

|                               |                       |                       |
|-------------------------------|-----------------------|-----------------------|
| Residential Property          | 6 305 760 220         | 6 053 017 420         |
| Commercial Property           | 1 097 221 600         | 1 034 743 700         |
| Industrial Property           | 337 977 000           | 322 448 000           |
| Institutional                 | -                     | -                     |
| Agricultural Purposes         | 5 364 771 800         | 5 454 023 300         |
| Public Service Infrastructure | 1 817 500             | 1 311 000             |
| Religious                     | 46 008 000            | 39 523 000            |
| Municipal Property            | 110 441 800           | 88 519 200            |
| <b>Total Valuation</b>        | <b>13 263 997 920</b> | <b>12 993 585 620</b> |

**Rate that is applicable to the valuations above:**

|                       |          |          |
|-----------------------|----------|----------|
| Residential           | 1.135c/R | 1.046c/R |
| Commercial/Industrial | 1.249c/R | 1.151c/R |
| Agricultural          | 0.238c/R | 0.262c/R |

Valuations on land and buildings are performed every five years. The last valuation came into effect on 1 July 2018. Interim valuations are processed on an annual basis to include changes in property values and subdivisions. The next valuation will be implemented 1 July 2023.

The first R 15 000 of the valuation on properties used only for residential purposes are exempted from property rates in terms of the Property Rates Act.

Rates are levied monthly and annually. Monthly rates are payable by the end of the month in which the amount was levied and annual rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but in terms of Council's own policy opted not to collect it.



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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|   | 2023              | 2022              |
|---|-------------------|-------------------|
| <b>23 GOVERNMENT GRANTS AND SUBSIDIES</b>                                     |                   |                   |
| <b>Unconditional Grants - National Government</b>                             | <b>57 505 995</b> | <b>50 990 000</b> |
| Equitable Share   | 57 505 995        | 50 990 000        |
| <b>Conditional Grants - National Government</b>                               | <b>23 116 027</b> | <b>26 644 587</b> |
| Finance Management Grant (FMG)  | 1 550 000         | 1 550 000         |
| Municipal Infrastructure Grant (MIG)  | 16 754 027        | 16 763 292        |
| Expanded Public Works Programme (EPWP)  | 1 662 000         | 2 075 000         |
| Integrated National Electrification Programme (INEP)                          | -                 | 1 000 000         |
| Water Service Infrastructure Grant (WSIG)                                     | 3 150 000         | 5 256 295         |
| <b>Conditional Grants - Provincial Government</b>                             | <b>14 712 750</b> | <b>10 451 816</b> |
| Western Cape Financial Management Support Grant                               | -                 | 600 000           |
| Proclaimed Roads  | 121 046           | 110 000           |
| Regional Socio - Economic Project/Violence Prevention through Urban Upgrading | 119 815           | -                 |
| Library Services  | 8 661 285         | 8 279 816         |
| Financial Management Capacity Building Grant                                  | 2 072 865         | 327 062           |
| Development of Sport and Recreation Facilities                                | -                 | -                 |
| Fire Service Capacity Building Grant  | -                 | -                 |
| Department of Human Settlements   | 309 831           | 379 667           |
| Public Employment Support Grant   | 444 729           | 755 271           |
| Loadshedding Emergency Relief Grant   | 2 719 207         | -                 |
| Joint District and Metro Approach Grant                                       | 263 973           | -                 |
| <b>Conditional Grants - Other Grant Providers</b>                             | <b>1 047 073</b>  | <b>676 393</b>    |
| Heist op den Berg   | 635 917           | 676 393           |
| Chieta Training Grant   | 411 156           | -                 |
| <b>Total</b>  | <b>96 381 846</b> | <b>88 762 795</b> |
| Disclosed as:   |                   |                   |
| Government Grants and Subsidies - Operating                                   | 75 604 488        | 68 724 780        |
| Government Grants and Subsidies - Capital                                     | 20 777 358        | 20 038 015        |
| <b>Total</b>  | <b>96 381 846</b> | <b>88 762 795</b> |
| Grants per Vote (MFMA Sec 123 (c)):   |                   |                   |
| Equitable Share   | 57 505 995        | 50 990 000        |
| Vote 1 - Municipal Manager  | 467 638           | 142 090           |
| Vote 2 - Finance  | 3 622 865         | 2 477 062         |
| Vote 3 - Corporate Services   | 530 971           | -                 |
| Vote 4 - Technical Services   | 25 042 197        | 26 227 596        |
| Vote 5 - Community Services   | 9 212 181         | 8 926 046         |
| <b>Total</b>  | <b>96 381 846</b> | <b>88 762 795</b> |

The movements per grant can be summarised as follows:

### 23.01 Equitable Share

|                                    |              |              |
|------------------------------------|--------------|--------------|
| Opening Unspent Balance            | -            | -            |
| Grants Received / (Repaid)         | 57 505 995   | 50 990 000   |
| Transferred to Revenue - Operating | (57 505 995) | (50 990 000) |
| Transferred to Revenue - Capital   | -            | -            |
| Closing Unspent Balance            | -            | -            |

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

# BERGRIVIER LOCAL MUNICIPALITY

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|--|--------------|--------------|
| <b>23 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)</b>  |              |              |
| <b>23.02 Finance Management Grant (FMG)</b>  |              |              |
| Opening Unspent Balance  | -            | -            |
| Grants Received / (Repaid)   | 1 550 000    | 1 550 000    |
| Transferred to Revenue - Operating   | (1 550 000)  | (1 550 000)  |
| Transferred to Revenue - Capital   | -            | -            |
| Closing Unspent Balance  | -            | -            |
| The Financial Management Grant is a conditional grant to assist municipalities in the implementation of financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The grant also utilised to cover expenditure relating to the Financial Management Internship Programme. |              |              |
| <b>23.03 Municipal Infrastructure Grant (MIG)</b>  |              |              |
| Opening Unspent Balance  | 1 063 317    | 2 692 609    |
| Grants Received / (Repaid)   | 15 690 710   | 15 134 000   |
| Transferred to Revenue - Operating   | (2 881 700)  | (2 879 454)  |
| Transferred to Revenue - Capital   | (13 872 327) | (13 883 838) |
| Closing Unspent Balance  | -            | 1 063 317    |
| The MIG grant is a conditional grant used to upgrade infrastructure in the municipal area with the main focus on previously disadvantaged areas.   |              |              |
| <b>23.04 Expanded Public Works Programme (EPWP)</b>  |              |              |
| Opening Unspent Balance  | -            | -            |
| Grants Received / (Repaid)   | 1 662 000    | 2 075 000    |
| Transferred to Revenue - Operating   | (1 662 000)  | (2 075 000)  |
| Transferred to Revenue - Capital   | -            | -            |
| Closing Unspent Balance  | -            | -            |
| The EPWP grant is a conditional grant to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the identified focus areas in compliance with the EPWP guidelines.   |              |              |
| <b>23.05 Integrated National Electrification Programme (INEP)</b>  |              |              |
| Opening Unspent Balance  | -            | 8 934        |
| Grants Received / (Repaid)   | -            | 991 066      |
| Transferred to Revenue - Operating   | -            | (130 435)    |
| Transferred to Revenue - Capital   | -            | (869 565)    |
| Closing Unspent Balance  | -            | -            |
| The INEP grant is a conditional grant to provide capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings and the installation of bulk infrastructure.   |              |              |
| <b>23.06 Water Service Infrastructure Grant (WSIG)</b>   |              |              |
| Opening Unspent Balance  | 1 339 705    | 4 879 839    |
| Grants Received / (Repaid)   | 1 810 295    | 1 716 161    |
| Transferred to Revenue - Operating   | (410 870)    | (685 604)    |
| Transferred to Revenue - Capital   | (2 739 130)  | (4 570 692)  |
| Closing Unspent Balance  | -            | 1 339 705    |
| This grant is utilised for the construction and upgrade of Porterville waste water treatment works.  |              |              |

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### 23 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

#### 23.07 Western Cape Financial Management Support Grant

|                                    |   |           |
|------------------------------------|---|-----------|
| Opening Unspent Balance            | - | -         |
| Grants Received / (Repaid)         | - | 600 000   |
| Transferred to Revenue - Operating | - | (600 000) |
| Transferred to Revenue - Capital   | - | -         |
| Closing Unspent Balance            | - | -         |

The Finance Management Grant was used for upgrading of financial system, reviewing of budget related policies, supply chain databases cleansing, risk management and internal audit services.

#### 23.08 Proclaimed Roads

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Opening Unspent Balance            | -         | -         |
| Grants Received / (Repaid)         | 121 046   | 110 000   |
| Transferred to Revenue - Operating | (121 046) | (110 000) |
| Transferred to Revenue - Capital   | -         | -         |
| Closing Unspent Balance            | -         | -         |

The grant was used for maintenance of provincial roads.

#### 23.09 Regional Socio - Economic Project/Violence Prevention through Urban Upgrading

|                                    |           |          |
|------------------------------------|-----------|----------|
| Opening Unspent Balance            | -         | 40 987   |
| Grants Received / (Repaid)         | 120 000   | (40 987) |
| Transferred to Revenue - Operating | -         | -        |
| Transferred to Revenue - Capital   | (119 815) | -        |
| Closing Unspent Balance            | 185       | -        |

The grant was utilised for the extension of Calendula street.

#### 23.10 Library Services

|                                    |             |             |
|------------------------------------|-------------|-------------|
| Opening Unspent Balance            | 608 285     | 454 101     |
| Grants Received / (Repaid)         | 8 053 000   | 8 434 000   |
| Transferred to Revenue - Operating | (8 366 007) | (7 799 514) |
| Transferred to Revenue - Capital   | (295 278)   | (480 302)   |
| Closing Unspent Balance            | -           | 608 285     |

The Library Services (Municipal Replacement Fund) Grant is used to pay the salaries of library staff.

#### 23.11 Financial Management Capacity Building Grant

|                                    |             |           |
|------------------------------------|-------------|-----------|
| Opening Unspent Balance            | 188 525     | 93 577    |
| Grants Received / (Repaid)         | 2 325 000   | 422 010   |
| Transferred to Revenue - Operating | (2 072 865) | (327 062) |
| Transferred to Revenue - Capital   | -           | -         |
| Closing Unspent Balance            | 440 660     | 188 525   |

The purpose of the grant is to develop financial human capacity within the municipal areas to enable sustainable local financial skills pipeline that is responsive to municipalities' requirements to enable sound and sustainable financial management and good financial governance.

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### 23 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

#### 23.12 Development of Sport and Recreation Facilities

|                                    |           |         |
|------------------------------------|-----------|---------|
| Opening Unspent Balance            | 300 000   | -       |
| Grants Received / (Repaid)         | (300 000) | 300 000 |
| Transferred to Revenue - Operating | -         | -       |
| Transferred to Revenue - Capital   | -         | -       |
| Closing Unspent Balance            | -         | 300 000 |

This grant was utilised for the upgrade of the cricket field in Velddrif.

#### 23.13 Department of Human Settlements

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Opening Unspent Balance            | -         | 300 013   |
| Grants Received / (Repaid)         | 526 000   | 79 654    |
| Transferred to Revenue - Operating | (40 413)  | (379 667) |
| Transferred to Revenue - Capital   | (269 419) | -         |
| Closing Unspent Balance            | 216 169   | -         |

This grant was utilised for the feasibility studies and the construction of infrastructure for housing projects.

#### 23.14 Public Employment Support Grant

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Opening Unspent Balance            | 444 729   | -         |
| Grants Received / (Repaid)         | -         | 1 200 000 |
| Transferred to Revenue - Operating | (444 729) | (755 271) |
| Transferred to Revenue - Capital   | -         | -         |
| Closing Unspent Balance            | -         | 444 729   |

This grant was utilised to coordinate and ensure the implementation of targeted, short term public employment programmes for communities identified as being in distress.

#### 23.15 Loadshedding Emergency Relief Grant

|                                    |             |   |
|------------------------------------|-------------|---|
| Opening Unspent Balance            | -           | - |
| Grants Received / (Repaid)         | 3 600 000   | - |
| Transferred to Revenue - Operating | -           | - |
| Transferred to Revenue - Capital   | (2 719 207) | - |
| Closing Unspent Balance            | 880 793     | - |

This grant was utilised for the installation of back-up energy supply for water and wastewater infrastructure.

#### 23.16 Joint District and Metro Approach Grant

|                                    |           |   |
|------------------------------------|-----------|---|
| Opening Unspent Balance            | -         | - |
| Grants Received / (Repaid)         | 1 820 000 | - |
| Transferred to Revenue - Operating | (34 431)  | - |
| Transferred to Revenue - Capital   | (229 542) | - |
| Closing Unspent Balance            | 1 556 027 | - |

This grant was utilised for the construction and further expansion of the multi-functional youth development and training facility.

#### 23.17 Heist op den Berg

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Opening Unspent Balance            | 120 299   | 33 319    |
| Grants Received / (Repaid)         | 701 074   | 763 373   |
| Transferred to Revenue - Operating | (103 276) | (442 774) |
| Transferred to Revenue - Capital   | (532 641) | (233 619) |
| Closing Unspent Balance            | 185 456   | 120 299   |

This grant is federal government funding from Belgium for solid waste management.



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# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

| <i>Figures in Rand</i>  | 2023              | 2022              |
|---|-------------------|-------------------|
| <b>23 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)</b>   |                   |                   |
| <b>23.18 Chieta Training Grant</b>  |                   |                   |
| Opening Unspent Balance   | 498 262           | 249 584           |
| Grants Received / (Repaid)  | 293 928           | 248 678           |
| Transferred to Revenue - Operating  | (411 156)         | -                 |
| Transferred to Revenue - Capital  | -                 | -                 |
| Closing Unspent Balance   | <u>381 034</u>    | <u>498 262</u>    |
| This grant is for the training and development of municipal officials   |                   |                   |
| <b>23.19 Total Grants</b>   |                   |                   |
| Opening Unspent Balance   | 4 563 124         | 8 752 963         |
| Grants Received / (Repaid)  | 95 479 047        | 84 572 956        |
| Transferred to Revenue - Operating  | (75 604 488)      | (68 724 780)      |
| Transferred to Revenue - Capital  | (20 777 358)      | (20 038 015)      |
| Closing Unspent Balance   | <u>3 660 325</u>  | <u>4 563 124</u>  |
| <b>24 CONTRIBUTED ASSETS</b>  |                   |                   |
| Property, Plant and Equipment - Other Assets  | 2 250 000         | -                 |
| <b>Total</b>  | <u>2 250 000</u>  | <u>-</u>          |
| Contributed asset relates to a waste compactor truck which was transferred from the Department of Forestry, Fisheries and Environment.  |                   |                   |
| <b>25 AVAILABILITY CHARGES</b>  |                   |                   |
| Electricity   | 3 482 107         | 3 517 710         |
| Water   | 1 380 585         | 1 454 864         |
| Refuse Removal  | 3 000 186         | 2 960 912         |
| Sewerage and Sanitation   | 2 267 160         | 2 285 529         |
| <b>Total</b>  | <u>10 130 038</u> | <u>10 219 015</u> |
| Availability charges are levied where the Municipality has installed the relevant infrastructure networks (relating to water, electricity, sewerage and solid waste) in the area where the consumer resides, but the consumer has not requested to be and is not connected to the networks. |                   |                   |
| <b>26 FINES, PENALTIES AND FORFEITS</b>   |                   |                   |
| Traffic Fines   | 22 921 720        | 18 547 450        |
| Library Fines   | 12 675            | 67 374            |
| Illegal Connections   | 10 761            | 14 959            |
| Unclaimed Money   | 1 085 188         | 1 253 618         |
| <b>Total</b>  | <u>24 030 344</u> | <u>19 883 402</u> |
| As previously reported  |                   | 18 737 152        |
| Correction of error restatement - note 43.1   |                   | 1 146 250         |
| Restated balance  |                   | <u>19 883 402</u> |
| In terms of the requirements of GRAP 23 and iGRAP 1, all traffic fines issued during the year less any cancellations or reductions identified are recognised as revenue.  |                   |                   |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

| <i>Figures in Rand</i>  | 2023               | 2022               |
|---|--------------------|--------------------|
| <b>27 ACTUARIAL GAINS</b>   |                    |                    |
| Post Retirement Medical Benefits  | 5 437 474          | 1 168 974          |
| Long Service Awards   | 456 545            | 222 770            |
| <b>Total</b>  | <b>5 894 019</b>   | <b>1 391 744</b>   |
| The actuarial gains mainly originated as a result of an increase in the net discount rate being used by the actuaries to calculate the employee benefits.   |                    |                    |
| <b>28 SERVICE CHARGES</b>   |                    |                    |
| Electricity   | 133 247 161        | 142 528 281        |
| Water   | 41 016 810         | 36 776 662         |
| Refuse Removal  | 36 521 639         | 28 949 980         |
| Sewerage and Sanitation   | 19 424 409         | 17 154 087         |
| <b>Total Revenue</b>  | <b>230 210 019</b> | <b>225 409 011</b> |
| Less: Rebates   | (14 347 711)       | (12 446 713)       |
| Electricity   | (1 571 102)        | (1 401 117)        |
| Water   | (2 391 294)        | (2 211 407)        |
| Refuse Removal  | (6 494 969)        | (5 260 679)        |
| Sewerage and Sanitation   | (3 890 346)        | (3 573 511)        |
| <b>Total</b>  | <b>215 862 307</b> | <b>212 962 297</b> |
| Rebates can be defined as any income that the Municipality is entitled to levy, but in terms of Council's own policy opted not to collect it.   |                    |                    |
| <b>29 RENTAL OF FACILITIES AND EQUIPMENT</b>  |                    |                    |
| Halls   | 173 153            | 92 356             |
| Camping and Entrance Fees   | 5 602 999          | 4 982 267          |
| Commonage   | 746 609            | 800 159            |
| Hawker Stalls   | 171 389            | 219 873            |
| Land and Buildings  | 288 998            | 393 442            |
| <b>Total</b>  | <b>6 983 148</b>   | <b>6 488 097</b>   |
| <b>30 INTEREST EARNED - EXTERNAL INVESTMENTS</b>  |                    |                    |
| Bank Accounts   | 2 508 736          | 867 516            |
| Investment Deposits   | 9 921 393          | 6 561 756          |
| Eskom Deposits  | 25 055             | 17 787             |
| <b>Total</b>  | <b>12 455 184</b>  | <b>7 447 059</b>   |
| <b>31 AGENCY SERVICES</b>   |                    |                    |
| Drivers Licences  | 1 009 859          | 925 005            |
| Motor Vehicle Registration  | 3 434 025          | 3 373 261          |
| Roadworthy Certificates   | 427 244            | 377 787            |
| <b>Total</b>  | <b>4 871 128</b>   | <b>4 676 053</b>   |
| The Municipality acts as an agent for the Department of Transport and Public Works and manages the issuing of vehicle licences for a commission. Refer to note 54.1 for additional disclosure in this regard. |                    |                    |
| The Municipality earns revenue from applications for driver's and learner's licences, issuing of public driver permits, driver's and learner's licences and the issue of roadworthy certificates.             |                    |                    |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

*Figures in Rand*

|  | 2023               | 2022               |
|--|--------------------|--------------------|
| <b>32 OTHER INCOME</b>   |                    |                    |
| Building Plan Approval   | 2 340 792          | 2 203 449          |
| Cemetery and Burial  | 513 696            | 631 334            |
| Cleaning and Removal   | 323 748            | 370 501            |
| Clearance and Valuation Certificates                           | 525 488            | 533 910            |
| Commission   | 104 338            | 92 878             |
| Development Charges  | 544 190            | 680 330            |
| Photocopies and Faxes  | 46 168             | 31 658             |
| Sub-division, Rezoning and Consolidation Fees                  | 163 528            | 194 691            |
| Tender Documents   | 65 913             | 48 835             |
| Sundry Income  | 33 129             | 84 458             |
| <b>Total</b>   | <b>4 660 990</b>   | <b>4 872 043</b>   |
| <b>33 GAIN ON DISPOSAL OF NON-MONETARY ASSETS</b>              |                    |                    |
| Proceeds   | 3 574 759          | 616 852            |
| Less: Carrying value of Investment Property disposed           | (1 000)            | (47 400)           |
| Less: Carrying value of Property, Plant and Equipment disposed | (1 101 190)        | (365 866)          |
| Less: Carrying value of Intangible Assets                      | -                  | (14 538)           |
| <b>Total</b>   | <b>2 472 569</b>   | <b>189 048</b>     |
| As previously reported   |                    | 246 208            |
| Correction of error restatement - note 43.2                    |                    | (57 160)           |
| Restated balance   |                    | <b>189 048</b>     |
| <b>34 EMPLOYEE RELATED COSTS</b>                               |                    |                    |
| Basic Salaries and Wages                                       | 96 722 879         | 94 396 133         |
| Pension and UIF Contributions                                  | 16 563 853         | 15 779 521         |
| Medical Aid Contributions                                      | 6 602 687          | 6 331 351          |
| Overtime   | 7 159 602          | 6 555 999          |
| Motor Vehicle Allowances                                       | 6 033 812          | 5 731 152          |
| Cell Phone Allowances  | 46 848             | 56 490             |
| Housing Allowances   | 719 627            | 704 026            |
| Other benefits and allowances                                  | 8 307 856          | 6 939 227          |
| Acting Allowances  | 873 907            | 813 132            |
| Bargaining Council Levy  | 49 032             | 47 462             |
| Group Life Insurance   | 2 483 312          | 1 521 538          |
| Standby Allowances   | 4 434 019          | 4 151 945          |
| Scarcity Allowances  | 467 586            | 405 149            |
| Contributions to Employee Benefits                             | 11 352 961         | 9 673 268          |
| Bonuses  | 7 360 225          | 6 775 978          |
| Staff Leave  | 1 254 782          | 238 137            |
| Performance Bonuses  | 480 954            | 388 154            |
| Long Service Awards  | 605 000            | 581 000            |
| Post Retirement Medical Benefits                               | 1 652 000          | 1 690 000          |
| Workmen's Compensation Fund                                    | 818 037            | 630 096            |
| <b>Total</b>   | <b>154 328 162</b> | <b>146 797 263</b> |
| As previously reported   |                    | 146 665 018        |
| Correction of error restatement - note 43.3                    |                    | 132 244            |
| Restated balance   |                    | <b>146 797 263</b> |



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# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 34 EMPLOYEE RELATED COSTS (CONTINUED)

#### Remuneration of Management Personnel

Key management personnel are all appointed on a permanent basis, except for the Municipal Manager who is appointed on a 5-year fixed contract. There are no post-employment or termination benefits payable to them at the end of the contract periods.

#### Municipal Manager - Adv H Linde

|   |                  |                  |
|---|------------------|------------------|
| Annual Remuneration                             | 1 124 042        | 1 533 540        |
| Travelling Allowance                            | 60 000           | 67 500           |
| Contributions to UIF, Medical and Pension Funds | 276 548          | 382 249          |
| <b>Total</b>                                    | <b>1 460 590</b> | <b>1 983 289</b> |

#### Director: Corporate Services - Mr JWA Kotzee

|   |                  |                  |
|---|------------------|------------------|
| Annual Remuneration                             | 891 571          | 867 900          |
| Travelling Allowance                            | 330 000          | 296 510          |
| Contributions to UIF, Medical and Pension Funds | 224 511          | 210 118          |
| Housing Subsidy                                 | 150 000          | 150 000          |
| <b>Total</b>                                    | <b>1 596 082</b> | <b>1 524 528</b> |

#### Director: Community Services - Mr DA Josephus

|   |                  |                  |
|---|------------------|------------------|
| Annual Remuneration                             | 932 179          | 888 174          |
| Travelling Allowance                            | 236 509          | 212 963          |
| Contributions to UIF, Medical and Pension Funds | 219 225          | 199 058          |
| Service Bonus                                   | 50 000           | 50 000           |
| Performance Bonus                               | 150 782          | 145 683          |
| Housing Subsidy                                 | -                | 23 545           |
| <b>Total</b>                                    | <b>1 588 694</b> | <b>1 519 424</b> |

#### Chief Financial Officer - Mr F M Lötter (resigned July 2022)

|   |                |                  |
|---|----------------|------------------|
| Annual Remuneration                             | 96 228         | 1 091 192        |
| Travelling Allowance                            | 21 111         | 253 333          |
| Performance Bonus                               | 150 782        | 145 683          |
| Contributions to UIF, Medical and Pension Funds | 2 841          | 29 220           |
| Leave Payout                                    | 121 674        | -                |
| <b>Total</b>                                    | <b>392 636</b> | <b>1 519 429</b> |

#### Chief Financial Officer - Mr D Louw - (September 2022 to May 2023)

|   |                |          |
|---|----------------|----------|
| Annual Remuneration                             | 626 973        | -        |
| Travelling Allowance                            | 90 006         | -        |
| Contributions to UIF, Medical and Pension Funds | 148 249        | -        |
| Leave Payout                                    | 44 103         | -        |
| <b>Total</b>                                    | <b>909 331</b> | <b>-</b> |

#### Director: Technical Services - Mr AC Koch (resigned September 2021)

|   |               |                |
|---|---------------|----------------|
| Annual Remuneration                             | -             | 269 027        |
| Travelling Allowance                            | -             | 68 502         |
| Performance Bonus                               | 23 988        | 132 439        |
| Contributions to UIF, Medical and Pension Funds | 177           | 5 511          |
| Leave Payout                                    | -             | 52 047         |
| <b>Total</b>                                    | <b>24 165</b> | <b>527 526</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 34 EMPLOYEE RELATED COSTS (CONTINUED)

#### Director: Technical Services - Mr V Felton (February 2022 - September 2022)

|   |                |                |
|---|----------------|----------------|
| Annual Remuneration                             | 285 413        | 452 480        |
| Travelling Allowance                            | 24 000         | 40 000         |
| Contributions to UIF, Medical and Pension Funds | 113 246        | 78 664         |
| <b>Total</b>                                    | <b>422 658</b> | <b>571 144</b> |

#### Director: Technical Services - Mr D Van Turha (appointed January 2023)

|   |                |          |
|---|----------------|----------|
| Annual Remuneration                             | 465 236        | -        |
| Travelling Allowance                            | 6 000          | -        |
| Contributions to UIF, Medical and Pension Funds | 48 919         | -        |
| <b>Total</b>                                    | <b>520 155</b> | <b>-</b> |

#### Employees acting in management positions

The following employees acted in management positions during the course of the year. The amounts as indicated below are the acting allowances and additional benefits received for the period in which they acted in the respective positions.

| Employee      | Acting Position              | Number of days in acting position |      | 2023          | 2022          |
|---------------|------------------------------|-----------------------------------|------|---------------|---------------|
|               |                              | 2023                              | 2022 |               |               |
| DA Josephus   | Municipal Manager            | 0                                 | 20   | -             | 27 523        |
| JWA Kotzee    | Municipal Manager            | 15                                | 0    | 8 056         | -             |
| N Rossouw     | Director: Technical Services | 0                                 | 84   | -             | 34 911        |
| JJ Breunissen | Director: Technical Services | 78                                | 11   | 39 532        | 4 897         |
| W Wagener     | Director: Corporate Services | 11                                | 0    | 5 444         | -             |
| D Carolissen  | Director: Community Services | 11                                | 0    | 4 512         | -             |
| N Bothma      | Chief Financial Officer      | 52                                | 16   | 28 297        | 6 892         |
| M Crous       | Chief Financial Officer      | 12                                | 0    | 5 939         | -             |
| JP Sass       | Chief Financial Officer      | 12                                | 5    | 5 939         | 2 304         |
| <b>Total</b>  |                              |                                   |      | <b>97 718</b> | <b>76 527</b> |

### 35 REMUNERATION OF COUNCILLORS

|                   |                  |                  |
|-------------------|------------------|------------------|
| Ald RM van Rooy   | 934 685          | 915 660          |
| Ald SM Crafford   | -                | 257 079          |
| Ald A de Vries    | 713 015          | 715 214          |
| Ald SIJ Smit      | -                | 148 721          |
| Cllr J Daniels    | 713 015          | 694 873          |
| Cllr AJ Du Plooy  | 553 876          | 686 628          |
| Cllr A Small      | 328 603          | 320 076          |
| Cllr MA Wessels   | 757 349          | 727 722          |
| Cllr D De Bruin   | -                | 113 307          |
| Cllr A van Wyk    | -                | 113 307          |
| Cllr I Adams      | 328 603          | 320 076          |
| Cllr SS Lesch     | 328 603          | 320 076          |
| Cllr S Swartz     | -                | 113 307          |
| Ald RE Swarts     | 756 062          | 478 683          |
| Cllr JJ Moolman   | 406 820          | 256 067          |
| Cllr BU Maarman   | 327 316          | 206 565          |
| Ald E Manuel      | 265 644          | 206 943          |
| Cllr RL Laubscher | 377 731          | 206 565          |
| <b>Total</b>      | <b>6 791 323</b> | <b>6 800 868</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 35 REMUNERATION OF COUNCILLORS (CONTINUED)

|                        | Basic Salary     | Motor Vehicle Allowance | Cell Phone Allowance | Medical and Pension Contributions | Total            |
|------------------------|------------------|-------------------------|----------------------|-----------------------------------|------------------|
| <b>2023</b>            |                  |                         |                      |                                   |                  |
| Executive Mayor        | 510 161          | 300 000                 | 48 000               | 76 524                            | 934 685          |
| Deputy Executive Mayor | 532 012          | 177 337                 | 48 000               | -                                 | 757 349          |
| Speaker                | 709 349          | -                       | 46 713               | -                                 | 756 062          |
| Executive Committee    | 1 330 030        | -                       | 96 000               | -                                 | 1 426 030        |
| Other Councillors      | 2 465 342        | 18 941                  | 378 853              | 54 061                            | 2 917 197        |
| <b>Total</b>           | <b>5 546 894</b> | <b>496 278</b>          | <b>617 566</b>       | <b>130 585</b>                    | <b>6 791 323</b> |
| <b>2022</b>            |                  |                         |                      |                                   |                  |
| Executive Mayor        | 547 543          | 241 691                 | 40 800               | 83 438                            | 913 472          |
| Deputy Executive Mayor | 505 503          | 170 801                 | 41 578               | 24 059                            | 741 942          |
| Speaker                | 700 364          | -                       | 39 817               | -                                 | 740 180          |
| Executive Committee    | 1 254 577        | 58 614                  | 81 600               | -                                 | 1 394 790        |
| Other Councillors      | 2 528 293        | 76 341                  | 325 581              | 80 268                            | 3 010 483        |
| <b>Total</b>           | <b>5 536 279</b> | <b>547 447</b>          | <b>529 376</b>       | <b>187 766</b>                    | <b>6 800 868</b> |

#### In-kind Benefits

The Executive Mayor, Deputy Executive Mayor, Speaker and Executive Committee members serve in a full-time capacity. They are provided with secretarial support and an office each at the cost of the Council.

Councillors may utilize municipal transportation when engaged in official duties.

### 36 DEBT IMPAIRMENT

|   |                   |                   |
|---|-------------------|-------------------|
| Receivables from Exchange Transactions      | 13 507 886        | 4 775 781         |
| Receivables from Non-Exchange Transactions  | 18 375 384        | 7 979 086         |
| Long-term Receivables                       | 730 202           | 1 629 297         |
| <b>Total Debt Impairment</b>                | <b>32 613 472</b> | <b>14 384 164</b> |
| Movement in VAT included in debt impairment | (1 125 157)       | 266 337           |
| <b>Total</b>                                | <b>31 488 315</b> | <b>14 650 501</b> |
| As previously reported                      |                   | 13 606 101        |
| Correction of error restatement - note 43.1 |                   | 1 044 400         |
| Restated balance                            |                   | 14 650 501        |

### 37 DEPRECIATION AND AMORTISATION

|   |                   |                   |
|---|-------------------|-------------------|
| Property, Plant and Equipment               | 30 365 552        | 26 134 856        |
| Intangible Assets                           | 452 412           | 395 785           |
| Investment Property                         | 51 562            | 53 082            |
| <b>Total</b>                                | <b>30 869 526</b> | <b>26 583 723</b> |
| As previously reported                      |                   | 27 624 860        |
| Correction of error restatement - note 43.2 |                   | (1 041 137)       |
| Restated balance                            |                   | 26 583 723        |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

|                                  | 2023              | 2022              |
|----------------------------------|-------------------|-------------------|
| <b>38 FINANCE CHARGES</b>        |                   |                   |
| <b>Cash</b>                      | 7 947 085         | 7 192 727         |
| Long-term Liabilities            | 7 947 085         | 7 192 727         |
| <b>Non-cash</b>                  | 13 909 890        | 10 778 004        |
| Post Retirement Medical Benefits | 4 222 000         | 3 360 000         |
| Long Service Awards              | 763 000           | 606 000           |
| Rehabilitation of Landfill Sites | 8 924 890         | 6 812 004         |
| <b>Total</b>                     | <b>21 856 976</b> | <b>17 970 731</b> |

|  |                    |                    |
|--|--------------------|--------------------|
| <b>39 BULK PURCHASES</b>   |                    |                    |
| Electricity  | 118 609 439        | 118 995 098        |
| Water  | 7 855 039          | 6 100 365          |
| Water Purchased  | 7 839 236          | 7 199 629          |
| Deficit / (surplus) generated by West Coast District Municipality (WCDM) | 15 802             | (1 099 263)        |
| <b>Total</b>   | <b>126 464 478</b> | <b>125 095 464</b> |

Bulk Purchases are the cost of commodities not generated by the Municipality, which the Municipality distributes in the municipal area for re-sale to consumers. Electricity is purchased from Eskom and water is purchased from a variety of suppliers including WCDM and a number of private suppliers.

In terms of the services concession agreement, the local municipalities determine a tariff, in consultation with the WCDM, that allows the WCDM to recover the costs it incurs in the provision of the bulk water services. At year-end, WCDM calculates the surplus generated or deficit incurred from the service concession arrangement, and accordingly the surplus is distributed to / (deficit is recovered from) the local municipalities based on their water purchases for the year.

|  |                   |                   |
|--|-------------------|-------------------|
| <b>40 CONTRACTED SERVICES</b>            |                   |                   |
| Accounting and Auditing                  | 3 271 195         | 3 082 500         |
| Clearing and Grass Cutting               | 348 895           | 348 197           |
| Communications                           | 567 197           | 681 979           |
| Drivers Licence Cards                    | 351 471           | 342 149           |
| Engineering Services                     | 174 275           | 686 511           |
| Human Resources                          | 344 554           | 461 089           |
| Laboratory Services                      | 381 699           | 367 591           |
| Legal Cost                               | 358 104           | 454 908           |
| Maintenance Services                     | 6 175 268         | 6 001 327         |
| Organisational                           | 1 268 367         | 1 585 157         |
| Project Management (Revenue Enhancement) | 998 289           | 1 705 247         |
| Refuse Removal                           | 10 945 700        | 10 472 242        |
| Research and Advisory                    | 312 143           | 780 476           |
| Security Services                        | 1 789 755         | 1 782 167         |
| Traffic Fines Management                 | 2 645 016         | 2 114 303         |
| Valuer and Assessors                     | 855 660           | 120 348           |
| Other Consulting and Professional Fees   | 2 829 218         | 1 909 101         |
| <b>Total</b>                             | <b>33 616 806</b> | <b>32 895 292</b> |

Other Consulting and Professional Fees consist out of a variety of services, including but not limited to the following:

- Event Promoters
- Catering Services
- Audit Committee
- Veterinary Services
- Burial Service
- Land and Quantity Surveyors

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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|   | 2023              | 2022              |
|---|-------------------|-------------------|
| <b>41 TRANSFERS AND GRANTS</b>                          |                   |                   |
| Animal Welfare  | 32 000            | 31 000            |
| Bergrivier Canoe Marathon                               | 63 000            | 60 000            |
| Bergrivier Estuary Management Forum                     | 800 000           | 567 000           |
| External Bursaries                                      | 702 366           | 594 812           |
| Museums   | 608 000           | 585 000           |
| Port Owen Marine Authority                              | 1 518 000         | 1 457 000         |
| Redelinghuys Farm Watch                                 | 250 000           | 250 000           |
| Society for the Prevention of Cruelty to Animals (SPCA) | 208 000           | 200 000           |
| Sport Councils  | 609 000           | 450 000           |
| St Helena Bay Water Quality Trust                       | 51 000            | 49 000            |
| Tourism   | 2 371 000         | 2 203 000         |
| Social Relief   | 1 176 673         | 289 282           |
| Indigent Dwelling Restoration                           | 151 742           | 127 205           |
| Feeding of Homeless                                     | 94 835            | 162 077           |
| Ward Committees Projects                                | 930 095           | -                 |
| <b>Total</b>  | <b>8 389 039</b>  | <b>6 736 094</b>  |
| <b>42 OTHER EXPENDITURE</b>                             |                   |                   |
| Advertising, Publicity and Marketing                    | 1 505 856         | 1 178 729         |
| Bank Charges, Facility and Card Fees                    | 874 279           | 801 702           |
| Bursaries to Employees                                  | 211 050           | 229 997           |
| Chemicals   | 1 181 006         | 964 530           |
| Commission - Prepaid Electricity                        | 2 124 844         | 2 086 957         |
| Communication   | 2 920 200         | 2 847 514         |
| Cellular Contract (Subscription and Calls)              | 505 707           | 533 354           |
| Licences (Radio and Television)                         | 129 434           | 122 934           |
| Postage, Stamps and Franking Machines                   | 651 364           | 622 241           |
| Telephone, Fax, Telegraph and Telex                     | 1 633 696         | 1 568 985         |
| Electricity - Internal usage                            | 2 690 110         | 2 238 865         |
| Entertainment   | 48 558            | 50 848            |
| External Audit Fees                                     | 3 432 562         | 3 127 357         |
| External Computer Service                               | 2 137 075         | 1 255 190         |
| Fuel  | 8 468 972         | 5 756 938         |
| Hire Charges  | 908 346           | 767 900           |
| Insurance   | 2 793 446         | 2 556 127         |
| Learnerships and Internships                            | 197 758           | 192 124           |
| Maintenance Materials                                   | 4 567 498         | 5 094 869         |
| Motor Vehicle Licence and Registrations                 | 349 757           | 327 411           |
| Printing and Stationary                                 | 1 298 055         | 1 334 186         |
| Professional Bodies, Membership and Subscription        | 1 606 949         | 1 431 403         |
| Refuse bags   | 1 424 554         | 1 103 854         |
| Registration Fees                                       | 432 508           | 43 728            |
| Signage   | 265 179           | 250 035           |
| Skills Development Fund Levy                            | 1 242 075         | 1 185 219         |
| Small Tools and Equipment                               | 608 924           | 883 680           |
| Training  | 239 144           | 139 968           |
| Travel and Subsistence                                  | 1 309 534         | 766 055           |
| Uniform and Protective Clothing                         | 1 147 693         | 1 076 054         |
| Union Representative                                    | 135 881           | 128 206           |
| Vehicle Tracking  | 271 785           | 232 754           |
| Ward Committees   | 158 000           | 145 600           |
| Sundries and Other Consumables                          | 1 979 765         | 1 428 567         |
| <b>Total</b>  | <b>46 531 363</b> | <b>39 626 366</b> |

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 43 PRIOR PERIOD ADJUSTMENTS - CORRECTION OF ERROR

#### 43.1 Receivables from Non-Exchange Transactions

The following errors were noted:

- Traffic fines amounting to R1 146 250 were not recorded during the 2021/22 financial year. Accordingly, debt impairment amounting to R1 044 400 was also not provided on the unrecorded traffic fines.

The net effect of the above-mentioned errors were as follows:

|   |             |           |
|---|-------------|-----------|
| - Receivables from Non-Exchange Transactions - note 4 | Understated | 101 850   |
| - Fines, Penalties and Forfeits - note 26             | Understated | 1 146 250 |
| - Debt Impairment - note 36                           | Understated | 1 044 400 |

#### 43.2 Property, Plant and Equipment

The following errors were noted:

- Investment Property with a carrying value of R3 314 668 was incorrectly classified as Property, Plant and Equipment and was accordingly reclassified.
- Items within Property, Plant and Equipment were incorrectly classified. Accordingly, the incorrect useful lives were applied to the said misclassified assets, resulting that depreciation was incorrectly calculated. In addition, the remaining useful lives of a number of assets were incorrectly transferred from 2020/21 asset register to the 2021/22 asset register, resulting that the depreciation for 2021/22 was also incorrectly calculated. The net effect of the aforementioned errors resulted that depreciation was understated by R397 045.

The net effect of the above-mentioned errors were as follows:

|   |             |             |
|---|-------------|-------------|
| - Investment Property - note 8                    | Understated | 3 314 668   |
| - Property, Plant and Equipment - note 9          | Overstated  | (3 711 714) |
| - Depreciation and Amortisation - note 37         | Overstated  | (1 041 137) |
| - Gain on disposal of Non-Monetary Assets note 33 | Overstated  | (57 160)    |
| - Accumulated Surplus - note 43.4                 | Overstated  | (1 381 023) |

#### 43.3 Current Employee Benefits

Overtime, acting and standby hours worked, are paid in the following month. The Municipality did not raise an accrual for the said expenditure which was incurred in June, but only paid in July.

The net effect of the above-mentioned errors were as follows:

|                                       |             |           |
|---------------------------------------|-------------|-----------|
| - Current Employee Benefits - note 18 | Understated | 1 043 578 |
| - Employee Related Costs - note 34    | Understated | 132 244   |
| - Accumulated Surplus - note 43.4     | Overstated  | (911 334) |

#### 43.4 Accumulated Surplus

|   |            |                    |
|---|------------|--------------------|
| Property, Plant and Equipment - note 43.2 | Overstated | (1 381 023)        |
| Current Employee Benefits - note 43.3     | Overstated | (911 334)          |
| Total                                     |            | <b>(2 292 356)</b> |

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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|  | 2023              | 2022              |
|--|-------------------|-------------------|
| <b>44 NET CASH FROM OPERATING ACTIVITIES</b>                           |                   |                   |
| Net Surplus for the year   | 28 276 486        | 29 846 115        |
| Adjusted for:  |                   |                   |
| Non-cash revenue included in Net Surplus                               | (10 604 437)      | (1 568 245)       |
| Contributed Assets   | (2 250 000)       | -                 |
| Actuarial Gains  | (5 894 019)       | (1 391 744)       |
| Rental of Facilities and Equipment - movement in operating lease asset | 12 151            | 12 547            |
| Gain on disposal of Non-Monetary Assets                                | (2 472 569)       | (189 048)         |
| Non-cash expenditure included in Net Surplus                           | 88 758 538        | 62 757 159        |
| Employee Related Costs - Contributions towards                         | 12 463 781        | 10 716 846        |
| Post Retirement Medical Benefits                                       | 1 652 000         | 1 690 000         |
| Long Service Awards  | 605 000           | 581 000           |
| Bonuses  | 7 360 225         | 6 775 978         |
| Staff Leave  | 1 254 782         | 238 137           |
| Performance Bonuses  | 480 954           | 388 154           |
| Overtime, Acting and Standby Allowances                                | 1 110 820         | 1 043 578         |
| Debt Impairment  | 31 488 315        | 14 650 501        |
| Depreciation and Amortisation  | 30 869 526        | 26 583 723        |
| Finance Charges  | 13 909 890        | 10 778 004        |
| Post Retirement Medical Benefits                                       | 4 222 000         | 3 360 000         |
| Long Service Awards  | 763 000           | 606 000           |
| Provision for Rehabilitation of Landfill-sites                         | 8 924 890         | 6 812 004         |
| Other Expenditure - movement in operating lease liability              | 27 025            | 28 085            |
| Cash expenditure not included in Net Surplus                           | (11 263 905)      | (10 699 642)      |
| Post Retirement Medical Benefits                                       | (1 491 526)       | (1 442 026)       |
| Long Service Awards  | (507 455)         | (607 230)         |
| Bonuses  | (7 093 890)       | (6 647 643)       |
| Staff Leave  | (739 078)         | (643 046)         |
| Performance Bonuses  | (388 378)         | (448 363)         |
| Overtime, Acting and Standby Allowances                                | (1 043 578)       | (911 334)         |
| Operating Surplus before changes in working capital                    | 95 166 681        | 80 335 386        |
| Movement in working capital  | (27 910 733)      | (31 446 947)      |
| Receivables from Exchange Transactions                                 | (14 863 352)      | (15 480 122)      |
| Receivables from Non-Exchange Transactions                             | (18 093 562)      | (10 193 974)      |
| Inventory  | (113 889)         | 129 680           |
| Long-term Receivables  | 1 758 305         | (3 345 575)       |
| Consumer Deposits  | 503 812           | 466 654           |
| Payables from exchange transactions - Operating                        | 3 487 333         | 1 825 091         |
| Payables from exchange transactions - Total                            | 6 269 862         | 285 587           |
| Add back: Capital included in Trade Payables                           | (2 759 226)       | 1 253 773         |
| Add back: Retentions   | (23 304)          | 285 730           |
| Unspent Conditional Government Grants                                  | (902 798)         | (4 189 841)       |
| Unspent Public Contributions   | 34 500            | 123 819           |
| Taxes  | 278 920           | (782 679)         |
| <b>Cash Flow from Operating Activities</b>                             | <b>67 255 949</b> | <b>48 888 439</b> |

## 45 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise out of the following:

|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| Primary Bank Account     | 61 395 321         | 22 790 092         |
| Call and Notice Deposits | 113 295 671        | 120 778 322        |
| Cash Floats              | 19 850             | 19 850             |
| <b>Total</b>             | <b>174 710 842</b> | <b>143 588 264</b> |

Refer to note 2 for more details relating to cash and cash equivalents.



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 46 BUDGET COMPARISONS

#### 46.1 Comparable Basis

Differences were identified between the disclosure requirements in terms of GRAP and the reporting requirements in terms of National Treasury budget formats.

The following items are affected by these classification differences:

#### Statement of Financial Position

Consumer Debtors consist out of both Receivables from Exchange Transactions as well as the Rates Receivable.

Other Receivables incorporate all other current receivable balances not specifically provided for in the National Treasury formats.

Trade and Other Payables incorporates Payable from exchange transactions, Unspent grants, Unspent public contributions, Taxes and Operating lease liabilities.

Employee Benefits and Provisions (Current and Non-Current) are included under the provisions line item in the budget statements.

#### Statement of Financial Performance

The following actual results were reclassified to ensure that the performance for the year is measured on a comparable basis to the budget approved, which are guided by mSCOA and National Treasury (NT) classifications and principles:

|  | Actuals per<br>Statement of<br>Financial Performance<br>R | Reclassification due<br>mSCOA vs GRAP<br>classification<br>R | Actuals per<br>Budget<br>Comparison<br>R |
|--|---|--|--|
| <b>REVENUE</b>                                     |   |  |  |
| Property Rates                                     | 95 278 092  | -  | 95 278 092                               |
| Service Charges - Electricity Revenue              | 135 158 166   | -  | 135 158 166                              |
| Service Charges                                    | 131 676 059   |  |  |
| Availability Charges                               | 3 482 107   |  |  |
| Service Charges - Water Revenue                    | 40 006 101  | -  | 40 006 101                               |
| Service Charges                                    | 38 625 516  |  |  |
| Availability Charges                               | 1 380 585   |  |  |
| Service Charges - Sanitation Revenue               | 17 801 223  | -  | 17 801 223                               |
| Service Charges                                    | 15 534 063  |  |  |
| Availability Charges                               | 2 267 160   |  |  |
| Service Charges - Refuse Revenue                   | 33 026 856  | -  | 33 026 856                               |
| Service Charges                                    | 30 026 670  |  |  |
| Availability Charges                               | 3 000 186   |  |  |
| Rental of Facilities and Equipment                 | 6 983 148   | (5 602 999)  | 1 380 150                                |
| Interest Earned - External Investments             | 12 455 184  | -  | 12 455 184                               |
| Interest Earned - Outstanding Debtors              | 7 077 142   | -  | 7 077 142                                |
| Fines  | 24 030 344  | -  | 24 030 344                               |
| Licences and Permits                               | 87 189  | -  | 87 189                                   |
| Agency Services                                    | 4 871 128   | -  | 4 871 128                                |
| Transfers Recognised - Operational                 | 75 604 488  | (411 156)  | 75 193 332                               |
| Other Revenue                                      | 4 839 466   | 6 014 155  | 10 853 621                               |
| Insurance Refund                                   | 178 476   |  |  |
| Other Income                                       | 4 660 990   |  |  |
| Gains  | 8 366 588   | -  | 8 366 588                                |
| Actuarial Gains                                    | 5 894 019   |  |  |
| Gain on disposal of Non-Monetary Assets            | 2 472 569   |  |  |
| <b>Total Revenue (excluding capital transfers)</b> | <b>465 585 116</b>  | <b>-</b>   | <b>465 585 116</b>                       |



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 46 BUDGET COMPARISONS (CONTINUED)

|   | Actuals per<br>Statement of<br>Financial Performance<br>R | Reclassification due<br>mSCOA vs GRAP<br>classification<br>R | Actuals per<br>Budget<br>Comparison<br>R |
|---|---|--|--|
| <b>EXPENDITURE</b>  |   |  |  |
| Employee Related Costs                                    | 154 328 162   | (818 037)  | 153 510 124                              |
| Remuneration of Councillors                               | 6 791 323   | -  | 6 791 323                                |
| Debt Impairment   | 31 488 315  | -  | 31 488 315                               |
| Depreciation and Asset Impairment                         | 30 869 526  | -  | 30 869 526                               |
| Finance Charges   | 21 856 976  | -  | 21 856 976                               |
| Bulk purchases  | 126 464 478   | (7 855 039)  | 118 609 439                              |
| Inventory consumed  | -   | 17 673 355   | 17 673 355                               |
| Contracted Services                                       | 33 616 806  | -  | 33 616 806                               |
| Transfers and Grants                                      | 8 389 039   | -  | 8 389 039                                |
| Other Expenditure   | 46 531 363  | (9 000 278)  | 37 531 085                               |
| Losses  | -   | -  | -  |
| <b>Total Expenditure</b>                                  | <b>460 335 988</b>  | <b>-</b>   | <b>460 335 987</b>                       |
| <b>Surplus/(Deficit)</b>                                  | <b>5 249 128</b>  | <b>-</b>   | <b>5 249 128</b>                         |
| Transfers and subsidies - capital (monetary) - Government | 20 244 717  | -  | 20 244 717                               |
| Transfers and subsidies - capital (monetary) - Other      | 532 641   | -  | 532 641                                  |
| Transfers and subsidies - capital (in-kind)               | 2 250 000   | -  | 2 250 000                                |
| <b>Surplus/(Deficit) for the year</b>                     | <b>28 276 486</b>   | <b>-</b>   | <b>28 276 487</b>                        |

The items reclassified can be summarised as follow:

| Item                           | GRAP Classification                         | Budget Classification | Amount    |
|--------------------------------|---|-----------------------|-----------|
| <b>Revenue</b>                 |   |                       |           |
| Camping and Entrance Fees      | Rentals of Facilities and Equipment         | Other Revenue         | 5 602 999 |
| Chieta Training Grant          | Government Grants and Subsidies - Operating | Other Revenue         | 411 156   |
| <b>Expenditure</b>             |   |                       |           |
| Workmen's Compensation Fund    | Employee Related Costs                      | Other Expenditure     | 818 037   |
| Water                          | Bulk Purchases                              | Inventory Consumed    | 7 855 039 |
| Chemicals                      | Other Expenditure                           | Inventory Consumed    | 1 181 006 |
| Fuel                           | Other Expenditure                           | Inventory Consumed    | 171 602   |
| Maintenance Materials          | Other Expenditure                           | Inventory Consumed    | 4 567 498 |
| Printing and Stationary        | Other Expenditure                           | Inventory Consumed    | 817 582   |
| Refuse bags                    | Other Expenditure                           | Inventory Consumed    | 1 424 554 |
| Sundries and Other Consumables | Other Expenditure                           | Inventory Consumed    | 1 656 073 |

#### Cash Flow Statement

The Cash Flow Statement is presented on a comparable basis in all material aspects.

### 46.2 Statement of Financial Position

#### Adjustments to Original Budget

Items in the State of Financial Position were adjusted to take into account adjustments made to the operating and capital budget and also to align balances with the actual audit outcomes of 2021/22.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 46 BUDGET COMPARISONS (CONTINUED)

#### Actual Amounts vs Final Budget

|                                   |  |
|-----------------------------------|--|
| Cash and Call Investment Deposits | More cash was available at year-end due to general savings on operating expenditure and an underspending on capital expenditure. Also less creditors were paid at year-end than anticipated. |
| Property, plant and equipment     | Actuals were less than budget as capital budget was not spent in full (88% of budget was spent).   |
| Trade and Other Payables          | The balance of outstanding creditors were more than anticipated due to a significant amount of invoices received in June 2023, which are only payable in July 2023.                          |
| Accumulated Surplus               | Actuals are more than budget as a result of the items listed under the "Statement of Financial Performance" section.   |
| Reserves                          | Contribution towards reserves are based on the discretion of the Accounting Officer.   |

### 46.3 Statement of Financial Performance

#### Adjustments to Original Budget

|                                       |   |
|---------------------------------------|---|
| Service Charges - Electricity Revenue | Decreased due to an increase in load-shedding and more consumers making use of alternative electricity resources. |
| Employee Related Costs                | Decreased due to vacant posts not filled during course of year.   |
| Bulk purchases - electricity          | Decreased due to an increase in load-shedding and more consumers making use of alternative electricity resources. |
| Inventory consumed                    | Additional budget was added to water bulk purchases due to an increase in demand.                                 |
| Other Expenditure                     | Increased to make provision for fuel cost to run generators during load-shedding stages.                          |

#### Virements

All virement were done in line with the approved virement policy of the Municipality where funds are transferred from one line item to another within a specific vote. No material virements were made.

#### Actual Amounts vs Final Budget

|                                       |   |
|---------------------------------------|---|
| Service Charges - Electricity Revenue | Actuals less than budget as more consumers are making use of alternative electricity resources than initially anticipated.              |
| Employee Related Costs                | Actuals less than budget as 44 budgeted positions were still vacant at year-end.  |
| Inventory consumed                    | Actuals less than budget due to overall savings on inventory items, such as refuse bags, maintenance materials and fuel for generators. |
| Other Expenditure                     | Actuals were less than budget due to general savings.   |

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### 46 BUDGET COMPARISONS (CONTINUED)

#### 46.4 Cash Flow Statement

##### Adjustments to Original Budget

|   |   |
|---|---|
| Net Cash from/(used) Operating Activities | Receipts mainly decreased due to a loss in revenue from electricity sales as a result of load-shedding. |
|---|---|

##### Actual Amounts vs Final Budget

|   |  |
|---|--|
| Net Cash from/(used) Operating Activities | Operating expenditure budget was not spent in full, resulting in cash surpluses. |
| Net Cash from/(used) Investing Activities | Capital expenditure budget was not spent in full, resulting in cash surpluses.   |

### 47 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

#### 47.1 Unauthorised Expenditure

Unauthorised expenditure can be reconciled as follow:

|   |          |           |
|---|----------|-----------|
| Opening balance   | -        | 764 459   |
| Unauthorised expenditure current year - operating       | -        | -         |
| Unauthorised expenditure current year - capital         | -        | -         |
| Approved by Council                                     | -        | (764 459) |
| <b>Unauthorised expenditure awaiting further action</b> | <b>-</b> | <b>-</b>  |

Unauthorised expenditure only relates to expenditure in excess of approved budget votes. No disciplinary steps or criminal proceedings were instituted as a result of unauthorised expenditure incurred. Refer below for votes of which the expenditure was in excess of the approved budget:

|   | 2023<br>(Actual)<br>R | 2023<br>(Final Budget)<br>R | 2023<br>(Unauthorised)<br>R | 2022<br>(Unauthorised)<br>R |
|---|-----------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Unauthorised expenditure - Operating</b> |                       |                             |                             |                             |
| Vote 1 - Municipal Manager                  | 32 843 164            | 33 722 260                  | -                           | -                           |
| Vote 2 - Finance                            | 39 806 242            | 43 535 988                  | -                           | -                           |
| Vote 3 - Corporate Services                 | 32 858 709            | 37 161 900                  | -                           | -                           |
| Vote 4 - Technical Services                 | 278 600 297           | 295 373 039                 | -                           | -                           |
| Vote 5 - Community Services                 | 76 227 575            | 80 571 557                  | -                           | -                           |
| <b>Total</b>                                | <b>460 335 987</b>    | <b>490 364 744</b>          | <b>-</b>                    | <b>-</b>                    |
| <b>Unauthorised expenditure - Capital</b>   |                       |                             |                             |                             |
| Vote 1 - Municipal Manager                  | 677 039               | 2 209 928                   | -                           | -                           |
| Vote 2 - Finance                            | 494 986               | 495 123                     | -                           | -                           |
| Vote 3 - Corporate Services                 | 2 294 476             | 2 325 492                   | -                           | -                           |
| Vote 4 - Technical Services                 | 62 745 192            | 70 992 658                  | -                           | -                           |
| Vote 5 - Community Services                 | 8 501 930             | 8 978 143                   | -                           | -                           |
| <b>Total</b>                                | <b>74 713 623</b>     | <b>85 001 344</b>           | <b>-</b>                    | <b>-</b>                    |

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### 47 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)

#### 47.2 Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure can be reconciled as follow:

|   |              |          |
|---|--------------|----------|
| Opening balance   | -            | -        |
| Fruitless and wasteful expenditure incurred - prior years         | 25 646       | -        |
| Fruitless and wasteful expenditure incurred - current year        | 1 899        | 1 026    |
| Recovered from Employees  | (19 322)     | (1 026)  |
| Approved by Council   | -            | -        |
| <b>Fruitless and wasteful expenditure awaiting further action</b> | <b>8 223</b> | <b>-</b> |

Details of fruitless and wasteful expenditure incurred

|  |               |              |
|--|---------------|--------------|
| (a) Handling fee charge by supplier for incorrect items ordered, and then returned | -             | 301          |
| (b) Cheapest quote not used  | -             | 401          |
| (c) More items purchased than approved order                                       | -             | 325          |
| (d) Supplier paid without the work done  | 17 423        | -            |
| (e) Items purchased without an official order                                      | 1 899         | -            |
| (f) Payment for damages caused by municipal official to private property           | 8 223         | -            |
| <b>Total</b>   | <b>27 545</b> | <b>1 026</b> |

Details of irregular expenditure awaiting further action:

|  |              |          |
|--|--------------|----------|
| (f) Payment for damages caused by municipal official to private property | 8 223        | -        |
| <b>Total</b>   | <b>8 223</b> | <b>-</b> |

For incidents listed from (a) to (e), consequence management (MFMA Section 171) was imposed and the disciplinary actions were finalised. The amounts to be recovered from employees.

No criminal proceedings were instituted as a result of fruitless and wasteful expenditure incurred due to the fact that no criminal offence occurred.

#### 47.3 Irregular Expenditure

Irregular expenditure can be reconciled as follow:

|  |                  |          |
|--|------------------|----------|
| Opening balance                                      | -                | 94 750   |
| Irregular expenditure incurred - current year        | 262 259          | -        |
| Irregular expenditure incurred - prior periods       | 1 106 625        | -        |
| Approved by Council                                  | -                | (94 750) |
| <b>Irregular expenditure awaiting further action</b> | <b>1 368 884</b> | <b>-</b> |

Details of irregular expenditure incurred:

|   |                  |          |
|---|------------------|----------|
| (a) Contract awarded to supplier who was in the service of the state  | 40 522           | -        |
| (b) Work performed by supplier of which official order was only issued afterwards                                 | 24 045           | -        |
| (c) Two part time Councillors worked as full time Councillors and were also remunerated as full time Councillors. | 1 257 716        | -        |
| (d) Quotations awarded considered non-compliant with Section 13(c) of SCM Regulation                              | 46 600           | -        |
| <b>Total</b>  | <b>1 368 884</b> | <b>-</b> |

Details of irregular expenditure awaiting further action:

|   |                  |          |
|---|------------------|----------|
| (a) Contract awarded to supplier who was in the service of the state  | 40 522           | -        |
| (b) Work performed by supplier of which official order was only issued afterwards                                 | 24 045           | -        |
| (c) Two part time Councillors worked as full time Councillors and were also remunerated as full time Councillors. | 1 257 716        | -        |
| (d) Quotations awarded considered non-compliant with Section 13(c) of SCM Regulation                              | 46 600           | -        |
| <b>Total</b>  | <b>1 368 884</b> | <b>-</b> |

All the irregular expenditure, except case number (d) which was identified during the regulatory audit, did serve at the Article 32 committee and was recommended for approval to Council.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 47 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)

Incidents/cases identified in the current year include:

|   |   |   |
|---|---|---|
| (a) Contract awarded to supplier who was in the service of the state  | 1 | 0 |
| (b) Work performed by supplier of which official order was only issued afterwards                                 | 1 | 0 |
| (c) Two part time Councillors worked as full time Councillors and were also remunerated as full time Councillors. | 2 | 0 |
| (d) Quotations awarded considered non-compliant with Section 13(c) of SCM Regulation                              | 2 | 0 |

No disciplinary steps or criminal proceedings were instituted as a result of irregular expenditure incurred due to the fact that no criminal offence occurred.

### 48 MATERIAL LOSSES

#### 48.1 Water distribution losses

|  |           |           |
|--|-----------|-----------|
| Kilo litres disinfected/purified/purchased | 2 397 178 | 2 365 019 |
| Kilo litres sold and free basic services   | 2 047 429 | 2 007 507 |
| Kilo litres lost during distribution       | 349 749   | 357 512   |
| Percentage lost during distribution        | 14.59%    | 15.12%    |

Water losses can mainly be ascribed to a combination of major pipe bursts, field leakages and ageing meter infrastructure. A concerted effort is underway to replace meters, water mains and metering systems to address the water losses.

#### 48.2 Electricity distribution losses

|  |            |            |
|--|------------|------------|
| Units purchased (Kwh)  | 72 706 812 | 83 064 453 |
| Units sold, free basic services and standard friction losses | 64 914 814 | 72 615 568 |
| Units lost during distribution (Kwh)                         | 7 791 998  | 10 448 885 |
| Percentage lost during distribution                          | 10.72%     | 12.58%     |

Electricity losses can be ascribed to a combination of friction, transformer and losses associated with meter infrastructure. A meter replacement program in respect of electricity meters is underway to curb unaccounted losses.

### 49 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

#### 49.1 SALGA Contributions [MFMA 125 (1)(b)]

|                            |                    |                    |
|----------------------------|--------------------|--------------------|
| Opening balance            | (1 135 927)        | (1 003 992)        |
| Expenditure incurred       | 1 562 659          | 1 382 634          |
| Payments                   | (1 706 928)        | (1 514 569)        |
| <b>Payments in advance</b> | <b>(1 280 196)</b> | <b>(1 135 927)</b> |

#### 49.2 Audit Fees [MFMA 125 (1)(c)]

|                                  |               |             |
|----------------------------------|---------------|-------------|
| Opening balance                  | -             | 15 700      |
| Expenditure incurred             | 4 030 807     | 3 655 643   |
| External Audit - Auditor-General | 3 432 562     | 3 127 357   |
| VAT on External Audit            | 514 884       | 469 104     |
| Audit Committee                  | 83 361        | 59 182      |
| Payments                         | (3 975 605)   | (3 671 343) |
| <b>Outstanding Balance</b>       | <b>55 202</b> | <b>-</b>    |

# BERGRIVIER LOCAL MUNICIPALITY

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### 49 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)

#### 49.3 VAT [MFMA 125 (1)(c)]

|   |                  |                  |
|---|------------------|------------------|
| Opening balance                                 | 1 524 971        | 982 178          |
| Net amount claimed / (declared) during the year | 2 190 817        | (855 031)        |
| Net amount paid / (received) during the year    | (1 990 171)      | 1 397 823        |
| <b>Outstanding Balance</b>                      | <b>1 725 617</b> | <b>1 524 971</b> |

VAT is payable/receivable on the cash basis. VAT is only paid over to SARS once cash is received from debtors and only claimed from SARS once payment is made to creditors. All VAT returns have been submitted by the due date throughout the year.

#### 49.4 PAYE, SDL and UIF [MFMA 125 (1)(c)]

|  |              |              |
|--|--------------|--------------|
| Opening balance  | -            | -            |
| Payroll deductions and Council Contributions during the year | 23 551 095   | 22 439 049   |
| Payments   | (23 551 095) | (22 439 049) |
| <b>Outstanding Balance</b>                                   | <b>-</b>     | <b>-</b>     |

#### 49.5 Pension and Medical Aid Contributions [MFMA 125 (1)(c)]

|  |              |              |
|--|--------------|--------------|
| Opening balance  | -            | -            |
| Payroll deductions and Council Contributions during the year | 36 716 190   | 35 030 097   |
| Payments made to pension and medical fund                    | (36 716 190) | (35 030 097) |
| <b>Outstanding Balance</b>                                   | <b>-</b>     | <b>-</b>     |

#### 49.6 Councillors Arrear Accounts [MFMA 124 (1)(b)]

No Councillors had arrear accounts outstanding for more than 90 days during the year.

#### 49.7 Deviations from Supply Chain Management Regulations

Deviations from Supply Chain Management Regulations were identified on the following categories:

|  |                  |                  |
|--|------------------|------------------|
| Section 36(1)(a)(i) - Emergencies  | 3 332 941        | 652 234          |
| Section 36(1)(a)(ii) - Single provider                                   | -                | 34 931           |
| Section 36(1)(a)(iii) - Specialised services                             | -                | -                |
| Section 36(1)(a)(iv) - Acquisition of animals for zoo's                  | -                | -                |
| Section 36(1)(a)(v) - Impractical so follow official procurement process | 183 183          | 926 221          |
| <b>Total</b>   | <b>3 516 124</b> | <b>1 613 386</b> |

Deviations from Supply Chain Management Regulations can be allocated as follow:

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| Vote 1 - Municipal Manager  | 50 000           | 278 868          |
| Vote 2 - Finance            | -                | 369 926          |
| Vote 3 - Corporate Services | 85 515           | 5 094            |
| Vote 4 - Technical Services | 3 380 608        | 844 812          |
| Vote 5 - Community Services | -                | 114 686          |
| <b>Total</b>                | <b>3 516 124</b> | <b>1 613 386</b> |

All the deviations were ratified by the Municipal Manager and reported to Council.



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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|---|-------------------|------------------|
| <b>50 CAPITAL COMMITMENTS</b>           |                   |                  |
| Approved and contracted for             | <b>13 857 617</b> | <b>4 754 542</b> |
| Land and Buildings                      | -                 | 169 574          |
| Infrastructure                          | 10 732 186        | 3 905 204        |
| Community Assets                        | 3 125 431         | 679 764          |
| This expenditure will be financed from: |                   |                  |
| Government Grants                       | 8 894 065         | 2 162 985        |
| External Loans                          | 4 832 655         | 372 088          |
| Own funding                             | 130 897           | 2 219 469        |
| <b>Total</b>                            | <b>13 857 617</b> | <b>4 754 542</b> |

Capital Commitments are disclosed exclusive of Value Added Tax (VAT).

## 51 FINANCIAL RISK MANAGEMENT

The Municipality is potentially exposed to the following risks:

### 51.1 Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The following financial assets are exposed to credit risk:

|  |                    |                    |
|--|--------------------|--------------------|
| Cash and Cash Equivalents                  | 174 690 992        | 143 568 414        |
| Receivables from exchange transactions     | 43 688 358         | 42 489 509         |
| Receivables from non-exchange transactions | 10 970 251         | 13 478 683         |
| Long-term Receivables                      | 6 174 106          | 8 662 613          |
| <b>Total</b>                               | <b>235 523 707</b> | <b>208 199 219</b> |

#### Cash and Cash Equivalents

Deposits of the Municipality is only held at reputable banks that are listed on the JSE. The credit quality is regularly monitored through required SENS releases by the various banks. The risk pertaining to these deposits are considered to be very low.

There are no restrictions on the cash deposits held and no cash were pledged as security. No collateral is held for any cash and cash equivalents.

#### Receivables from Exchange Transactions

Receivables comprise of a large number of users, dispersed across different sectors and geographical areas. On-going credit evaluations are performed on the financial condition of these receivables. Credit risk pertaining to receivables are considered to be moderate due the diversified nature of receivables and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Receivables are disclosed after taking into account the provision for impairment raised against each class of receivable.

Receivables are payable within 30 days. All receivables outstanding for more than 30 days are considered to be past due.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 51 FINANCIAL RISK MANAGEMENT (CONTINUED)

Refer to note 3 and 4 for more information regarding the provision for impairment raised against each service type as well as receivables considered to be past due.

Also refer to note 6 for more information regarding balances renegotiated beyond the original 30 days payment period initially granted.

No receivables were pledged as security for liabilities and no collateral is held from any consumers (other than consumer deposits).

The following service receivables are past due, but not impaired:

|                      |                   |                   |
|----------------------|-------------------|-------------------|
| Electricity          | 2 542 754         | 2 366 156         |
| Water                | 4 196 492         | 3 248 355         |
| Refuse               | 5 482 852         | 4 123 709         |
| Sewerage             | 2 985 012         | 2 341 899         |
| Interest             | 8 063 711         | 7 955 464         |
| Other                | 2 209 568         | 2 142 090         |
| Availability Charges | 10 314 105        | 12 872 674        |
| <b>Total</b>         | <b>35 794 494</b> | <b>35 050 346</b> |

Past due receivables are aged as follow:

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Past Due (31 - 60 Days) | 3 468 768         | 3 104 847         |
| Past Due (61 - 90 Days) | 1 626 347         | 1 452 431         |
| Past Due (90 Days +)    | 30 699 378        | 30 493 068        |
| <b>Total</b>            | <b>35 794 494</b> | <b>35 050 346</b> |

#### 51.2 Currency risk (Market Risk)

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The financial instruments of the Municipality is not directly exposed to any currency risk.

#### 51.3 Interest rate risk (Market Risk)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The following balances are exposed to interest rate fluctuations:

|  |                    |                    |
|--|--------------------|--------------------|
| Cash and Cash Equivalents (excluding cash on hand) | 174 690 992        | 143 568 414        |
| Long-term Liabilities (including current portion)  | -                  | -                  |
| <b>Net balance exposed</b>                         | <b>174 690 992</b> | <b>143 568 414</b> |

Potential effect of changes in interest rates on surplus and deficit for the year:

|   |           |           |
|---|-----------|-----------|
| 0.5% (2022 - 0.5%) increase in interest rates | 873 455   | 717 842   |
| 0.5% (2022 - 0.5%) decrease in interest rates | (873 455) | (717 842) |

#### 51.4 Liquidity risk

Liquidity risk is the risk encountered by the Municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is mitigated by approving cash funded budgets at all times to ensure commitments can be settled once due over the long term. The Municipality also monitors its cash balances on a daily basis to ensure cash resources are available to settle short term obligations.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 51 FINANCIAL RISK MANAGEMENT (CONTINUED)

The following balances are exposed to liquidity risk:

|                                     | Within 1 Year     | Between 2 to 5 years | After 5 years     | Total              |
|-------------------------------------|-------------------|----------------------|-------------------|--------------------|
| <b>30 JUNE 2023</b>                 |                   |                      |                   |                    |
| Annuity Loans                       | 23 168 058        | 81 434 802           | 61 519 544        | 166 122 404        |
| Payables from exchange transactions | 33 478 317        | -                    | -                 | 33 478 317         |
| <b>Total</b>                        | <b>56 646 375</b> | <b>81 434 802</b>    | <b>61 519 544</b> | <b>199 600 721</b> |
| <b>30 JUNE 2022</b>                 |                   |                      |                   |                    |
| Annuity Loans                       | 17 593 939        | 55 071 543           | 43 936 831        | 116 602 312        |
| Payables from exchange transactions | 26 847 762        | -                    | -                 | 26 847 762         |
| <b>Total</b>                        | <b>44 441 701</b> | <b>55 071 543</b>    | <b>43 936 831</b> | <b>143 450 074</b> |

### 51.5 Other price risk (Market Risk)

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Municipality is not exposed to any other price risk.

### 52 FINANCIAL INSTRUMENTS

The Municipality recognised the following financial instruments at amortised cost:

#### Financial Assets

|  |                    |                    |
|--|--------------------|--------------------|
| Cash and Cash Equivalents                  | 174 690 992        | 143 568 414        |
| Bank Accounts                              | 61 395 321         | 22 790 092         |
| Investment Deposits                        | 113 295 671        | 120 778 322        |
| Receivables from Exchange Transactions     | 43 688 358         | 42 489 509         |
| Electricity                                | 12 360 920         | 14 295 982         |
| Water                                      | 8 481 253          | 6 859 604          |
| Refuse                                     | 7 838 703          | 6 083 972          |
| Sewerage                                   | 4 164 605          | 3 434 718          |
| Interest                                   | 8 423 996          | 8 220 131          |
| Other                                      | 2 418 881          | 2 330 950          |
| West Coast District Municipality           | -                  | 1 264 152          |
| Receivables from Non-Exchange Transactions | 10 970 251         | 13 478 683         |
| Availability Charges                       | 10 970 251         | 13 478 683         |
| Long-term Receivables                      | 6 174 106          | 8 662 613          |
| Receivables with repayment arrangements    | 6 174 106          | 8 662 613          |
| <b>Total</b>                               | <b>235 523 707</b> | <b>208 199 219</b> |

#### Financial Liabilities

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| Payables from Exchange Transactions | 33 478 317         | 26 847 762         |
| Trade Payables                      | 26 196 384         | 20 503 458         |
| Retentions                          | 129 273            | 105 969            |
| Sundry Creditors                    | 2 701 378          | 2 227 546          |
| Sundry Deposits                     | 361 763            | 487 724            |
| Unknown Receipts                    | 3 699 244          | 2 962 280          |
| Department of Human Settlements     | 327 182            | 525 958            |
| Accrued Interest                    | 44 920             | 34 826             |
| West Coast District Municipality    | 18 173             | -                  |
| Long-term Liabilities               | 105 464 209        | 75 491 244         |
| Annuity Loans                       | 105 464 209        | 75 491 244         |
| <b>Total</b>                        | <b>138 942 526</b> | <b>102 339 006</b> |

# BERGRIVIER LOCAL MUNICIPALITY

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### 53 STATUTORY RECEIVABLES

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

|  |                   |                   |
|--|-------------------|-------------------|
| Receivables from Non-Exchange Transactions | 32 864 422        | 29 865 559        |
| Rates                                      | 30 771 092        | 28 241 909        |
| Fines                                      | 2 093 330         | 1 623 650         |
| Taxes - VAT Claimable from SARS            | 1 824 393         | 1 686 762         |
| <b>Total</b>                               | <b>34 688 814</b> | <b>31 552 321</b> |

The amounts above are disclosed after any provision for impairment has been taken into account.

Property Rates are levied in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004). Refer to note 22 for property rates levied for the year and basis for interest and rate used on outstanding balances.

Traffic Fines are issued in terms of the Criminal Procedure Act, 1977. Refer to note 26 for traffic fines issued for the year. No interest is levied on outstanding traffic fines.

Taxes (Value Added Tax) are raised in terms of the Value Added Tax Act. No interest is paid by the South African Revenue Service on outstanding VAT claims.

Refer to note 4 for determining the recoverability of property rates and traffic fines.

Property Rates

|  |            |            |
|--|------------|------------|
| - Past due at the reporting date, and which have been impaired | 11 651 445 | 11 595 334 |
| - Past due that have not been impaired                         | 24 241 301 | 23 036 179 |

### 54 PRINCIPAL-AGENT ARRANGEMENTS

The Municipality has assessed that the following significant principal-agent arrangements exists:

#### 54.1 Department of Transport and Public Works

The Municipality acts as an agent for the Department of Transport and Public Works and manages the issuing of vehicle licences for a commission.

The following transactions were undertaken as part of principal-agent arrangement:

|  |                |                |
|--|----------------|----------------|
| Collections payable to the Department at beginning of year             | 190 420        | 159 800        |
| Revenue collected from third parties                                   | 23 998 788     | 22 975 238     |
| Commission earned on collections included in note 31                   | (3 434 025)    | (3 373 261)    |
| VAT on commission earned payable to the South African Revenue Services | (515 104)      | (505 989)      |
| Collections paid over to The Department                                | (19 936 959)   | (19 065 367)   |
| Collections payable to the Department at year-end                      | <b>303 121</b> | <b>190 420</b> |

#### 54.2 Department of Human Settlements

The Municipality acts as an agent for the Department of Human Settlements which includes, but is not limited to, assistance of emergency housing programmes (EHP's) and transfer of title deeds to beneficiaries.

The following transactions were undertaken as part of principal-agent arrangement:

|  |                  |                  |
|--|------------------|------------------|
| Balance at beginning of year                 | (535 606)        | (468 297)        |
| Advances received during year                | 322 779          | 205 730          |
| Expenditure incurred on behalf of Department | (198 776)        | (273 040)        |
| Balance at year-end                          | <b>(411 604)</b> | <b>(535 606)</b> |

The balance at year-end is disclosed as follow:

|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| Advance received included in note 14 | 327 182          | 525 958          |
| Amounts claimable included in note 4 | (738 786)        | (1 061 564)      |
| Balance at year-end                  | <b>(411 604)</b> | <b>(535 606)</b> |

# BERGRIVIER LOCAL MUNICIPALITY

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### 54 PRINCIPAL-AGENT ARRANGEMENTS (CONTINUED)

#### 54.3 Other Arrangements

The Municipality has entered into arrangements with service providers to provide services to the public on behalf of the Municipality. The nature of these arrangements were assessed and the transactions are not considered to fall within the scope of GRAP 109. The types of arrangements considered for this purpose are:

- Traffic Fines Management

The service provider is responsible for maintaining the fines register, sending of reminders for payment, issue and delivery of summonses and preparation of warrants of arrest. All fines revenue are collected by the Municipality in full. The service provider is paid a fixed amount for each fine collected.

- Prepaid Electricity Vendors

Various prepaid electricity vendors sell electricity on the Municipality's behalf. The software used results in all transactions being recorded in the Municipality's sub-system. The Municipality collects the cash receipts from the vendors on a daily basis and therefore collects the revenue in full. Prepaid vendors earn commission on the value of each transaction.

### 55 EVENTS AFTER REPORTING DATE

The following events after reporting date are noted:

- The Government Gazette for the determination of upper limits of the salaries, allowances and benefits of different members of municipal councils was issued on 18 August 2023, which stipulate that the notice takes effect from 1 July 2022. As on reporting date, this notice has been adopted by the Council, but has not yet been approved by the MEC. The financial impact is calculated at R263 284.

### 56 IN-KIND DONATIONS AND ASSISTANCE

The Municipality received donations as disclosed in note 24.

### 57 PRIVATE PUBLIC PARTNERSHIPS (PPP's)

The Municipality did not enter into any PPP's in the current and prior year.

### 58 CONTINGENT LIABILITIES

The Municipality is not currently engaged in litigation which could result in damages/costs being awarded against Council if claimants are successful in their actions.

### 59 RELATED PARTIES

#### 59.1 Related Party Transactions

All rates, service charges and other charges in respect of related parties are in accordance with approved tariffs that were advertised to the public. No impairment charge have been recognised in respect of amounts owed by related parties.

Other related parties transactions relates to the acquisition of goods under terms and conditions applicable to open market trading on a willing buyer and seller principles. The payment terms are not favourable to other transactions (other related parties) and are not secured or encumbered. Settlement terms are in accordance with the general terms of trade with no guarantees received or given.

#### 59.2 Related Party Loans

There are no loans outstanding to any related party. Since 1 July 2004 loans to councillors and senior management employees are not permitted.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 59 RELATED PARTIES (CONTINUED)

#### 59.3 Compensation of management personnel

Remuneration of management personnel are disclosed in notes 34 and 35.

#### 59.4 Current Employee Benefits

The Municipality has the following accrued leave obligation towards management personnel at year-end:

|                 |                                |                |                |
|-----------------|--------------------------------|----------------|----------------|
| Adv H Linde     | - Municipal Manager            | -              | 16 386         |
| Mr JWA Kotzee   | - Director: Corporate Services | 48 716         | 42 741         |
| Mr DA Josephus  | - Director: Community Services | 53 350         | 89 495         |
| Mr F M Lötter   | - Chief Financial Officer      | -              | 82 821         |
| Mr VW Felton    | - Director: Technical Services | -              | 4 561          |
| Mr DC Van Turha | - Director: Technical Services | 39 037         | -              |
| <b>Total</b>    |                                | <b>141 103</b> | <b>236 004</b> |

The Municipality has the following accrued bonus obligation towards management personnel at year-end:

|                 |                                |               |               |
|-----------------|--------------------------------|---------------|---------------|
| Mr DA Josephus  | - Director: Community Services | 29 167        | 29 167        |
| Mr DC Van Turha | - Director: Technical Services | 33 250        | -             |
| <b>Total</b>    |                                | <b>62 417</b> | <b>29 167</b> |

#### 59.5 Other related party transactions

The Municipality did not enter into any transactions where Councillors or Management had an interest.

### 60 OTHER TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS

The following awards were made where immediate family members are in the service of the State:

| Company Name              | Related Party  | Family member in service of the state     | Amount           | Amount           |
|---------------------------|----------------|---|------------------|------------------|
| Shekinal at ur service    | H van Wyk      | Spouse (Bergrivier Municipality)          | 3 200            | -                |
| Carien van Wyk            | H van Wyk      | Spouse (Bergrivier Municipality)          | 14 200           | -                |
| Sonneberg Taxis Transport | S Sonneberg    | Spouse (Bergrivier Municipality)          | 65 000           | -                |
| Nedbank                   | V Subramoney   | Spouse (National Department of Education) | 854 385          | -                |
| Shekinal at ur service    | H P van Wyk    | Spouse (Bergrivier Municipality)          | -                | 6 500            |
| Anderson and Nel          | H Kruger       | Spouse (DOJ)                              | -                | 15 984           |
| Morrison Bros             | J Morrison     | Son (Saldanha Municipality)               | -                | 10 690           |
| Dinah Traders             | N Hendricks    | Husband (WCED)                            | 72 311           | -                |
| Pison Hawila Construction | N Scheepers    | Spouse (Bergrivier Municipality)          | 395 112          | 245 886          |
| Aurecon                   | HC Ahlschlager | Spouse (SUI)                              | -                | 236 500          |
| WRP Consulting Eng        | K Mamphitha    | Spouse (SABC)                             | 4 140            | 4 140            |
| JPCE                      | J Minnie       | Spouse (City of Cape Town)                | -                | 54 858           |
| CONLOG                    | N Moodley      | Spouse (Dept of Health)                   | 290 297          | 16 628           |
| JJJ Enterprise            | S Kotze        | Spouse (Cederberg Municipality)           | 22 920           | -                |
| TTR                       | N Matube       | Spouse (WCLA)                             | 445 190          | 1 450 673        |
| Red Ant Security          | N Lesielsa     | Spouse (Mogale City Local Municipality)   | -                | 138 000          |
| Van der Spuy en Vennote   | M van Zyl      | Spouse (WCED)                             | 44 406           | 12 461           |
| Rocco Smit                | B Smidt        | Daughter (Bergrivier Municipality)        | 500              | -                |
| Jah Guide Davids          | G Davids       | Spouse (SAPS)                             | -                | 350 000          |
| Boland Rugby              | R E Swarts     | Director (Bergrivier Municipality)        | 50 000           | -                |
| JC Refrigeration          | HEsterhuizen   | Spouse (SAPS)                             | 131 306          | -                |
| Mubesko Africa            | L Saaiman      | Spouse (WCED)                             | 1 994 932        | 1 702 062        |
|                           | J Niehaus      | Spouse (Northern Cape Health Dept)        |                  |                  |
| <b>Total</b>              |                |   | <b>4 387 899</b> | <b>4 244 381</b> |



AUDITOR-GENERAL  
SOUTH AFRICA

30 Nov '23

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

| Figures in Rand | 2023 | 2022 |
|-----------------|------|------|
|-----------------|------|------|

### 61 CONTINGENT ASSET

The Municipality is not aware of any contingent assets.

### 62 B-BBEE PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

### 63 COVID-19

The summary below indicates the total Covid-19 response expenditure:

|  |   |                |
|--|---|----------------|
| Food parcels                                 | - | 162 077        |
| Personal Protective Equipment and Sanitizers | - | 70 560         |
| Total  | - | <b>232 636</b> |

The Covid-19 response expenditure was funded from the following sources:

|             |   |                |
|-------------|---|----------------|
| Own Revenue | - | 232 636        |
| Total       | - | <b>232 636</b> |

### 64 iGRAP 18 - RECOGNITION AND DERECOGNITION OF LAND

The Municipality has assessed that it does not control certain portions of land of which it is the legal owner. The said land pertains to the town of Elands Bay of which the demarcation borders were revised and accordingly excluded from the jurisdictional area of the Municipality. The title deeds of the said erven has not been transferred.

### 65 NON-LIVING RESOURCES

Other than land, the Municipality identified an aquifer in the Aurora area as the only non-living resource of which the water is being extracted with the use of boreholes.

### 66 SEGMENT REPORTING

#### 66.1 General Information

The segments were organised based on the type and nature of service delivered by the Municipality. These services are delivered in various municipal departments, which for reporting purposes are allocated to a standardised functional area (guided by mSCOA regulations). Budgets are prepared for each functional area and the budget versus actual amounts are reported on a monthly basis. 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.

The Municipality has 41 departments/functional areas and accordingly the segments were aggregated for reporting purposes as follow:

| No | Reportable Segment            | Goods and/or services delivered   |
|----|-------------------------------|---|
| 1  | Governance and administration | Supply of overall governance and administrative services to the segments below      |
| 2  | Community Services            | Sportfields, swimming pools, halls, cemeteries, parks, housing and library services |
| 3  | Holiday Resorts               | Holiday Resorts   |
| 4  | Public Safety                 | Traffic control and fire fighting   |
| 5  | Planning and development      | Town planning and building control  |
| 6  | Road transport                | Construction and maintenance of roads and storm water                               |
| 7  | Energy sources                | Electricity services  |
| 8  | Water management              | Water services  |
| 9  | Waste water management        | Sewerage services   |
| 10 | Waste management              | Refuse removal  |



# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Figures in Rand

2023

2022

### 66 SEGMENT REPORTING (CONTINUED)

#### 66.2 Reporting on segment assets and liabilities

The Municipality has assessed that assets and liabilities associated with each segment is not used by management for decision making purposes, and neither is it being reported on. Assets and liabilities are utilised by management to assess key financial indicators for the Municipality as a whole. Accordingly, the assets and liabilities per segment is not required to be disclosed.

#### 66.3 Geographic Segment Reporting

Although the Municipality operates in a number of geographical areas (i.e. wards), the geographical information is not considered relevant to management for decision-making. The goods and services provided to the community throughout the entire municipal area are based on similar tariffs and service standards. Therefore, the Municipality has assessed that it operates in a single geographical area.

#### 66.4 Measurement of specific segment information

The accounting policies of the respective segments are the same as those prescribed in the summary of significant accounting policies.

The Municipality had no changes the structure of its internal organisation in a manner that caused the composition of its reportable segments to change from the prior year.

Information about the surplus/(deficit) and capital expenditure of the respective segments are disclosed on the following page.

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 66 SEGMENT REPORTING (CONTINUED)

|  | Governance and<br>administration<br>R | Community<br>Services<br>R | Holiday Resorts<br>R | Public Safety<br>R  | Planning and<br>development<br>R | Road transport<br>R | Energy sources<br>R | Water<br>management<br>R | Waste water<br>management<br>R | Waste<br>management<br>R | Total<br>R         |
|--|---------------------------------------|----------------------------|----------------------|---------------------|----------------------------------|---------------------|---------------------|--------------------------|--------------------------------|--------------------------|--------------------|
| <b>2023</b>  |                                       |                            |                      |                     |                                  |                     |                     |                          |                                |                          |                    |
| <b>REVENUE</b>   |                                       |                            |                      |                     |                                  |                     |                     |                          |                                |                          |                    |
| <b>External Revenue from Non-Exchange Transactions</b> | <b>149 917 242</b>                    | <b>9 156 474</b>           | <b>113 101</b>       | <b>23 055 477</b>   | <b>16 873 842</b>                | <b>1 783 046</b>    | <b>7 779 247</b>    | <b>6 925 809</b>         | <b>6 157 506</b>               | <b>12 381 072</b>        | <b>234 142 816</b> |
| Property Rates   | 95 278 092                            | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 95 278 092         |
| Government Grants and Subsidies - Operating            | 47 430 401                            | 8 406 420                  | 113 101              | 127 963             | 2 881 700                        | 1 783 046           | 1 571 102           | 2 802 165                | 3 890 346                      | 6 598 245                | 75 604 488         |
| Government Grants and Subsidies - Capital              | 229 542                               | 564 697                    | -                    | -                   | 13 992 142                       | -                   | 2 719 207           | 2 739 130                | -                              | 532 641                  | 20 777 359         |
| Contributed Assets                                     | -                                     | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | 2 250 000                | 2 250 000          |
| Availability Charges                                   | -                                     | -                          | -                    | -                   | -                                | -                   | 3 482 107           | 1 380 585                | 2 267 160                      | 3 000 186                | 10 130 038         |
| Insurance Refund                                       | -                                     | 172 682                    | -                    | 5 794               | -                                | -                   | -                   | -                        | -                              | -                        | 178 476            |
| Fines, penalties and forfeits                          | 1 085 188                             | 12 675                     | -                    | 22 921 720          | -                                | -                   | 6 831               | 3 930                    | -                              | -                        | 24 030 344         |
| Actuarial Gains  | 5 894 019                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 5 894 019          |
| <b>External Revenue from Exchange Transactions</b>     | <b>23 746 421</b>                     | <b>1 021 764</b>           | <b>5 604 147</b>     | <b>4 886 048</b>    | <b>2 576 590</b>                 | <b>19 704</b>       | <b>132 220 249</b>  | <b>38 625 516</b>        | <b>15 560 031</b>              | <b>30 209 189</b>        | <b>254 469 658</b> |
| Service Charges  | -                                     | -                          | -                    | -                   | -                                | -                   | 131 676 059         | 38 625 516               | 15 534 063                     | 30 026 670               | 215 862 307        |
| Rental of Facilities and Equipment                     | 1 035 607                             | 350 037                    | 5 597 504            | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 6 983 148          |
| Interest Earned - external investments                 | 12 455 184                            | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 12 455 184         |
| Interest Earned - outstanding debtors                  | 7 077 142                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 7 077 142          |
| Licences and Permits                                   | -                                     | -                          | -                    | 14 920              | 72 270                           | -                   | -                   | -                        | -                              | -                        | 87 189             |
| Agency Services  | -                                     | -                          | -                    | 4 871 128           | -                                | -                   | -                   | -                        | -                              | -                        | 4 871 128          |
| Other Income   | 705 919                               | 671 727                    | 6 643                | -                   | 2 504 320                        | 19 704              | 544 190             | -                        | 25 968                         | 182 519                  | 4 660 990          |
| Gain on disposal of Non-Monetary Assets                | 2 472 569                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 2 472 569          |
| <b>TOTAL REVENUE</b>                                   | <b>173 663 663</b>                    | <b>10 178 238</b>          | <b>5 717 248</b>     | <b>27 941 525</b>   | <b>19 450 431</b>                | <b>1 802 750</b>    | <b>139 999 496</b>  | <b>45 551 326</b>        | <b>21 717 537</b>              | <b>42 590 260</b>        | <b>488 612 474</b> |
| <b>EXPENDITURE</b>                                     |                                       |                            |                      |                     |                                  |                     |                     |                          |                                |                          |                    |
| Employee Related Costs                                 | 52 313 234                            | 19 630 080                 | 4 013 283            | 14 605 453          | 10 862 305                       | 20 660 228          | 10 121 682          | 6 232 697                | 3 868 975                      | 12 020 225               | 154 328 162        |
| Remuneration of Councillors                            | 6 791 323                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 6 791 323          |
| Debt Impairment  | 4 339 627                             | -                          | -                    | 18 210 590          | -                                | -                   | 405 203             | 2 510 271                | 2 322 870                      | 3 699 754                | 31 488 315         |
| Depreciation and Amortisation                          | 2 195 121                             | 2 147 256                  | 178 085              | 570 752             | 294 301                          | 5 733 947           | 2 335 456           | 2 644 868                | 3 137 777                      | 11 631 962               | 30 869 526         |
| Finance Charges  | 7 809 723                             | 202 323                    | -                    | 57 377              | -                                | 1 605 739           | 1 201 169           | 1 093 072                | 672 935                        | 9 214 637                | 21 856 976         |
| Bulk Purchases   | -                                     | -                          | -                    | -                   | -                                | -                   | 118 609 439         | 7 855 039                | -                              | -                        | 126 464 478        |
| Contracted Services                                    | 9 685 061                             | 2 003 484                  | 804 458              | 3 720 460           | 693 379                          | 1 038 235           | 1 110 199           | 1 209 938                | 1 501 773                      | 11 849 818               | 33 616 806         |
| Transfers and Grants                                   | 8 389 039                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 8 389 039          |
| Other Expenditure                                      | 21 196 472                            | 2 829 620                  | 772 548              | 2 685 416           | 676 103                          | 4 980 821           | 4 103 085           | 5 096 199                | 608 983                        | 3 582 116                | 46 531 363         |
| <b>Total Expenditure</b>                               | <b>112 719 600</b>                    | <b>26 812 764</b>          | <b>5 768 374</b>     | <b>39 850 048</b>   | <b>12 526 088</b>                | <b>34 018 969</b>   | <b>137 886 232</b>  | <b>26 642 084</b>        | <b>12 113 314</b>              | <b>51 998 512</b>        | <b>460 335 987</b> |
| <b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>              | <b>60 944 064</b>                     | <b>(16 634 527)</b>        | <b>(51 126)</b>      | <b>(11 908 524)</b> | <b>6 924 343</b>                 | <b>(32 216 219)</b> | <b>2 113 264</b>    | <b>18 909 241</b>        | <b>9 604 222</b>               | <b>(9 408 252)</b>       | <b>28 276 487</b>  |
| Less: Government Grants and Subsidies - Capital        | (229 542)                             | (564 697)                  | -                    | -                   | (13 992 142)                     | -                   | (2 719 207)         | (2 739 130)              | -                              | (532 641)                | (20 777 359)       |
| Less: Contributed Assets                               | -                                     | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | (2 250 000)              | (2 250 000)        |
| <b>OPERATING SURPLUS/(DEFICIT) FOR THE YEAR</b>        | <b>60 714 522</b>                     | <b>(17 199 223)</b>        | <b>(51 126)</b>      | <b>(11 908 524)</b> | <b>(7 067 799)</b>               | <b>(32 216 219)</b> | <b>(605 943)</b>    | <b>16 170 111</b>        | <b>9 604 222</b>               | <b>(12 190 893)</b>      | <b>5 249 128</b>   |
| <b>CAPITAL EXPENDITURE FOR THE YEAR</b>                | <b>5 223 097</b>                      | <b>6 854 163</b>           | <b>683 685</b>       | <b>964 082</b>      | <b>3 813 475</b>                 | <b>13 881 761</b>   | <b>9 435 126</b>    | <b>23 360 486</b>        | <b>4 448 107</b>               | <b>6 049 641</b>         | <b>74 713 623</b>  |



30 Nov '23

# BERGRIVIER LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 66 SEGMENT REPORTING (CONTINUED)

|  | Governance and<br>administration<br>R | Community<br>Services<br>R | Holiday Resorts<br>R | Public Safety<br>R  | Planning and<br>development<br>R | Road transport<br>R | Energy sources<br>R | Water<br>management<br>R | Waste water<br>management<br>R | Waste<br>management<br>R | Total<br>R         |
|--|---------------------------------------|----------------------------|----------------------|---------------------|----------------------------------|---------------------|---------------------|--------------------------|--------------------------------|--------------------------|--------------------|
| <b>2022</b>  |                                       |                            |                      |                     |                                  |                     |                     |                          |                                |                          |                    |
| <b>REVENUE</b>   |                                       |                            |                      |                     |                                  |                     |                     |                          |                                |                          |                    |
| <b>External Revenue from Non-Exchange Transactions</b> | <b>128 640 012</b>                    | <b>8 726 857</b>           | <b>149 047</b>       | <b>18 664 967</b>   | <b>16 763 292</b>                | <b>2 185 000</b>    | <b>5 961 493</b>    | <b>3 666 271</b>         | <b>11 115 335</b>              | <b>9 244 600</b>         | <b>205 116 874</b> |
| Property Rates   | 84 410 540                            | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 84 410 540         |
| Government Grants and Subsidies - Operating            | 41 162 439                            | 8 179 181                  | 149 047              | 117 517             | 2 879 454                        | 2 185 000           | 1 531 552           | 2 211 407                | 4 259 115                      | 6 050 069                | 68 724 780         |
| Government Grants and Subsidies - Capital              | -                                     | 480 302                    | -                    | -                   | 13 883 838                       | -                   | 869 565             | -                        | 4 570 692                      | 233 619                  | 20 038 015         |
| Availability Charges                                   | -                                     | -                          | -                    | -                   | -                                | -                   | 3 517 710           | 1 454 864                | 2 285 529                      | 2 960 912                | 10 219 015         |
| Insurance Refund                                       | 421 672                               | -                          | -                    | -                   | -                                | -                   | 27 708              | -                        | -                              | -                        | 449 380            |
| Fines, penalties and forfeits                          | 1 253 618                             | 67 374                     | -                    | 18 547 450          | -                                | -                   | 14 959              | -                        | -                              | -                        | 19 883 402         |
| Actuarial Gains  | 1 391 744                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 1 391 744          |
| <b>External Revenue from Exchange Transactions</b>     | <b>14 705 474</b>                     | <b>1 089 020</b>           | <b>4 977 418</b>     | <b>4 685 406</b>    | <b>2 473 481</b>                 | <b>40 309</b>       | <b>141 807 494</b>  | <b>34 565 255</b>        | <b>13 611 853</b>              | <b>23 929 831</b>        | <b>241 885 541</b> |
| Service Charges  | -                                     | -                          | -                    | -                   | -                                | -                   | 141 127 164         | 34 565 255               | 13 580 577                     | 23 689 302               | 212 962 297        |
| Rental of Facilities and Equipment                     | 1 193 601                             | 329 509                    | 4 964 986            | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 6 488 097          |
| Interest Earned - external investments                 | 7 447 059                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 7 447 059          |
| Interest Earned - outstanding debtors                  | 5 166 250                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 5 166 250          |
| Licences and Permits                                   | -                                     | -                          | -                    | 9 353               | 75 341                           | -                   | -                   | -                        | -                              | -                        | 84 694             |
| Agency Services  | -                                     | -                          | -                    | 4 676 053           | -                                | -                   | -                   | -                        | -                              | -                        | 4 676 053          |
| Other Income   | 709 517                               | 759 511                    | 12 431               | -                   | 2 398 140                        | 40 309              | 680 330             | -                        | 31 276                         | 240 529                  | 4 872 043          |
| Gain on disposal of Non-Monetary Assets                | 189 048                               | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 189 048            |
| <b>TOTAL REVENUE</b>                                   | <b>143 345 487</b>                    | <b>9 815 878</b>           | <b>5 126 465</b>     | <b>23 350 373</b>   | <b>19 236 773</b>                | <b>2 225 309</b>    | <b>147 768 987</b>  | <b>38 231 526</b>        | <b>24 727 188</b>              | <b>33 174 431</b>        | <b>447 002 416</b> |
| <b>EXPENDITURE</b>                                     |                                       |                            |                      |                     |                                  |                     |                     |                          |                                |                          |                    |
| Employee Related Costs                                 | 48 838 244                            | 19 127 499                 | 3 946 426            | 14 066 062          | 10 256 719                       | 19 083 853          | 9 908 292           | 6 048 576                | 3 422 638                      | 12 098 954               | 146 797 263        |
| Remuneration of Councillors                            | 6 800 868                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 6 800 868          |
| Debt Impairment  | -1 999 267                            | -                          | -                    | 14 592 840          | -                                | -                   | -461 766            | 1 117 750                | 609 747                        | 791 197                  | 14 650 501         |
| Depreciation and Amortisation                          | 1 727 612                             | 1 702 574                  | 171 401              | 588 173             | 374 193                          | 4 775 980           | 2 050 719           | 2 372 757                | 2 779 404                      | 10 040 909               | 26 583 723         |
| Finance Charges  | 6 042 359                             | 751                        | -                    | -                   | -                                | 1 776 232           | 16 826              | 2 777 156                | 506 847                        | 6 850 559                | 17 970 731         |
| Bulk Purchases   | -                                     | -                          | -                    | -                   | -                                | -                   | 118 995 098         | 6 100 365                | -                              | -                        | 125 095 464        |
| Contracted Services                                    | 10 057 125                            | 2 573 852                  | 782 393              | 3 325 771           | 569 863                          | 1 111 430           | 634 501             | 879 389                  | 1 375 507                      | 11 585 462               | 32 895 292         |
| Transfers and Grants                                   | 6 736 094                             | -                          | -                    | -                   | -                                | -                   | -                   | -                        | -                              | -                        | 6 736 094          |
| Other Expenditure                                      | 17 053 746                            | 3 460 967                  | 717 591              | 2 412 491           | 482 953                          | 3 721 763           | 3 877 327           | 3 973 206                | 802 939                        | 3 123 383                | 39 626 366         |
| <b>Total Expenditure</b>                               | <b>95 256 782</b>                     | <b>26 865 643</b>          | <b>5 617 812</b>     | <b>34 985 337</b>   | <b>11 683 727</b>                | <b>30 469 258</b>   | <b>135 020 997</b>  | <b>23 269 200</b>        | <b>9 497 082</b>               | <b>44 490 463</b>        | <b>417 156 301</b> |
| <b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>              | <b>48 088 705</b>                     | <b>(17 049 766)</b>        | <b>(491 347)</b>     | <b>(11 634 964)</b> | <b>7 553 045</b>                 | <b>(28 243 949)</b> | <b>12 747 990</b>   | <b>14 962 326</b>        | <b>15 230 106</b>              | <b>(11 316 032)</b>      | <b>29 846 114</b>  |
| Less: Government Grants and Subsidies - Capital        | -                                     | (480 302)                  | -                    | -                   | (13 883 838)                     | -                   | (869 565)           | -                        | (4 570 692)                    | (233 619)                | (20 038 015)       |
| <b>OPERATING SURPLUS/(DEFICIT) FOR THE YEAR</b>        | <b>48 088 705</b>                     | <b>(17 530 067)</b>        | <b>(491 347)</b>     | <b>(11 634 964)</b> | <b>(6 330 792)</b>               | <b>(28 243 949)</b> | <b>11 878 425</b>   | <b>14 962 326</b>        | <b>10 659 415</b>              | <b>(11 549 651)</b>      | <b>9 808 100</b>   |
| <b>CAPITAL EXPENDITURE FOR THE YEAR</b>                | <b>4 987 239</b>                      | <b>5 805 058</b>           | <b>1 573 788</b>     | <b>647 570</b>      | <b>118 338</b>                   | <b>18 937 776</b>   | <b>4 733 040</b>    | <b>5 141 189</b>         | <b>9 814 514</b>               | <b>1 035 295</b>         | <b>52 793 807</b>  |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX A (UNAUDITED)

### SCHEDULE OF EXTERNAL LOANS FOR THE YEAR ENDED 30 JUNE 2023

| INSTITUTION                 | LOAN NUMBER    | RATE   | MATURITY DATE | OPENING BALANCE<br>1 JULY 2022 | RECEIVED<br>DURING YEAR | REDEEMED<br>DURING YEAR | CLOSING BALANCE<br>30 JUNE 2023 |
|-----------------------------|----------------|--------|---------------|--------------------------------|-------------------------|-------------------------|---------------------------------|
| <b><u>ANNUITY LOANS</u></b> |                |        |               |                                |                         |                         |                                 |
| Nedbank                     | 05/7831032282  | 11.27% | 2023/06/12    | 591 472                        | -                       | (591 472)               | -                               |
| DBSA                        | 61001029       | 12.41% | 2030/06/30    | 11 859 227                     | -                       | (936 687)               | 10 922 541                      |
| DBSA                        | 61006811       | 11.53% | 2031/06/30    | 2 872 968                      | -                       | (195 605)               | 2 677 364                       |
| DBSA                        | 61006837       | 11.59% | 2036/06/30    | 7 597 601                      | -                       | (236 024)               | 7 361 576                       |
| DBSA                        | 61006975       | 11.33% | 2032/06/30    | 3 013 501                      | -                       | (174 809)               | 2 838 692                       |
| Standard Bank               | 537707         | 8.90%  | 2024/06/30    | 2 059 068                      | -                       | (969 676)               | 1 089 392                       |
| Standard Bank               | 536748         | 10.07% | 2023/06/30    | 1 464 793                      | -                       | (1 464 793)             | -                               |
| ABSA                        | 3044701437     | 10.57% | 2026/06/01    | 2 995 562                      | -                       | (637 083)               | 2 358 479                       |
| ABSA                        | 3046456438     | 10.12% | 2027/06/30    | 3 729 384                      | -                       | (603 872)               | 3 125 512                       |
| DBSA                        | 61007572       | 9.28%  | 2029/06/29    | 4 599 801                      | -                       | (496 152)               | 4 103 649                       |
| DBSA                        | 61007573       | 8.90%  | 2024/06/30    | 496 524                        | -                       | (237 715)               | 258 809                         |
| DBSA                        | 61007642       | 10.07% | 2030/06/30    | 5 699 623                      | -                       | (492 272)               | 5 207 351                       |
| Standard Bank               | 654527         | 9.02%  | 2031/06/30    | 11 047 024                     | -                       | (840 928)               | 10 206 096                      |
| ABSA                        | 3054195743     | 7.22%  | 2026/06/30    | 2 814 695                      | -                       | (629 709)               | 2 184 985                       |
| Standard Bank               | 729304         | 11.05% | 2032/06/30    | 11 750 000                     | -                       | (685 024)               | 11 064 976                      |
| Standard Bank               | 729271         | 10.62% | 2027/06/30    | 2 900 000                      | -                       | (465 346)               | 2 434 654                       |
| Standard Bank               | 797102         | 10.22% | 2028/06/30    | -                              | 14 846 835              | -                       | 14 846 835                      |
| Standard Bank               | 797125         | 12.08% | 2038/06/30    | -                              | 10 925 000              | -                       | 10 925 000                      |
| Nedbank                     | 19/11396464000 | 11.70% | 2033/06/30    | -                              | 13 858 300              | -                       | 13 858 300                      |
| <b>Total Annuity Loans</b>  |                |        |               | <b>75 491 244</b>              | <b>39 630 135</b>       | <b>(9 657 170)</b>      | <b>105 464 209</b>              |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX B (UNAUDITED)

### DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDED 30 JUNE 2023

|   | OPENING<br>BALANCE | GRANTS<br>RECEIVED | GRANTS<br>REPAID   | TRANSFERRED TO<br>REVENUE<br>(OPERATING) | TRANSFERRED TO<br>REVENUE<br>(CAPITAL) | CLOSING<br>BALANCE |
|---|--------------------|--------------------|--------------------|--|--|--------------------|
|   | R                  | R                  | R                  | R  | R                                      | R                  |
| <b>NATIONAL GOVERNMENT</b>  |                    |                    |                    |  |  |                    |
| Equitable Share   | -                  | 57 505 995         | -                  | (57 505 995)                             | -                                      | -                  |
| Finance Management Grant (FMG)  | -                  | 1 550 000          | -                  | (1 550 000)                              | -                                      | -                  |
| Municipal Infrastructure Grant (MIG)  | 1 063 317          | 16 017 000         | (326 290)          | (2 881 700)                              | (13 872 327)                           | -                  |
| Expanded Public Works Programme (EPWP)  | -                  | 1 662 000          | -                  | (1 662 000)                              | -                                      | -                  |
| Water Service Infrastructure Grant (WSIG)                                     | 1 339 705          | 3 150 000          | (1 339 705)        | (410 870)                                | (2 739 130)                            | -                  |
| <b>Total</b>  | <b>2 403 022</b>   | <b>79 884 995</b>  | <b>(1 665 995)</b> | <b>(64 010 565)</b>                      | <b>(16 611 457)</b>                    | <b>-</b>           |
| <b>PROVINCIAL GOVERNMENT</b>  |                    |                    |                    |  |  |                    |
| Proclaimed Roads  | -                  | 121 046            | -                  | (121 046)                                | -                                      | -                  |
| Regional Socio - Economic Project/Violence Prevention through Urban Upgrading | -                  | 120 000            | -                  | -  | (119 815)                              | 185                |
| Library Services  | 608 285            | 8 053 000          | -                  | (8 366 007)                              | (295 278)                              | -                  |
| Financial Management Capacity Building Grant                                  | 188 525            | 2 325 000          | -                  | (2 072 865)                              | -                                      | 440 660            |
| Development of Sport and Recreation Facilities                                | 300 000            | -                  | (300 000)          | -  | -                                      | -                  |
| Department of Human Settlements   | -                  | 526 000            | -                  | (40 413)                                 | (269 419)                              | 216 169            |
| Public Employment Support Grant   | 444 729            | -                  | -                  | (444 729)                                | -                                      | -                  |
| Loadshedding Emergency Relief Grant   | -                  | 3 600 000          | -                  | -  | (2 719 207)                            | 880 793            |
| Joint District and Metro Approach Grant                                       | -                  | 1 820 000          | -                  | (34 431)                                 | (229 542)                              | 1 556 027          |
| <b>Total</b>  | <b>1 541 539</b>   | <b>16 565 046</b>  | <b>(300 000)</b>   | <b>(11 079 491)</b>                      | <b>(3 633 260)</b>                     | <b>3 093 834</b>   |
| <b>OTHER GRANT PROVIDERS</b>  |                    |                    |                    |  |  |                    |
| Heist op den Berg   | 120 299            | 701 074            | -                  | (103 276)                                | (532 641)                              | 185 456            |
| Chieta Training Grant   | 498 262            | 293 928            | -                  | (411 156)                                | -                                      | 381 034            |
| <b>Total</b>  | <b>618 561</b>     | <b>995 002</b>     | <b>-</b>           | <b>(514 432)</b>                         | <b>(532 641)</b>                       | <b>566 490</b>     |
| <b>ALL SPHERES OF GOVERNMENT</b>  | <b>4 563 122</b>   | <b>97 445 043</b>  | <b>(1 965 995)</b> | <b>(75 604 488)</b>                      | <b>(20 777 358)</b>                    | <b>3 660 324</b>   |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX C (UNAUDITED)

### NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

|  | ORIGINAL BUDGET<br>2023<br>R | BUDGET ADJUSTMENTS<br>2023<br>R | FINAL BUDGET<br>2023<br>R | ACTUAL OUTCOME<br>2023<br>R | BUDGET VARIANCE<br>2023<br>R | RESTATED OUTCOME<br>2022<br>R |
|--|------------------------------|---------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>Financial Performance</b>                                 |                              |                                 |                           |                             |                              |                               |
| Property rates   | 94 702 236                   | -                               | 94 702 236                | 95 278 092                  | 575 856                      | 84 410 540                    |
| Service charges  | 247 704 166                  | (9 308 000)                     | 238 396 166               | 225 992 346                 | (12 403 820)                 | 223 181 312                   |
| Investment revenue   | 7 981 000                    | 2 344 000                       | 10 325 000                | 12 455 184                  | 2 130 184                    | 7 447 059                     |
| Transfers and subsidies - operational                        | 73 909 434                   | 1 974 664                       | 75 884 098                | 75 193 332                  | (690 766)                    | 68 724 780                    |
| Other own revenue  | 47 850 000                   | 4 319 000                       | 52 169 000                | 56 666 162                  | 4 497 162                    | 43 200 711                    |
| <b>Total Operating Revenue (excluding capital transfers)</b> | <b>472 146 836</b>           | <b>(670 336)</b>                | <b>471 476 500</b>        | <b>465 585 116</b>          | <b>(5 891 384)</b>           | <b>426 964 401</b>            |
| Employee costs   | 166 889 715                  | (6 463 786)                     | 160 425 929               | 153 510 124                 | (6 915 805)                  | 146 167 167                   |
| Remuneration of councillors                                  | 6 993 000                    | (8 000)                         | 6 985 000                 | 6 791 323                   | (193 677)                    | 6 800 868                     |
| Debt impairment  | 30 490 142                   | 1 183 058                       | 31 673 200                | 31 488 315                  | (184 885)                    | 14 650 501                    |
| Depreciation and asset impairment                            | 28 668 000                   | 1 602 000                       | 30 270 000                | 30 869 526                  | 599 526                      | 26 583 723                    |
| Finance charges  | 19 514 400                   | 2 333 200                       | 21 847 600                | 21 856 976                  | 9 376                        | 17 970 731                    |
| Bulk purchases   | 128 498 000                  | (6 275 000)                     | 122 223 000               | 118 609 439                 | (3 613 561)                  | 118 995 098                   |
| Inventory consumed   | 17 780 200                   | 5 495 391                       | 23 275 591                | 17 673 355                  | (5 602 236)                  | 15 361 683                    |
| Contracted Services  | 38 447 400                   | (1 101 265)                     | 37 346 135                | 33 616 806                  | (3 729 329)                  | 32 895 292                    |
| Transfers and grants   | 7 797 000                    | 769 025                         | 8 566 025                 | 8 389 039                   | (176 986)                    | 6 736 094                     |
| Other expenditure  | 40 286 580                   | 4 760 684                       | 45 047 264                | 37 531 085                  | (7 516 179)                  | 30 995 144                    |
| Losses   | 2 705 000                    | -                               | 2 705 000                 | -                           | (2 705 000)                  | -                             |
| <b>Total Expenditure</b>                                     | <b>488 069 437</b>           | <b>2 295 307</b>                | <b>490 364 744</b>        | <b>460 335 987</b>          | <b>(30 028 757)</b>          | <b>417 156 301</b>            |
| <b>Surplus/(Deficit)</b>                                     | <b>(15 922 601)</b>          | <b>(2 965 643)</b>              | <b>(18 888 244)</b>       | <b>5 249 128</b>            | <b>24 137 372</b>            | <b>9 808 100</b>              |
| Transfers and subsidies - capital (monetary) - Government    | 23 610 566                   | (875 098)                       | 22 735 468                | 20 244 717                  | (2 490 751)                  | 19 804 396                    |
| Transfers and subsidies - capital (monetary) - Other         | 528 000                      | 120 299                         | 648 299                   | 532 641                     | (115 658)                    | 233 619                       |
| Transfers and subsidies - capital (in-kind)                  | -                            | 2 250 000                       | 2 250 000                 | 2 250 000                   | -                            | -                             |
| <b>Surplus/(Deficit) for the year</b>                        | <b>8 215 965</b>             | <b>(1 470 442)</b>              | <b>6 745 523</b>          | <b>28 276 487</b>           | <b>21 530 964</b>            | <b>29 846 114</b>             |
| <b>Capital expenditure &amp; funds sources</b>               |                              |                                 |                           |                             |                              |                               |
| Capital expenditure  | 83 154 566                   | 1 846 778                       | 85 001 344                | 74 713 623                  | (10 287 721)                 | 52 793 807                    |
| Transfers recognised - capital                               | 24 138 566                   | 1 495 201                       | 25 633 767                | 23 027 359                  | (2 606 408)                  | 20 038 015                    |
| Borrowing  | 40 000 000                   | (369 865)                       | 39 630 135                | 33 075 258                  | (6 554 877)                  | 15 757 246                    |
| Internally generated funds                                   | 19 016 000                   | 721 442                         | 19 737 442                | 18 611 007                  | (1 126 435)                  | 16 998 546                    |
| <b>Total sources of capital funds</b>                        | <b>83 154 566</b>            | <b>1 846 778</b>                | <b>85 001 344</b>         | <b>74 713 623</b>           | <b>(10 287 721)</b>          | <b>52 793 807</b>             |
| <b>Cash flows</b>  |                              |                                 |                           |                             |                              |                               |
| Net cash from (used) operating                               | 49 932 294                   | (7 670 127)                     | 42 262 167                | 66 752 137                  | 24 489 970                   | 48 421 785                    |
| Net cash from (used) investing                               | (83 154 566)                 | 3 803 222                       | (79 351 344)              | (66 106 334)                | 13 245 010                   | (53 716 458)                  |
| Net cash from (used) financing                               | 30 312 617                   | (2 586 458)                     | 27 726 159                | 30 476 776                  | 2 750 617                    | 7 237 140                     |
| Net Cash Movement for the year                               | (2 909 655)                  | (6 453 363)                     | (9 363 018)               | 31 122 578                  | 40 485 596                   | 1 942 467                     |
| Cash/cash equivalents at beginning of year                   | 126 446 973                  | 17 141 291                      | 143 588 264               | 143 588 264                 | -                            | 141 645 797                   |
| <b>Cash/cash equivalents at the year end</b>                 | <b>123 537 318</b>           | <b>10 687 928</b>               | <b>134 225 246</b>        | <b>174 710 842</b>          | <b>40 485 596</b>            | <b>143 588 264</b>            |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX C (UNAUDITED)

### NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

|  | ORIGINAL BUDGET<br>2023<br>R | BUDGET ADJUSTMENTS<br>2023<br>R | FINAL BUDGET<br>2023<br>R | ACTUAL OUTCOME<br>2023<br>R | BUDGET VARIANCE<br>2023<br>R | RESTATED OUTCOME<br>2022<br>R |
|--|------------------------------|---------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>REVENUE (STANDARD CLASSIFICATION)</b>     |                              |                                 |                           |                             |                              |                               |
| <b>Governance and administration</b>         |                              |                                 |                           |                             |                              |                               |
| Executive and council                        | 57 657 000                   | (57 000)                        | 57 600 000                | 40 987 407                  | (16 612 593)                 | 33 904 138                    |
| Finance and administration                   | 115 488 236                  | 8 508 525                       | 123 996 761               | 132 032 217                 | 8 035 456                    | 109 045 259                   |
| Internal audit                               | -                            | -                               | -                         | -                           | -                            | -                             |
| <b>Community and public safety</b>           |                              |                                 |                           |                             |                              |                               |
| Community and social services                | 8 877 000                    | 628 285                         | 9 505 285                 | 9 561 647                   | 56 362                       | 9 303 572                     |
| Sport and recreation                         | 5 618 000                    | (304 131)                       | 5 313 869                 | 6 024 007                   | 710 138                      | 5 259 103                     |
| Public safety                                | 21 267 000                   | 1 250 635                       | 22 517 635                | 23 070 397                  | 552 762                      | 18 674 319                    |
| Housing                                      | 9 172 000                    | (8 646 000)                     | 526 000                   | 309 831                     | (216 169)                    | 379 667                       |
| <b>Economic and environmental services</b>   |                              |                                 |                           |                             |                              |                               |
| Planning and development                     | 17 913 000                   | 3 278 587                       | 21 191 587                | 20 094 470                  | (1 097 117)                  | 19 632 863                    |
| Road transport                               | 7 646 000                    | (1 078 000)                     | 6 568 000                 | 6 673 878                   | 105 878                      | 6 901 362                     |
| <b>Trading services</b>                      |                              |                                 |                           |                             |                              |                               |
| Energy sources                               | 160 753 000                  | (7 230 000)                     | 153 523 000               | 139 999 496                 | (13 523 504)                 | 147 768 987                   |
| Water management                             | 40 743 166                   | 1 919 000                       | 42 662 166                | 45 551 326                  | 2 889 160                    | 38 231 526                    |
| Waste water management                       | 17 786 000                   | 150 000                         | 17 936 000                | 21 717 537                  | 3 781 537                    | 24 727 188                    |
| Waste management                             | 33 365 000                   | 2 404 964                       | 35 769 964                | 42 590 260                  | 6 820 296                    | 33 174 431                    |
| <b>Total Revenue - Standard</b>              | <b>496 285 402</b>           | <b>824 865</b>                  | <b>497 110 267</b>        | <b>488 612 474</b>          | <b>(8 497 793)</b>           | <b>447 002 416</b>            |
| <b>EXPENDITURE (STANDARD CLASSIFICATION)</b> |                              |                                 |                           |                             |                              |                               |
| <b>Governance and administration</b>         |                              |                                 |                           |                             |                              |                               |
| Executive and council                        | 26 210 900                   | 792 700                         | 27 003 600                | 26 724 857                  | (278 744)                    | 23 492 722                    |
| Finance and administration                   | 91 250 700                   | (2 922 883)                     | 88 327 817                | 79 876 435                  | (8 451 382)                  | 66 934 714                    |
| Internal audit                               | 1 500 280                    | (339 880)                       | 1 160 400                 | 1 204 498                   | 44 098                       | 1 113 834                     |
| <b>Community and public safety</b>           |                              |                                 |                           |                             |                              |                               |
| Community and social services                | 13 872 500                   | (154 245)                       | 13 718 255                | 12 768 465                  | (949 790)                    | 12 156 011                    |
| Sport and recreation                         | 22 167 964                   | (1 711 000)                     | 20 456 964                | 17 917 065                  | (2 539 899)                  | 18 183 457                    |
| Public safety                                | 36 852 192                   | 2 066 082                       | 38 918 274                | 38 543 921                  | (374 353)                    | 33 647 240                    |
| Housing                                      | 3 657 000                    | (1 692 803)                     | 1 964 197                 | 1 895 609                   | (68 588)                     | 2 143 987                     |
| <b>Economic and environmental services</b>   |                              |                                 |                           |                             |                              |                               |
| Planning and development                     | 17 410 801                   | 850 309                         | 18 261 110                | 17 439 898                  | (821 212)                    | 15 399 239                    |
| Road transport                               | 35 529 200                   | (151 543)                       | 35 377 657                | 34 277 981                  | (1 099 676)                  | 30 960 118                    |
| <b>Trading services</b>                      |                              |                                 |                           |                             |                              |                               |
| Energy sources                               | 150 339 200                  | (2 774 665)                     | 147 564 535               | 137 886 232                 | (9 678 303)                  | 135 020 997                   |
| Water management                             | 23 508 750                   | 5 898 231                       | 29 406 981                | 26 642 084                  | (2 764 897)                  | 23 269 200                    |
| Waste water management                       | 15 219 200                   | 107 205                         | 15 326 405                | 13 160 431                  | (2 165 974)                  | 10 344 319                    |
| Waste management                             | 50 550 750                   | 2 327 799                       | 52 878 549                | 51 998 512                  | (880 037)                    | 44 490 463                    |
| <b>Total Expenditure - Standard</b>          | <b>488 069 437</b>           | <b>2 295 307</b>                | <b>490 364 744</b>        | <b>460 335 987</b>          | <b>(30 028 757)</b>          | <b>417 156 301</b>            |
| <b>Surplus/(Deficit) for the year</b>        | <b>8 215 965</b>             | <b>(1 470 442)</b>              | <b>6 745 523</b>          | <b>28 276 487</b>           | <b>21 530 964</b>            | <b>29 846 114</b>             |



# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX C (UNAUDITED)

### NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

|  | ORIGINAL BUDGET<br>2023<br>R | BUDGET ADJUSTMENTS<br>2023<br>R | FINAL BUDGET<br>2023<br>R | ACTUAL OUTCOME<br>2023<br>R | BUDGET VARIANCE<br>2023<br>R | RESTATED OUTCOME<br>2022<br>R |
|--|------------------------------|---------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>REVENUE AND EXPENDITURE<br/>(MUNICIPAL VOTE CLASSIFICATION)</b> |                              |                                 |                           |                             |                              |                               |
| <b>REVENUE</b>   |                              |                                 |                           |                             |                              |                               |
| Vote 1 - Municipal Manager   | 57 657 000                   | 1 969 560                       | 59 626 560                | 41 631 446                  | (17 995 114)                 | 34 300 228                    |
| Vote 2 - Finance   | 109 990 236                  | 6 408 525                       | 116 398 761               | 124 772 037                 | 8 373 276                    | 106 215 917                   |
| Vote 3 - Corporate Services  | 3 248 000                    | (35 000)                        | 3 213 000                 | 6 664 186                   | 3 451 186                    | 1 663 952                     |
| Vote 4 - Technical Services  | 274 668 166                  | 649 991                         | 275 318 157               | 271 707 795                 | (3 610 362)                  | 266 529 604                   |
| Vote 5 - Community Services  | 50 722 000                   | (8 168 211)                     | 42 553 789                | 43 837 011                  | 1 283 222                    | 38 292 715                    |
| <b>Total Revenue by Vote</b>                                       | <b>496 285 402</b>           | <b>824 865</b>                  | <b>497 110 267</b>        | <b>488 612 474</b>          | <b>(8 497 793)</b>           | <b>447 002 416</b>            |
| <b>EXPENDITURE</b>   |                              |                                 |                           |                             |                              |                               |
| Vote 1 - Municipal Manager   | 32 593 480                   | 1 128 780                       | 33 722 260                | 32 843 164                  | (879 096)                    | 28 322 068                    |
| Vote 2 - Finance   | 46 097 500                   | (2 561 512)                     | 43 535 988                | 39 806 242                  | (3 729 746)                  | 31 954 421                    |
| Vote 3 - Corporate Services  | 38 156 451                   | (994 551)                       | 37 161 900                | 32 858 709                  | (4 303 191)                  | 28 731 491                    |
| Vote 4 - Technical Services  | 289 667 350                  | 5 705 689                       | 295 373 039               | 278 600 297                 | (16 772 742)                 | 257 312 641                   |
| Vote 5 - Community Services  | 81 554 656                   | (983 099)                       | 80 571 557                | 76 227 575                  | (4 343 982)                  | 70 835 681                    |
| <b>Total Expenditure by Vote</b>                                   | <b>488 069 437</b>           | <b>2 295 307</b>                | <b>490 364 744</b>        | <b>460 335 987</b>          | <b>(30 028 757)</b>          | <b>417 156 301</b>            |
| <b>Surplus/(Deficit) for the year</b>                              | <b>8 215 965</b>             | <b>(1 470 442)</b>              | <b>6 745 523</b>          | <b>28 276 487</b>           | <b>21 530 964</b>            | <b>29 846 114</b>             |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX C (UNAUDITED)

### NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

|   | ORIGINAL BUDGET<br>2023<br>R | BUDGET ADJUSTMENTS<br>2023<br>R | FINAL BUDGET<br>2023<br>R | ACTUAL OUTCOME<br>2023<br>R | BUDGET VARIANCE<br>2023<br>R | RESTATED OUTCOME<br>2022<br>R |
|---|------------------------------|---------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>REVENUE AND EXPENDITURE</b>                            |                              |                                 |                           |                             |                              |                               |
| <b>REVENUE BY SOURCE</b>                                  |                              |                                 |                           |                             |                              |                               |
| Property rates  | 94 702 236                   | -                               | 94 702 236                | 95 278 092                  | 575 856                      | 84 410 540                    |
| Service charges - electricity revenue                     | 160 568 000                  | (11 375 000)                    | 149 193 000               | 135 158 166                 | (14 034 834)                 | 144 644 873                   |
| Service charges - water revenue                           | 36 807 166                   | 1 919 000                       | 38 726 166                | 40 006 101                  | 1 279 935                    | 36 020 120                    |
| Service charges - sanitation revenue                      | 17 762 000                   | 150 000                         | 17 912 000                | 17 801 223                  | (110 777)                    | 15 866 105                    |
| Service charges - refuse revenue                          | 32 567 000                   | (2 000)                         | 32 565 000                | 33 026 856                  | 461 856                      | 26 650 214                    |
| Rental of facilities and equipment                        | 1 674 000                    | (29 000)                        | 1 645 000                 | 1 380 150                   | (264 850)                    | 1 505 830                     |
| Interest earned - external investments                    | 7 981 000                    | 2 344 000                       | 10 325 000                | 12 455 184                  | 2 130 184                    | 7 447 059                     |
| Interest earned - outstanding debtors                     | 5 000 000                    | 1 000 000                       | 6 000 000                 | 7 077 142                   | 1 077 142                    | 5 166 250                     |
| Fines, penalties and forfeits                             | 21 286 000                   | 1 636 000                       | 22 922 000                | 24 030 344                  | 1 108 344                    | 19 883 402                    |
| Licences and permits                                      | 77 000                       | (20 000)                        | 57 000                    | 87 189                      | 30 189                       | 84 694                        |
| Agency services   | 5 788 000                    | (1 097 000)                     | 4 691 000                 | 4 871 128                   | 180 128                      | 4 676 053                     |
| Transfers and subsidies - Operating                       | 73 909 434                   | 1 974 664                       | 75 884 098                | 75 193 332                  | (690 766)                    | 68 724 780                    |
| Other revenue   | 11 325 000                   | (571 000)                       | 10 754 000                | 10 853 621                  | 99 621                       | 10 303 690                    |
| Gains   | 2 700 000                    | 3 400 000                       | 6 100 000                 | 8 366 588                   | 2 266 588                    | 1 580 792                     |
| <b>Total Revenue (excluding capital transfers)</b>        | <b>472 146 836</b>           | <b>(670 336)</b>                | <b>471 476 500</b>        | <b>465 585 116</b>          | <b>(5 891 384)</b>           | <b>426 964 401</b>            |
| <b>EXPENDITURE BY TYPE</b>                                |                              |                                 |                           |                             |                              |                               |
| Employee related costs                                    | 166 889 715                  | (6 463 786)                     | 160 425 929               | 153 510 124                 | (6 915 805)                  | 146 167 167                   |
| Remuneration of councillors                               | 6 993 000                    | (8 000)                         | 6 985 000                 | 6 791 323                   | (193 677)                    | 6 800 868                     |
| Debt impairment   | 30 490 142                   | 1 183 058                       | 31 673 200                | 31 488 315                  | (184 885)                    | 14 650 501                    |
| Depreciation and asset impairment                         | 28 668 000                   | 1 602 000                       | 30 270 000                | 30 869 526                  | 599 526                      | 26 583 723                    |
| Finance charges   | 19 514 400                   | 2 333 200                       | 21 847 600                | 21 856 976                  | 9 376                        | 17 970 731                    |
| Bulk purchases - electricity                              | 128 498 000                  | (6 275 000)                     | 122 223 000               | 118 609 439                 | (3 613 561)                  | 118 995 098                   |
| Inventory consumed  | 17 780 200                   | 5 495 391                       | 23 275 591                | 17 673 355                  | (5 602 236)                  | 15 361 683                    |
| Contracted Services                                       | 38 447 400                   | (1 101 265)                     | 37 346 135                | 33 616 806                  | (3 729 329)                  | 32 895 292                    |
| Transfers and grants                                      | 7 797 000                    | 769 025                         | 8 566 025                 | 8 389 039                   | (176 986)                    | 6 736 094                     |
| Other expenditure   | 40 286 580                   | 4 760 684                       | 45 047 264                | 37 531 085                  | (7 516 179)                  | 30 995 144                    |
| Losses  | 2 705 000                    | -                               | 2 705 000                 | -                           | (2 705 000)                  | -                             |
| <b>Total Expenditure</b>                                  | <b>488 069 437</b>           | <b>2 295 307</b>                | <b>490 364 744</b>        | <b>460 335 987</b>          | <b>(30 028 757)</b>          | <b>417 156 301</b>            |
| <b>Surplus/(Deficit)</b>                                  | <b>(15 922 601)</b>          | <b>(2 965 643)</b>              | <b>(18 888 244)</b>       | <b>5 249 128</b>            | <b>24 137 372</b>            | <b>9 808 100</b>              |
| Transfers and subsidies - Capital (monetary) - Government | 23 610 566                   | (875 098)                       | 22 735 468                | 20 244 717                  | (2 490 751)                  | 19 804 396                    |
| Transfers and subsidies - Capital (monetary) - Other      | 528 000                      | 120 299                         | 648 299                   | 532 641                     | (115 658)                    | 233 619                       |
| Transfers and subsidies - Capital (in-kind)               | -                            | 2 250 000                       | 2 250 000                 | 2 250 000                   | -                            | -                             |
| <b>Surplus/(Deficit) for the year</b>                     | <b>8 215 965</b>             | <b>(1 470 442)</b>              | <b>6 745 523</b>          | <b>28 276 487</b>           | <b>21 530 964</b>            | <b>29 846 114</b>             |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX C (UNAUDITED)

### NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

|  | ORIGINAL BUDGET<br>2023<br>R | BUDGET ADJUSTMENTS<br>2023<br>R | FINAL BUDGET<br>2023<br>R | ACTUAL OUTCOME<br>2023<br>R | BUDGET VARIANCE<br>2023<br>R | RESTATED OUTCOME<br>2022<br>R |
|--|------------------------------|---------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>CAPITAL EXPENDITURE</b>                           |                              |                                 |                           |                             |                              |                               |
| <b>CAPITAL EXPENDITURE (MUNICIPAL VOTE)</b>          |                              |                                 |                           |                             |                              |                               |
| <b>Multi-year expenditure</b>                        |                              |                                 |                           |                             |                              |                               |
| Vote 1 - Municipal Manager                           | -                            | -                               | -                         | -                           | -                            | -                             |
| Vote 2 - Finance                                     | -                            | -                               | -                         | -                           | -                            | -                             |
| Vote 3 - Corporate Services                          | 120 000                      | -                               | 120 000                   | 119 815                     | (185)                        | 98 426                        |
| Vote 4 - Technical Services                          | 27 321 305                   | (7 188 213)                     | 20 133 092                | 16 694 955                  | (3 438 137)                  | 5 319 097                     |
| Vote 5 - Community Services                          | 160 000                      | 750 807                         | 910 807                   | 910 781                     | (26)                         | 798 673                       |
| <b>Total Multi-year expenditure</b>                  | <b>27 601 305</b>            | <b>(6 437 406)</b>              | <b>21 163 899</b>         | <b>17 725 550</b>           | <b>(3 438 349)</b>           | <b>6 216 196</b>              |
| <b>Single-year expenditure</b>                       |                              |                                 |                           |                             |                              |                               |
| Vote 1 - Municipal Manager                           | 450 000                      | 1 759 928                       | 2 209 928                 | 677 039                     | (1 532 889)                  | 46 158                        |
| Vote 2 - Finance                                     | 960 000                      | (464 877)                       | 495 123                   | 494 986                     | (137)                        | 2 207 586                     |
| Vote 3 - Corporate Services                          | 2 145 000                    | 60 492                          | 2 205 492                 | 2 174 661                   | (30 831)                     | 2 496 460                     |
| Vote 4 - Technical Services                          | 43 248 261                   | 7 611 305                       | 50 859 566                | 46 050 238                  | (4 809 328)                  | 34 599 663                    |
| Vote 5 - Community Services                          | 8 750 000                    | (682 664)                       | 8 067 336                 | 7 591 149                   | (476 187)                    | 7 227 743                     |
| <b>Total Single-year expenditure</b>                 | <b>55 553 261</b>            | <b>8 284 184</b>                | <b>63 837 445</b>         | <b>56 988 073</b>           | <b>(6 849 372)</b>           | <b>46 577 611</b>             |
| <b>Total Capital Expenditure by Vote</b>             | <b>83 154 566</b>            | <b>1 846 778</b>                | <b>85 001 344</b>         | <b>74 713 623</b>           | <b>(10 287 721)</b>          | <b>52 793 807</b>             |
| <b>CAPITAL EXPENDITURE (STANDARD CLASSIFICATION)</b> |                              |                                 |                           |                             |                              |                               |
| <b>Governance and administration</b>                 |                              |                                 |                           |                             |                              |                               |
| Executive and council                                | 140 000                      | 19 000                          | 159 000                   | 152 817                     | (6 183)                      | 46 158                        |
| Finance and administration                           | 4 657 500                    | (211 885)                       | 4 445 615                 | 4 546 059                   | 100 444                      | 4 941 082                     |
| Internal audit                                       | -                            | -                               | -                         | -                           | -                            | -                             |
| <b>Community and public safety</b>                   |                              |                                 |                           |                             |                              |                               |
| Community and social services                        | 1 910 000                    | 703 402                         | 2 613 402                 | 2 586 097                   | (27 305)                     | 2 419 637                     |
| Sport and recreation                                 | 4 925 000                    | (560 050)                       | 4 364 950                 | 4 306 486                   | (58 464)                     | 4 959 210                     |
| Public safety  | 1 060 000                    | (74 283)                        | 985 717                   | 964 082                     | (21 635)                     | 647 570                       |
| Housing  | 1 015 000                    | (926)                           | 1 014 074                 | 645 264                     | (368 810)                    | -                             |
| <b>Economic and environmental services</b>           |                              |                                 |                           |                             |                              |                               |
| Planning and development                             | 13 359 500                   | (5 122 072)                     | 8 237 428                 | 4 337 697                   | (3 899 732)                  | 118 338                       |
| Road transport                                       | 12 900 131                   | 636 953                         | 13 537 084                | 13 386 330                  | (150 754)                    | 18 542 446                    |
| <b>Trading services</b>                              |                              |                                 |                           |                             |                              |                               |
| Energy sources                                       | 8 020 000                    | 4 584 763                       | 12 604 763                | 9 435 126                   | (3 169 637)                  | 4 733 040                     |
| Water management                                     | 24 249 612                   | (2 966)                         | 24 246 646                | 23 360 486                  | (886 160)                    | 5 141 189                     |
| Waste water management                               | 6 229 823                    | 384 893                         | 6 614 716                 | 4 943 538                   | (1 671 178)                  | 10 209 844                    |
| Waste management                                     | 4 688 000                    | 1 489 949                       | 6 177 949                 | 6 049 641                   | (128 308)                    | 1 035 295                     |
| <b>Total Capital Expenditure - Standard</b>          | <b>83 154 566</b>            | <b>1 846 778</b>                | <b>85 001 344</b>         | <b>74 713 623</b>           | <b>(10 287 721)</b>          | <b>52 793 807</b>             |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX C (UNAUDITED)

### NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

|   | ORIGINAL BUDGET<br>2023<br>R | BUDGET ADJUSTMENTS<br>2023<br>R | FINAL BUDGET<br>2023<br>R | ACTUAL OUTCOME<br>2023<br>R | BUDGET VARIANCE<br>2023<br>R | RESTATED OUTCOME<br>2022<br>R |
|---|------------------------------|---------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>CAPITAL EXPENDITURE (CONTINUED)</b>      |                              |                                 |                           |                             |                              |                               |
| <b>FUNDING SOURCES</b>                      |                              |                                 |                           |                             |                              |                               |
| National Government                         | 15 970 566                   | 640 893                         | 16 611 459                | 16 611 457                  | (2)                          | 19 324 094                    |
| Provincial Government                       | 7 640 000                    | (3 098 600)                     | 4 541 400                 | 3 403 718                   | (1 137 682)                  | 480 302                       |
| District Municipality                       | -                            | 1 582 609                       | 1 582 609                 | 229 542                     | (1 353 067)                  | -                             |
| Other transfers and grants                  | 528 000                      | 120 299                         | 648 299                   | 532 641                     | (115 658)                    | 233 619                       |
| Transfers and subsidies - capital (in-kind) | -                            | 2 250 000                       | 2 250 000                 | 2 250 000                   | -                            | -                             |
| <b>Transfers recognised - capital</b>       | <b>24 138 566</b>            | <b>1 495 201</b>                | <b>25 633 767</b>         | <b>23 027 358.54</b>        | <b>(2 606 408)</b>           | <b>20 038 015</b>             |
| Borrowing                                   | 40 000 000                   | (369 865)                       | 39 630 135                | 33 075 258                  | (6 554 877)                  | 15 757 246                    |
| Internally generated funds                  | 19 016 000                   | 721 442                         | 19 737 442                | 18 611 007                  | (1 126 435)                  | 16 998 546                    |
| <b>Total Capital Funding</b>                | <b>83 154 566</b>            | <b>1 846 778</b>                | <b>85 001 344</b>         | <b>74 713 623</b>           | <b>(10 287 721)</b>          | <b>52 793 807</b>             |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX C (UNAUDITED)

### NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

|  | ORIGINAL BUDGET<br>2023<br>R | BUDGET ADJUSTMENTS<br>2023<br>R | FINAL BUDGET<br>2023<br>R | ACTUAL OUTCOME<br>2023<br>R | BUDGET VARIANCE<br>2023<br>R | RESTATED OUTCOME<br>2022<br>R |
|--|------------------------------|---------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>CASH FLOWS</b>                              |                              |                                 |                           |                             |                              |                               |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>     |                              |                                 |                           |                             |                              |                               |
| <b>Receipts</b>                                |                              |                                 |                           |                             |                              |                               |
| Property rates, penalties & collection charges | 89 142 951                   | (0)                             | 89 142 951                | 92 386 529                  | 3 243 578                    | 83 107 956                    |
| Service charges                                | 241 842 037                  | (9 360 374)                     | 232 481 663               | 223 512 426                 | (8 969 237)                  | 214 279 354                   |
| Other revenue                                  | 22 931 858                   | (760 058)                       | 22 171 800                | 22 178 926                  | 7 126                        | 22 229 098                    |
| Government - operating                         | 73 909 434                   | 910 391                         | 74 819 825                | 74 701 690                  | (118 135)                    | 64 534 939                    |
| Government - capital                           | 24 138 566                   | (3 755 386)                     | 20 383 180                | 20 777 358                  | 394 178                      | 20 038 015                    |
| Interest                                       | 10 432 743                   | 2 846 549                       | 13 279 292                | 12 430 129                  | (849 163)                    | 7 429 272                     |
| <b>Payments</b>                                |                              |                                 |                           |                             |                              |                               |
| Suppliers and employees                        | (396 865 895)                | 3 322 976                       | (393 542 919)             | (362 908 891)               | 30 634 028                   | (349 254 713)                 |
| Finance charges                                | (7 802 400)                  | (135 200)                       | (7 937 600)               | (7 936 992)                 | 608                          | (7 206 042)                   |
| Transfers and grants                           | (7 797 000)                  | (739 025)                       | (8 536 025)               | (8 389 039)                 | 146 986                      | (6 736 094)                   |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>      | <b>49 932 294</b>            | <b>(7 670 127)</b>              | <b>42 262 167</b>         | <b>66 752 137</b>           | <b>24 489 970</b>            | <b>48 421 785</b>             |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>    |                              |                                 |                           |                             |                              |                               |
| <b>Receipts</b>                                |                              |                                 |                           |                             |                              |                               |
| Proceeds on disposal of PPE                    | -                            | 3 400 000                       | 3 400 000                 | 3 574 759                   | 174 759                      | 616 852                       |
| <b>Payments</b>                                |                              |                                 |                           |                             |                              |                               |
| Capital assets                                 | (83 154 566)                 | 403 222                         | (82 751 344)              | (69 681 094)                | 13 070 250                   | (54 333 310)                  |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>   | <b>(83 154 566)</b>          | <b>3 803 222</b>                | <b>(79 351 344)</b>       | <b>(66 106 334)</b>         | <b>13 245 010</b>            | <b>(53 716 458)</b>           |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>    |                              |                                 |                           |                             |                              |                               |
| <b>Receipts</b>                                |                              |                                 |                           |                             |                              |                               |
| Borrowing long term/refinancing                | 40 000 000                   | (369 865)                       | 39 630 135                | 39 630 135                  | -                            | 14 650 000                    |
| Increase (decrease) in consumer deposits       | 394 572                      | 428                             | 395 000                   | 503 812                     | 108 812                      | 466 654                       |
| <b>Payments</b>                                |                              |                                 |                           |                             |                              |                               |
| Repayment of borrowing                         | (10 081 955)                 | (2 217 021)                     | (12 298 976)              | (9 657 171)                 | 2 641 805                    | (7 879 514)                   |
| <b>NET CASH FROM FINANCING ACTIVITIES</b>      | <b>30 312 617</b>            | <b>(2 586 458)</b>              | <b>27 726 159</b>         | <b>30 476 776</b>           | <b>2 750 617</b>             | <b>7 237 140</b>              |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>   | <b>(2 909 655)</b>           | <b>(6 453 363)</b>              | <b>(9 363 018)</b>        | <b>31 122 578</b>           | <b>40 485 596</b>            | <b>1 942 467</b>              |
| Cash/cash equivalents at the year begin:       | 126 446 973                  | 17 141 291                      | 143 588 264               | 143 588 264                 | -                            | 141 645 797                   |
| Cash/cash equivalents at the year end:         | 123 537 318                  | 10 687 928                      | 134 225 246               | 174 710 842                 | 40 485 596                   | 143 588 264                   |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX D (UNAUDITED)

### OPERATING DEPARTMENTAL REVENUE AND EXPENDITURE FOR THE YEAR END 30 JUNE 2023

|                                      | OPERATING REVENUE  |                    |                    |                 | OPERATING EXPENDITURE |                    |                    |                 |
|--------------------------------------|--------------------|--------------------|--------------------|-----------------|-----------------------|--------------------|--------------------|-----------------|
|                                      | ORIGINAL BUDGET    | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE | ORIGINAL BUDGET       | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE |
|                                      | R                  | R                  | R                  | %               | R                     | R                  | R                  | %               |
| <b>Vote 1 - Municipal Manager</b>    | <b>57 657 000</b>  | <b>58 043 951</b>  | <b>41 401 904</b>  | <b>-29%</b>     | <b>32 593 480</b>     | <b>33 722 260</b>  | <b>32 843 164</b>  | <b>-3%</b>      |
| Mayor and Council                    | -                  | -                  | -                  | 0%              | 10 602 000            | 11 492 800         | 11 344 577         | -1%             |
| Municipal Manager                    | 57 657 000         | 57 600 000         | 40 987 407         | -29%            | 15 608 900            | 15 510 800         | 15 380 279         | -1%             |
| Economic Development/Planning        | -                  | 443 951            | 414 497            | -7%             | 4 882 300             | 5 558 260          | 4 913 809          | -12%            |
| Internal Audit                       | -                  | -                  | -                  | 0%              | 1 500 280             | 1 160 400          | 1 204 498          | 4%              |
| <b>Vote 2 - Finance</b>              | <b>109 990 236</b> | <b>116 398 761</b> | <b>124 772 037</b> | <b>7%</b>       | <b>46 097 500</b>     | <b>43 535 988</b>  | <b>39 806 242</b>  | <b>-9%</b>      |
| Finance                              | 109 985 236        | 116 348 761        | 124 706 124        | 7%              | 32 550 500            | 30 462 988         | 27 533 958         | -10%            |
| Budget and Treasury Office           | -                  | -                  | -                  | 0%              | 2 432 000             | 2 462 000          | 2 464 307          | 0%              |
| Supply Chain Management              | 5 000              | 50 000             | 65 913             | 32%             | 8 684 000             | 8 525 000          | 8 030 909          | -6%             |
| Director Finance Services            | -                  | -                  | -                  | 0%              | 2 431 000             | 2 086 000          | 1 777 068          | -15%            |
| <b>Vote 3 - Corporate Services</b>   | <b>3 128 000</b>   | <b>3 093 000</b>   | <b>6 544 371</b>   | <b>112%</b>     | <b>38 156 451</b>     | <b>37 161 900</b>  | <b>32 858 709</b>  | <b>-12%</b>     |
| Planning and Development             | 225 000            | 190 000            | 235 798            | 24%             | 5 797 151             | 5 796 000          | 5 614 268          | -3%             |
| Human Resources                      | 2 900 000          | 2 900 000          | 6 305 175          | 117%            | 16 075 000            | 16 216 000         | 13 804 024         | -15%            |
| Information Technology               | -                  | -                  | -                  | 0%              | 4 613 300             | 4 971 000          | 5 017 034          | 1%              |
| Administrative and Corporate Support | 3 000              | 3 000              | 3 398              | 13%             | 9 423 000             | 7 901 700          | 6 267 771          | -21%            |
| Director Corporate Services          | -                  | -                  | -                  | 0%              | 2 248 000             | 2 277 200          | 2 155 612          | -5%             |
| <b>Vote 4 - Technical Services</b>   | <b>258 169 600</b> | <b>252 208 399</b> | <b>249 594 489</b> | <b>-1%</b>      | <b>289 667 350</b>    | <b>295 373 039</b> | <b>278 600 297</b> | <b>-6%</b>      |
| Building Control                     | 1 551 000          | 2 101 000          | 2 340 792          | 11%             | 2 888 500             | 2 605 370          | 2 524 591          | -3%             |
| Project Management Unit              | 2 785 564          | 2 881 698          | 2 881 700          | 0%              | 3 842 850             | 4 301 480          | 4 387 230          | 2%              |
| Property Services                    | 2 595 000          | 4 695 000          | 951 607            | -80%            | 7 444 900             | 7 865 975          | 7 545 466          | -4%             |
| Director Technical Services          | -                  | -                  | -                  | 0%              | 2 139 000             | 1 609 000          | 1 483 898          | -8%             |
| Solid Waste Removal                  | 32 837 000         | 32 871 665         | 39 807 619         | 21%             | 45 579 100            | 47 977 549         | 47 400 977         | -1%             |
| Street Cleaning                      | -                  | -                  | -                  | 0%              | 4 971 650             | 4 901 000          | 4 597 535          | -6%             |
| Sewerage                             | 17 786 000         | 17 936 000         | 21 717 537         | 21%             | 12 352 600            | 12 014 441         | 10 077 844         | -16%            |
| Waste Water Treatment                | -                  | -                  | -                  | 0%              | 2 064 000             | 2 489 000          | 2 035 470          | -18%            |
| Storm Water Management               | -                  | -                  | -                  | 0%              | 802 600               | 822 964            | 1 047 116          | 27%             |
| Water Distribution                   | 38 004 036         | 39 923 036         | 42 812 196         | 7%              | 21 713 250            | 27 482 981         | 24 647 370         | -10%            |
| Water Treatment                      | -                  | -                  | -                  | 0%              | 1 795 500             | 1 924 000          | 1 994 714          | 4%              |
| Roads                                | 1 858 000          | 1 877 000          | 1 802 750          | -4%             | 33 734 200            | 33 814 744         | 32 971 853         | -2%             |
| Electricity                          | 160 753 000        | 149 923 000        | 137 280 289        | -8%             | 149 039 550           | 146 156 535        | 136 558 281        | -7%             |
| Street Lighting                      | -                  | -                  | -                  | 0%              | 1 299 650             | 1 408 000          | 1 327 952          | -6%             |

# BERGRIVIER LOCAL MUNICIPALITY

## APPENDIX D (UNAUDITED)

### OPERATING DEPARTMENTAL REVENUE AND EXPENDITURE FOR THE YEAR END 30 JUNE 2023

|                                    | OPERATING REVENUE  |                    |                    |                 | OPERATING EXPENDITURE |                    |                    |                 |
|------------------------------------|--------------------|--------------------|--------------------|-----------------|-----------------------|--------------------|--------------------|-----------------|
|                                    | ORIGINAL BUDGET    | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE | ORIGINAL BUDGET       | FINAL BUDGET       | ACTUAL OUTCOME     | BUDGET VARIANCE |
|                                    | R                  | R                  | R                  | %               | R                     | R                  | R                  | %               |
| <b>Vote 5 - Community Services</b> | <b>43 202 000</b>  | <b>41 732 389</b>  | <b>43 272 314</b>  | <b>4%</b>       | <b>81 554 656</b>     | <b>80 571 557</b>  | <b>76 227 575</b>  | <b>-5%</b>      |
| Director Community Services        | -                  | -                  | -                  | 0%              | 3 210 000             | 3 950 954          | 3 796 388          | -4%             |
| Libraries and Archives             | 8 074 000          | 8 426 885          | 8 452 769          | 0%              | 8 616 000             | 8 956 285          | 8 215 127          | -8%             |
| Community Halls and Facilities     | 183 000            | 233 000            | 299 904            | 29%             | 4 020 800             | 3 760 522          | 3 623 143          | -4%             |
| Cemetaries                         | 600 000            | 550 000            | 513 696            | -7%             | 1 235 700             | 1 001 448          | 930 195            | -7%             |
| Housing Core                       | 22 000             | -                  | -                  | 0%              | 1 912 000             | 1 923 197          | 1 857 854          | -3%             |
| Housing Non-Core                   | 1 650 000          | -                  | 40 413             | 0%              | 1 745 000             | 41 000             | 37 755             | -8%             |
| Traffic Control                    | 21 262 000         | 22 512 635         | 23 064 602         | 2%              | 33 317 042            | 36 051 680         | 35 849 553         | -1%             |
| Fire Fighting and Protection       | 5 000              | 5 000              | 5 794              | 16%             | 3 535 150             | 2 866 594          | 2 694 368          | -6%             |
| Community Parks                    | 186 000            | 100 000            | 115 261            | 15%             | 10 038 914            | 8 498 919          | 7 757 822          | -9%             |
| Sports Grounds and Stadiums        | -                  | -                  | 172 682            | 0%              | 4 087 750             | 4 087 836          | 3 432 216          | -16%            |
| Swimming Pools                     | 12 000             | 20 000             | 18 816             | -6%             | 1 173 000             | 1 109 938          | 958 652            | -14%            |
| Holiday Resorts                    | 5 420 000          | 5 193 869          | 5 717 248          | 10%             | 6 868 300             | 6 760 271          | 5 768 374          | -15%            |
| Road and Traffic Regulation        | 5 788 000          | 4 691 000          | 4 871 128          | 4%              | 1 795 000             | 1 562 913          | 1 306 128          | -16%            |
| <b>TOTAL</b>                       | <b>472 146 836</b> | <b>471 476 500</b> | <b>465 585 116</b> | <b>-1%</b>      | <b>488 069 437</b>    | <b>490 364 744</b> | <b>460 335 987</b> | <b>-6%</b>      |