

THE ADMINISTRATOR



12291715

2021/22



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DRAFT ANNUAL REPORT

BEAUFORT WEST MUNICIPALITY

SIRKULASIE		OPDRAG



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CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

CHAPTER 1

COMPONENT A: MAYOR'S FOREWORD

To be inserted after AG Report is received.

T Prince

EXECUTIVE MAYOR



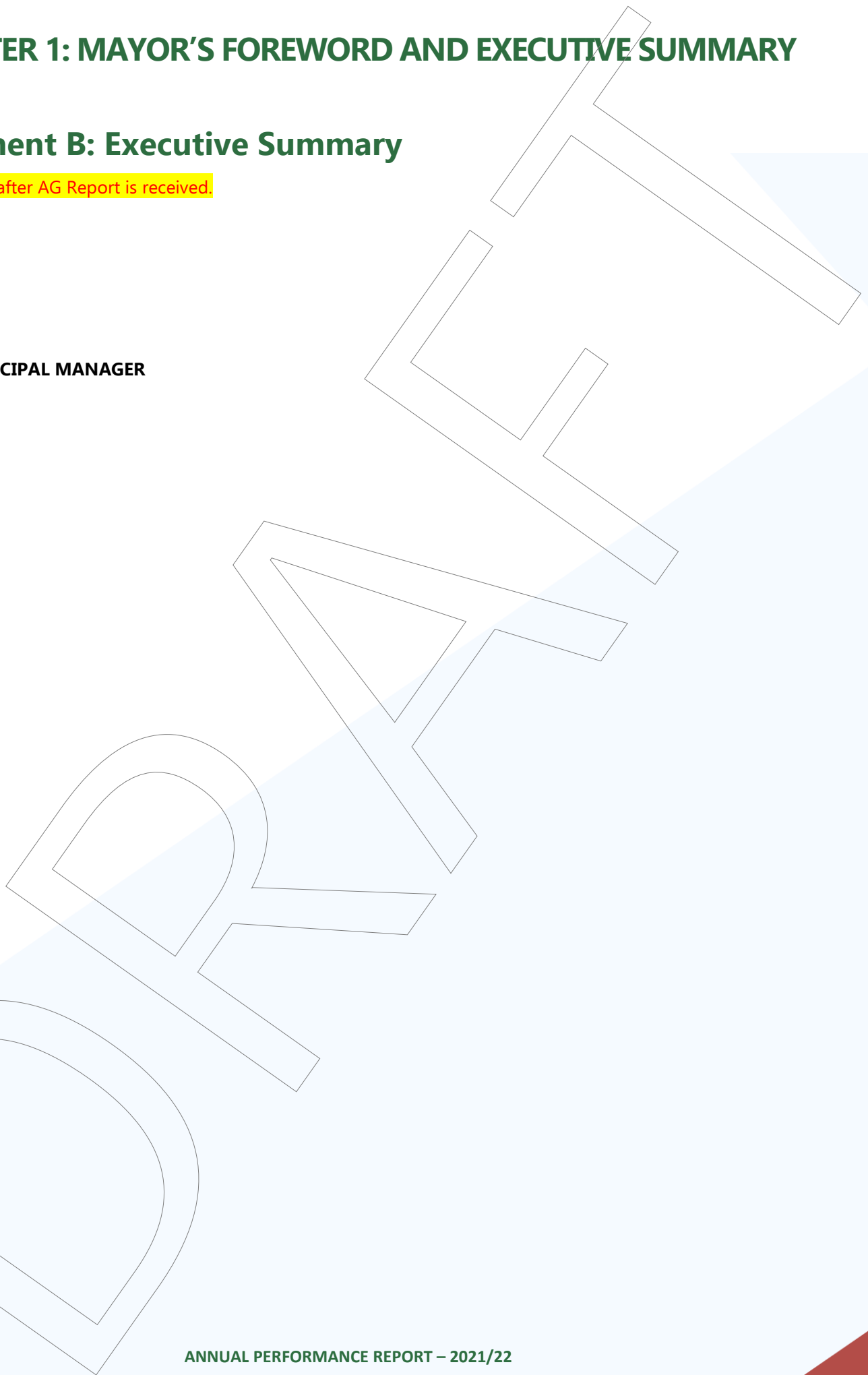
CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Component B: Executive Summary

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ACTING MUNICIPAL MANAGER



CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.1 Municipal overview

This report addresses the performance of Beaufort West Municipality (BWM) in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the Council of the Municipality provides regular and predictable reporting on program performance and the general state of affairs in their locality.

The Annual Report reflects on the performance of the Municipality for the period 1 July 2020 to 30 June 2021. The report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), of which the Municipality must prepare an annual report for each financial year.

1.1.1 Vision and mission

The Municipality committed itself to the following vision and mission:

Vision:

"Beaufort West, economic gateway in the central Karoo, where people are developed and live in harmony together"

Mission:

To reflect the will of the South African people as reflected in the Constitution and by Parliament:

- 🏠 Service Delivery: To provide excellent services to the residents of Beaufort West Municipality
- 🏠 Growing the Economy: To implement infrastructure to grow the economy and create jobs
- 🏠 Staff: To have an equipped, skilled and motivated staff establishment
- 🏠 Well-run Administration: establish a sound, efficient and effective administration for the Municipality
- 🏠 Financial Sustainability: Collecting all debtors and paying creditors in time
- 🏠 Sport Centre: To become the sport and recreational mecca of the Karoo, creating harmony and unity
- 🏠 Safe Place: To create a crime-free, safe and healthy environment
- 🏠 Reduce Poverty: To reduce poverty and promote the empowerment of women, youth and people living with disabilities

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Strategic Objectives:

- 🏠 To improve and maintain current basic service delivery through specific infrastructural development projects
- 🏠 Provision of basic services to all the people in the municipal area
- 🏠 Provide for the needs of indigent households through improved services
- 🏠 To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development
- 🏠 To enable education and skills development to equip people with economic skills
- 🏠 Sustainability of the environment
- 🏠 Establishment of a well governed and accountable administration
- 🏠 Ensure liquidity of the administration
- 🏠 Transparency and participation

1.2 Municipal functions, population and environmental overview

1.2.1 Population

The table below illustrates the population in the municipal area as per census 2001 – 2011 and the Socio-economic profile 2017 and 2020:

Population	2001	2011	2018	2020
Number of people residing in the Beaufort West municipal area	43 284	49 586	53 168	51 074
<i>Census 2001 and 2011</i>			<i>Socio-economic profile 2017</i>	<i>Socio-economic profile 2020</i>

Table 1. Demographic information of the municipal area – Total population

1.2.2 Population by race

The table below reflects on the race classification of the population within the Beaufort West area:

Year	Black African	%	Coloured	%	Indian or Asian	%	White	%	Other	%	Total
2001	6 923	16	31 792	73.4	42	0.1	4 528	10.5	0	0	43 284
2011	8 103	16.3	36 433	73.5	241	0.5	4 539	9.2	270	0.5	49 586
<i>Census 2001 and 2011</i>											

Table 2. Population by race

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.2.3 Population by age

The table below includes data about the composition of the population per age category.

Year	0 – 18	19 – 30	31 – 40	41 – 50	51 – 65	66 – 120	Total
2001	17 938	7 848	6 048	4 896	4 321	2 233	43 284
2011	19 132	9 162	6 508	6 030	6 091	2 663	49 586

Census 2001 and 2011

Table 3. Population by age

1.2.4 Households

The number of households within the municipal area is 13 619. The size of a household is about 5 people (as per Census 2011).

The table below indicates the growth of households:

Households	2018/19	2019/20	2020/21	2021/22
Number of households	12 823	13 619	13 619	13 619

Table 4. Total number of households

1.2.5 Demographic Information

a) *Municipal Geographical Information*

Towering mountains and rolling plains welcome you to the Beaufort West region. Beaufort West, the oldest and largest town in the Central Karoo, lies in an ancient area which once was a swamp, now a semi-desert area named "thirst land", making it rich in history. This ancient area of the Karoo is considered one of the world's most interesting arid zones and holds intrigue for scientist, historians and eco-tourists which is fondly referred to as place of the pioneers. In February 1837, BWM became South Africa's first and therefore oldest municipality. It is the centre of an



agricultural district based mainly on sheep farming and meat production. Strategically positioned on the N1 National Road, which links Cape Town with the interior and northern parts of South Africa, BWM maintains a minimal but steady amount of growth due to the high volume of passing road traffic.

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY



The nearby Karoo National Park is a national asset which aims to reclaim the original flora of the Karoo and is one of the chief tourist attractions in the region, boasting a wide variety of endemic wildlife. The municipal area covers approximately 16 330 km² with the town situated 851 meters above sea level between the Gamka and Kuils Rivers. The town lies just south of a ridge of hills and north of the Nuweveld Mountains in the Central Karoo where rocks date back some 230 million years. Not only was the first reptile fossil discovered in the area, but Beaufort West has been

described as the world's richest collecting ground for fossils. The town's historic centre displays an electric mix of historical architecture that makes a stop-over here essential.

Summer rains normally begin with light showers around October. Rain is very sporadic and mostly occurs in the form of thunderstorms. Snowfalls can occur as late as September and the first snowfalls reached ground level in 2011. Temperatures increase dramatically during November and remain high until February, reaching highs of between 38 and 48 degrees. The mid-winter months of June and July are cold and dry with temperatures falling well below zero.

In the year 2000, the smaller rural towns of Merweville and Nelspoort were incorporated into the BWM, and since June 2011 the town of Murraysburg has also been a DMA of the Municipality.

b) Wards

The Municipality is structured into the following 7 wards:

Ward	Areas
1	Murraysburg and Murraysburg rural areas
2	Nelspoort, Nelspoort rural, Noord Einde, part of Hillside, central town, part of rural areas of Beaufort West and part of Hospital Hill
3	Part of Rustdene, Essopville and Nieuveld Park
4	Part of Kwa Mandlenkosi, De Lande, part of central town and southern part of Hospital Hill
5	Part of Kwa Mandlenkosi, part of Rustdene, Paddavlei, Hooyvlakte, New Lands and New Town
6	Part of Rustdene and Prince Valley
7	Part of rural Beaufort West, part of Hillside I and II, Toekomrus, Merweville and rural parts of Merweville

Table 5. Municipal wards

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Below is a map that indicates the municipal area and wards:

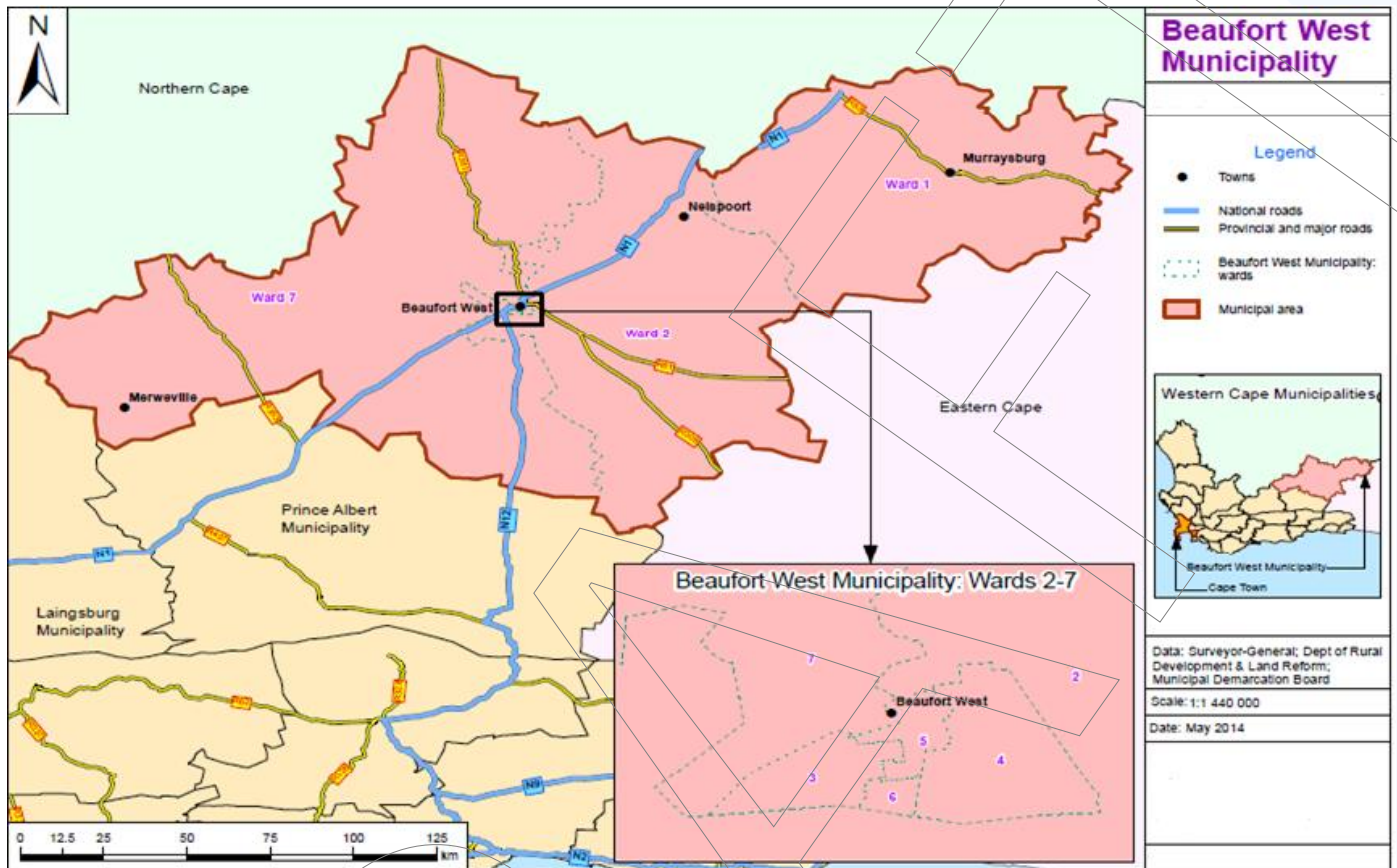


Figure 1.: Beaufort West municipal area and wards

Merweville

Merweville is a small town situated 160 km south-west of Beaufort West and 40 km from Prince Albert Road station. This Central Karoo town lies in a picturesque area of plains often linked to the Nevada Desert region of the United States. It was established around 1897 on the farm of Jacobus van der Bijl, a jack of many trades: farmer, shopkeeper, postmaster, magistrate and justice of the peace.

He built a church that was later used as a school. Merweville lies in the kooip, which means "caul fat", and was so named by early indigenous inhabitants who felt that the patches of golden veld grass, interspersed by dark brown soil, resembled the fat and blood vessels surrounding a sheep's liver. The reason for this name is quite apparent at the onset of winter when the veld is less lush and the gold and brown patches become evident. Merweville maintains a great deal of the charm of earlier days and is an ideal spot to rest, relax and unwind from the pressures of modern-day city life.



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Murraysburg

Murraysburg, a typical old-world Great Karoo town that lies 160 km north-east of Beaufort West, became Ward 1 with the new demarcation and as a result became a DMA of the BWM, after it was previously a DMA of the Central Karoo District Municipality. Murraysburg, located at the foot of the Sneeberg Mountains in a scenic mix of mountains and plains, offers tranquility for environmentalists and eco-watchers. In the late 18th century a bloody and vicious war of revenge and retaliation raged for many years between the San and farmers. Farms were attacked, houses set alight and herdsmen murdered. Farmers went out on punitive missions and killed many of the San, who hunted the livestock of the farmers.



The region was very unsettled by stock theft, murders and reprisal expeditions against the San. At the beginning of the 19th century, the San began to move towards the Kalahari and eventually the farm *Eenzaamheid* was bought from Mr. Kootjie Burger where after the farm became the town of Murraysburg. It was a "church town", meaning that the Dutch Reformed Church (DRC) exercised full control over the town and its inhabitants.

Below picture shows the beauty of Murraysburg during a snow filled winter season:

The new town was named after Reverend Andrew Murray, minister of the DRC in Graaff-Reinet. The "burg" derives from the Dutch word meaning "place of safety".

Nelspoort

Nelspoort, situated 56 km north of Beaufort West, is a small community in the depths of the Central Karoo. The Bushmen and Khoi visited the surrounding heads and left their mark in rock engravings. Long since the Bushmen, the area became a haven for those with chest ailments.



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As early as 1836, Beaufort West's dour but well-loved Dr. John Christie appealed to people to "breathe" the air of the Nuweveld Mountains. White farmers later established their homes here and for a while the sanatorium brought peace and healing to many tuberculosis (TB) sufferers. Established in 1924 through the efforts of Dr. Alfred Jasper Anderson and John Garlick, a philanthropist, the Nelspoort area was identified as an ideal location for "the first chest hospital on the African continent." By 1969, the first psychiatric patients were admitted. The disastrous socio-economic effects of tuberculosis had decreased by then and the disease could be treated with drugs at home. The old magic mountain method of healing with good food and fresh air was a thing of the past and thus Nelspoort devoted itself to psychiatric patients, maintaining only one TB ward Today, both roles have declined

c) Key economic activities

Agriculture forms the backbone of the Beaufort West economy and accounts for the largest labour to date. Despite the harsh climate and poor carrying capacity of the veldt, it still offers opportunities for growth and employment creation. The Municipality is dependent upon the following main economic activities:

Key economic activities	Description
Agriculture and agri-processing	Fresh meat (mutton, game, Karoo lamb, ostrich, goat, beef)
	Processed meat (biltong, cold meats, "droë wors")
	Fresh fruit and vegetables (figs, olives, apricots, grapes, herbs)
	Processed fruit and vegetables (chutney, dried figs, olives, jams)
	Animal bi-products (skins, hides, wool, mohair, milk)
	Processed animal bi-products (leather products, dairy products, wool and mohair products)
	Other (traps for problem animals – manufacturing and servicing)
Transportation	The transportation sector in the Central Karoo is one of the strongest contributors to the regional economy and completely dominated by Beaufort West, which contributes 86.4% of the total gross domestic product in this sector
Tourism	Wide-open spaces, magnificent landscapes, panoramas and the sense of solitude attractions
	Historic and cultural attractions

Table 6. Key economic activities

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.3 Service delivery overview

1.3.1 Highlights: Basic services delivery performance

The table below shows the Municipality's achievement with regards to service delivery:

Highlight	Description
Construction of 2 new reservoirs	400kl and 200kl reservoirs constructed
Service vehicles certified to be used safely. Now 3 out of 6 available for use instead of 0 out of 6	Vehicles certified by service provider and the other 3 vehicles need repairs
Received funds from the Department of Transport and Public EPWP Conditional Grant	60% budget allocated for Environmental and Social Sector projects for 9 months as of July 2021 until March 2022

Table 7. Basic services delivery highlights

1.3.2 Challenges: Basic services delivery

The Municipality faced the following challenges during the year:

Service area	Challenges	Action to address
Water Services	Vandalism to boreholes and pumpstations	Apply for budget funding
Sanitation Services	Vandalism to pumpstation	Apply for budget funding
Electricity Services	Financial constraints limiting overall maintenance on electrical network	Electricity must be ringfenced to show the true income and expenses incurred
Waste Management Services	Limited air space at the Vaalkoppies Waste Disposal Site	Request funds for alternative or expansion of current site

Table 8. Basic services delivery challenges

1.3.3 Proportion of households with access to basic services

The table below indicates the Municipality's performance related to basic services provided:

Description	2020/21	2021/22
Water - minimum service level and above percentage	98%	98%
Sanitation - minimum service level and above percentage	96%	96%
Electricity - minimum service level and above percentage	100%	100%
Waste collection - minimum service level and above percentage	100%	100%

Table 9. Households with minimum level of basic services

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.4 Financial health overview

1.4.1 Highlights: Financial viability

The table below indicate the highlights faced during the financial year:

Highlight	Description
Financial Recovery Plan (FRP)	The Municipality has adopted an approved a FRP in an effort to recover and sustain the financial status and stability of the Municipality
Budget Funding Plan	The Budget Funding Plan represents the plan under which the Municipality plans to recover the funded cash flow position of the municipal budgets. The Budget Funding Plan was approved by Council

Table 10. Financial viability highlights

1.4.2 Challenge: Financial viability

The table below indicates the challenge faced during the financial year:

Challenge	Action to address
Eskom payment arrangements: The Municipality is struggling to keep up to the payment arrangement due to lack of cash flow, non-payment of services by residents amongst others	There's a concerted effort with clear focus on key pillars in the FRP. The targets to recover the position are spread across, short term goals, medium term goals and long-term sustainability goals
Eliminating root causes and thereby addressing issues raised by the Auditor-General (AG)	The Municipality is in the process of filling critical vacancies within the Municipality in order to achieve and address the rooting out of all audit findings previously identified by the Office of the AG
Shortages of key personnel and stability of the department	The critical vacancies have been identified and are in the recruitment process

Table 11. Financial viability challenge

1.4.2 National Key Performance Indicators – Municipal financial viability and management

(Ratios)

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators (KPI) required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the Municipal Systems Act (MSA). These KPI's are linked to the National Key Performance Area (KPA) namely: Municipal financial viability and management.

KPA and Indicator	2020/21	2021/22
Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2022 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)x 100]	12.93%	1.74%

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

KPA and Indicator	2020/21	2021/22
Financial viability measured in terms of the outstanding service debtors as at 30 June 2022 [(Total outstanding service debtors/ revenue received for services)x 100]	80.12%	89.01%
Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2022 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	0	0.2

Table 12. National KPI's for financial viability and management

1.4.3 National KPI - Good governance and public participation

The following table indicates the Municipality's performance in terms of the National KPI's required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and Section 43 of the MSA. This KPI is linked to the National KPA - Good governance and public participation.

KPA and Indicators	Municipal achievement	Municipal achievement
	2020/21	2021/22
The percentage of the municipal capital budget spent by 30 June 2021 ((Actual amount spent /Total amount budgeted for capital projects)X100)	84.68%	64.84%

Table 13. National KPIs - Good governance and public participation performance

1.4.4 Financial overview

The table below indicates the Municipality's financial overview for the financial year:

Details	Original budget	Adjustment budget	Actual
Income			
Grants (transfer recognition)	100 949	106 211	97 249
Taxes, levies and tariffs (property and services)	201 240	194 656	176 536
Other (investments and own)	56 388	47 896	44 721
Sub total	358 577	348 763	318 506
Less expenditure	(338 514)	(347 047)	(328 766)
Net surplus/(deficit)	20 063	1 716	(10 260)

Table 14. Financial overview

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.4.5 Total capital expenditure

The table below indicates the Municipality's capital expenditure for the financial year:

Detail	2020/21	2021/22
	R'000	
Original budget	35 897	23,465
Adjustment budget	24 692	24,121
Actual	20 901	15,640
% Spent	84.68%	64.84%

Table 15. Total capital expenditure

1.5 Auditor-General report

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


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

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

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

- 🏠 **A clean audit:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation
- 🏠 **Unqualified audit with findings:** The financial statements contain material misstatements. Unless a clean audit outcome is expressed, findings will be raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects
- 🏠 **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or there is insufficient evidence to conclude that specific amounts included in the financial statements are not materially misstated
- 🏠 **Adverse audit opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

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

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

1.5.1 Audited outcomes

The table below indicates the audit opinion received for the past 3 financial years:

Year	2018/19	2019/20	2020/21	2021/22
Opinion received	Qualified	Disclaimer	Qualified	To be announced

Table 16. Audit outcomes

CHAPTER 2: GOOD GOVERNANCE

Chapter 2

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimised, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

Component A: Political and Administrative Governance

2.1 Governance structure

2.1.1 Political governance structure

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

Council

The Council comprises of 13 elected Councillors made up from 7 Ward Councillors and 6 Proportional Representation (PR) Councillors. The portfolio committees are made up of Councillors drawn from all political parties.

Below is a table that categorise the Councillors within their specific political parties and wards for 2021/22 financial year:

Council members	Capacity	Political party	Ward representing or proportional	Number of meetings attended
1 July 2021 to 16 November 2021				
Cllr L Basson	Councillor	DA	Ward 3	4
Cllr N Constable	Speaker	KDF	Proportional	5
Cllr C de Bruin	Councillor	ANC	Ward 4	5
Cllr L Deyce	Executive Deputy Mayor	ANC	Proportional	5
Cllr O Haarvoor	Councillor	DA	Ward 1	4
Cllr M Kilani	Councillor	ANC	Ward 5	5
Cllr Z Lambert	Councillor	ANC	Proportional	5
Cllr E Lawrence	Councillor	ANC	Proportional	5
Cllr Q Louw	Executive Mayor	ANC	Proportional	5
Cllr A Slabbert	Councillor	DA	Proportional	4
Alderman JJ van der Linde	Councillor	DA	Ward 7	3

CHAPTER 2: GOOD GOVERNANCE

Council members	Capacity	Political party	Ward representing or proportional	Number of meetings attended
Cllr D Welgemoed	Councillor	DA	Ward 2	4
Cllr E Wentzel	Councillor	DA	Ward 6	3
17 November 2021 to 30 June 2022				
Cllr N Abrahams	Councillor	PA	Ward 6	23
Cllr E Botha	Councillor	PA	Ward 3	23
Cllr N Constable	Speaker	KDF	Proportional	23
Cllr C de Bruin	Councillor	ANC	Ward 4	21
Cllr S Essop	Councillor	GOOD	Proportional	22
Cllr L Mdudumani	Councillor	ANC	Ward 7	23
Cllr S Michell Meyers	Councillor	DA	Proportional	23
Cllr G Pietersen (17 November 2021 – 5 June 2022)	Executive Mayor	PA	Proportional	21
Cllr T Prince (6 June 2022 onwards)	Executive Mayor	PA	Proportional	2
Cllr L Piti	Executive Deputy Mayor	ANC	Ward 5	22
Cllr J de Kock Reynolds	Councillor	DA	Ward 2	20
Cllr R Skuza	Councillor	ANC	Ward 1	19
Cllr A Slabbert	Councillor	DA	Proportional	23
Alderman JJ van der Linde	Councillor	DA	Proportional	20

Table 17. Council 2021/22

The table below indicates the Council meeting attendance for the 2021/22 financial year:

Meeting dates	Council meetings attendance	Apologies for non-attendance
29 July 2021 (Ordinary)	13	N/A
12 August 2021 (Special)	12	1
31 August 2021 (Ordinary)	13	N/A
28 September 2021 (Ordinary)	12	1
22 October 2021 (Special)	7	(6)
17 November 2021 (Inaugural)	13	N/A
14 December 2021 (Ordinary)	12	1
17 December 2021 (Ordinary – Continuation of 14 December 2021)	13	N/A
24 December 2021 (Special)	13	N/A
20 January 2022 (Special)	12	1
25 January 2022 (Ordinary)	11	2

CHAPTER 2: GOOD GOVERNANCE

Meeting dates	Council meetings attendance	Apologies for non-attendance
30 January 2022 (Special)	13	N/A
03 February 2022 (Special)	12	1
07 February 2022 (Special – Continuation of 3 February 2022)	12	1
28 February 2022 (Ordinary)	13	N/A
02 March 2022 (Special)	11	2
14 March 2022 (Special)	11	2
23 March 2022 (Special)	13	N/A
31 March 2022 (Ordinary)	13	N/A
12 April 2022 (Special)	13	N/A
20 April 2022 (Special)	10	3
26 April 2022 (Ordinary)	13	N/A
04 May 2022 (Special)	13	N/A
11 May 2022 (Special)	13	N/A
19 May 2022 (Special)	12	1
24 May 2022 (Special – continuation of 19 May 2022)	12	(1)
06 June 2022 (Special)	13	N/A
14 June 2022 (Ordinary)	13	N/A
30 June 2022 (Special)	13	N/A

Numbers between brackets indicate non-attendance without apology

Table 18. Council meetings

b) Executive Mayoral Committee

The Executive Mayor is at the centre of the system of governance, since executive powers are vested in the Executive Mayor to manage the day-to-day affairs. This means that the Executive Mayor has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, and as well as the powers assigned by legislation.

Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Mayoral Committee.

CHAPTER 2: GOOD GOVERNANCE

The name and portfolio of each member of the Mayoral Committee is listed in the table below for the period 1 July 2021 to 30 June 2022:

Name of member	Capacity
1 July 2021 until 16 November 2021	
CLlr Q Louw	Executive Mayor
CLlr L Deyce	Executive Deputy Mayor
CLlr M Anthony Kilani	Fulltime Councillor
CLlr Z Lambert	Fulltime Councillor
17 November 2021 until 30 June 2022	
CLlr G Pietersen (17 November 2021 – 5 June 2022)	Executive Mayor
CLlr T Prince (6 June 2022 onwards)	Executive Mayor
CLlr L Piti	Deputy Executive Mayor
CLlr N Abrahams	Fulltime Councillor
CLlr C de Bruin	Fulltime Councillor

Table 19. Mayoral Committee members

The table below indicates the dates of the Mayoral Committee meetings and the number of reports submitted to Council for the 2021/22 financial year:

Meeting date	Number of reports submitted to Council
21 July 2021	4
26 July 2021	
10 January 2022	
2 February 2022	

Table 20. Executive Mayoral Committee meetings

c) Portfolio Committees

The MSA provides for the establishment of Section 79 and Section 80 Committees.

Section 79 Committees are Council committees, appointed by Council for a specific purpose and accounting to Council section 79 Committees must be composed to reflect the way in which parties and interest are reflected in Council.

Council has established the following Section 79 Committees:

-  Financial and Development Committee
-  Corporate Services and Social Development Committee
-  Human Resource (HR) Development Committee
-  Municipal Resource Development Committee

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The portfolio committees and their chairpersons for the period 1 July 2021 to 30 June 2022 were as follows:

Chairperson	Other members	Number of minutes submitted to Council	Meeting dates
Financial Services Standing Committee			
Cllr Q Louw	Cllr N Constable	1	14 July 2021
	Cllr Z Lambert		
	Alderman JJ van der Linde		
Cllr G Pietersen	Cllr N Abrahams	1	24 February 2022
	Cllr S Essop		
	Cllr L Mdudumani		
	Cllr L Piti		
	Alderman JJ van der Linde		
Cllr G Pietersen	Cllr N Abrahams	1	9 May 2022
	Cllr S Essop		
	Cllr L Mdudumani		
	Cllr L Piti		
	Alderman JJ van der Linde		
Corporate Services and Human Resource Management Standing Committee			
Cllr L Deyce	Cllr E Lawrence	1	19 July 2021
	Cllr E Wentzel		
	Cllr Z Lambert		
Cllr L Piti	Cllr E Botha	1	17 February 2022
	Cllr C de Bruin		
	Cllr S Essop		
	Cllr S Meyers		
	Cllr Ralph Skuza		
Cllr L Piti	Cllr E Botha	1	16 May 2022
	Cllr C de Bruin		
	Cllr S Essop		
	Cllr S Meyers		
	Cllr R Skuza		
Infrastructure Services and Engineering Standing Committee			
Cllr M Kilani	Cllr Q Louw	1	15 July 2021
	Cllr N Constable		
	Cllr L Deyce		
	Cllr Z Lambert		

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Chairperson	Other members	Number of minutes submitted to Council	Meeting dates
	Cllr D Welgemoed		
Cllr C de Bruin	Cllr N Abrahams	1	16 February 20221
	Cllr L Piti		
	Cllr A Slabbert		
	Cllr S Essop		
Cllr C de Bruin	Cllr N Abrahams	1	25 May 2022
	Cllr L Piti		
	Cllr A Slabbert		
	Cllr S Essop		
Community Services, Traffic and Housing Standing Committee			
Cllr N Constable	Cllr Q Louw	1	13 July 2021
	Cllr M Kilani		
	Cllr O Haarvoor		
	Cllr C de Bruin		
Cllr N Abrahams	Cllr L Mdudumani	1	15 February 2022
	Cllr R Skuza		
	Cllr S Essop		
	Cllr E Botha		
	Cllr J De Kock Reynolds		
Cllr N Abrahams	Cllr L Mdudumani	1	19 April 2022
	Cllr R Skuza		
	Cllr S Essop		
	Cllr E Botha		
	Cllr J De Kock Reynolds		

Table 21. Portfolio Committees

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d) *Municipal Public Accounts Committee*

The Municipal Public Accounts Committee (MPAC) is a committee of the Municipal Council, appointed in accordance with Section 80 of the Structures Act. The main purpose of the MPAC is to exercise oversight over the executive functionaries of Council as delegated and to ensure good governance in the Municipality.

Name of representative	Departments / Sections / Council	Political Party	Meeting dates
Cllr L Mdudumani	Council	ANC	28 March 2022
Cllr S Meyers	Council	DA	28 March 2022
Cllr S Essop	Council	GOOD	28 March 2022
Cllr E Botha (Absent)	Council	PA	20 March 2022
Cllr R Skuza	Council	ANC	28 March 2022
Cllr L Mdudumani	Council	ANC	24 August 2022
Cllr S Meyers	Council	DA	24 August 2022
Cllr S Essop (Absent)	Council	GOOD	24 August 2022
Cllr E Botha	Council	PA	24 August 2022
Cllr R Skuza	Council	ANC	24 August 2022

Table 22. MPAC

2.1.2 Administrative governance structure

The Municipal Manager is the accounting officer of the Municipality. He is the head of the administration and primarily must serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the management team, whose structure is outlined in the table below:

Name of official	Department	Performance agreement signed
		Yes/No
M Penxa	Municipal Manager	No
G Nyathi	Municipal Manager	No
N Ntsangani	Director: Financial Services	No
D van Turha	Director: Infrastructure Services	No
A Makendlana	Director: Corporate Services	Yes
Vacant	Director: Community Services	NA

Table 23. Administrative governance structure

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Component B: Intergovernmental Relations

2.2 Intergovernmental relations

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

a) *Intergovernmental structures*

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

Name of structure	Members	Outcomes of engagements/topics discussed
Supply Chain Management (SCM) forum	Manager: SCM	Enhance municipality financial and administrative capability
Integrated Waste Management forum	Waste Management: Superintendent	Waste minimisation and campaigns
IDP Indabas	IDP Manager and all Directors	Resources agree on joint priorities and commit resources to implement these priorities
Provincial Public Participation and Commutation forum	Public participation officials	Ensure the coordinated and Coherent implementation and establishment of the ward participatory process to encourage the involvement of communities and organisations ensure in matters of local government
Provincial Skills Development	Skills Development Facilitator	Ensure and improve training delivery system in the province
HR Practitioners forum	Manager: HR	Educational attainment , skills development, science and innovation and labour, market/ employment policies
Karoo STR and Economic Initiative	Executive Mayor and IDP Coordinator	The Karoo Region STR Program aims to achieve developmental outcomes across local municipalities, districts and provinces through municipal cooperation across the Karoo region
Municipal Managers Forum	Municipal Manager	
CFO Forum	Chief Financial Officer	
EPWP Central Karoo District Forum	EPWP Champions for District, Sector Departments (National and Provincial), Regional Coordinator	Grant agreement. EPWP progress and possible interventions
MIG Coordination Meeting	Local Municipalities PMU Managers, Department of Local Government, DCOGTA, Sector Departments	MIG progress and possible interventions

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Name of structure	Members	Outcomes of engagements/topics discussed
MISA Steering Committee	MM, CFO, Director: Infrastructure, MIG PMU Manager, Managers MISA Officials, Department of Local Government	MOA, technical support required as per Technical Support Plan between MISA and the Municipality

Table 24. Intergovernmental structures

b) Joint projects and functions with sector departments

All the functions of government are divided between the different spheres of government. The Municipality therefore share their area and community with other spheres of government and their various sector departments and must work closely with national and provincial departments to ensure the effective implementation of various projects and functions.

The table below provides detail of such projects and functions:

Name of project/function	Expected outcomes of the project	Sector departments involved	Contribution of sector department
EPWP	Work Opportunities, 65 FTE's (Full Time Equivalents)	Department of Public Works: EPWP Section	R1 285 000
Public Employment Programme	Work Opportunities - 64	Department Local Government	R 1 100 000

Table 25. Joint projects and functions with sector departments

Component C: Public Accountability and Participation

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

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

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2.3 Ward committees

Ward committees supports the ward councillor who receives reports on development, participate in development planning processes and facilitate wider community participation. To this end, the Municipality constantly strives to ensure that all ward committees' function optimally with community information provision, convening of meetings, ward planning, service delivery, IDP formulation and performance feedback to communities.

2.3.1 Ward Committees

The tables below indicate each ward with their associated members and dates of meetings:

a) *Ward 1: Murraysburg and Murraysburg rural areas*

Name of representative	Capacity representing	Number of meetings held during the year
V Mliwana	Unemployment	12
A Hoffman	Education and Religion	
G Zahela	Senior Burger and Disability	
J Jonas	Community Based Organization and Safety	
D Oerson	Youth	
J Martin	Welfare Development	
S Tshikolo	Environmental based organization and safety	
N Fywers	Health	
A Johnson	Women	

Table 26. Ward 1: Committee meetings

b) *Ward 2: Nelspoort, Nelspoort Rural, Noord Einde, part of Hillside, central town, part of rural areas of Beaufort West and part of Hospital Hill*

Name of representative	Capacity representing	Number of meetings held during the year
A Peers	Business	12
A Jonkers	Youth Forum	
B Maxhegwana	Education	
S November	CWP/ Community	
J Lodewyk	Policing Safety & Security	
D Booyesen	Health	
M Breda	Religion	

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Name of representative	Capacity representing	Number of meetings held during the year
J Bosman	Church/ Social Groups and Community	

Table 27. Ward 2: Committee meetings

c) Ward 3: Part of Rustdene, Essopville and Nieuvelid Park

Name of representative	Capacity representing	Number of meetings held during the year
L Bosman	Charity	12
A Plaatjies	Labour	
J Wentzel	Youth	
E Jacobs	Sport	
J Pause	Unemployment	
G Makok	Religion	
N Fortuin	Environment	
E Lottering	Health	
H Frazenburg	Youth	
E Arendse	People with Disability	

Table 28. Ward 3: Committee meetings

d) Ward 4: Part of Kwa Mandlenkosi, De Lande, part of central town and southern part of Hospital Hill

Name of representative	Capacity representing	Number of meetings held during the year
H Mali	Women	12
B Khedama	Health	
A Swanepoel	Unemployment	
S Ndyalivane	Religion	
Z Mdlkiva	Women and Health	
L Banda	Business Sector	
X Voorslag	Youth	
N Dyani	Governing Bodies	
F Njoli	Women and Safety	

Table 29. Ward 4: Committee meetings

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e) *Ward 5: Part of Kwa Mandlenkosi, part of Rustdene, Paddavlei, Hooyvlakte, New Lands and New Town*

Name of representative	Capacity representing	Number of meetings held during the year
S Dyson	Community Clinics	12
S Louw	Clinics	
M de Boer	Youth and Disabled	
E Grootboom	Community Clinics	
A Lottering	Governing Bodies	
J Ceasar	Business Sector	
G Louw	Women	
A Mdlikiva	Governing Bodies	
M Mapotolo	Community	
B Jack	Crime and Drugs	

Table 30. Ward 5: Committee meetings

f) *Ward 6: Part of Rustdene and Prince Valley*

Name of representative	Capacity representing	Number of meetings held during the year
V Louw	Neighborhood Watch	12
E Links	Neighborhood Watch	
R Adonis	Religion	
A Daniels	Children	
L Beyers	Women	
E Mosterd	Sport	
F Martin	Religion	
M Kratshi	Municipal Affairs	
M McDonald	Business	

Table 31. Ward 6: Committee meetings

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g) *Ward 7: Part of rural Beaufort West, part of Hillside I and II, Toekomsrus, Merweville and rural parts of Merweville*

Name of representative	Capacity representing	Number of meetings held during the year
T Bostander	Transport	12
J Spogter	Caring Hands	
C van Zyl	Women and Safety	
E Daniels	Business	
D Klein	Youth	
T Sam	Sport and Culture	
N Johnson	Women	
D Abrahams	Sport	
R Uithaler	Women	

Table 32. Ward 7: Committee meetings

2.4 Functionality of Ward Committees

The purpose of a ward committee is:

- 🏠 to get better participation from the community to inform Council decisions;
- 🏠 to make sure that there is more effective communication between the Council and the community; and
- 🏠 to assist the ward councillor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to the administration. These committees play a very important role in the development and annual revision of the IDP of the area.

The table below provides information on the ward committees and their functionality for the 2021/22 financial year:

Ward number	Committee established Yes / No	Number meetings held during the year	Committee functioning effectively (Yes / No)
Ward 1	Yes	12	Yes
Ward 2	Yes	12	Yes
Ward 3	Yes	12	Yes
Ward 4	Yes	11	Yes
Ward 5	Yes	12	Yes
Ward 6	Yes	12	Yes

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Ward number	Committee established Yes / No	Number meetings held during the year	Committee functioning effectively (Yes / No)
Ward 7	Yes	12	Yes

Table 33. Functioning of ward committees

2.5 Representative forums

2.5.1 Labour Forum

The table below specifies the members of the Labour Forum for the 2021/22 financial year:

Name of representative	Meeting dates
Employer Representatives	
Cllr S Meyers	12 April 2022 27 June 2022
Cllr N Abrahams	
Cllr E Botha	
Cllr S Essop	
Cllr L Piti	
Cllr R Skuza	
Municipal Manager – M Penxa	
Acting Municipal Manager – G Nyathi	
Director: Corporate Services – A Makendlana	
Unions – Employee Representatives	
C Lottering – IMATU	
W van der Horst - IMATU	
M Govender - IMATU	
H Maans - SAMU	
L Swarts - SAMWU	
E Molowitz – SAMWU	
G Daniels - SAMWU	
G Plaatjies – SAMWU	

Table 34. Labour Forum

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Component D: Corporate Governance

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

2.6 Risk management

To maintain an overall positive perception of the Municipality and confidence in the Municipality from the public and other stakeholders, well planned goals and objectives should be coordinated and achieved within the Municipality. Section 62(1) of the MFMA stipulates that the Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control as well as the effective, efficient and economical use of the resources of the municipality. BWM has instituted a systematic and formalised process to identify, assess, manage and monitor risks which effectively ensures achievement of those planned goals and objectives. Thus, risk management is essentially a good governance measure instituted to ensure the municipality accomplish its vision, mission and strategic plans.

The Municipality has an approved Risk Management Policy, Framework and Implementation Plan as approved by Council on 23 January 2017 (resolution number 8.15 5/12/2/1). The policy is reviewed annually by the Risk Committee and submitted to the Municipal Manager for approval.

The risk management function is facilitated internally by the internal audit division and externally by a service provider to ensure the following functions are performed:

- 🏠 Assisting management to develop and implement the Risk Management Policy, Strategy and Implementation Plan;
- 🏠 Coordinating risk management activities;
- 🏠 Facilitating identification and assessment of risks;
- 🏠 Recommending risk responses to management; and
- 🏠 Developing and disseminating risk reports.

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a) Risk assessment process

The risk assessment for the 2021/22 financial year was completed during February to March 2021 where risks were identified and categorised into the following groups:

- 🏠 Operational risks
- 🏠 Strategic risks

The risks identified were classified into high, medium and low risks to determine the inherent risk (impact risk has before taking controls into consideration). The risk rating is determined by a 10 X 10 risk matrix.

b) Top strategic risks

As part of the risk assessment, management identifies current controls, which mitigates the inherent risks identified. After considering controls, the identified risks will receive a residual risk.

After the residual risks have been determined it will be categorised again according to high, medium and low risks, where after management determines which of the risks require further actions to mitigate the impact it may have.

The top ten risks of the Municipality for the financial year were as follow:

Risk level	Risk	Directorate	Impact	Likelihood	Risk rating
Low	Impact of drought	Strategic	10	10	100
Medium	Financial feasibility in the long term	Strategic	9.5	9.5	90.25
Medium	Ageing and deteriorating infrastructure	Strategic	9	10	90
Medium	Technical Excessive water losses (Infrastructure)	Infrastructure	8	10	80
Low	Coordinated by Central Karoo District Municipality – but only one official available for the entire district area - Disaster Management	Strategic	8	9	72
Medium	Lack of funding (need to expand the landfill site in the near future)	Community Service	9	10	86
Medium	Vandalism and misuse of municipal property	Strategic	9	9	81
Medium	Lack of conducive environment to attract economic investment	Municipal Manager	9	9	81
Medium	Illegal landfill site operated at Murraysburg (funding already acquired and new regional landfill site identified) Merweville and Nelspoort sites are licensed.	Community Service	9	9	81
Medium	Non-compliance with laws and regulations (All applicable laws and regulations on all departments)	Strategic	9	9	81

Table 35. Strategic risks

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c) Organisational risk assessment

The table below reflects the annual risk assessments for the past two financial years, reflecting the change in the risk profile:

2020/21			2021/22		
Risk categories	Risks	% of all risk	Risk categories	Risks	% of all risks
High	72	31	High	66	27
Medium	171	66	Medium	162	66
Low	16	3	Low	16	7
Total	259	100	Total	244	100

Table 36. Risk profile

d) Risk Committee

The role of the Risk Committee is to provide timely and useful enterprise risk management reports to the Audit Committee of the Municipality. The reports contain the current top risks of the Municipality, which includes:

- 🏠 Key strategic and financial risks facing the Municipality (all extreme and high-risk exposures)
- 🏠 Key operational risks per strategic goal (top 5 risks per objective as per risk exposure from high to low)

The Risk Committee consists of the following members:

Name of Committee Member	Capacity	Meeting dates
J Penxa	Chairperson (1 July to 31 May 2022)	29 July 2021 22 March 2022 30 June 2022
G Nyathi	Member and Chairperson (from 1 June 2022)	
D van Turha	Member (1 July to 31 May 2022)	
A Makendlana	Member	
N Ntsangani	Member (1 July to 31 May 2022)	
N Phoshoko	Member (1 July 2021 to 31 October 2021)	
R Naidoo	CRO	
A Hendriks	Member (1 July 2021 to 31 October 2021)	
C Wright	Member	
N Gabada	Member	

Table 37. Members of the Risk Committee

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2.7 Anti-corruption and anti-fraud

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

a) *Developed strategies*

Name of strategy	Developed Yes/No	Dates adopted
Anti-corruption Strategy and Response Plan	Yes	24 April 2018
Integrity Management Framework	Yes	Not yet approved by Council

Table 38. Strategies and response plan

2.8 Audit and Performance Audit Committee

a) *Functions of the Audit Committee (AC)*

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

- 🏠 To advise Council on all matters related to compliance and effective governance
- 🏠 To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, Division of Revenue Act (DoRA) and other applicable legislation
- 🏠 Respond to Council on any issues raised by the Auditor-General in the audit report
- 🏠 Carry out investigations into the financial affairs of the municipality as Council may request
- 🏠 Review the quarterly reports submitted by internal audit
- 🏠 Evaluate audit reports pertaining to financial, administrative and technical systems
- 🏠 Evaluate the compliance to existing policies and relevant legislation
- 🏠 Review the performance management system and make recommendations in this regard to Council
- 🏠 Assess whether the performance indicators are sufficient
- 🏠 Determine possible reasons for discrepancies between performance and targets
- 🏠 Identify major risks to which Council is exposed and determine the extent to which risks have been minimised
- 🏠 To review the annual report of the municipality
- 🏠 Investigating cases of fraud, misbehaviour and conflict of interest involving employees

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- 🏠 Review the plans of internal audit and ensure that the plan addresses the high-risk areas and ensure that adequate resources are available
- 🏠 Review audit results and action plans implemented by management
- 🏠 Provide support to internal audit
- 🏠 Ensure that no restrictions or limitations are placed on internal audit

b) Functions of the Performance Audit Committee

The regulations require that the Performance Audit Committee (PAC) is comprised of a minimum of three members, the majority of whom are external (neither a Councillor nor an employee) of the municipality. Section 14(2)(b) of the Regulations further stipulates that the PAC must include at least one person who has expertise in performance management. It is also a requirement of the Regulations in Section 14(2)(d) that the Council of a municipality designate neither a member of the PAC who is neither a Councillor nor an employee of the municipality as the chairperson of the committee.

Both the Regulations and the MFMA, indicate that three is the minimum number of members needed to comprise a PAC. While the regulations preclude the appointment of a Councillor as chairperson of the PAC, the MFMA excludes the involvement of a Councillor in the composition of a PAC entirely.

In accordance with the requirements of Section 14(2)(e) of the Regulations, if the chairperson is absent from a specific meeting of the committee, the members present must elect a chairperson from those present to act as chairperson for that meeting.

Further, Section 14(2)(f) of the Regulations provides that, in the event of a vacancy occurring amongst the members of the PAC, the municipality concerned must fill that vacancy for the unexpired portion of the vacating member's term of appointment.

Section 14(3)(a) of the Regulations requires that the PAC of a municipality must meet at least twice during each financial year. However, additional special meetings of the PAC may be called for by any member of the committee where sufficient justification exists in terms of Section 14(3)(b) of the Regulations.

In terms of Section 14(4)(a) of the Regulations the PAC has the responsibility to -

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

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c) *Members of the PAC*

The table below indicates the names of the members of the AC and PAC:

Name of representative	Capacity	Meeting dates
S Ngwevu	Chairperson	31 August 2021
A Augustyn	Member	27 September 2021
W Phillips	Member	29 September 2021
N Gabada	Member	3 February 2022
		1 March 2022
		21 April 2022
		21 June 2022
		28 June 2022

Table 39. Members of the AC and PAC

2.9 Internal audit

Section 165(2)(a) and (b)(iv) of the MFMA requires that the internal audit unit of a municipality prepare a risk-based audit plan and an internal audit program for each financial year; advise the accounting officer and report to the AC on the implementation on the internal audit plan and matters relating to:

- 🏛️ internal audit;
- 🏛️ internal controls;
- 🏛️ accounting procedures and practices;
- 🏛️ risk and risk management;
- 🏛️ performance management;
- 🏛️ loss control;
- 🏛️ compliance with this Act, the annual Division of Revenue Act and any other applicable legislation, and
- 🏛️ perform other duties as may be assigned to it by the accounting officer.

The Municipality has an in-house internal audit function.

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a) Annual audit plan

The table below provides detail on audits completed:

Description			Date completed
Phase 1			
Operational and Strategic Risk Assessment			February – March 2021
Phase 2			
Compilation of Risk Based Audit Plan			July 2021
Phase 3			
Type of audit engagement	Department	Detail	Date completed
Quarterly audit of Performance Management	Strategic	Quarterly audit of the Performance management system	2 March 2022(Q1 & Q2) 31 May 2022
Grants	Strategic	To ensure compliance with DoRA	10 December 2021
Contract Management	Strategic	To ensure compliance to Contract Management policies and procedures	27 October 2021
Waste Management	Community Service	To ensure compliance with license agreements and relevant legislative requirements	10 December 2021
HR and Payroll – overtime and standby	Strategic	To ensure that adequate controls are in place to manage the overtime and standby	31 May 2022
Supply Chain Management	Finance	To ensure compliance to the legislative requirements	Not yet completed
Water and Electricity Losses	Strategic	To ensure that controls are in place to minimise the losses	2 March 2022(included in the PMS Q1 report)
Follow-up of previous Internal Audit findings - quarterly	Strategic	To ensure that that controls are implemented, reviewed and monitored by Management	Continuous
Ad-hoc report on possible conflict of interest of Councillor D Welgemoed	Strategic	To provide some assurance to assess whether processes are in place to ensure Councillors adhere to Schedule 5 of the Code of Conduct	30 August 2021
Ad-hoc report on the alleged/suspected non-compliance on the issuing of personal protective equipment and clothing (PPE & PPC)	Strategic	To provide some assurance to assess whether processes are in place to ensure compliance with the issuing of Personal Protective Equipment and Clothing (PPE and PPC) as required by legislation	8 March 2022

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Description			Date completed
Ad-hoc report on the overtime/standby of the Fire personnel from 01 July 2021 – 31 December 2021	Community Services	To provide some assurance whether processes and procedures were in place to manage the overtime/standby of the Fire personnel from 1 July 2021 – 30 December 2021	22 March 2022
Ad-hoc report on the compliance with the Municipal Traffic fines	Community Services	To provide some assurance to assess whether processes are in place to ensure compliance with the Municipal traffic fines	18 May 2022
Investigate non-payment for services by Councillors and administrative officials quarterly - FRP	Strategic	To provide some assurance whether processes and procedures were in place to verify that all the Councillors and Administrative officials billing accounts are not more than three months in arrears	18 May 2022

Table 40. Internal audit plan

2.10 By-laws and policies

Section 11 of the MSA gives a Council the executive and legislative authority to pass and implement by-laws and policies. No new by-laws were developed and reviewed during the financial year.

2.11 Communication

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication Strategy	Yes
Communication Policy	No
Functional Complaint Management Systems	Yes

Table 41. Communication activities

Additional communication channels utilised:

Channel	Yes/No
SMS system	Yes

Table 42. Additional communication channels

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2.12 Website

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

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

Description of information and/or document	Yes/No and/or Date Published
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical and postal address of the Municipality	Yes
Financial information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Tabled Budget 2021/22	Yes
Adjusted Budget 2021/22	Yes
Asset Management Policy	Yes
Customer Care, Credit Control and Debt Collection Policy	Yes
Indigent Policy – Part of Credit Control Debt Collection Policy	Yes
Funds and Reserves Policy	Yes
Investment and Cash Management Policy	Yes
Rates Policy	Yes
SCM Policy	Yes
Tariff Policy	Yes
Virement Policy	Yes
Petty Cash Policy – Part of SCM Policy	Yes
Travel and Subsistence Policy	Yes
Long Term Financial Policy	No
Borrowing Policy	Yes
SDBIP 2021/22	Yes
Budget and Treasury Office Structure	No
IDP and public participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2021/22	Yes
IDP Process Plan for 2021/22	Yes
SCM (Sections 14(2), 33, 37 and 75(1)(e) and (f) and 120(6)(b) of the MFMA and Section 18(a) of the National SCM Regulation)	
List of capital assets that have been disposed	No

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Description of information and/or document	Yes/No and/or Date Published
Long-term borrowing contracts	Yes
SCM contracts above R 30 000	No
Service delivery agreements	No
Public invitations for formal price quotations	Yes
Reports (Sections 52(d), 71, 72 and 75(1)(c) and 129(3) of the MFMA)	
Annual Report of 2020/21	Yes
Oversight reports	Yes
Mid-year budget and performance assessment	Yes
Quarterly reports	Yes
Monthly budget statement	Yes
LED (Section 26(c) of the MSA)	
LED Strategy	No
Economic profile	No
LED projects	No
Performance management (Section 75(1)(d) of the MFMA)	
Performance agreements for employees appointed as per S57 of MSA (Municipal Manager only)	Yes
Assurance functions (Sections 62(1), 165 and 166 of the MFMA)	
Internal Audit Charter	Yes
AC Charter	Yes
Risk Management Policy, Strategy and Implementation Plan	Yes

Table 43. Website checklist

2.13 SCM

The SCM Policy of BWM is deemed to be fair, equitable, transparent, competitive and cost-effective as required by Section 217 of the Constitution.

2.13.1 Competitive bids in excess of R200 000

a) Bid committee meetings

The following table details the number of Bid Committee meetings held for the 2021/22 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
22	22	7

Table 44. Bid committee meetings

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The members of the bid committees for the financial year were:

Bid Specifications Committee	Bid Evaluation Committee	Bid Adjudication Committee
P Lande	P Lande	A Hendricks
M Tshibo	M Tshibo	A Makendlana
W Plaatjies	W Plaatjies	D Van Turha
I George	S Pienaar	G Nyathi
A Piti	I George	M Phoshoko
S Berg	A Piti	N Ntsangani
R Mahoka	S Berg	N Mabhena
S Madumbo	R Mahoka	C Els
B de Klerk	B de Klerk	
B Damon	B Damon	
W Johnson	W Johnson	
X Tika	X Tika	
P Strumpher	P Strumpher	
L Barnard	L Barnard	
J Abrahams	J Abrahams	
D le Roux	D le Roux	
C de Koker	C de Koker	
V Ruiters	V Ruiters	
N Kotze	N Kotze	
M Phoshoko	M Phoshoko	
P Mditshwa	P Mditshwa	
K Fortuin	K Fortuin	

Table 45. Members of bid committees

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b) Awards made by the Bid Adjudication Committee

The highest bids awarded by the Bid Adjudication Committee are as follows:

Bid number	Date of award	Title of bid	Successful bidder	Value of bid awarded (R)
SCM 39/2021	29 September 2021	Supply of Pre-Payment Vending System and Services	CONTOUR TECHNOLOGY (PTY) LTD	R19 987 840.00
SCM 22/2021	1 September 2021	Professional Services: Short term insurance portfolio for period of 3 years	Opulentia Financial Services	R3 472 244.77
SCM 37/2021	31 August 2021	Professional Services: Provision of Accounting Services for period of 2 years	Mubesko Africa and Tsholo Consulting Solutions	R2 656 100.00
SCM 07/2022	3 January 2022	Professional Service: Electrical Services	CVW Consulting Engineers Pty Ltd	R1 169 713.92
SCM 23/2021	16 July 2021	Provision of Cash-In-Transit Services for 3 Year Period	Fidelity Cash Solutions Pty Ltd	R1 359 244.8
SCM 16-2022	17 March 2022	Contract for the High Mast, Sport field and street lightning project and maintenance on behalf of Beaufort West municipality for a period of 3 years	VE Reticulation	R2 552 370.26
SCM 13/2021	10 August 2021	Supply and delivery of protective clothing for 3-year period	Aludar Holdings Pty Ltd and Blackbird Trading CC	Various prices

Table 46. Highest bids awarded by Bid Adjudication Committee

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c) Awards made by the accounting officer

The following award was made by the accounting officer of the Municipality:

Bid number	Date bid was awarded	Title of bid	Successful bidder	Value of bid awarded (R)
SCM 39/2021	29 September 2021	Supply of Pre-Payment Vending System and Services	CONTOUR TECHNOLOGY (PTY) LTD	R19 987 840.00
SCM 22/2021	1 September 2021	Professional Services: Short term insurance portfolio for period of 3 years	Opulentia Financial Services	R3 472 244.77
SCM 37/2021	31 August 2021	Professional Services: Provision of Accounting Services for period of 2 years	Mubesko Africa and Tsholo Consulting Solutions	R2 656 100.00
SCM 07/2022	3 January 2022	Professional Service: Electrical Services	CVW Consulting Engineers Pty Ltd	R1 169 713.92
SCM 23/2021	16 July 2021	Provision of Cash-In-Transit Services for 3 Year Period	Fidelity Cash Solutions Pty Ltd	R1 359 244.8
SCM 16-2022	17 March 2022	Contract for the High Mast, Sport field and street lightning project and maintenance on behalf of Beaufort West municipality for a period of 3 years	VE Reticulation	R2 552 370.26
SCM 13/2021	10 August 2021	Supply and delivery of protective clothing for 3-year period	Aludar Holdings Pty Ltd and Blackbird Trading CC	Various prices

Table 47. Awards made by the Accounting Officer

d) Appeals lodged by aggrieved bidders

No appeals were received for the 2021/22 financial year.

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2.13.2 Deviation from normal procurement processes

The following table provides a summary of deviations approved on an annual and monthly basis respectively:

Type of deviation	Number of deviations	Percentage of total deviations number	Value of deviations R	Percentage of total deviations value
Emergency	2	25%	11 458.88	9.51%
Sole supplier	2	25%	21 700.50	18.01%
Any other exceptional case where it is impossible or impractical to follow the official procurement process	4	50%	87 329.40	72.48%
Total	8	100%	120 488.78	100%

Table 48. Summary of deviations

Clause 36(1)(a)(v)- Deviations- impractical and or impossible:

Type of deviation	Number of deviations	%	Value of deviations (R)
Any contract relating to the publication of notices and advertisements by the Municipality	16	45.71	146 493.30
Any contract with an organ of state, a local authority or a public utility corporation or company	8	22.86	87 453.00
The appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000	8	22.86	306 998.05
Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required to call for bids	3	8.57	40 903.40
Total	35	100	702 336.53

Table 49. Deviations – impractical and/or impossible

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2.13.3 Logistics management

The system of logistics management must ensure:

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

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

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

Internal controls are in place to ensure that goods and service that are received are certified by the responsible person.

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

The system of disposal management must ensure the following:

- 🏠 Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise, as community value makes up for the lower market value
- 🏠 Movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous
- 🏠 Firearms are not sold or donated to any person or institution within or outside the republic unless approved by the National Conventional Arms Control Committee

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

Assets must be disposed of in terms of Council's Asset Management and Immoveable Property Management Policy.

2.14 Municipal Cost Containment Measures

2.14.1 Municipal Cost Containment Regulations (MCCR)

National Treasury first published the draft MCCR for public comment on 16 February 2018, with the closing date being 31 March 2018. Comments were received, from the Department of Cooperative Governance and Traditional Affairs, SALGA, municipalities and other stakeholders. After extensive consultation and consideration of all comments received, the MCCR were finalised and promulgated on 7 June 2019 in the Government Gazette, with the effective date being 1 July 2019.

2.14.2 Municipal Cost Containment Policy

The MCCR do not apply retrospectively, therefore will not impact on contracts concluded before 1 July 2019. If municipalities and municipal entities decided to extend current contracts, such contracts should have been aligned with the principles outlined in the MCCR and SCM regulations.

Regulation 4(1) of the MCCR requires municipalities and municipal entities to either develop or review their cost containment policies. The MCCR require municipalities to adopt the cost containment policies as part of their budget related policies prior to 30 September 2019. The Beaufort West Municipality adopted cost containment policies on 15 June 2021.

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2.14.3 Cost containment measure and annual cost saving

The effective implementation of the MCCR is the responsibility of the municipal council and the municipal accounting officer. In terms of the cost containment framework provided in the MCCR, which is consistent with the provisions of the MFMA and other government pronouncements, the following cost savings for the financial year are disclosed:

Cost Containment						
Cost Containment Measure	2020/21			2021/22		
	Budget	Total Expenditure	Savings	Budget	Total Expenditure	Savings
	R'000	R'000	R'000	R'000	R'000	R'000
Use of consultants	4 245	4 070	175	6 120	5 590	530
Vehicles used for political office -bearers	0	0	0	0	0	0
Travel and subsistence	609	313	296	460	347	113
Domestic accommodation	251	135	116	337	171	166
Sponsorships, events and catering	193	71	122	150	123	27
Communication	1 968	1 809	159	2 222	2 133	89
Other related expenditure items	0	0	0	2 882	2 955	(73)
Total	7 266	6 398	868	12 171	11 319	852

Table 50. Deviations – impractical and/or impossible

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CHAPTER 3

This chapter provides an overview of the key service achievements of the Municipality that came to fruition during 2021/22 in terms of the deliverables achieved compared to the KPI's and objectives in the IDP. It includes an overview on achievement in 2021/22 when compared to actual performance in 2020/21.

3.1 Overview of performance within the organisation

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

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

The constitution of S.A (1996), Section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of Section 195(1) are linked with the concept of performance management, regarding the principles of inter alia:

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

The MSA, 2000 requires municipalities to establish a performance management system. Further, the MSA and the MFMA requires the IDP to be aligned to the municipal budget and to be monitored for the performance of the budget via the service delivery and the budget implementation plan (SDBIP).

Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation but also to the individuals employed in the organisation and the external service providers and municipal entities. This framework, *inter alia*, reflects the linkage between the IDP, budget, SDBIP and individual and service provider performance.

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The Municipality adopted a performance management framework that was approved by Council in 2009.

3.1.1 Legislative requirements

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

3.1.2 Organisational performance

Strategic performance indicates how well the Municipality meet its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an ongoing basis and the results reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlights the strategic performance in terms of the Municipality's Top Layer SDBIP per strategic objective and the National KPI's prescribed in terms of Section 43 of the MSA.

3.1.3 The performance system followed for 2021/22

a) The IDP and the budget

The IDP and the budget for 2021/22 was reviewed and approved by Council on 15 June 2021. The IDP and performance management processes are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation, management, monitoring and evaluation of the IDP.

The SDBIP was prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on 29 June 2021.

3.1.4 Performance management

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

- 🏛️ The Top Layer SDBIP was approved by the Mayor on 29 June 2021 and the information was loaded on an electronic web-based system
- 🏛️ The web-based system sent automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against KPI targets of every month for the previous month's performance

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The performance system administrator reminded all departments on a monthly basis to update their actual performance on the web-based system

3.2 Introduction to strategic and municipal performance for 2021/22

3.2.1 Strategic SDBIP

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

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

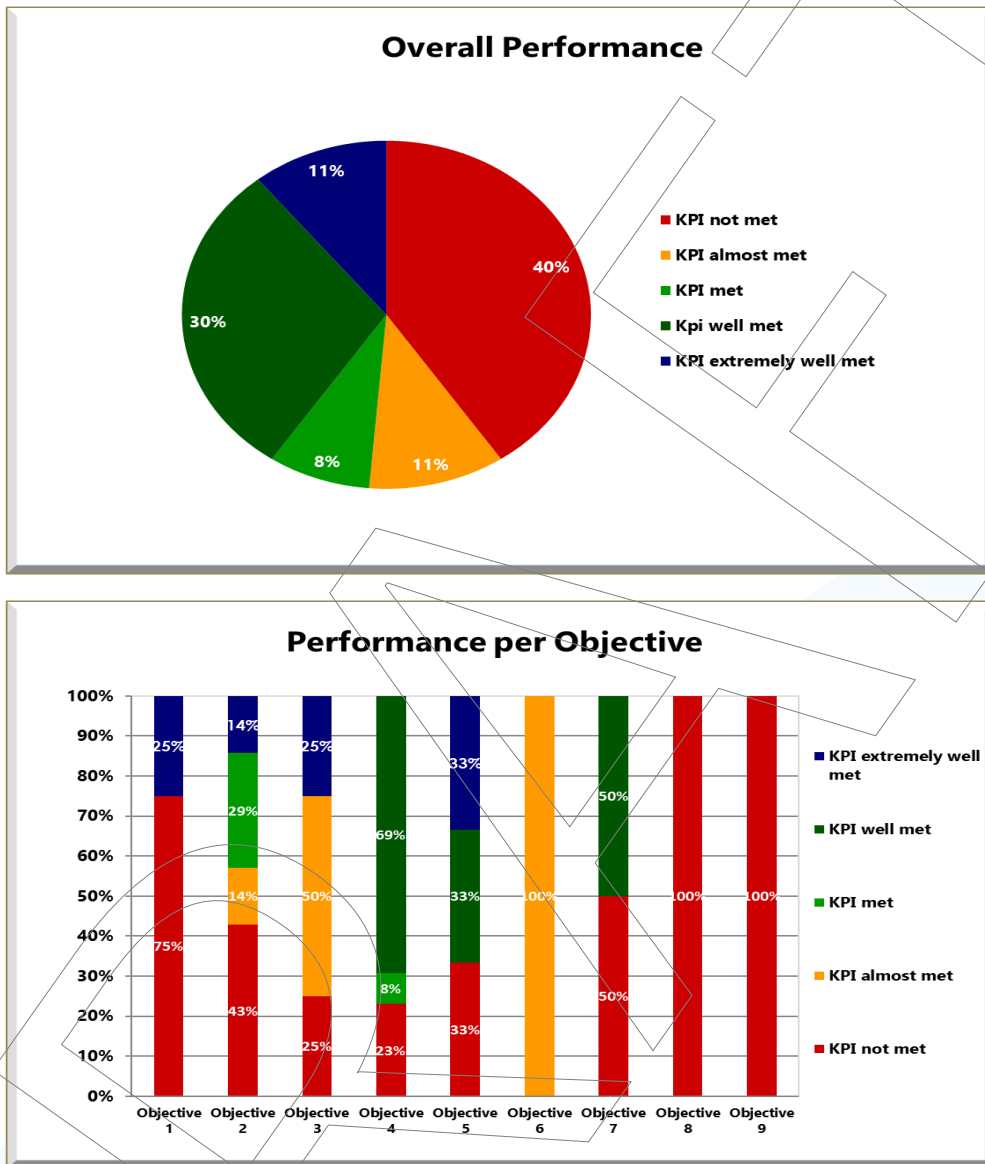
The following table explains the method by which the overall assessment of actual performance against targets set for the KPI's of the SDBIP is measured:

Category	Rating	Explanation
KPI Not Yet Measured	Not yet measured	KPI's with no targets or actuals in the selected period
KPI Not Met	KPI Not Met	0% > = Actual/Target < 75%
KPI Almost Met	KPI Almost Met	75% > = Actual/Target < 100%
KPI Met	KPI Met	Actual/Target = 100%
KPI Well Met	KPI Well Met	100% > Actual/Target < 150%
KPI Extremely Well Met	KPI Extremely Well Met	Actual/Target > = 150%

Figure 2.: SDBIP measurement categories

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The graph below displays the overall performance in terms of the Top Layer SDBIP per strategic objectives for 2021/22:



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Measurement Category	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5	Objective 6	Objective 7	Objective 8	Objective 9
	Ensure liquidity of the administration	Establishment of a well governed and accountable administration	Provide for the needs of indigent households through improved services	Provision of basic services to all the people in the municipal area	Sustainability of the environment	To enable education and skills development to equip people with economic skills	To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development	To improve and maintain current basic service delivery through specific infrastructural development projects	Transparency and participation
KPI Not Met	3	3	1	3	1	0	1	2	1
KPI Almost Met	0	1	2	0	0	1	0	0	0
KPI Met	0	2	0	1	0	0	0	0	0
KPI Well Met	0	0	0	9	1	0	1	0	0
KPI Extremely Well Met	1	1	1	0	1	0	0	0	0
Total	4	7	4	13	3	1	2	2	1

Graph 1.: Overall performance per strategic objective

3.2.2 Detailed actual performance for 2021/22 KPI's per strategic objectives

a) Ensure liquidity of the administration

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL15	Municipal Financial Viability and Management	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2022 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating	Debt to Revenue as at 30 June 2022	All	12.93%	0%	0%	0%	45%	45%	1.74%	B

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Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL16	Municipal Financial Viability and Management	Conditional Grant)x 100] Financial viability measured in terms of the outstanding service debtors as at 30 June 2022 [(Total outstanding service debtors/ revenue received for services)x 100]	Service debtors to revenue as at 30 June 2022	All	80.12%	0%	0%	0%	35%	35%	89.01%	R
Corrective Measure				The Municipality will ensure that it implements its Debt and Credit Control Policy robustly in the new financial year, to ensure that it improves its financial viability								
TL17	Municipal Financial Viability and Management	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2022 [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)]	Cost coverage as at 30 June 2022	All	0	0	0	0	1	1	0.2	R

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Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
Corrective Measure				The Municipality needs to robustly implements its Credit and Debt Management Policy to ensure that the cash position of the Municipality improves in the new financial year								
TL18	Municipal Financial Viability and Management	Achieve an payment percentage of 85% by 30 June 2022 [(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100]	Payment % achieved by 30 June 2022	All	81.60%	75%	80%	85%	85%	85%	63%	R
Corrective Measure				The Municipality will ensure that it implements the Cost and Debt Policy rigorously to improve its collection rate in the new financial year of 2022/23								

Table 51. Ensure liquidity of the administration

b) Establishment of a well governed and accountable administration

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL1	Good Governance and Public Participation	Compile the Risk based audit plan for 2022/23 and submit to Audit committee for consideration by 30 June 2022	Risk based audit plan submitted to Audit committee by 30 June 2022	All	1	0	0	0	1	1	1	G

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Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL2	Good Governance and Public Participation	90% of the Risk based audit plan for 2021/22 implemented by 30 June 2022 [(Number of audits and tasks completed for the period identified in the RBAP/ Number of audits and tasks identified in the RBAP) x 100]	% of the Risk Based Audit Plan implemented by 30 June 2022	All	20%	10%	25%	50%	90%	90%	69.23%	O
Corrective Measure				The 4 audits that was not completed was transferred to the 2022/23 financial year and included in the Operational Internal Audit Plan								
TL4	Good Governance and Public Participation	Develop the new Integrated Development Plan for the 2022-2027 period and submit to Council by 31 May 2022	Number of IDP's submitted	All	New key performance indicator for 2021/22. No audited comparative is available	0	0	0	1	1	1	G
TL5	Good Governance and Public Participation	Submit the Annual Performance Report to the Auditor-General by 31 August 2021	Number of reports submitted	All	New key performance indicator for 2021/22. No audited comparative is available	1	0	0	0	1	0	R
Corrective Measure				The Municipality will ensure in the new financial that the Annual Performance Report is submitted within the regulated time								

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Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL34	Municipal Transformation and Institutional Development	Appoint people from the employment equity target groups in the three highest levels of management in compliance with a municipality's approved employment equity plan	Number of people appointed in the three highest levels of management	All	1	0	0	0	1	1	0	R
Corrective Measure				The vacant posts within the three highest levels will be filled within the next financial year utilizing the approved Employment Equity Plan of the Municipality								
TL35	Municipal Transformation and Institutional Development	0.50% of the municipality's personnel budget spent on implementing its workplace skills plan by 30 June 2022 [(Actual amount spent on training/total personnel budget) x100]	% of the municipality's personnel budget spent on implementing its workplace skills plan	All	0%	0%	0%	0%	0.50%	0.50%	0.77%	B

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Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL37	Municipal Transformation and Institutional Development	95% of the approved project budget spent on the Computer Equipment Project by 30 June 2022	[(Actual expenditure divided by the total approved project budget) x100]	All	New key performance indicator for 2021/22. No audited comparative is available	15%	40%	60%	95%	95%	40%	R
Corrective Measures				Supply Chain Management (SCM) Section could not finalize the award of bids in time. Project was postponed to 2022/23 financial year								

Table 52. Establishment of a well governed and accountable administration

c) Provide for the needs of indigent households through improved services

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL10	Basic Service Delivery	Provide free basic water to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2022	Number of active indigent households receiving free basic water as at 30 June 2022	All	7 244	0	5 600	0	5 600	5 600	2 097	R
Corrective Measures				The Municipality has received fewer indigent applications. The Municipality will ensure the establishment of the Indigent Committee to ensure control in the processes								

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Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL11	Basic Service Delivery	Provide free basic electricity to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2022	Number of active indigent households receiving free basic electricity as at 30 June 2022	All	7 173	0	5 094	0	5 094	5 094	4 917	O
Corrective Measures				The Municipality has received fewer indigent applications. The Municipality will ensure the establishment of the Indigent Committee to ensure control in the processes								
TL12	Basic Service Delivery	Provide free basic sanitation to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2022	Number of active indigent households receiving free basic sanitation as at 30 June 2022	All	3 575	0	5 953	0	5 953	5 953	4 917	O
Corrective Measures				The Municipality has received fewer indigent applications. The Municipality will ensure the establishment of the Indigent Committee to ensure control in the processes								
TL13	Basic Service Delivery	Provide free basic refuse removal to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2022	Number of active indigent households receiving free basic refuse removal as at 30 June 2022	All	1 767	0	2 225	0	2 225	2 225	4 917	B

Table 53. Provide for the needs of indigent households through improved services

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d) Provision of basic services to all the people in the municipal area

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL6	Basic Service Delivery	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and which are billed for water or have pre-paid meters as at 30 June 2022	Number of residential properties which are billed for water or have pre paid meters as at 30 June 2022	All	15 388	0	11 510	0	11 510	11 510	16 523	G 2
TL7	Basic Service Delivery	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2022	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2022	All	11 204	0	12 462	0	12 462	12 462	16 523	G 2
TL8	Basic Service Delivery	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) which are billed for sewerage as at 30 June 2022	Number of residential properties which are billed for sewerage as at 30 June 2022	All	11 927	0	11 870	0	11 870	11 870	16 523	G 2
TL9	Basic Service Delivery	Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at 30 June 2022	Number of residential properties which are billed for refuse removal as at 30 June 2022	All	11 712	0	11 346	0	11 346	11 346	16 523	G 2

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL23	Basic Service Delivery	95% of the approved project budget spent on the construction of two new reservoirs in Murraysburg by 30 June 2022 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2022	1	100%	15%	40%	60%	95%	95%	98.10%	G 2
TL24	Basic Service Delivery	95% of the approved project budget spent on the upgrade of the 20 MVA 22/11 kV Main Substation - Phase 4 in Beaufort West by 30 June 2022 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2022	2	New key performance indicator for 2021/22. No audited comparative is available	15%	40%	60%	95%	95%	8%	R
Corrective Measures				Delay in procurement process in appointing consulting engineers impacted the underperformance of the project. However, the procurement plan of the Municipality with its deadlines will be strictly followed in the new financial year								
TL25	Basic Service Delivery	Complete the construction of two (2) new reservoirs in Murraysburg by 30 June 2022	Number of reservoirs constructed	1	New key performance indicator for 2021/22. No audited comparative is available	0	0	0	2	2	2	G
TL26	Basic Service Delivery	95% of the approved project budget spent on New High Mast Lighting in Nelspoort by 30 June 2022 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2022	2	New key performance indicator for 2021/22. No audited comparative is available	15%	40%	60%	95%	95%	100%	G 2

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL27	Basic Service Delivery	95% of the approved project budget spent on New High Mast Lighting in Rustdene, Prince Valley and Lande by 30 June 2022 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2022	4; 5; 6	New key performance indicator for 2021/22. No audited comparative is available	15%	40%	60%	95%	95%	99.60%	G 2
TL28	Basic Service Delivery	95% of the approved project budget spent on the upgrade of the sport stadium in Kwa Mandlenkosi by 30 June 2022 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2022	4	New key performance indicator for 2021/22. No audited comparative is available	15%	40%	60%	95%	95%	100%	G 2
TL29	Basic Service Delivery	95% of the approved project budget spent on the extension of the Goue Akker Cemetery in Beaufort West by 30 June 2022 [(Actual expenditure divided by the total approved project budget) x100]	% of budget spent by 30 June 2022	4	100%	15%	40%	60%	95%	95%	98.30%	G 2
TL30	Basic Service Delivery	95% of the approved project budget spent on the upgrade of existing regional sport stadium: Phase 2 in Rustdene by 30 June 2022 [(Actual expenditure divided by the total approved project budget) x100]	% of budget spent by 30 June 2022	5; 6	New key performance indicator for 2021/22. No audited comparative is available	15%	40%	60%	95%	95%	32.60%	R

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
Corrective Measure				Multi-year project. SCM process will be fast tracked to ensure that the project is completed within the timeframes								
TL32	Basic Service Delivery	Submit a report on the Illegal Dumping Project (Department of Environmental Affairs) to Council by 30 September 2021	Number of reports submitted	All	New key performance indicator for 2021/22. No audited comparative is available	1	0	0	0	1	0	R
Corrective Measure				The report has been developed and presented to the Technical Financial Recovery Plan (FRP) Committee. It will be submitted to Council by 30 November 2022								

Table 54. Provision of basic services to all the people in the municipal area

e) Sustainability of the environment

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL19	Municipal Financial Viability and Management	Limit unaccounted for water quarterly to less than 25% during 2021/22 [(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl free basic water) / Number of Kilolitres Water Purchased or Purified x 100]	% unaccounted water	All	54%	25%	25%	25%	25%	25%	15.86%	B

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22							
						Target					Actual		
						Q1	Q2	Q3	Q4	Annual			
TL20	Municipal Financial Viability and Management	Limit unaccounted for electricity to less than 10% quarterly during the 2021/22 financial year [(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased) × 100]	% unaccounted electricity	All	14.78%	10%	10%	10%	10%	10%	10%	35.42%	R
Corrective Measure				The Municipality must derive interventions to curb the electricity losses									
TL22	Basic Service Delivery	95% of water samples in the Beaufort West jurisdiction area comply with SANS241 micro biological indicators	% of water samples compliant to SANS 241	All	100%	95%	95%	95%	95%	95%	95%	100%	G2

Table 55. Sustainability of the environment

f) To enable education and skills development to equip people with economic skills

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL36	Local Economic Development	Spend 100% of the library grant by 30 June 2022 (Actual expenditure divided by the total grant received)	% of grant spent by 30 June 2022	All	94.36%	0%	0%	0%	100%	100%	99.38%	O

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22					
						Target					Actual
						Q1	Q2	Q3	Q4	Annual	
Corrective Measures				The Municipality will ensure in the new financial year that it sticks to the procurement plan to ensure that the capital program is properly spent							

Table 56. To enable education and skills development to equip people with economic skills

g) To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL3	Local Economic Development	Review the LED strategy and submit to Council by 30 June 2022	Revised LED strategy submitted to Council by 30 June 2022	All	0	0	0	0	1	1	0	R
Corrective Measures				Draft will be workshopped/presented to Council during September 2022 and tabled for approval during October 2022								
TL21	Local Economic Development	Create temporary job opportunities in terms of the Extended Public Works Programme (EPWP) projects by 30 June 2022	Number of temporary jobs opportunities created by 30 June 2022	All	48	0	0	0	100	100	142	G2

Table 57. To facilitate investment and maintenance of economic and social infrastructure to ensure infrastructure-led economic growth and development

h) To improve and maintain current basic service delivery through specific infrastructural development projects

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL14	Basic Service Delivery	The percentage of the municipal capital budget spent by 30 June 2022 [(Actual amount spent / Total amount budgeted for capital projects) X 100]	% of capital budget spent by 30 June 2022	All	84.68%	15%	40%	60%	95%	95%	64.84%	R

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
Corrective Measures					The Municipality will ensure in the new financial year that it implements its capital program in accordance with the approved procurement plan							
TL33	Good Governance and Public Participation	Submit a Housing Pipeline Report to Council by 30 June 2022	Number of reports submitted	All	New key performance indicator for 2021/22. No audited comparative is available	0	0	0	1	1	0	R
Corrective Measure					The appointment of the Director will facilitate the process of getting the necessary information to prepare the Housing Pipeline Report and will present the draft to the Municipal Manager by 31 May 2023 and to Council by 30 June 2023							

Table 58. To improve and maintain current basic service delivery through specific infrastructural development projects

i) **Transparency and participation**

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2020/21	Overall performance 2021/22						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL31	Good Governance and Public Participation	Hold roadblocks in conjunction with the Provincial Traffic Department quarterly	Number of roadblocks held	All	New key performance indicator for 2021/22. No audited comparative is available	1	1	1	1	4	0	R
Corrective Measures					In implementing the activities of the Financial Recovery Plan (FRP) the Municipality will ensure that quarterly roadblocks do take place in the new financial year of 2022/23, to achieve the desired target							

Table 59. Transparency and participation

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3.2.3 Municipal functions

The municipal functional areas are as indicated below:

Municipal function	Municipal function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	No
Local amenities	Yes
Local sport facilities	Yes

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Municipal function	Municipal function Yes / No
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes




Table 60. Municipal functions

3.3 Component A: Basic Services

3.3.1 Water Services

a) Introduction to Water Services

Beaufort West is dependent on three different water sources:

-  Surface water (Gamka Dam, Springfontein Dam and Walker Dam)
-  Boreholes (40 boreholes in 6 aquifers)
-  Water Reclamation Plant (WRP)

The water sources mentioned above are used to adhere to the demand of the community. The demand is approximately 7 mega litres per day. This figure varies depending on the weather conditions. During summer the water consumption is much higher than during winter. The high summer consumption is balanced by abstracting water from the Gamka Dam, boreholes and water from the WRP. During winter, only boreholes and the WRP are used to adhere to the demand from the community. The water quality of Beaufort West, Nelspoort, Merweville and Murraysburg is of a good standard.

Water losses are reduced to the minimum from the source to sector meters. There is a loss of approximately 57% from sector meters to billing. A water meter audit was done and showed that the challenge faced is billing and not only water losses by leakages in the network.

During the 2021/22 financial year all boreholes supplying water to Murraysburg was upgraded and a new 400kl and 200kl reservoir was constructed.

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b) Highlight: Water Services

The table below indicate the highlight during the financial year:

Highlight	Description
Construction of 2 new reservoirs	400kl and 200kl reservoirs constructed

Table 61. Water Services highlight

c) Challenges: Water Services

The table below indicate the challenge faced during the financial year:

Description	Actions to address
Vandalism to boreholes and pumpstations	Apply for budget funding

Table 62. Water Services challenge

d) Total use of water by sector

The table below indicates the total use of water per sector:

Total use of water by sector (cubic meters)				
Financial year	Agriculture	Forestry	Industrial	Domestic
2020/21	0	0	243 843	2 465 534
2021/22	0	0	267 495	2 704 674

Table 63. Total use of water by sector (cubic meters)

e) Water service delivery levels

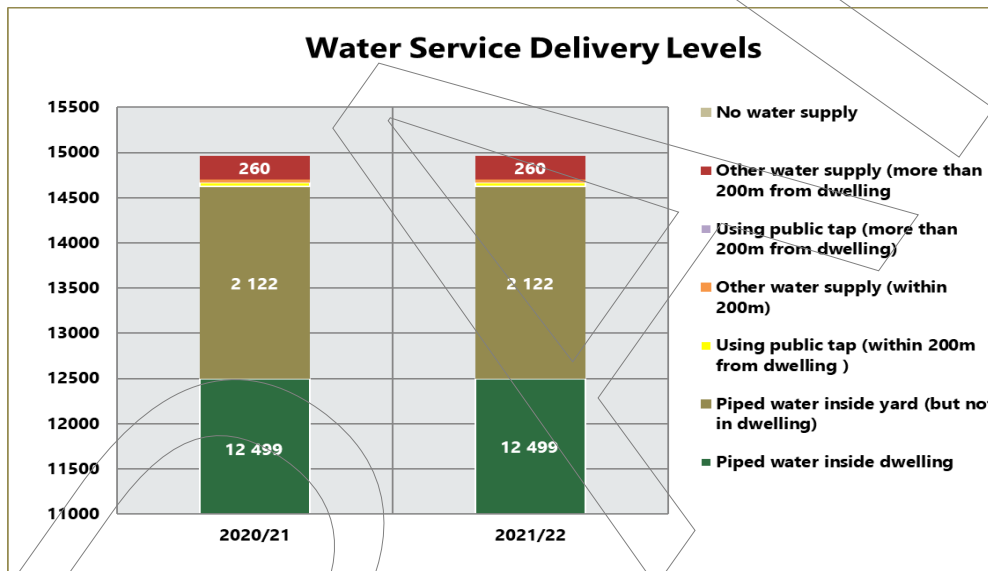
The table below indicates the water service delivery levels:

Households		
Description	2020/21	2021/22
	Actual	Actual
	No.	No.
<i>Water: (above min level)</i>		
Piped water inside dwelling	12 499	12 499
Piped water inside yard (but not in dwelling)	2 122	2 122
Using public tap (within 200m from dwelling)	49	49
Other water supply (within 200m)	31	31
Minimum service level and above sub-total	14 701	14 701
Minimum service level and above percentage	98	98
<i>Water: (below min level)</i>		
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	260	260

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Households		
Description	2020/21	2021/22
	Actual	Actual
	No.	No.
<i>Water: (above min level)</i>		
No water supply	0	0
Below minimum service level sub-total	260	260
Below minimum service level percentage	2	2
Total number of households	14 961	14 961
Include informal settlements		

Table 64. Water service delivery levels



Graph 2.: Water service delivery levels

f) Access to water

The table below indicates the number of households that have access to water:

Financial year	Number of households with access to water points*	Proportion of households with access to piped water	Number of households receiving 6 kl free#
2020/21	14 961	98.1%	6 627
2021/22	14 961	89.1%	2 097

* Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute

6 000 litres of potable water supplied per formal connection per month

Table 65. Access to water

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g) Employees: Water Services and Waste Water Services

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	2	2	2	0	0
Skilled technical, superintendents, etc.	2	2	2	0	0
Semi-skilled	10	12	11	1	8.33
Unskilled	4	6	3	3	50
Total	18	22	18	4	18.18

Table 66. Employees: Water Services

h) Capital expenditure: Water Services

The table below indicates the capital expenditure incurred:

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
Murraysburg: Construction of Two (2) New Reservoirs	3 124	3 124	3 065
Merweville: Drilling, Testing and Equipping of New Boreholes - Phase 2	0.00	1 400	1 396
Total	3 124	4 524	4 461

Table 67. Capital Expenditure: Water Services

3.3.2 Sanitation Services

a) Introduction to Sanitation Services

The Municipality has four Waste Water Treatment Works (WWTW) that are situated in Beaufort West, Nelspoort, Merweville and Murraysburg. The WWTW of Nelspoort, Murraysburg and Merweville has recently been upgraded and are operating within the design capacity and the final effluent is of good quality.

The WWTW of Nelspoort, Merweville and Murraysburg are evaporation ponds.

Studies are being done on the Beaufort West WWTW as the biological trickle filter system has been de-commissioned and this increases the load on the activated sludge process.

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The final effluent of the Beaufort West WWTW is reclaimed by the reclamation plant and treated to drinking water standards.

b) Challenges: Sanitation Services

The table below indicate the challenges faced during the financial year:

Description	Actions to address
Vandalism to pumpstation	Apply for budget funding

Table 68. Sanitation Services challenges

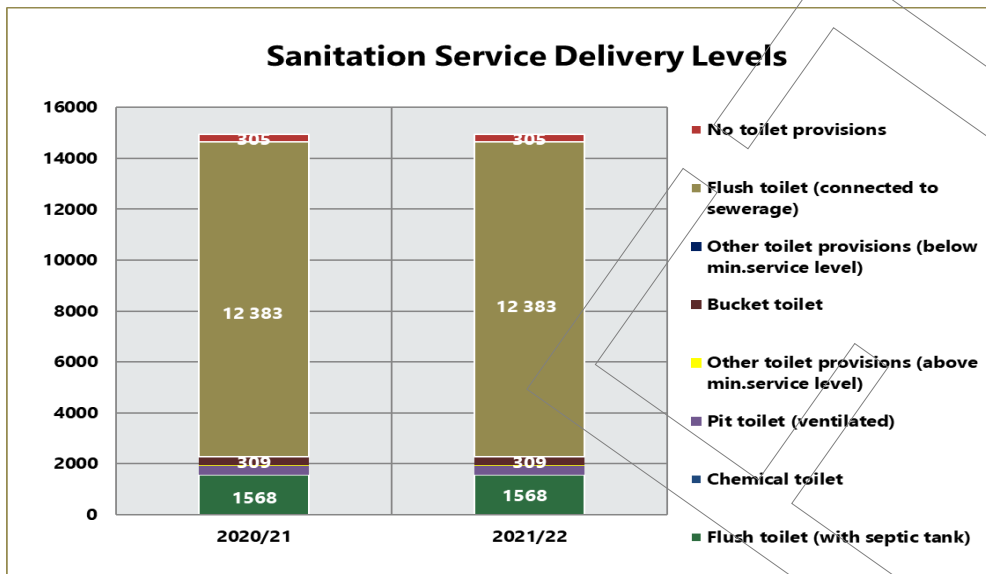
c) Sanitation service delivery levels

The table below indicates the service delivery levels for sanitation:

Households		
Description	2020/21	2021/22
	Actual	Actual
	No.	No.
<i>Sanitation/sewerage: (above minimum level)</i>		
Flush toilet (connected to sewerage)	12 383	12 383
Flush toilet (with septic tank)	1 568	1 568
Chemical toilet	0	0
Pit toilet (ventilated)	355	355
Other toilet provisions (above min.service level)	31	31
Minimum service level and above sub-total	14 337	14 337
Minimum service level and above percentage	96%	96%
<i>Sanitation/sewerage: (below minimum level)</i>		
Bucket toilet	309	309
Other toilet provisions (below min.service level)	0	0
No toilet provisions	305	305
Below Minimum Service Level sub-total	617	617
Below Minimum Service Level Percentage	4%	4%
Total households	14 951	14 951
Including informal settlements		

Table 69. Sanitation Service delivery levels

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Graph 3.: Sanitation Service delivery levels

d) Employees: Water and Waste Water Networks

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	0	0	0	0	0
Skilled technical, superintendents, etc.	1	1	1	0	0
Semi-skilled	10	9	9	0	0
Unskilled	18	23	15	8	34.78
Total	29	33	25	8	24.24

Table 70. Employees: Sanitation Services

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3.3.3 Electricity Services

a) *Introduction to Electricity Services*

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

The distribution of electricity in Beaufort West started in 1919 when the railway supplied the Municipality with electricity. The cost was 4.5 pennies per unit. During 1924, the Municipality started building their own power station. On 1 November 1925, the power station was officially opened and ever since, electricity has grown to be a huge industry, supplying energy to businesses and the community. The department is licensed by the National Electricity Regulator (NER) to supply electricity within its approved area of supply. The department is responsible for the distribution and supply of electricity for Beaufort West, Nelspoort, Merweville and surrounding rural areas. Eskom is responsible for the distribution of electricity in Merweville and partially in Murraysburg.

The department takes supply from Eskom at 132 000 volt at Katjieskop substation and distribute 11 000 volt to the supply areas.

The electricity is sold to industrial, commercial and domestic customers. Approximately 35.63% of the electricity is sold to industrial and commercial customers, 48.08% to domestic customers, 8.42% to indigents, 3.18% for street lighting and 4.69% for own use. Energy losses during the financial year amounted to 14.78%.

There are no backlogs in the provision of service connections. Applications for connections are processed as they are received and the necessary connection fees collected. All electricity customers receive a full service but are differentiated in terms of connection size in relation to connection fees paid.

I) SERVICE BACKLOGS

Due to the lack of financial resources over the past number of years, a backlog in repair and maintenance, as well as refurbishment and network expansion has increased. This backlog can only be addressed by sufficient capital investment into the electricity infrastructure.

II) INFRASTRUCTURE

Although the Municipality has been able to assist all applicants by providing electricity, the low level of investment in the upgrade, refurbishment and expansion of the electricity infrastructure has led to a situation that new developments can no longer be accommodated without major capital investment. It is therefore absolutely essential that the Municipality direct more of the surplus generated by the sale of electricity to the capital requirements of the electrical department. Currently, the Municipality is busy with upgrading of its primary substations in Beaufort West and this will

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be completed by the year 2024. This project was made possible with funding from Integrated National Electrification Programme (INEP).

b) Highlights: Electricity Services

The table below indicates the highlights of the financial year:

Highlight	Description
Service vehicles certified to be used safely. Now 3 out of 6 available for use instead of 0 out of 6	Vehicles certified by service provider and the other 3 vehicles need repairs
Operator Certificates (cherry-pickers and crane truck) issued to personnel	Certificates was expired for a period of 18 months
Personal protective clothing was issued to personnel in June 2022	Was overdue for issue by 3 years

Table 71. Electricity Services highlights

c) Challenges: Electricity Services

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Financial constraints limiting overall maintenance on electrical network	Electricity must be ringfenced to show the true income and expenses incurred
Challenges with the financial system used by the Municipality not reflecting the true state of electrical affairs (billing and customer statistics)	A complete audit must be done by Department of Finance

Table 72. Electricity Services challenges

d) Electricity service delivery levels

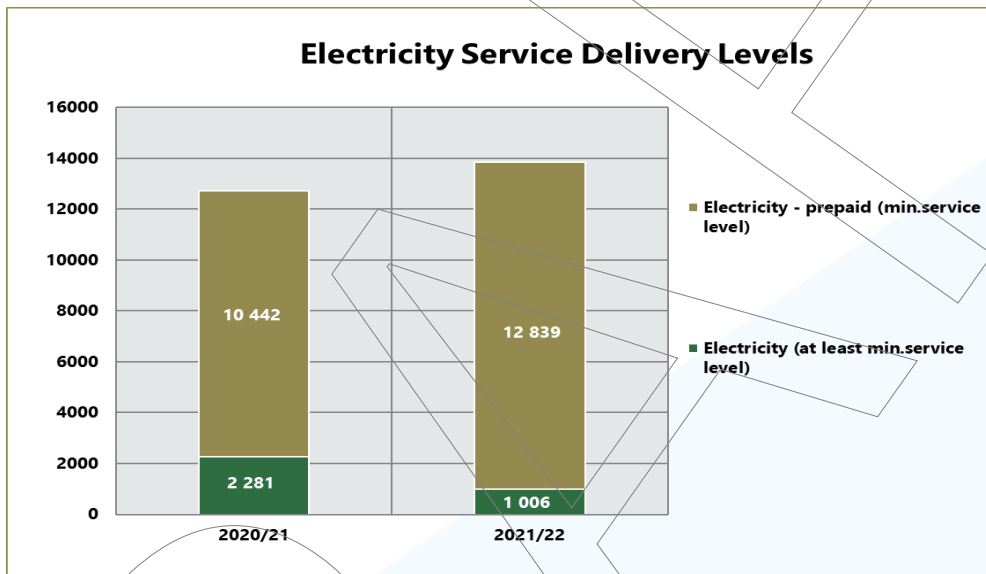
The table below indicates the service delivery levels for electricity:

Households		
Description	2020/21	2021/22
	Actual	Actual
	No.	No.
Energy: (above minimum level)		
Electricity (at least min.service level)	2 281	1 006
Electricity - prepaid (min.service level)	10 443	11 833
Minimum service level and above sub-total	12 724	12 839
Minimum service level and above percentage	100	100
Energy: (below minimum level)		
Electricity (<min.service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0

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Households		
Description	2020/21	2021/22
	Actual	Actual
	No.	No.
Below minimum service level sub-total	0	0
Below minimum service level percentage	0	0
Total number of households	12 724	12 839

Table 73. Electricity Service delivery levels



Graph 4.: Electricity Service delivery levels

e) Employees: Electro-Technical Services

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	2	3	2	1	33.33
Skilled technical, superintendents, etc.	4	4	4	0	0
Semi-skilled	12	11	10	1	9.09
Unskilled	5	5	5	0	0
Total	23	23	21	2	8.69

Table 74. Employees: Electricity Services

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f) Capital expenditure: Electricity Services

The table below indicates the capital expenditure incurred:

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
20 MVA 22/11 kV Upgrading of Main Substation Phase IV	6 100	6 100	486
New High Mast Lighting - Rustdene, Prince Valley, Lande	2 267	3 562	4 038
New High Mast Lighting - Nelspoort	1 675	1 675	1 638
Contributed PPE - Mini Substation	0.00	0.00	794
Total	10 042	11 337	6 956

Table 75. Capital expenditure: Electricity Services

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

a) Introduction: Waste Management





I) SERVICE DELIVERY

The Section provides a weekly door-to-door waste removal service to households and bi-weekly to some businesses. Domestic and garden waste is removed on daily basis and placed either in the 85 litre refuse bins or refuse bags. Medical waste generated from hospitals, clinics and general practitioners are collected by a private company. The private company is responsible for spillage removal along the N1 national road transversing the Beaufort West area. Builder's rubble is removed by the community with their own transport, and the Municipality removes when dumped illegally on open spaces or upon request from households at minimal costs.

Expanded Public Work Programme (EPWP – local and district) and Murraysburg Landfill Project (Department of Forestry Fishery and Environment - EPIP) and Community Working Program participants clean open spaces, litter picking and streets sweeping to other residential areas where there are no permanent staff allocated and waste disposal facilities (Vaalkoppies and Murraysburg).

II) LANDFILL SITE DISPOSAL SITES

The four waste management facilities within the Beaufort West municipal area are situated in:

-  Beaufort West - known as Vaalkoppies Landfill Site
-  Merweville – known as Merweville Landfill Site
-  Nelspoort – known as Nelspoort Landfill Site
-  Murraysburg – known as Murraysburg Landfill Site

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All landfill sites are operational of which 3 has permits (Vaalkoppies, Merweville and Nelspoort) but Murraysburg licensed expired.

III) WASTE MINIMISATION

Recycling programmes have not yet been formalised though recycling activities on all sites by waste pickers and collected by private recycling companies on daily basis. Some of the businesses, farmers and community drop the recyclables personally to the private depot.

IV) WASTE AWARENESS AND EDUCATION

Waste awareness and education is currently done through the distribution of pamphlets on a quarterly basis. The target audience for these initiatives are schools and communities.

b) Highlights: Waste Management

The table below indicate the highlights during the financial year:

Highlights	Description
Cleaning of illegal dump sites	Budget allocated from Murraysburg landfill project to clean
Received funds from the Department of Transport and Public EPWP Conditional Grant	60% budget allocated for Environmental and Social Sector projects for 9 months as of July 2021 until March 2022

Table 76. Waste Management highlights

c) Challenges: Waste Management

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Insufficient budget	Review and prioritise budget annually
No machinery on all 4 waste disposal sites	Buy specialised from annual capital budget and/or apply through Municipal Infrastructure Grant (MIG) fund
Limited air space at the Vaalkoppies Waste Disposal Site	Request funds for alternative or expansion of current site
Murraysburg unlicensed waste disposal site	Request for extension of current expired license

Table 77. Waste Management challenges

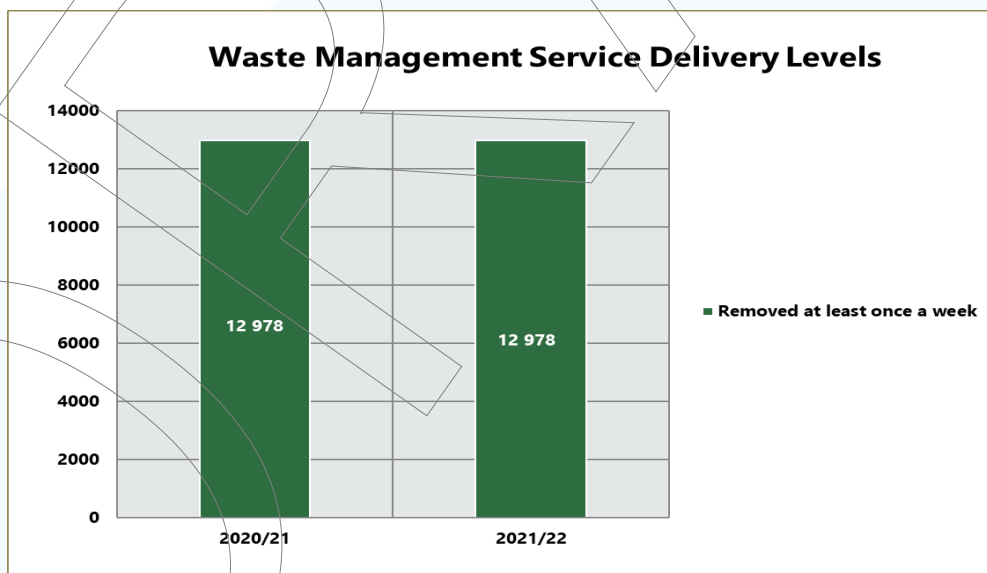
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d) Waste Management service delivery levels

The table below indicates the service delivery levels for waste management:

Description	Households	
	2020/21	2021/22
	Actual	Actual
	No.	No.
Solid waste removal: (minimum level)		
Removed at least once a week	12 978	12 978
Minimum service level and above sub-total	12 978	12 978
Minimum service level and above percentage	100	100
Solid waste removal: (below minimum level)		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
Below minimum service level sub-total	0	0
Below minimum service level percentage	0	0
Total number of households	12 978	12 978

Table 78. Waste Management service delivery levels



Graph 5.: Waste Management service delivery levels

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e) *Employees: Waste and Facility Management (Street Cleaning/Sanitation, Vacuum Services, Landfill Site & Refuse Removal)*

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	0	0	0	0	0
Skilled technical, superintendents, etc.	1	1	1	0	0
Semi-skilled	8	9	9	0	0
Unskilled	22	31	22	9	29.03
Total	31	41	32	9	21.95

Table 79. Employees: Waste Management

f) *Employees: Waste, Environment and Facility Management (Administrative Support, EPWP Administrations & Projects, Parks & Gardens, Cemeteries, Pound, Halls, Stadiums & Swimming Pools)*

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	1	1	1	0	0
Skilled technical, superintendents, etc.	2	2	2	0	0
Semi-skilled	24	24	18	6	25
Unskilled	21	23	20	3	13.04
Total	48	50	41	9	18

Table 80. Employees: Waste, Environment and Facilities Management

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3.3.5 Employees: Basic Services: Merweville, Murraysburg and Nelspoort (excluding Library Services of the 3 towns)

The table below indicates the number of staff employed within the unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total Budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	1	0	0	0	0
Skilled technical, superintendents, etc.	5	4	3	1	25
Semi-skilled	27	30	28	2	6.66
Unskilled	13	18	16	2	11.11
Total	46	52	47	5	9.61

Table 81. Employees: Basic Services: Merweville, Murraysburg and Nelspoort

3.3.6 Housing

a) Introduction to housing

Being encouraged by the Housing Act 107 of 1997, our Municipality strives to establish and maintain habitable, stable and sustainable public and private residential environment to ensure viable households and communities in areas allowing convenient access to economic, health, educational and social opportunities.

The scale of the housing problem confronting the Central Karoo is actual. The number of units delivered has lessened in comparison with the growing demand for low-cost housing. This result in the increasing demand backlogs and a disturbing degree of quality.

Planners need to understand the scope of problems and the benefits related to strategic, conceptual and implementation alternatives. Alternative strategies must thus be sought which address issues regarding the quantity and quality of housing delivered. The need for improved approaches is thus clear.

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I) HOUSING NEED

The need for an inclusive approach which considers community participation and stakeholder engagement, whilst considering the wide scale of impact related to housing development is recognised. Our Municipality recognise the following programmes as clarified by need with the income group categories:

🏠 Integrated Residential Development Programme (IRDP):	R0 – R3 500 per month
🏠 Consolidation Housing Project:	R0 – R3 500 per month
🏠 Military Veteran Housing (MV):	R0 – R10 417 per month
🏠 Social Housing (Nelspoort Nurses Home)	R 1 501 – R15 000 per month
🏠 Finance Linked Individual Subsidy Programme (FLISP) and GAP Housing	R3 501 – R22 000 per month

II) EXISTING UNITS

Existing units are as follows:

IRDP Subsidy	6224 - units according to recent estimates of the housing demand data base (Includes towns Beaufort West, Murraysburg, Merweville and Nelspoort)
GAP	426 - potential applicants have registered on our database system
Social Housing	20 – potential applicants occupying premises (Nurses Home - Nelspoort)

Table 82. Housing needs

b) Prioritised IRDP housing sites

The prioritised IRDP housing site figures for the financial year is indicated in the table below:

Site	Units
Subsidy: Priority 1	
Murraysburg IRDP	360
Subsidy Priority 2	
S7	624
Subsidy Priority 3	
S5	81

Table 83. Prioritised housing sites

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c) *GAP housing sites*

The table below indicates the GAP housing sites of the Municipality and the number of units built:

Site	Property	Units
GAP: Priority 1		
G2	Erf 2851	67
G1	Erf 1946	120
G3	Rem Farm 185	1 134

Table 84. GAP housing sites

d) *Challenges: Housing*

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Noticeable enquiry re possibility of new IRDP housing.	Consumer education done on a one-on-one basis in order to educate the applicants as to the qualifications for (non-credit linked) finance linked Individual Subsidy Programme

Table 85. Housing: challenges

e) *Households with access to basic housing*

The table below indicates the statistics of households with access to basic housing:

Number of households with access to basic housing			
Financial Year	Total households (including formal and informal settlements)	Households in formal settlements	Percentage of households in formal settlements
2020/21	13 015	12 991	99.8%
2021/22	13 013	12 991	99.8%

Table 86. Households with access to basic housing

g) *Housing waiting list*

The following table shows the increase in the number of people on the housing waiting list.

Financial Year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2020/21	6 423	4.81%
2021/22	6 628	3.19%

Table 87. Housing waiting list

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h) Housing allocation

A total amount of R37.3 million was allocated to build houses during the 2020/21 financial year. A summary of houses built, includes:

Financial year	Allocation	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2020/21	0	0	0	0	0
2021/22	280	0	0	0	0

Table 88. Houses built in 2021/22

i) Employees: Human Settlements and Land Affairs

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	1	1	1	0	0
Skilled technical, superintendents, etc.	1	1	1	0	0
Semi-skilled	4	5	3	2	40
Unskilled	0	0	0	0	0
Total	6	7	5	2	28.57

Table 89. Employees: Human Settlements and Land Affairs

3.3.7 Free basic services and indigent support

a) Introduction

The Municipality is one of the first municipalities in the country to implement free basic services to its indigent households. A debtor is considered indigent if the total monthly household income equals two times the amount of state funded social pensions or less (currently R3 380 per month). All indigent households receives 6kl water and 50Kwh electricity free each month. Furthermore, an indigent debtor also receives a subsidy on refuse removal and sewerage, depending on the household income.

All indigents have to renew their applications annually in order to qualify for the benefits.

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The table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the Municipality, all households earning less than R3 380 per month will receive the free basic services as prescribed by the national policy.

b) Households: Free basic services

The tables below indicate the number of households that received free basic services in the 2020/21 and 2021/22 financial years:

Financial Year	Number of households								
	Total no of HH	Free basic electricity		Free basic water		Free basic sanitation		Free basic refuse removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2020/21	14 994	6 607	44	6 627	44	4 889	33	2 589	17
2021/22	14 227	6 673	47	6 672	47	4 917	35	4 926	35

Table 90. Free basic services: Number of households

Electricity									
Financial Year	Indigent households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000
2020/21	6 607	50	6 266	0	0	0	52	50	N/A
2021/22	6 673	50	8 076	0	0	0	52	50	N/A

Table 91. Free basic services: Electricity

Water							
Financial Year	Indigent Households			Non-indigent households			
	No. of HH	Unit per HH (kl)	Value R'000	No. of HH	Unit per HH (kl)	Value R'000	
2020/21	6 627	6	N/A	0	0	0	
2021/22	6 673	6	6 404	0	0	0	

Table 92. Free basic services: Water

Sanitation						
Financial Year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value R'000	No. of HH	Unit per HH per month	Value R'000
2020/21	4 889	1 707	7 008	0	0	0
2021/22	4 917	1 810	7 561	0	0	0

Table 93. Free basic services: Sanitation

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Refuse removal						
Financial Year	Indigent Households			Non-indigent households		
	No. of HH	Service per HH per week	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2020/21	2 589	1	2 634	0	0	0
2021/22	4 926	1	4 747	0	0	0

Table 94. Free basic services: Refuse removal

3.4 Component B: Road Transport

This component includes: Roads, Transport, and Waste Water (Stormwater Drainage).

3.4.1 Roads

a) Introduction to Roads

The Municipality does pothole repairs, while contractors undertake the construction of new paved roads. These projects are done according to the Expanded Public Works Programme (EPWP) standards to create job opportunities.

All road construction is done by a main contractor and a nominated sub-contractor who is responsible for the labour. The main contractor trains the sub-contractor in all aspects of safety and construction.

The general maintenance of tarred and gravel roads were delayed due to budget constraints and unreliable machinery.

b) Highlight: Roads

The following table indicate the highlight of the financial year:

Highlight	Description
Work during COVID-19	Work continued during COVID-19 pandemic

Table 95. Roads highlight

c) Challenges: Roads

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Limited budget	Avail more funds in budget
Unreliable/broken machines	Repair or hire machines needed
Issue Personal Protective Equipment (PPE)	Issue PPE on time as required

Table 96. Roads challenges

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d) Gravel roads infrastructure: Kilometres

The table below indicates the amount of gravel roads constructed, maintained and upgraded during the financial year:

Gravel roads infrastructure: Kilometres				
Financial year	Total km's gravel roads	New gravel roads constructed	Gravel roads upgraded to paved	Gravel roads graded/maintained (km)
2020/21	55.80	0	0.68	2
2021/22	55.80	0	0	2

Table 97. Gravel road infrastructure

e) Tarred road infrastructure: Kilometres

The table below indicates the number of tarred/paved roads constructed, maintained and upgraded during the financial year:

Tarred/paved road infrastructure: Kilometres					
Financial year	Total tarred/paved roads	New paved roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar/paved roads maintained
2020/21	110.1	0.68	0	0	25
2021/22	110.1	0	0	0	34

Table 98. Tarred road infrastructure

f) Cost of maintenance and construction of roads

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Financial year	New and replacements	Resealed	Maintained
	R'000		
2020/21 (Main roads)	0	0	50
2020/21 (Other roads)	0	0	1 430
2021/22 (Main roads)	0	0	50
2021/22 (Other roads)	0	0	R204 312.00
<i>The cost for maintenance includes stormwater</i>			

Table 99. Cost of maintenance and construction of roads

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g) Employees: Roads and Stormwater

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
		Number			
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	1	1	1	0	0
Skilled technical, Superintendents, etc.	1	1	1	0	0
Semi-skilled	17	14	13	1	7.14
Unskilled	27	34	28	6	17.64
Total	46	50	43	7	14

Table 100. Employees: Roads and stormwater

3.4.2 Waste Water (Stormwater Drainage)

a) Introduction to Waste Water (Stormwater Drainage)

Maintenance of the waste water/stormwater drainage systems are done by a work team in the Roads & Stormwater Section and also temporary Expanded Public Works Programme (EPWP) employees:

The project involves the following:

- 🛠 maintenance and cleaning of inlets, channels, culverts and earth drains
- 🛠 construction of minor stormwater systems/structures

b) Highlights: Waste water (stormwater drainage)

The following table indicates the highlight of the financial year:

Highlight	Description
No major flooding	22 to 23 December 2021 saw heavy down pours and rivers flowed to their full capacity but no areas flooded

Table 101. Waste water (stormwater drainage) highlight

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c) Challenges: Waste water (stormwater drainage)

The tables below reflect the challenges experienced during the financial year:

Description	Actions to address
Limited budget for operational work	Apply for budget funding
Broken machinery	Repair or hire machines needed

Table 102. Waste water (stormwater drainage) challenges

d) Stormwater infrastructure: kilometres

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

Stormwater infrastructure: Kilometres				
Financial year	Total stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2020/21	Master plan outdated	0	0	10
2021/22	Master plan outdated	0	0	25

Table 103. Stormwater infrastructure

e) Cost of stormwater infrastructure

The table below indicates the amount of money spent on stormwater maintenance:

Financial year	Stormwater measures		
	New R'000	Upgraded R'000	Maintained R'000
2020/21	Part of new Kamp Street road budget	0	Part of Roads
2021/22	Part of new Kamp Street road budget	0	Part of Roads

Table 104. Cost of construction/maintenance of stormwater systems

EPWP funds were made available to create jobs through stormwater maintenance. Material was purchased with savings from the operational and maintenance budget.

Personnel appointed for these projects are categorized as the following:

Description	Female	Male	Youth
Data capturer	0	0	0
Supervisor	0	1	1
Labourers	2	1	6

Table 105. Appointments for EPWP stormwater maintenance

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3.5 Component C: Planning and LED

3.5.1 Planning and Building Control

a) Introduction to Planning and Building Control

Due to the growing beneficiary list for subsidised housing, planning for residential areas to accommodate the IRDP and GAP Housing was performed by a turnkey contractor. The aforementioned planning was done in conjunction with the officials of the Municipality.

b) Highlights: Planning and Building Control

The following table indicate the highlight of the financial year:

Highlights	Description
Spatial Planning And Land Management Act (SPLUMA)	SPLUMA implementation

Table 106. Planning and building control highlight

c) Challenges: Planning and Building Control

The table below indicate the challenge faced during the financial year:

Description	Actions to address
Supporting documents	Men power

Table 107. Planning and building control challenge

d) Service statistics: Planning and Building Control

The table below indicates the performance statistics for planning and building control:

Type of service	2020/21	2021/22
Building plans application processed	87	88
Total surface (m ²)	5 226	7 357.09
Approximate value (Rand)	187 400	22 071 270
Residential extensions	78	68
Land use applications processed	21	4
Rural applications	0	0

Table 108. Service statistics: Planning and building control

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c) *Employees: Planning and Building Control*

The table below indicates the number of staff employed within the unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	0	1	0	1	100
Skilled technical, superintendents, etc.	2	2	1	1	50
Semi-skilled	0	0	0	0	0
Unskilled	0	0	0	0	0
Total	2	3	1	2	66.66

Table 109. Employees: Planning and building control

3.5.2 Local Economic Development (including market places)

a) *Introduction to LED*



LED plays a central role in fighting the triple challenge of poverty, inequality and unemployment by striving to stimulate economic growth, development and transformation. In this case, with the development of a new LED Strategy, the Municipality will strive to develop the Beaufort West local economy into a diversified and vibrant one.

b) *Private sector projects on LED*

The municipality currently have no private sector projects on LED

c) *Mobilization of private sector resources*

Development proposals were requested through an open bidding process during the 2021/22 financial year for the development of the following:

-  A truck stop with overnight accommodation, excluding the sale of fuel
-  Tyre recycling project
-  Development of a private hospital

The Municipality was involved in some inter-sectoral job creation opportunities during the 2021/22 financial year, including the Expanded Public Works Programme (EPWP) and the Community Work Programme (CWP), as well as a

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Public Employment Job Creation Programme, funded by the Department: Local Government. Details of the programmes/projects are reflected below.

The main funder of the EPWP is the National Department of Public Works; and the CWP is funded by the National Department of Cooperative Governance, which also hires the implementing agent to facilitate the programme within the Western Cape.

The consistent reporting with regards to the work opportunities created across all sectors on the EPWP. The EPWP work opportunities are consistently presented on the municipal annual report which forms part of the IDP public participation process. The project implementation status-quo is always reflected on the annual reports.

EPWP Budget allocations as well as the number of work opportunities for the 2019/20, 2020/2021 and 2021/2022 financial year are reflected below:

Financial Year	Budget Allocation	Expenditure
2019/2020	R1 924 000	R1 568 684
2020/2021	R1 859 000	R1 767 267
2021/2022	R1 285 000	R968 030 (expenditure until Feb 2022)

Table 110. EPWP budget allocations

Financial Year	Project Name	Work Opportunities
2019/2020	IG Roads and Stormwater Maintenance	10
	IG Stormwater System Maintenance	6
	IG Indigent Households: Saving Water	6
	IG Call Centre	6
	IG Data Capturer and Administrator	2
	IG Street Cleaning and Removal of Illegal Dumping	25
2020/2021	IG Education and Awareness Waste Management: COVID-19	17
	IG Data Capturer and Administration	2
	IG COVID-19 Screening and Support Services	36
	IG Indigent Households: Saving Water	3
	IG Waste Management Project	60
	IG Roads and Stormwater Maintenance	12
	IG Stormwater System Maintenance	3
IG Clearing of Invasive Alien Plants	60	
2021/2022	IG Roads and Stormwater Maintenance	12

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Financial Year	Project Name	Work Opportunities
	IG Storm water System Maintenance	6
	IG Waste Management Project	20
	IG Data Capturer and Administrator	3
	IG COVID-19 Screening and Support Services	11

Table 111. EPWP work opportunities

d) Community Works Programme (CWP)

The Community Works Programme is an intervention that was adopted by national government to afford the unemployed of working age the opportunity to do a community beneficial job, while also giving the participants the opportunity to improve their chances of getting a long-term full-time job through skills development.

1) JOB CREATION AND TRAINING

About 1 055 participants have benefited of late and have undergone training in Handyman' courses general repairs & maintenance, sewing garment making, basic first aid, business start-up, plant production, plumbing, occupational health and safety (OHS), supervisors' skill, stock control, baking for profit, workplace compliance, emotional intelligence, asset management.

CWP budget allocations details for the 2019/20, 2020/21 and 2021/22 are reflected below:

CWP Budget Allocation		
2019/20	2020/21	2021/22
R13 985 452	R14 362 134	R14 318 884

Table 112. CWP budget allocation

e) Public employment creation programme: Department Local Government

The Beaufort West Municipality applied last year during May 2021 for the small economic projects to assist several Small to Medium-Micro Enterprises (SMME's) in the municipal area. The process was a very transparent adjudication process. However, the project was converted back to the original initiative which was to allocate funding to municipalities in the Western Cape to fund employment creation projects. The Beaufort West Municipality received the gazetted amount of R1.1 million to implement a job creation project/s for the unemployed youth, women and disable people. The Municipality were then requested to submit an implementation plan of which the Municipality submitted during January 2022. The transfer payment agreement has been signed by both the Municipality and the Department Local Government. A total of 64 persons from the youth has been employed on the project from June 2022 to November 2022.

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f) LED and Tourism Strategy

The Municipality still does not have a dedicated LED and Tourism Official. The vacancies were advertised but could not be filled due to financial constraints.

The Municipality still does not have an approved LED and Tourism Strategy and Implementation Plan in place. The Draft LED Strategy is developed with the support of the Municipal Infrastructure Support Agent (MISA) and will be discussed between MISA, South African Local Government Agency (SALGA) and the Municipality on the 24 August 2022.

Some of the projects that are included in the LED Strategy are the following:

- 🏠 development of a business hub;
- 🏠 reserve and identification of land for business purposes;
- 🏠 subdivision of agricultural land and provision of industrial land;
- 🏠 rezoning of road infrastructure (conversion of streets in CBD to one ways);
- 🏠 conversion of Hansrivier Farm to a recreational park;
- 🏠 utilisation of the farm Lemoenfontein for renewable energy; and
- 🏠 re-use technology (turning waste into energy).

The target date to table the LED Strategy before Council for adoption was 30 June 2022, which was not met, and is now envisaged to get the draft and the final LED Strategy, approved by Council before 30 June 2023.

g) Highlights: LED

Highlight	Description
Street Fever - opened June 2021	Employs 6 workers
Sneakers Factory - Opened on 15 October 2021	Employs 5 workers
Sportscene - Opened in March 2022	Employs 7 workers
Studio 88 - Opened on 14 March 2022	Employs 8 workers
Pep Home - Opened on 29 April 2022	Employs 6 workers
A bakery was opened during June 2022	Employs 10 workers
A clothing factory opened in June 2022	Employs 108 workers
Tar factory opened in June 2022	Employs 7 workers

Table 113. LED highlights

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h) Challenges: LED

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Support with the establishment of an LED Forum for Beaufort West	COVID-19 hampered the establishment of the LED Forum, as the National Department of Economic Development pledged to support the Municipality with this activity. Follow-up with the Department will be done to pursue this matter
Very little or no interest from investors to develop in the area	Municipality must look at an Investor Incentive Policy
Full value chain of products/produce not explored.	Unlock support from Wesgro and other relevant Government Sector Departments to assist with research to guide and assist local producers/manufacturers to expand their business offerings into a full value chain
Shop closures	Due to profit margin losses, some shops/butcheries closed and people lost jobs. Facilitate a process to assist some of these owners to apply for available support funding to re-open these shops

Table 114. LED challenges

3.5.3 Tourism

a) Introduction to Tourism

The primary purpose of the Tourism Office is to actively introduce and market the tourism experiences and services of the municipal area within its frontier, throughout the Western Cape, the country as a whole and in foreign countries, where possible.

It is important to coordinate the marketing actions of local government, private sector and other institutions within the area, to optimally utilise the tourism potential. At the same time, it is important to continually expand new tourism experiences and enhance current activities and experiences.

Tourism directly employs 362 full time positions and 46 casual employees in the town of Beaufort West alone. This does not include the knock-on effect from tourism suppliers and related industries, nor the surrounding small towns and farm stays.

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b) Highlights: Tourism

Highlight	Description
Great Karoo Outdoor Cook -Off 2021	An annual integrated family fun event held at X Ventures. Planning underway for the 2022 Great Karoo Outdoor Cook-Off is currently underway
Roads Less Travelled routes – brochure launch	5 new backroad routes developed which start and end in Beaufort West
Roads Less Travelled Routes – Digital version	Downloadable PDF maps created and available on our website www.beaufortwest.net Tourism is currently busy building a dedicated website for these Roads Less Travelled
Karoo to Coast Meander	Development currently underway of a new route between Beaufort West and the Garden Route
Summer Holiday CBD Cleaning project	Beaufort West Tourism, Beaufort West Municipality and Central Karoo District Municipality joined forces to try to keep the CBD area clean during the holidays

Table 115. Tourism highlights

c) Challenges: Tourism

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Funding	Although funding was approved for the Tourism Office, this year has been a challenge to get these paid out.

Table 116. Tourism challenges

d) Tourism initiatives

Initiative	Proposals
Tourism transformation	Integrated tourism routes, tourism conservancy adjacent to park, Beaufort West Empowerment Through Tourism (BWETT), upgrading of arts and crafts centre to serve as a hub for township tourism
Cycle tourism	Development of self-guided cycle routes throughout the area, linking smaller towns. Cycling is a proven tourism catalyst and builds new tourism initiatives
Self-drive routes	Development of self-drive routes throughout the area, linking the smaller towns in the area and highlighting the rich culture and heritage of our wonderful region. With small budgets these can be created
Astro tourism	The area has excellent opportunities for astro tourism. Funding for training and development of astro tourism should be allocated
Dine with a local	This is an initiative that has a proven success in both Stellenbosch and George. Have 4 cultural food experiences showcasing Beaufort West's diverse cultural heritage by having group visitors enjoy a meal with a local.

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Initiative	Proposals
Nelspoort rock engravings complex	Nelspoort has an incredible array of rock engravings on a farm belonging to Beaufort West Municipality. It is suggested that a small part of this farm should be set aside so that these engravings can be showcased in an appropriate manner, thus creating a tourism experience which would benefit the local community of Nelspoort.

Table 117. Tourism initiatives

3.6 Component D: Community and Social Services

3.6.1 Libraries

a) *Introduction to Libraries*

Beaufort West Municipality has six libraries which are based in the following towns:

- 📖 Beaufort West (3 libraries);
- 📖 Merweville (1 library);
- 📖 Murraysburg (1 library); and
- 📖 Nelspoort (1 library).

Beaufort West libraries provide library and information services which are free, equitable and accessible. Libraries also promote a culture of reading, library usage and lifelong learning. Beaufort west libraries also provide free access to the internet, Wifi and Mzantsi Libraries Online. The Municipality is also continuing with the Mini Libraries for the Blind Project at Church Street Library.

The COVID-19 pandemic has disrupted life in ways that we could never have imagined. It has changed every aspect of living, even routine activities that often taken for granted, such as visiting the library. The spread of the COVID 19 virus has influenced the very nature of what libraries are and do. Libraries were forced to re-evaluate its services and how it meets the needs of the communities.

The pandemic also brought to the fore the manner in which libraries will need to operate in future. In response to the upheaval caused by COVID-19, Beaufort West libraries operated in novel ways to remain relevant in the lives of their user communities.

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b) Highlights: Libraries

The table below indicates the highlights of the financial year:

Highlight	Description
Filling of Senior Librarian position at Mimosa library.	This position was left vacant when the Senior Librarian at Mimosa resigned in December 2021
Appointment of six ICT Yeboneers for all libraries.(8 month programme)	ICT Yeboneers were appointed in order to assist the public in using library computers. This project is from the Office of the Western Cape Premier working together with libraries in the Western Cape. The ICT Yeboneers are receiving stipend as well as working experience
Partnerships	Beaufort West Libraries formed a partnership with Mikhulu Child Development Trust. Mikhulu Trust will be training libraries on book-sharing. Book sharing is a fun, interactive activity that focuses on the pictures in a book. Following the child's lead, the adult carefully guides the interaction. Quality book sharing has been proven to boost children's language, cognitive, social and emotional skills. It has also been shown work well in low-income environments. The Librarian will train an adult in book sharing techniques so that he or she can use these techniques to build vocabulary, practice counting and improve the child's understanding of other people think and act
E-Books	Western Cape Library Services has launched the new e-book service, which will bring e-books and audio books to library users across the province. The demand for online reading platform and distribution of digital content for libraries and schools has increased over the course of last few years and is now part of the offering in the western cape public libraries where library patron can use the Overdrive System to borrow books from the comfort of their homes or virtually in any place with the new Libby App. The app can be downloaded to cell phones and other mobile devices

Table 118. Libraries highlights

c) Challenges: Libraries

The table below indicates the challenge faced during the financial year:

Description	Actions to address
Unable to spend the roll-over of 2021/22	Planning was done regarding the spending of roll-over and tenders were advertised; quotations were requested but no tender was awarded

Table 119. Libraries challenge

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d) Service statistics for libraries

The table below indicates the service statistics for library services:

Type of service	2020/21	2021/22
Library members	8 512	10 520
Books circulated	29 607	35 200
Exhibitions held	72	84
Internet users	2 343	4 200
New library service points or wheelie wagons	0	0
Visits by school groups	0	16

Table 120. Service statistics for libraries

e) Employees: Libraries (including Murraysburg, Merweville & Nelspoort)

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	1	1	1	0	0
Skilled technical, superintendents, etc.	3	3	2	1	33.33
Semi-skilled	17	20	20	0	0
Unskilled	0	0	0	0	0
Total	21	24	23	1	4.16

Table 121. Employees: Libraries

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f) Capital expenditure: Libraries

The table below indicates the capital expenditure incurred:

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
Furniture and Office Equipment - Libraries	0.00	175	25
Total	0.00	175	25

Table 122. Capital expenditure: Libraries

3.6.2 Cemeteries

a) Introduction to Cemeteries

There's currently enough burial grounds in Beaufort West but new cemeteries will have to be developed in Murraysburg.

b) Highlight: Cemeteries

The table below indicates the highlight of the financial year:

Highlight	Description
Upgrading of Goue Akker Cemetery	Expansion of Goue Akker and construction of ablution facility

Table 123. Cemeteries highlight

c) Challenges: Cemeteries

The table below indicate the challenge faced during the financial year:

Description	Actions to address
Poor maintenance, no record keeping of and staff at Vrygrond , Murraysburg , Nelspoort and Merweville	Electronic system to be in place , staff per facility for record keeping manually and regular maintenance
Additional cemetery in Murraysburg	Budget allocated for upgrading of all mentioned cemeteries

Table 124. Cemeteries challenge

d) Service statistics: Cemeteries

The table below indicates the performance statistics for Cemeteries:

Type of service	2020/21	2021/22
Pauper burials	437	521
Total	437	521

Table 125. Capital expenditure: Cemeteries

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e) Capital expenditure: Cemeteries

The table below indicates the capital expenditure incurred:

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
Total			





Table 126. Capital expenditure: Cemeteries

3.7 Component E: Security and Safety

3.7.1 Traffic Services and Law Enforcement Services

a) Introduction to Traffic and Law Enforcement Services

Traffic Law Enforcement is responsible for road safety and by-law enforcement. The Office also renders the following services and functions:

-  Vehicle testing for roadworthiness
-  Driving License Testing Centre
-  Motor Vehicle Registration
-  Court and prosecutorial function

b) Highlight: Traffic and Law Enforcement Services

The following table indicate the highlight of the financial year:

Highlight	Description
Municipality does not share traffic fines income with a service provider from March 2022	Municipality obtained its own contravention system with the assistance of Department of Transport and Public Works

Table 127. Traffic and Law Enforcement Services highlight

c) Challenge: Traffic Services and Law Enforcement

The table below indicates the challenge faced during the financial year:

Description	Actions to address
Only two official vehicles shared by 11 Traffic Officers and constantly in need of repairs	Lease new vehicles and include vehicle requirements in speed camera tender

Table 128. Traffic and Law Enforcement Services challenge

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d) Service statistics for Traffic and Law Enforcement Services

The table below indicates performance statistics for Traffic and Law Enforcement Services:

Details	2020/21	2021/22
Motor vehicle licenses processed	15 740	13 870
Learner driver licenses processed	242	734
Driver licenses processed	197	846
Driver licenses issued	655	1 488
Fines issued for traffic offenses	5 003	36 705
R-value of fines collected	2 590 080	3 636 796
Roadblocks held	4	6
Complaints attended to by Traffic Officers	0	0
Awareness initiatives on public safety	0	0

Table 129. Service statistics for Traffic and Law Enforcement Services

e) Employees: Traffic Services and Law Enforcement

The table below indicates the number of staff employed within the Unit:

Occupational Level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
Number					
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	1	1	1	0	0
Skilled technical, superintendents, etc.	17	19	15	4	21.05
Semi-skilled	5	14	9	5	35.7
Unskilled	2	3	2	1	33.33
Total	25	37	27	10	27.02

Table 130. Employees: Traffic and Law Enforcement Services

3.7.2 Fire and Disaster Management Services

a) Introduction to Fire and Disaster Management Services

Disaster Management is a process of effectively preparing for and responding to disasters. It involves strategically organising resources to lessen the harm that disasters cause. It also involves a systematic approach to manage the responsibilities of disaster prevention, preparedness, response and recovery.

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b) Challenges: Fire and Disaster Management Services

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Equipment and tools	Need to buy equipment and tools because without tools Fire Fighters can't do much and it makes the tasks very difficult
Uniforms	Uniforms need to be procured as soon as possible since Fire Fighters are rendering a service without proper uniforms
Boardroom usage	Alternative location needs to be identified because the fire services personnel leave the building frequently because of meetings held in the boardroom and the emergency telephone is in the building

Table 131. Fire and Disaster Management Services challenges

c) Service statistics for Fire and Disaster Management Services

The table below indicates performance statistics of fire services and disaster management services:

Details	2020/21	2021/22
Operational callouts	120	62
Reservists and volunteers trained	2	2
Awareness initiatives on fire safety	4	5

Table 132. Service statistics for Fire and Disaster Management Services

d) Employees: Fire and Disaster Management Services

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			Vacancies (as a % of total budgeted posts)
		Budgeted posts	Employees	Vacancies	
Number					
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	0	0	0	0	0
Skilled technical, superintendents, etc.	5	5	5	0	0
Semi-skilled	10	11	9	2	18.18
Unskilled	0	0	0	0	0
Total	15	16	14	2	12.50

Table 133. Employees: Fire and Disaster Management Services

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3.7.3 COVID-19

a) *Introduction to COVID-19*

On 15 March 2020 President Cyril Ramaphosa declared South Africa COVID-19 epidemic a national state of disaster under the Disaster Management Act (DMA) 57 of 2002. This was done primarily, as the President stated it to enable the government to “have an integrated and coordinated disaster management mechanism that will focus on preventing and reducing the outbreak of this virus.” The declaration enabled the government to issue a slew of regulations, directions, and guidelines to contain and mitigate the impact of the pandemic.

During a state of disaster, the DMA allows the government to issue regulations to restrict, inter alia, movement of persons and goods “to, from or within the disaster-stricken or threatened area, ... the suspension or limiting of the sale, dispensing or transportation of alcoholic beverages in the disaster-stricken or threatened area.... [or] any other steps that may be necessary to prevent an escalation of the disaster, or to alleviate, contain and minimise the effects of the disaster...” (Section 27(2).)

Similarly, the Disaster Management Regulations of 2004 (DMR) (as amended) state that:

“any Minister may issue and vary directions, as required, within his or her mandate, to address, prevent and combat the spread of COVID-19, from time to time, as may be required, including...steps that may be necessary to prevent an escalation of the national state of disaster, or to alleviate, contain and minimise the effects of the national state of disaster.” (Section 10(8).)

These regulations and the pandemic itself have had a major impact on the basic service delivery and operations of local government, who had to adjust with immediate effect not only identified risks, projects, manpower but also budgets.

b) *COVID-19 Committee*

On April 2020, the Municipality established the Local Joint Organising Committee (LJOC). The committee comprises of members from all spheres of government.

The LJOC has the following functions:

- 🏠 planning and implementing of an action plan to combat the spread of the corona virus
- 🏠 reporting of confirmed cases per sector department
- 🏠 economy recovering discussions and COVID-19 awareness communication

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c) *Committee members*

The table below indicates the members that serve on the LJOc and the dates of the meetings held:

Name of representative	Representative forum	Meeting dates
G Nyathi	Acting Municipal Manager	Every Thursday pending the availability of Sector Departments Representatives
S Pheiffers	COVID-19 Compliance Officer	
A Makendlana	Director Corporate Services	
A Mabena	Director of Finance Department	
D Van Thura	Director Infrastructure	
Representatives	Sector Departments	

Table 134. Local Joint Organising Committee members

d) *COVID-19: statistical information*

The table below indicates the documented statistical information for COVID-19 within the Beaufort West Municipality area from 1 July 2020 – 30 June 2021:

Description	2020/21	2021/22
Infections	20	65
Deaths	3	1
Recoveries	17	64

Table 135. COVID-19 statistical information

e) *Challenges: COVID-19*

The table below gives a brief description of the COVID-19 challenge during the 2021/22 financial year:

Challenge	Corrective action
Capital will be a constant challenge to ensure we meet our commitments to flatten the curve of COVID-19 in the jurisdiction of the Beaufort West Municipality.	Ensure funding
Occupational Health and Safety (OHS) budget	Budget for occupational injuries and diseases in the workplace

Table 136. COVID-19 challenges

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f) Action plan to address the COVID-19 associated risks

The table below provide the actions implemented/that will be implemented to address the COVID-19 associated risks:

Risk	Action implementation
Exposure to SARS-Cov-2 hazard	Minimize exposure
Employees/Public/Cleaners/Service Providers/Contractors	Develop COVID-19 Preparedness Plan, risk assessments and protocols and train employees on these documents via COVID-19 induction. Identify pre-screening and isolation rooms
Offices / Kitchens / Ablution Facilities / Conference or Training or Boardrooms	Train employees/cleaners on proper waste disposal of health care risk waste and general waste. Daily cleaning and disinfection of rooms especially after they have been used. Keep records of cleaning activities. Install and ensure adequate ventilation (natural or mechanical). Inspect and regularly clean local exhaust ventilation systems to maintain maximum efficiency to decontaminate
Petrol stations: Taxi commuters	Establish a task team to ensure the Disaster Management Act for Transportation has been enforced
Taxi rank: Public	Regular fumigation of taxi rank to mitigate the spread of the virus
Funerals	Establish a task team to enforce the regulations applicable for funerals

Table 137. COVID-19 action plans

g) COVID – 19 communication/awareness

The table below indicates the different communication/awareness statistical information the Municipality has implemented:

Communication/ Awareness campaign	Platform/ channel utilised	Date
Public participation radio program to communicate important protocols about COVID-19	Radio Gamkaland	Ongoing
Flyer distribution	Municipal Wards	Ongoing

Table 138. COVID-19 communication/awareness

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3.8 Component F: Sport and Recreation

3.8.1 Sport and Recreation

The community loves sport, but the main challenge is to raise enough funds to develop the different sport fields as only 15% of the Municipal Infrastructure Grant (MIG) funds are available for this purpose.

The MIG allocation for the 2021/22 financial year was earmarked to upgrade of Kwa-Mandlenkosi Sports Stadium and budget was R199 650. It was reduced and only ±R81 000 were used)

a) *Highlight: Sport and recreation*

The following table indicate the highlight of the financial year:

Highlight	Description
2 swimming pools operational	Pools and ablution facilities repaired and walls painted
Personnel on all facilities	1 Supervisor (for both), 2 General Workers/ Utility, 1 Admin and Lifeguard per facility

Table 139. Sport and recreation highlight

b) *Challenges: Sport and recreation*

Challenge	Actions to address
Vandalism	Review current safety and security plan and engage/involve community or sport organisations for ownership
Poor maintenance	Review annual budget and prioritise

Table 140. Sport and recreation challenges

c) *Service statistics for sport and recreation*

The table below indicates performance statistics of sport and recreation services:

Type of service	2020/21	2021/22
Community parks		
Number of parks with play park equipment	8	8
Number of wards with community parks	7	7
Swimming pools		
Number of visitors per annum	0	159
R-value collected from entrance fees	0	R1 903
Sport fields		
Number of wards with sport fields	7	7
Sport halls		
Number of wards with sport halls	7	7

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Type of service	2020/21	2021/22
Number of sport associations utilizing sport halls	5	5

Table 141. Service statistics for sport and recreation

d) Capital expenditure: Sport and recreation

The table below indicates the capital expenditure incurred:

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
Upgrade Existing Regional Sport Stadium Ph2 : Rustdene	2 060	1 560	348
Upgrade Sport Stadium - Kwa Mandlenkosi	971	119	119
Total	3 031	1 679	467

Table 142. Capital expenditure: Sport and recreation

3.9 Component G: Corporate Policy Offices and Other Services

3.9.1 Corporate Services

a) Introduction to Corporate Services

The purpose of the Corporate Service Department is to provide corporate support to the institution. Corporate Services support the efficient organizational and administrative processes of the Municipality and includes the following functions:

- 🏠 provide legal and administrative support
- 🏠 render HR management and support services to the Municipality that will sustain optimal utilization of municipal human capital
- 🏠 coordinate and provide functional and administrative support to the political office bearers
- 🏠 provide library information services to the community
- 🏠 coordinate administrative processes and activities pertaining to the Thusong Centres
- 🏠 provides ICT support to the Municipality

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b) Highlights: Corporate Services

The following table indicate the highlight of the financial year:

Highlight	Description
Virtual conferencing	As a result of the challenges the Municipality faced with virtual meeting necessitated by the COVID-19 pandemic, the Municipality implemented video conferencing equipment which enabled the Municipality to conduct virtual meeting and recording.

Table 143. Corporate Services highlight

c) Challenges: Corporate Services

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Readiness for implementation of staff regulations	Continuous training be provided to the limited municipal staff
Unavailability of funds to upgrade office space identified at Mostert	Funding be made available to upgrade available or identified office space
No budget to fill critical posts (e.g. Manager: Legal Services)	Budget be made available for the appointment of Manager: Legal Services
Implementation of Financial Recovery Plan (FRP) not optimal due to capacity constraints	FRP be once again workshopped with all employees of the Municipality
Delay in resolving disciplinary cases due to over reliance on external presiding officers and initiators	Training be provided for officials of the Municipality to act as presiding officers and initiators. South African Local Government Organisation (SALGA) and Local Government Sector Education Training Authority (LGSETA) also be approached
Increase in the number of dispute referred to the Bargaining Council and the Commission for Conciliation, Mediation and Arbitration (CCMA)	Appointment of Labour Relations Officer (LRO) be expedited to ensure that there is a dedicated person internally to deal with bargaining matters and disciplinary cases

Table 144. Corporate Services challenges

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d) *Employees: Administration*

The following tables represents the number of employees in the Administration Units of Corporate Services, Infrastructure Services & Community Services:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	2	3	2	1	33.33
Middle management and professionals	2	2	1	1	50
Skilled technically, superintendents etc.	0	1	1	0	0
Semi-skilled	13	21	16	5	23.8
Unskilled	1	2	2	0	0
Total	18	29	22	7	24.13

Table 145. Employees: Administration

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	0	0	0	0	0
Skilled technically, superintendents etc.	2	3	3	0	0
Semi-skilled	13	14	13	1	7.14
Unskilled	0	1	1	0	0
Total	15	18	17	1	5.55

Table 146. Employees: Councillor Support and Thusong Service Centres

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	1	1	0	0
Senior management	0	0	0	0	0
Middle management and professionals	2	2	2	0	0

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Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Skilled technically, superintendents etc.	2	2	2	0	0
Semi-skilled	1	2	1	1	50
Unskilled	0	0	0	0	0
Total	5	7	6	1	14.28

Table 147. Employees: Municipal Management Services

e) Capital expenditure: Executive and Council

The table below indicates the capital expenditure incurred:

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
Computer Equipment - CDW Offices	0.00	60	0.00
Total	0.00	60	0.00

Table 148. Capital expenditure: Executive and Council

3.9.2 Financial Services

a) Highlights: Financial Services

The following table indicate the highlight of the financial year:

Highlight	Description
Financial Recovery Plan (FRP)	The Municipality has adopted an approved a FRP in an effort to recover and sustain the financial status and stability of the Municipality
Budget Funding Plan	The Budget Funding Plan represents the plan under which the Municipality plans to recover the funded cash flow position of the municipal budgets. The Budget Funding Plan was approved by Council

Table 149. Financial Services highlight

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b) Challenges: Financial Services

The following table indicates the challenges faced during the financial year:

Description	Actions to address
Eskom payment arrangements: The Municipality is struggling to keep up to the payment arrangement due to lack of cash flow, non-payment of services by residents amongst others	There's a concerted effort with clear focus on key pillars in the FRP. The targets to recover the position are spread across, short term goals, medium term goals and long-term sustainability goals
Eliminating root causes and thereby addressing issues raised by the Auditor-General (AG)	The Municipality is in the process of filling critical vacancies within the Municipality in order to achieve and address the rooting out of all audit findings previously identified by the Office of the AG
Shortages of key personnel and stability of the department	The critical vacancies have been identified and are in the recruitment process

Table 150. Financial Services challenges

c) Debt recovery statistics

The table below indicates the debt recovery statistics for the financial year:

Details of the types of account raised and recovered	2020/21			2021/22		
	Billed in Year	Actual for accounts billed in year	Pro-portion of accounts value billed that were collected in the year	Billed in Year	Actual for accounts billed in year	Pro-portion of accounts value billed that were collected
	R'000		%	R'000		%
Property Rates	41 543	42 252	102%	9 245	45 468	49.18%
Electricity	85 195	79 493	93%	2 896	83 161	28.7%
Water	21 135	25 018	118%	12 957	23 344	18%
Sanitation	17 750	17 968	101%	6 394	17 863	27.93%
Refuse	9 439	9 431	99.9%	4 375	7 901	18.06%

Table 151. Debt recovery

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d) Employees: Financial Services

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	1	1	1	0	0
Middle management and professionals	3	3	3	0	0
Skilled technically, superintendents etc.	11	12	11	1	8.33
Semi-skilled	29	54	39	15	27.77
Unskilled	1	3	1	2	66.66
Total	45	73	55	18	24.65

Table 152. Employees: Financial Services

e) Capital expenditure: Financial Services

The table below indicates the capital expenditure incurred:

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
Furniture and Office Equipment Project	20	70	5
Total	20	70	5

Table 153. Capital Expenditure: Financial Services

3.9.3 HR

a) Highlights: HR

The following table indicates the highlights of the financial year:

Highlight	Description
Vacancies	23 vacancies were filled since 1 July 2021 until 30 June 2022
Labour relations	Approximately 70% of disputes and disciplinary actions were ruled in favour of the employer with a 30% of disciplinary hearings and disputes settled between employer and employee parties

Table 154. HR highlights

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b) Challenges: HR

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Placements	Implementation of placements withdrawn
Employment Equity Plan	The issue of achieving employment equity targets must be addressed with future appointments. Update of Employment Equity Plan for the next 3 years
Review of HR Policies	After draft policies were workshopped, it was tabled at the Local Labour Forum (LLF) where trade unions insist that roadshows be held to introduce policies to all employees before acceptance by the LLF. The approval of HR policies need to be concluded by 30 September 2022 which seems to be a challenge as more draft policies still need to be workshopped
Job descriptions	Employees do not seem interested to respond timeously to change job descriptions. All job descriptions need to be aligned with the new staff regulations
Industrial Relations Officer	The Clerk: Recruitment & Selection spent more than two thirds of a normal working day investigating and assisting in disciplinary cases, conciliations and arbitrations. The Industrial Relations Officer position is still vacant. The recruitment and selection process will hopefully be concluded before 30 September 2022
Temporary employees	Due to the financial status of the Municipality, the absorption of temporary employees are placed on hold until the finances of the Municipality are more stable

Table 155. HR challenges

In terms of the approved organogram of the Municipality, divisions, sections and sub-sections were changed in the 2021/22 financial year.

c) Employees: HR Services

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	2	1	1	0	0
Skilled technically, superintendents etc.	1	2	1	1	50

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Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Semi-skilled	3	5	3	2	40
Unskilled	0	0	0	0	0
Total	6	8	5	3	37.50

Table 156. Employees: HR

3.9.4 Information and Communication Technology (ICT) Services

a) Introduction to ICT services

The ICT services of the Municipality is outsourced to an external servicer provider.

b) Highlights: ICT services

The following table indicates the highlight of the financial year:

Highlight	Description
Disaster recovery site (DR-site)	The implementation of the backup software during the 2020/21 financial year, coupled with the availability of a fibre link provided through the Western Cape Government's Broadband Initiative, opened the possibility to Beaufort West Municipality to establish a DR-site at a location away from Beaufort West. Beaufort West Municipality entered discussions with Garden Route District Municipality regarding the possibility to avail space in their DR-center to serve as a DR-site for Beaufort West Municipality. After obtaining the necessary Council approval and reconfiguration of Beaufort West Municipality's ICT network, the DR-site at Garden Route District Municipality was implemented and was made live in June 2022, thus enabling the Municipality to do backup testing and simulated disaster recovery

Table 157. ICT Services highlight

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c) Challenges: ICT services

The table below indicates the challenges faced during the financial year:

Description	Actions to address
ICT operation vs ICT governance	The Auditor-General (AG) places a high emphasis on ICT governance matters and requirements. With the limited resources and capacity available to the Municipality, an ongoing challenge exists to comply with the day-to-day operational requirements which is crucial for service delivery versus governance requirements that does not have a direct negative impact on day-to-day service delivery. Given the aforementioned, coupled with the fact the position of ICT Manager has been vacant for more than two years, it ultimately causes that not all ICT governance requirements are met to the standards of the AG, subsequently resulting in audit findings on governance issues. Overall, seen the high standard maintained on operations, enabled the Municipality to be able to deliver basic services ultimately fulfilling its constitutional mandate
Limited funding	Limited funding allocated for capital expenditure remains a constant challenge and makes it impossible to replace aging hardware and to keep up with the ever-growing development of technology
Wireless free-range spectrum	The 5Ghz free range spectrum in Beaufort West, used by the Municipality is currently over utilized due to private wireless service providers using the same frequency range. The Municipality's wireless network is being used for communication to provide in basic service delivery and constant signal interference from private service providers are encountered. Due to the vast extent of the Municipality's wireless network and budget restraints the Municipality cannot afford the cost of licensed spectrum and the associated cost of upgrading the routers to communicate on a dedicated frequency

Table 158. ICT Services challenges

d) Capital expenditure: ICT Services

Capital projects	2021/22 (R)		
	Budget	Adjustment budget	Actual expenditure
Computer equipment Project	438	438	0.00
Total			

Table 159. Capital expenditure: ICT Services

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3.9.5 Procurement Services

a) Service statistics for Procurement Services

The following table indicates the performance statistics of Procurement Services:

Description	Total No.	Monthly average	Daily average
Requests processed	867	75.25	2.41
Orders processed	753	62.75	0.03
Requests cancelled or referred back	114	9.5	0.32
Extensions	0	0	0
Bids received (number of documents)	107	8.92	0.30
Bids awarded	17	1.42	0.05
Bids awarded below R200 000	2	0.17	0.01
Appeals registered	12	1	0.03
Successful appeals	0	0	0

Table 160. Service statistics for Procurement Services

b) Details of deviations for Procurement Services

The following table indicates the detail of deviations incurred during the financial year:

Type of deviation	Number of deviations	Percentage of total deviations number (%)	Value of deviations (R)	Percentage of total deviations value (%)
Emergency	6	8	368 702.50	25.38
Sole supplier	2	2.68	21 700.50	1.49
Acquisition of special works of art or historical objects where specifications are difficult to compile	0	0	0	0
Any other exceptional case where it is impossible or impractical to follow the official procurement process	19	25.33	228 340.19	15.72
Any contract with an organ of state, a local authority or a public utility corporation or company	10	13.33	111 548.00	7.68
Any contract relating to the publication of notice and advertisements by the municipality	22	29.33	201 411.40	13.87

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Type of deviation	Number of deviations	Percentage of total deviations number (%)	Value of deviations (R)	Percentage of total deviations value (%)
The appointment of any person to provide professional advice or services is less than R200 000 or any greater amount	13	17.33	480 023.8	33.05
Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	3	4	40 903.40	2.82

Table 161. Statistics of deviations: Procurement Services

3.9.6 Municipal Buildings

a) Introduction to Municipal Buildings

Maintenance on municipal buildings is done on an ad hoc basis due to financial constraints. Budget was made available during the financial year for the upgrade of municipal stores.

An indigent household team, under the EPWP project, was established in accordance with EPWP standards to create job opportunities. This project involved the fixing of leaks at indigent households to enhance water saving measures.

b) Highlights: Municipal Buildings

The following table indicates the highlight of the financial year:

Highlight	Description
Continuation of service	Continuation of service amid COVID-19 pandemic

Table 162. Municipal buildings highlight

c) Challenges: Municipal Buildings

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Limited budgets	Limited funds for operation repairs
No budget	No budget for capital work

Table 163. Municipal buildings challenges

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d) Employees: Municipal Buildings

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	0	0	0	0	0
Skilled technically, superintendents, etc.	0	1	1	0	0
Semi-skilled	8	6	5	1	16.66
Unskilled	4	6	3	3	50
Total	12	13	9	4	30.76

Table 164. Employees: Municipal buildings

3.9.7 Fleet Management Services

a) Introduction to Fleet Management Services

I) THE GOAL:

Provide a safe, reliable and cost-effective fleet to different departments in a manner that the service to the community can be delivered in a timely manner.

The fleet consist of 110 vehicles, including:

- 🚗 Motor vehicles;
- 🚗 Light duty vehicles;
- 🚛 Trucks and tractors;
- 🚧 Earth moving vehicle; and
- 🏗️ Compressors and small plants

II) OBJECTIVE:

To achieve the aim of our Municipality's Fleet Management Plan, key objectives for fleet services have been set as follows:

- 🚗 Maintain fleet costs effectively and in a timely manner
- 🚗 Put internal control methods in place to prevent fraud and fruitless expenditures
- 🚗 Implementing policies formulated by Council to deliver an efficient service to the community

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- 🏠 Share values, norms and expectations
- 🏠 Provide a safe and reliable fleet by keeping fleet in a roadworthy condition
- 🏠 Implementing replacement policies ensuring vehicles are always road and service ready
- 🏠 Building team support, trust, cooperation and evaluate performance of all employees
- 🏠 Keep a thorough record of statistics of vehicle history, logs, petrol usage, vehicles issued and availability
- 🏠 Set up reports that is transparent and accessible to responsible people

The functions of the Fleet Management Section are as follows:

- 🏠 Vehicle maintenance and repairs
- 🏠 Driver management
- 🏠 Vehicle financing
- 🏠 Fuel management
- 🏠 Monthly, quarterly and annually reports
- 🏠 Licensing and road worthiness of fleet vehicles. Provide technical specs for fleet tenders and evaluate
- 🏠 Record keeping
- 🏠 Prepare accident claims
- 🏠 Reconciling bank statements with petrol cards
- 🏠 Vehicles acquisitions

b) *Challenges: Fleet Management Services*

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Due to financial constraints, it was practically impossible to maintain the vehicles	Apply new budget
Most supplier accounts are on hold	Suppliers need to be paid timeously
New suppliers are not duly registered due to non-compliance	Register more suppliers
Tools and equipment not up to standard to repair tyres and other minor maintenance procedures	Equip workshop with tools and equipment

Table 165. Fleet management challenges

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c) Employees: Mechanical Workshop and Fleet Management

The table below indicates the number of staff employed within the Unit:

Occupational level	2020/21	2021/22			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Top management	0	0	0	0	0
Senior management	0	0	0	0	0
Middle management and professionals	1	1	0	1	100
Skilled technical, superintendents, etc.	1	2	1	1	50
Semi-skilled	3	4	4	0	0
Unskilled	0	0	0	0	0
Total	5	7	5	2	28.57

Table 166. Employees: Mechanical Workshop and Fleet Management

3.10 Component H: Service Delivery Priorities for 2022/23

The main development and service delivery priorities for 2022/23 forms part of the Municipality's Top Layer SDBIP for 2022/23 and are indicated in the tables below:

3.10.1 Provide, maintain and expand basic services to all people in the municipal area

Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL6	Basic Service Delivery	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and which are billed for water or have pre-paid meters as at 30 June 2023	Number of residential properties which are billed for water or have pre paid meters as at 30 June 2023	All	11 510
TL7	Basic Service Delivery	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2023	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2023	All	12 462

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL8	Basic Service Delivery	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) which are billed for sewerage as at 30 June 2023	Number of residential properties which are billed for sewerage as at 30 June 2023	All	11 870
TL9	Basic Service Delivery	Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at 30 June 2023	Number of residential properties which are billed for refuse removal as at 30 June 2023	All	11 346
TL10	Basic Service Delivery	Provide free basic water to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2023	Number of active indigent households receiving free basic water as at 30 June 2023	All	5 600
TL11	Basic Service Delivery	Provide free basic electricity to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2023	Number of active indigent households receiving free basic electricity as at 30 June 2023	All	5 094
TL12	Basic Service Delivery	Provide free basic sanitation to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2023	Number of active indigent households receiving free basic sanitation as at 30 June 2023	All	5 953
TL13	Basic Service Delivery	Provide free basic refuse removal to active indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June 2023	Number of active indigent households receiving free basic refuse removal as at 30 June 2023	All	2 225
TL14	Basic Service Delivery	The percentage of the municipal capital budget spent by 30 June 2023 [(Actual amount spent /Total amount budgeted for capital projects)X100]	% of capital budget spent by 30 June 2023	All	95%

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL23	Basic Service Delivery	95% of the approved project budget spent on the upgrade of the 20 MVA 22/11 kV Main Substation - Phase 5 in Beaufort West by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	2	95%
TL24	Basic Service Delivery	95% of the approved project budget spent on New High Mast Lighting in Rustdene, Prince Valley and Lande by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	3; 4; 5; 6	95%
TL25	Basic Service Delivery	95% of the approved project budget spent on the upgrade of the sport stadium in Kwa-Mandlenkosi by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	4	95%
TL26	Basic Service Delivery	95% of the approved project budget spent on the upgrade of existing regional sport stadium: Phase 2 in Rustdene by 30 June 2023 [(Actual expenditure divided by the total approved project budget) x100]	% of budget spent by 30 June 2023	3; 5; 6	95%
TL27	Basic Service Delivery	95% of the approved project budget spent on the rehabilitation of sanitation oxidation ponds in Nelspoort by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	2	95%
TL28	Basic Service Delivery	Upgrade Dlisó Avenue and Matshaka Street in Kwa-Mandlenkosi by 30 June	Number of Streets upgraded	5; 6	2
TL29	Basic Service Delivery	95% of the approved project budget spent on the upgrade of roads and storm water in Murraysburg by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	1	95%

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL30	Basic Service Delivery	Upgrade Setlaars-, Paarden and Perl Roads in Murraysburg by 30 June	Number of Streets upgraded	1	2
TL31	Basic Service Delivery	Upgrade Freddie Max Crescent in Nelspoort by 30 June	Number of Streets upgraded	2	2
TL32	Basic Service Delivery	95% of the approved project budget spent on the rehabilitation of gravel roads in Rustdene, Kwa-Mandlenkosi and Hillside 2 by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	3; 4; 5; 6; 7	95%
TL33	Basic Service Delivery	95% of the approved project budget spent on the upgrade of gravel roads: Pieter Street in Rustdene by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	3; 5; 6	95%
TL34	Basic Service Delivery	95% of the approved project budget spent on new Stormwater drainage in Murraysburg by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	1	95%
TL35	Basic Service Delivery	95% of the approved project budget spent on the augmentation and upgrade of the water supply network in Merweville by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	7	95%
TL36	Basic Service Delivery	95% of the approved project budget spent on the upgrade of the 16 MVA 22/11 kV Louw Smit Substation - Phase 3 in Beaufort West by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	All	95%

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL37	Basic Service Delivery	95% of the approved project budget spent on the distribution transformers by 30 June 2023 [(Actual expenditure divided by the total approved project budget)x100]	% of budget spent by 30 June 2023	All	95%
TL38	Basic Service Delivery	Upgrade the Middelkop power line by 30 June 2023	% of budget spent by 30 June 2023	1	1
TL40	Basic Service Delivery	Submit a report on the Illegal Dumping Project (Department of Environmental Affairs) to Council by 30 September 2022	Number of reports submitted	All	1
TL41	Good Governance and Public Participation	Submit a Housing Pipeline Report to Council by 30 June 2023	Number of reports submitted	All	1
TL42	Basic Service Delivery	Draft the Waste By-Law and submit to Council for approval by 31 October 2022	Number of by-laws submitted for approval	All	1
TL44	Basic Service Delivery	Revise the Human Settlements Plan and submit to Council by 31 December 2022	Number of plans submitted	All	1

Table 167. Service delivery priority: Provide, maintain and expand basic services to all people in the municipal area

3.10.2 Sustainable, safe and healthy environment

Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL22	Basic Service Delivery	95% of water samples in the Beaufort West jurisdiction area comply with SANS241 micro biological indicators	% of water samples compliant to SANS 241	All	95%
TL39	Good Governance and Public Participation	Hold roadblocks in conjunction with the Provincial Traffic Department quarterly	Number of roadblocks held	All	4
TL43	Basic Service Delivery	Develop an Air Quality Management Plan and submit to Council by 30 September 2022	Number of plans submitted	All	1

Table 168. Service delivery priority: Sustainable, safe and healthy environment

3.10.3 Promote broad-based growth and development

Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL3	Local Economic Development	Review the LED strategy and submit to Council by 30 June 2023	Revised LED strategy submitted to Council by 30 June 2023	All	1

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL21	Local Economic Development	Create temporary job opportunities in terms of the Extended Public Works Programme (EPWP) projects by 30 June 2023	Number of temporary jobs opportunities created by 30 June 2023	All	100

Table 169. Service delivery priority: Promote broad-based growth and development

3.10.4 Maintain an ethical, accountable and transparent administration

Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL1	Good Governance and Public Participation	Compile the Risk based audit plan for 2023/24 and submit to Audit committee for consideration by 30 June 2023	Risk based audit plan submitted to Audit committee by 30 June 2023	All	1
TL2	Good Governance and Public Participation	90% of the Risk based audit plan for 2022/23 implemented by 30 June 2023 [(Number of audits and tasks completed for the period identified in the RBAP/ Number of audits and tasks identified in the RBAP) x 100]	% of the Risk Based Audit Plan implemented by 30 June 2023	All	70%
TL4	Good Governance and Public Participation	Review the Integrated Development Plan 2022-2027 and submit to Council by 31 May 2023	Number of IDP's submitted	All	1
TL5	Good Governance and Public Participation	Submit the Annual Performance Report to the Auditor-General by 31 August 2022	Number of reports submitted	All	1
TL45	Municipal Transformation and Institutional Development	Appoint people from the employment equity target groups in the three highest levels of management in compliance with a municipality's approved employment equity plan	Number of people appointed in the three highest levels of management	All	1

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL46	Municipal Transformation and Institutional Development	0.50% of the municipality's personnel budget spent on implementing its workplace skills plan by 30 June 2023 [(Actual amount spent on training/total personnel budget) x100]	% of the municipality's personnel budget spent on implementing its workplace skills plan	All	0.50%
TL48	Municipal Transformation and Institutional Development	95% of the approved project budget spent on the Computer Equipment Project by 30 June 2023	[(Actual expenditure divided by the total approved project budget) x100]	All	95%
TL49	Municipal Transformation and Institutional Development	Submit the Change Management Strategy to Council by 31 December	Number of strategies submitted	All	1
TL50	Municipal Transformation and Institutional Development	Review the Organogram and submit to Council by 30 June	Number of organograms reviewed and submitted	All	1
TL51	Municipal Transformation and Institutional Development	Review the Performance Management Policy and submit to Council by 30 June	Number of organograms reviewed and submitted	All	1

Table 170. Service delivery priority: Maintain an ethical, accountable and transparent administration

3.10.5 Uphold sound financial management principles and practices

Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL15	Municipal Financial Viability and Management	Financial viability measured in terms of the municipality's ability to meet its service debt obligations at 30 June 2023 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100]	Debt to Revenue as at 30 June 2023	All	45%

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
TL16	Municipal Financial Viability and Management	Financial viability measured in % in terms of the total amount of outstanding service debtors in comparison with total revenue received for services at 30 June 2023 [(Total outstanding service debtors/annual revenue received for services)x 100]	Service debtors to revenue as at 30 June 2023	All	35%
TL17	Municipal Financial Viability and Management	Financial viability measured in terms of the available cash to cover fixed operating expenditure at 30 June 2023 [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)]	Cost coverage as at 30 June 2023	All	1
TL18	Municipal Financial Viability and Management	Achieve an payment percentage of 85% by 30 June 2023 [(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100]	Payment % achieved by 30 June 2023	All	85%
TL19	Municipal Financial Viability and Management	Limit unaccounted for water quarterly to less than 25% during 2022/23 [(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (including free	% unaccounted water	All	25%

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Ref	National KPA	KPI	Unit of measurement	Wards	Annual target
		basic water) / Number of Kilolitres Water Purchased or Purified x 100]			
TL20	Municipal Financial Viability and Management	Limit unaccounted for electricity to less than 10% quarterly during the 2022/22 financial year [(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased) × 100]	% unaccounted electricity	All	10%
TL47	Local Economic Development	Spend 100% of the library grant by 30 June 2023 (Actual expenditure divided by the total grant received)	% of grant spent by 30 June 2023	All	100%

Table 171. Service delivery priority: Uphold sound financial management principles and practices

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CHAPTER 4

4.1 National KPI – Municipal transformation and organisational development

The following table indicates the Municipality's performance in terms of the National KPI required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These KPI's are linked to the National KPA – Municipal transformation and organisational development.

KPA and Indicators	Municipal achievement	Municipal achievement
	2020/21	2021/22
Appoint people from the employment equity target groups in the three highest levels of management in compliance with a municipality's approved employment equity plan	1	0
0.10% of the municipality's personnel budget spent on implementing its workplace skills plan by 30 June 2022 ((Actual amount spent on training/total personnel budget)x100)	0%	0.77%

Table 172. National KPIs– Municipal transformation and organisational development

4.2 Component A: Introduction to the municipal workforce

The Municipality currently employs **416** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the Municipality's objectives. The primary objective of HR management is to render an innovative service that addresses both skills development and an administrative function.

4.2.1 Employment equity

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

a) Employment equity targets and actuals

African		Coloured		Indian		White	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
71	106	305	329	0	0	40	14

Table 173. 2021/22 Employment equity targets and actuals by racial classification

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Males (including disability)		Females (including disability)	
Target	Actual	Target	Actual
196	275	220	141

Table 174. 2021/22 Employment equity targets and actuals by gender classification

b) Specific occupational categories - Race

The table below indicates the number of employees (excluding vacancies) by race within the specific occupational categories:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	1		0	0	0	0	0	0	1
Senior management	1	1	0	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid- management	2	3	0	5	2	3	0	1	16
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	5	29	0	4	5	15	0	0	58
Semi-skilled and discretionary decision making	37	93	0	2	17	69	0	2	220
Unskilled and defined decision making	26	66	0	0	9	17	0	0	118
Total permanent	72	192	0	11	34	104	0	3	416

Table 175. Occupational categories

4.2.2 Vacancy rate

The approved organogram of the Municipality had **513** posts for the 2021/22 financial year. The actual positions filled are indicated in the tables below by post and by functional level. Actual positions filled are **416. 79** posts were vacant at the end of 2021/22, resulting in a vacancy rate of **23.31%**. The table below indicates a breakdown of vacancies within the Municipality:

Per post level		
Post level	Filled	Vacant
Municipal Manager and MSA Section 57 and 56 employees	4	1
Middle management (T14-T19)	16	3
Admin officers (T4-T13)	278	57
General workers (T3)	118	36
Total	416	97
Per functional level		
Functional area	Filled	Vacant

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Per post level		
Post level	Filled	Vacant
Municipal Manager	6	1
Corporate Services	56	7
Financial Services	55	18
Community Services	122	38
Infrastructure Services	177	33
Total	416	97

Table 176. Vacancy rate per post and functional level

4.2.3 Staff turnover rate

A high staff turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional knowledge. The staff turnover rate shows an increase from 3.13% in 2020/21 to 10.33% in 2021/22.

Below is a table that shows the staff turnover rate within the Municipality:

Financial year	Appointments at the end of each financial year	New appointments	Terminations during the year	Turn-over rate
2020/21	416	26	13	3.13%
2021/22	416	45	43	10.33%

Table 177. Staff turnover rate

4.3 Component B: Managing the municipal workforce

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

4.3.1 Injuries

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injuries will influence the loss of man hours and therefore financial and productivity performance. The number of injuries **increased** from 5 for 2020/21 to 13 for the 2021/22 financial year.

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

Directorates	2020/21	2021/22
Municipal Manager	0	1
Corporate Services	0	1
Financial Services	0	0
Community Services	0	5

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Directorates	2020/21	2021/22
Infrastructure Services	5	6
Total	5	13

Table 178. Injuries

4.3.2 Sick leave

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

The total number of employees that have taken sick leave during the 2021/22 financial year shows an increase when compared with the 2020/21 financial year.

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

Department	2020/21	2021/22
Municipal Manager	5	5
Corporate Services	195	345
Financial Services	310	336
Community Services	810	1 000
Infrastructure Services	1 228	1 208
Total	2 548	2 894

Table 179. Sick leave

4.3.3 HR Policies and plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved:

HR policies categories supplied to Municipality		
Category	Policy	Status
Category A: Organisation management		
A1	Organisational Management Policy	Draft
A2	Individual Performance Management Policy	Approved
A3	Telecoms and Cellular Phone Allowances Policy	Draft
A4 & A5	Fixed Transport Allowances Policy	Local Labour Forum (LLF) 27 June 2022
A5	Essential Transport Allowances Policy	LLF 27 June 2022
A6	Removal Expenses Policy	Draft

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HR policies categories supplied to Municipality		
Category	Policy	Status
Category B: HR provisioning and maintenance		
B1	Recruitment and Selection Policy	Reviewed and Approved
B2	Internal and Functional Transfers Policy	Draft
B3	Remuneration Policy	Draft
B4	Non-Pensionable Accommodation Allowances Policy	Draft
B5	Working Hours Policy	Draft
B6	Termination of Services Policy	Draft
B7	Leave of Absence Policy	Draft
B8	HR Records Systems Policy	Draft
B9	Official Vehicles and Fleet Management Policy	Draft
B10	Gifts Policy	Draft
B11	Office Ethics Policy	Draft
B12	Acting Arrangements Policy	LLF 27 June 2022
B13	Private Work Policy	Approved
B14	External Communication Policy	Draft
B15	Confidentiality Policy	Draft
B16	Legal Aid Policy	Draft
Category C: Human Capital Development		
C1	Education, Training and Development Policy	Draft
C2	Induction Policy	Draft
C3	Mentoring and Coaching Policy	Draft
C4	Employee Study Aid and Leave Policy	Draft
C5	Succession Planning and Career Pathing Policy	Approved LLF 18 October 2018 Item 11 Council 29 January 2019 Item 8.3
C6	MFMIIP Internship Policy	Draft
C7	Learnership Policy	Draft
C8	Experiential Training Policy	Draft
C9	Employee Driving License Assistance Policy	Draft
C10	N7 Fire and Rescue Training Academy Policy	Draft
Category D: Employee Wellness		
D2	Substance Abuse Policy	New Draft

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HR policies categories supplied to Municipality		
Category	Policy	Status
D3	Incapacity Policy	New Draft
D4	Occupational Health and Safety (OHS) Policy and Employee Assistance Programme (EAP) Policy	Approved
D5	HIV / AIDS Policy	Draft
D6	Smoking Policy	Draft
Category E: Employment Equity		
E1	Employment Equity Policy Framework	New Draft LLF 27 June 2022
E2	Gender Policy	Draft
E3	Sexual Harassment Policy	Draft
E4	Disability Policy	New Draft

Table 180. HR Policy list in categories

4.4 Component C: Capacitating the municipal workforce

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

4.4.1 Skills matrix

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year (2021/22)	Number of employees that received training (2021/22)
Municipal Manager and Section 57 employees	Female	0	0
	Male	0	0
Legislators, senior officials and managers	Female	0	0
	Male	4	4
Associate professionals and technicians	Female	0	0
	Male	0	0
Professionals	Female	0	0
	Male	0	0
Clerks	Female	4	4
	Male	3	3
Service and sales workers	Female	0	0

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Management level	Gender	Number of employees identified for training at start of the year (2021/22)	Number of employees that received training (2021/22)
	Male	5	5
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and assemblers	Female	1	1
	Male	8	8
Elementary occupations	Female	1	1
	Male	0	0
Sub-total	Female	6	6
	Male	20	20
Total		26	26

Table 181. Skills matrix

4.4.2 Skills development – Training provided

The SDA and the MSA requires employers to supply employees with the necessary training in order to develop its HR capacity. Section 55(1)(f) states that the Municipal Manager is responsible for the management, utilisation and training of staff.

The table below gives an indication of the training provided to employees for the financial year:

Occupational categories	Gender	Training provided within the reporting period (2021/22)	
		Learnerships	
		Target	Actual
Municipal Manager and Section 57 employees	Female	0	0
	Male	0	0
Legislators, senior officials and managers	Female	0	0
	Male	4	4
Professionals	Female	0	0
	Male	0	0
Technicians and associate professionals	Female	0	0
	Male	0	0
Clerks	Female	4	4
	Male	3	3
Service and sales workers	Female	0	0
	Male	5	5
Craft and related trade workers	Female	0	0

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Occupational categories	Gender	Training provided within the reporting period (2021/22)	
		Learnerships	
		Target	Actual
	Male	0	0
Plant and machine operators and assemblers	Female	1	1
	Male	8	8
Elementary occupations	Female	1	1
	Male	0	0
Sub-total	Female	6	6
	Male	20	20
Total		26	26

Table 182. Skills development

4.4.3 MFMA competencies

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

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 in terms of Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

The table below provides details of the financial competency development progress as required by the regulation:

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial officials				
Accounting Officer	1	0	0	0
Chief Financial Officer	1	0	0	0
Senior managers	2	1	1	1
Any other financial officials	3	3	0	3

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Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
SCM officials				
Heads of SCM Units	0	0	0	0
SCM senior managers	1	1	0	1
Total	7	5	1	5

Table 183. MFMA competencies

4.5 Component D: Managing the municipal workforce expenditure

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

4.5.1 Personnel expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the Municipality is within the national norm of between 35% to 40%:

Financial year	Total expenditure salary and allowances	Total operating expenditure	Percentage
	R'000		
2020/21	127 050	360 064	35.28%
2021/22	125 186	305 672	40.95%

Table 184. Personnel expenditure

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

Financial year	2020/21		2021/22	
	Actual	Original budget	Adjusted budget	Actual
Description	R'000			
Councillors (political office bearers plus other)				
Basic salaries and wages	4 869	5 709	5 309	5 250
Pension and UIF contributions	264	0.00	75	121
Medical aid contributions	36	0.00	12	12
Motor vehicle allowance	489	0	213	213
Cell phone allowance	524	577	530	530

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Financial year	2020/21	2021/22		
Description	Actual	Original budget	Adjusted budget	Actual
	R'000			
Other benefits and allowances	46	0	46	47
Sub total	6 228	6 286	6 185	6 173
% increase/ (decrease)	N/A	0.93	(1.61)	(0.19)
Senior managers of the Municipality				
Basic salaries and wages	3 787	5 177	4 591	4 271
Pension and UIF contributions	345	202	533	522
Medical aid contributions	27	0	0	0
Motor vehicle allowance	148	60	246	246
Cell phone allowance	78	90	90	89
Housing allowance	0	0	7	7
Performance bonus	502	108	122	0
Other benefits and allowances	370	387	377	501
Post retirement benefit obligations	5	0.00	0.00	0
Sub total	5 262	6 024	5 966	5 636
% increase/ (decrease)	N/A	14.48	(0.96)	(5.53)
Other municipal staff				
Basic salaries and wages	84 154	91 706	88 997	87 142
Pension and UIF contributions	14 175	15 993	14 278	13 911
Medical aid contributions	1 970	2 032	2 002	1 927
Motor vehicle allowance	2 608	259	235	2 297
Cell phone allowance	175	198	166	166
Housing allowances	1 000	1 016	458	414
Overtime	3 875	260	4 863	2 921
Other benefits and allowances	11 543	6 804	7 735	8 853
Long service awards	0	0	78	0.00
Payments in lieu of leave	220	0	595	465
Post-retirement benefit obligations	1 184	1 250	1 330	1 454
Sub-total	120 904	119 518	120 737	119 550
% increase/ (decrease)	N/A	(1.15)	1.02	(0.98)
Total Municipality	132 394	131 828	132 888	131 359
% increase/ (decrease)	N/A	(0.43)	0.80	(1.15)

Table 185. Councillor and staff benefits

Table 186.

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CHAPTER 5

This chapter provides details regarding the financial performance of the Municipality for the 2021/22 financial year.

Component A: Statements of Financial Performance

The statement of financial performance provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality.

5.1 Financial summary

The table below indicates the summary of the financial performance for the 2021/22 financial year:

Financial summary						
R'000						
Description	2020/21	2021/22			2021/22 % variance	
	Actual	Original budget	Adjusted budget	Actual	Original budget	Adjustments budget
Financial performance						
Property rates	41 977	44 681	44 681	45 484	1.77	1.77
Service charges	121 134	156 559	149 975	131 052	(19.46)	(14.44)
Investment revenue	192	550	350	541	(1.69)	35.29
Transfers recognised - operational	89 882	81 054	84 621	81 602	0.67	(3.70)
Other own revenue	53 980	55 838	47 548	44 181	(26.39)	(7.62)
Total revenue (excluding capital transfers and contributions)	307 165	338 682	327 174	302 860	(11.83)	(8.03)
Employee costs	127 050	125 542	126 703	124 977	(0.45)	(1.38)
Remuneration of Councillors	6 228	6 286	6 185	6 173	(1.84)	(0.20)
Depreciation and asset impairment	24 607	23 813	23 813	24 037	0.94	0.94
Finance charges	11 370	835	7 140	11 384	92.67	37.28
Materials and bulk purchases	84 190	96 074	98 898	90 771	(5.84)	(8.95)
Transfers and grants	615	525	525	500	(5.00)	(5.00)
Other expenditure	107 966	85 439	83 784	70 925	(20.46)	(18.13)
Total expenditure	362 027	338 514	347 048	328 767	(2.96)	(5.56)

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Financial summary						
R'000						
Description	2020/21	2021/22			2021/22 % variance	
	Actual	Original budget	Adjusted budget	Actual	Original budget	Adjustments budget
Surplus/(deficit)	(54 861)	168	(19 873)	(25 907)	100.65	23.29
Transfers recognised - capital	22 446	19 895	21 590	14 853	(33.95)	(45.36)
Contributions recognised - capital and contributed assets	0	0	0	794	100.00	100.00
Surplus/(deficit) after capital transfers and contributions	(32 415)	20 063	1 717	(10 260)	295.54	116.73
Capital expenditure and funds sources						
Capital expenditure						
Transfers recognised - capital	20 901	19 895	21 590	14 840	(34.06)	(45.48)
Public contributions and donations	0	0	0	794	100.00	100.00
Borrowing	0	0	0	0	N/A	N/A
Internally generated funds	565	3 570	2 531	5	(66 756.01)	(47 304.42)
Total sources of capital funds	21 466	23 465	24 121	15 640	(50.03)	(54.23)
Financial position						
Total current assets	86 971	92 790	83 749	127 812	27.40	34.48
Total non-current assets	444 775	557 077	551 670	436 042	(27.76)	(26.52)
Total current liabilities	145 524	101 022	154 791	184 295	45.18	16.01
Total non-current liabilities	46 939	57 523	43 353	50 537	(13.82)	14.21
Community wealth/equity	339 284	491 321	437 275	329 023	(49.33)	(32.90)
Cash flows						
Net cash from (used) operating	31 857	37 698	(4 262)	41 694	9.58	110.22
Net cash from (used) investing	(25 699)	(23 465)	(24 121)	(15 527)	(51.12)	(55.35)
Net cash from (used) financing	(1 880)	(1 503)	(1 503)	(1 503)	0.00	0.00
Cash/cash equivalents at the year end	4 278	12 731	(29 886)	24 664	48.38	221.17

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Financial summary						
R'000						
Description	2020/21	2021/22			2021/22 % variance	
	Actual	Original budget	Adjusted budget	Actual	Original budget	Adjustments budget
Cash backing/surplus reconciliation						
Cash and investments available	(8 279)	7 007	(37 593)	16 386	57.23	329.42
Application of cash and investments	4 037	5 098	(58 952)	(248)	2 153.00	(23 640.47)
Balance - surplus (shortfall)	(4 242)	1 910	21 359	16 138	88.17	(32.35)
Asset management						
Asset register summary (WDV)	443 818	553 454	549 350	434 930	-27.25	-26.31
Depreciation and asset impairment	24 607	23 813	23 813	24 037	0.94	0.94
Renewal of existing assets	0	0	0	0	N/A	N/A
Repairs and maintenance	2 957			1 426	100.00	100.00
Free services						
Cost of Free Basic Services provided	0	32 876	0	0	N/A	N/A
Revenue cost of free services provided	37 037	12 181	0	33 614	63.76	100.00
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual</i>						

Table 187. Financial performance 2021/22

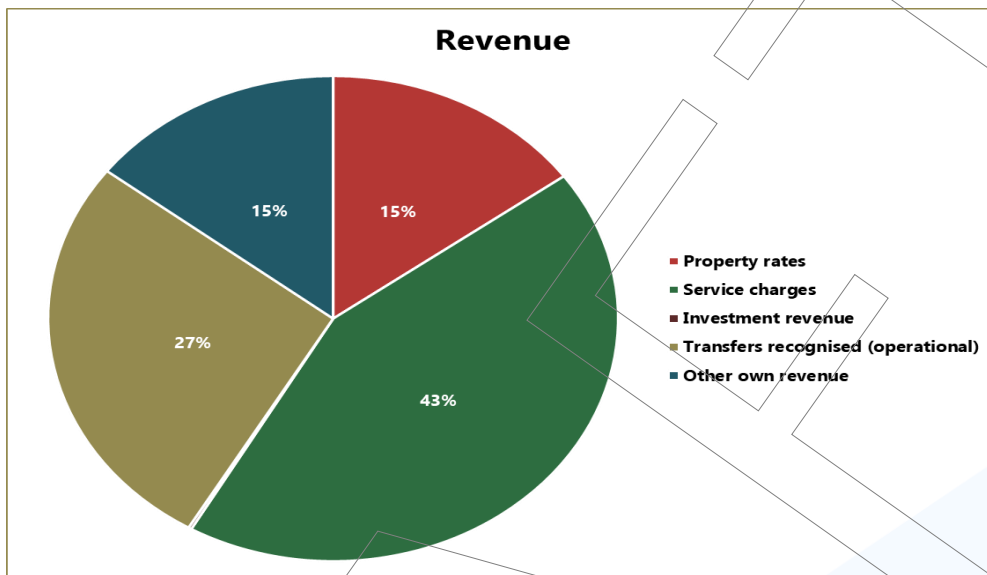
The table below shows a summary of performance against budgets:

Financial year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2020/21	358 460	325 019	(33 442)	(9)	357 140	300 541	56 599	16
2021/22	348 764	318 506	(30 258)	(9)	347 048	302 057	44 991	13

Table 188. Performance against budgets

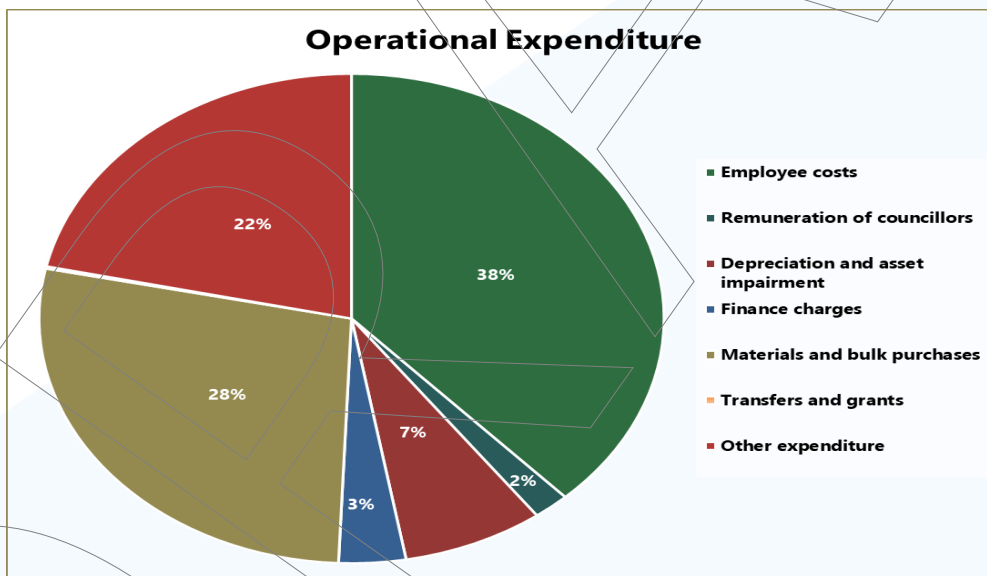
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The following graph indicates the various types of revenue items in the municipal budget for 2021/22



Graph 6.: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2021/22



Graph 7.: Operating expenditure

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5.1.1 Revenue collection by vote

The table below indicates the revenue collection performance by vote:

Vote description	2020/21	2021/22			2021/22 % variance	
	Actual	Original budget	Adjusted budget	Actual	Original budget	Adjusted budget
	R'000					
Vote 1 – Executive and Council	81 315	7 884	9 690	36 796	78.57	73.67
Vote 2 - Financial Services	561	10 418	11 299	2 386	(336.68)	(373.59)
Vote 3 - Corporate Services	72 893	49 207	51 417	93 942	47.62	45.27
Vote 4 - Community Services	161 479	204 996	201 079	170 548	(20.20)	(17.90)
Vote 5 - Engineering Services	12 860	86 071	75 279	14 834	(480.21)	(407.46)
Total revenue by vote	329 108	358 576	348 764	318 506	(12.58)	(9.50)

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

Table 189. Revenue by vote

5.1.2 Revenue collection by source

The table below indicates the revenue collection performance by source for the 2021/22 financial year:

Description	2020/21	2021/22			2021/22 % variance	
	Actual	Original budget	Adjusted budget	Actual	Original budget	Adjusted budget
	R'000					
Property rates	41 977	44 681	44 681	45 484	1.77	1.77
Service Charges - electricity revenue	70 637	96 329	96 329	81 943	(17.56)	(17.56)
Service Charges - water revenue	23 738	30 024	24 319	23 336	(28.66)	(4.21)
Service Charges - sanitation revenue	17 565	20 074	20 074	17 870	(12.34)	(12.34)
Service Charges - refuse revenue	9 195	10 132	9 253	7 903	(28.20)	(17.07)
Rentals of facilities and equipment	1 407	1 519	1 519	1 399	(8.63)	(8.63)
Interest earned - external investments	192	550	350	541	(1.69)	35.29
Interest earned - outstanding debtors	10 516	6 729	7 197	7 872	14.52	8.57
Fines	34 550	45 002	36 467	30 584	(47.14)	(19.24)
Licences and permits	134	210	205	330	36.42	37.94
Agency services	302	1 100	900	462	(138.09)	(94.80)
Transfers recognised - operational	89 882	81 054	84 621	81 602	0.67	(3.70)
Other revenue	6 567	1 278	1 259	3 534	63.83	64.37

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Description	2020/21	2021/22			2021/22 % variance	
	Actual	Original budget	Adjusted budget	Actual	Original budget	Adjusted budget
	R'000					
Gains on disposal of PPE	503	0	0	0	N/A	N/A
Total Revenue (excluding capital transfers and contributions)	307 165	338 682	327 174	302 860	(11.83)	(8.03)

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

Table 190. Revenue by source

5.1.3 Operational services performance

The table below indicates the operational services performance for the 2021/22 financial year:

Description	2020/21	2021/22			2021/22 Variance	
	<i>Actual (Audited Outcome)</i>	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust- ments Budget
	R'000					%
Operating Cost						
Water Services	23 476	34 230	35 296	35 235	2.85	(0.17)
Waste Water (Sanitation) Services	5 498	17 598	16 701	13 633	(29.09)	(22.50)
Electricity Services	89 101	104 671	104 477	91 010	(15.01)	(14.80)
Waste Management Services	13 580	14 031	14 188	18 100	22.48	21.61
Component A: sub-total	131 655	170 530	170 662	157 977	(7.95)	(8.03)
Roads and Stormwater	10 422	14 959	15 611	10 729	(39.43)	(45.50)
Transport	0	0	0	0	N/A	N/A
Component B: sub-total	10 422	14 959	15 611	10 729	(39.43)	(45.50)
Planning	14 598	7 899	9 990	5 241	(50.73)	(90.62)
Local Economic Development	0	0	0	0	N/A	N/A
Component C: sub-total	14 598	7 899	9 990	5 241	(50.73)	(90.62)
Housing	1 603	2 235	2 437	240	(831.92)	(916.06)
Social services & community development	0	0	0	0	N/A	N/A
Component D: sub-total	1 603	2 235	2 437	240	(831.92)	(916.06)
Environmental Protection (Pollution Control, Bio-Diversity, Landscape, Open Spaces, Parks, And Coastal Protection)	0	0	0	0	N/A	N/A
Component E: sub-total	0	0	0	0	N/A	N/A
Traffic & licensing	22 755	33 844	32 705	18 500	(82.94)	(76.79)

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Description	2020/21	2021/22			2021/22 Variance	
	<i>Actual (Audited Outcome)</i>	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust- ments Budget
	R'000				%	
Operating Cost						
Fire Services and Disaster Management	0	0	0	0	N/A	N/A
Component F: sub-total	22 755	33 844	32 705	18 500	(82.94)	(76.79)
Sport and Recreation	7 038	8 998	8 729	1 711	(425.77)	(410.03)
Cemeteries	0	0	0	0	N/A	N/A
Libraries	5 433	6 558	7 263	5 645	(16.16)	(28.66)
Museum	0	0	0	0	N/A	N/A
Community Halls, Facilities, Thusong Centres	2 139	5 340	4 996	9 689	44.88	48.44
Component G: sub-total	14 609	20 896	20 987	17 046	(22.59)	(23.13)
Budget and Treasury Office	136 028	35 279	43 717	63 847	44.74	31.53
Executive and Council	21 834	16 930	16 587	13 261	(27.66)	(25.08)
Corporate Services	27 083	35 941	34 351	39 860	9.83	13.82
Component H: sub-total	184 945	88 150	94 655	116 968	24.64	19.08
Total Expenditure	380 588	338 514	347 048	326 701	(3.62)	(6.23)
<p><i>In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i></p>						

Table 191. Operational services performance

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5.2 Financial performance per municipal function

The tables below indicate the Municipality's performance with regards to each municipal function:

5.2.1 Water services

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	50 513	50 914	45 910	31 073	(63.86)
Expenditure:					
Employees	6 289	7 288	9 187	7 913	7.90
Repairs and maintenance	614	304	590	458	33.73
Other	16 573	26 639	25 518	26 863	0.84
Total operational expenditure	23 476	34 230	35 296	35 235	2.85
Net operational (service)	27 037	16 684	10 614	(4 162)	500.88
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 192. Financial performance: Water services

5.2.2 Waste water (sanitation) services

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	18 863	33 608	33 741	26 155	(28.49)
Expenditure:					
Employees	3 833	5 273	4 841	5 063	(4.16)
Repairs and maintenance	550	327	405	226	(45.17)
Other	1 115	11 997	11 455	8 344	(43.78)
Total operational expenditure	5 498	17 598	16 701	13 633	(29.09)
Net operational (service)	13 364	16 010	17 040	12 523	(27.85)
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 193. Financial performance: Waste water (sanitation) services

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5.2.3 Electricity

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	89 096	118 380	118 518	101 510	(16.62)
Expenditure:					
Employees	12 661	7 517	8 549	8 673	13.33
Repairs and maintenance	639	678	275	43	(1 482.70)
Other	75 802	96 476	95 653	82 293	(17.23)
Total operational expenditure	89 101	104 671	104 477	91 010	(15.01)
Net operational (service)	(6)	13 709	14 041	10 500	(30.56)
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 194. Financial performance: Electricity

5.2.4 Waste management

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	869	21 090	20 308	13 280	(58.81)
Expenditure:					
Employees	8 911	8 235	7 971	12 476	33.99
Repairs and maintenance	282	565	500	25	(2 166.53)
Other	4 387	5 230	5 718	5 599	6.59
Total operational expenditure	13 580	14 031	14 188	18 100	22.48
Net operational (service)	(12 711)	7 059	6 120	(4 820)	246.45
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 195. Financial performance: Waste management

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5.2.5 Housing

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	238	280	438	249	(12.25)
Expenditure:					
Employees	1 462	1 850	1 970	116	(1 494.43)
Repairs and maintenance	8	5	5	0	N/A
Other	134	380	462	124	(206.97)
Total operational expenditure	1 603	2 235	2 437	240	(831.92)
Net operational (service)	(1 365)	(1 955)	(1 999)	10	20 521.34
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 196. Financial performance: Housing

5.2.6 Road transport

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	2 555	50	50	0	N/A
Expenditure:					
Employees	8 432	19 030	18 806	9 764	(94.89)
Repairs and maintenance	39	2 526	1 795	0	N/A
Other	1 951	(6 596)	(4 990)	965	783.76
Total operational expenditure	10 422	14 959	15 611	10 729	(39.43)
Net operational (service)	(7 868)	(14 909)	(15 561)	(10 729)	(38.96)
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 197. Financial performance: Road transport

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5.2.7 LED

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	1 882	1 343	3 661	1 940	30.76
Expenditure:					
Employees	13 583	3 958	3 709	4 381	9.65
Repairs and maintenance	36	25	25	20	(28.39)
Other	979	3 916	6 256	841	(365.95)
Total operational expenditure	14 598	7 899	9 990	5 241	(50.73)
Net operational (service)	(12 716)	(6 556)	(6 329)	(3 301)	(98.63)
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 198. Financial performance: LED

5.2.8 Libraries

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	5 599	7 449	6 569	6 361	(17.11)
Expenditure:					
Employees	5 075	5 485	5 412	5 272	(4.04)
Repairs and maintenance	73	276	736	93	(195.98)
Other	285	797	1 114	280	(184.19)
Total operational expenditure	5 433	6 558	7 263	5 645	(16.16)
Net operational (service)	166	892	(694)	716	(24.55)
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 199. Financial performance: Libraries

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5.2.9 Community facilities

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	1 917	5 348	6 809	6 290	14.98
Expenditure:					
Employees	1 561	7 169	7 123	8 685	17.45
Repairs and maintenance	78	383	295	134	(185.04)
Other	500	(2 212)	(2 422)	870	354.37
Total operational expenditure	2 139	5 340	4 996	9 689	44.88
Net operational (service)	(222)	8	1 813	(3 399)	100.22
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 200. Financial performance: Community facilities

5.2.10 Traffic services and law enforcement

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	4 960	45 915	37 041	2 797	(1 541.42)
Expenditure:					
Employees	17 618	14 676	15 592	15 657	6.26
Repairs and maintenance	178	71	80	15	(373.39)
Other	4 960	19 097	17 033	2 828	(575.26)
Total operational expenditure	22 755	33 844	32 705	18 500	(82.94)
Net operational (service)	(17 795)	12 071	4 336	(15 703)	176.87
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 201. Financial performance: Traffic services and law enforcement

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5.2.11 Parks and recreation

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	91	2 979	1 984	468	(535.87)
Expenditure:					
Employees	6 001	2 710	3 607	1 513	(79.06)
Repairs and maintenance	145	391	195	15	(2 585.98)
Other	892	5 897	4 927	184	(3 112.18)
Total operational expenditure	7 038	8 998	8 729	1 711	(425.77)
Net operational (service)	(6 947)	(6 019)	(6 745)	(1 243)	(384.27)
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 202. Financial performance: Parks and recreation

5.2.12 Office of the MM

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	81 315	10 976	11 282	22 032	50.18
Expenditure:					
Employees	6 956	9 230	10 016	4 200	(121.89)
Repairs and maintenance	0	30	22	3	(1 053.50)
Other	14 878	7 579	6 549	9 058	16.33
Total operational expenditure					
Net operational (service)					
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 203. Financial performance: Office of the MM

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5.2.13 Financial services

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	89 837	49 207	51 417	93 979	47.64
Expenditure:					
Employees	20 604	20 627	18 954	18 835	(9.51)
Repairs and maintenance	94	58	176	376	84.59
Other	115 330	14 594	24 587	44 635	67.30
Total operational expenditure	136 028	35 279	43 717	63 847	44.74
Net operational (service)	(46 191)	13 928	7 701	30 133	53.78
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 204. Financial performance: Financial services

5.2.14 Administration

Description	2020/21	2021/22			
	Actual	Original budget	Adjusted budget	Actual	% variance to budget
	R'000				
Total operational revenue	440	11 037	11 037	10 305	(7.10)
Expenditure:					
Employees	14 065	12 653	11 216	22 429	43.59
Repairs and maintenance	223	101	50	18	(447.71)
Other	12 794	23 187	23 085	17 413	(33.16)
Total operational expenditure	27 083	35 941	34 351	39 860	9.83
Net operational (service)	(26 643)	(24 904)	(23 314)	(29 555)	15.74
Variances are calculated by dividing the difference between the actual and original budget by the actual					

Table 205. Financial performance: Financial and administration

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5.3 Grants

5.3.1 Grant performance

The Municipality spent an amount of **R104 million** on infrastructure and other projects available which was received in the form of grants from national and provincial governments during the 2021/22 financial year. The performance in the spending of these grants is summarised as follows:

Description	2020/21	2021/22			2021/22 variance	
	Actual (audited outcome)	Budget	Adjustments budget	Actual	Original budget	Adjustments budget
	R'000				%	
Operating transfers and grants						
National government:	96 285	93 445	93 099	93 099	(0.37)	0.00
Equitable Share	73 778	69 625	69 279	69 279	(0.50)	0.00
Local Government Finance Management Grant	1 700	1 914	1 914	1 914	0.00	0.00
Municipal Infrastructure Grant (MIG) – Project Management Unit	13 734	14 521	14 521	14 521	0.00	0.00
Integrated National Electrification Programme (INEP)	5 214	6 100	6 100	6 100	0.00	0.00
Expanded Public Works Programme (EPWP) Integrated Grant	1 859	1 285	1 285	1 285	0.00	0.00
Provincial government:	8 715	7 504	8 374	8 374	10.39	0.00
Human Settlements Development Grant (Beneficiaries)	0	280	0	0	N/A	N/A
Human Settlements - Municipal Accreditation and Capacity Building Grant	252	0	0	0	N/A	N/A
Provincial Treasury : Financial Management Capacity Building Grant	300	250	250	250	0.00	0.00
Provincial Treasury : Financial Management Support Grant	1 000	0	100	100	100.00	0.00
Department of Transport and Public Works : Maintenance and Construction of Transport Infrastructure	0	50	0	0	N/A	N/A
Department of Cultural Affairs and Sport : Library Service: Replacement Funding	6 207	6 548	6 548	6 548	0.00	0.00

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Description	2020/21	2021/22			2021/22 variance	
	Actual (audited outcome)	Budget	Adjustments budget	Actual	Original budget	Adjust- ments budget
	R'000				%	
Operating transfers and grants						
Department of Local Government : Local Government Public Employment Support Grant	0	0	1 100	1 100	100.00	0.00
Department of Local Government : Community Development Workers (CDW) Operational Support Grant	206	226	226	226	0.00	0.00
Department of Local Government : Thusong Services Centres Grant (Sustainability: Operational Support Grant)	150	150	150	150	0.00	0.00
Department of Local Government : Municipal Drought Relief Grant	600	0	0	0	N/A	N/A
District Municipality	0	0	1 396	1 396	100.00	0.00
Central Karoo District Municipality	0	0	1 396	1 396	100.00	0.00
Other grant providers	0	0	1 400	1 400	100.00	0.00
Services - Construction Education & Training Authority (CETA)	0	0	1 400	1 400	100.00	0.00
Total operating transfers and grants	105 000	100 949	104 269	104 269	3.18	0.00

Table 206. Operating grant performance

5.3.2 Level of reliance on grants and subsidies

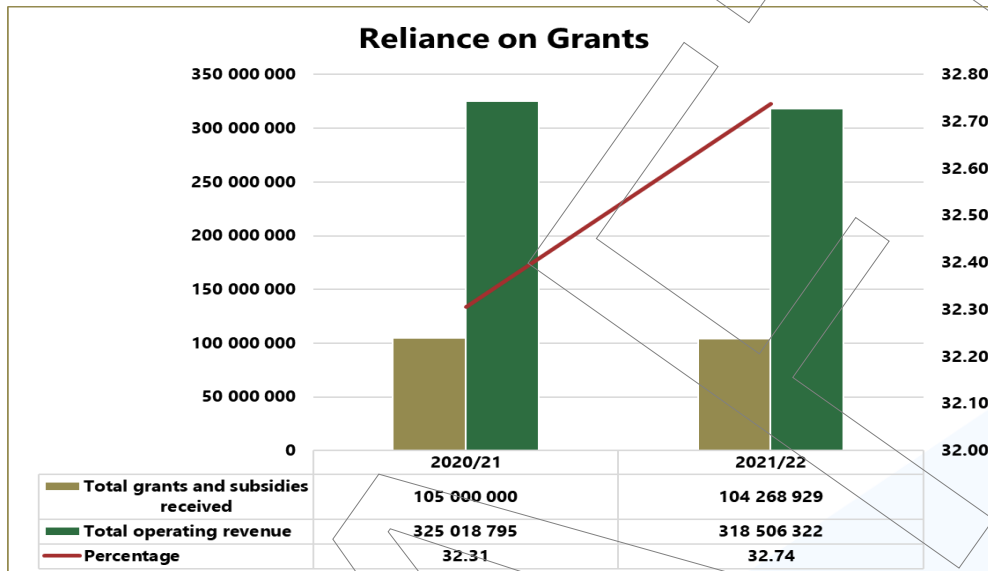
The table below reflects the level of reliance on grants and subsidies

Financial year	Total grants and subsidies received	Total operating revenue	Percentage
	R'000		%
2020/21	105 000	325 019	32.31
2021/22	104 269	318 506	32.74

Table 207. Reliance on grants

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The following graph gives a visual relationship between the two financial years and the trend based on grant received and operating revenue:



Graph 8.: Reliance on grants

5.4 Repairs and Maintenance

The following table indicates the Municipality's expenditure on repairs and maintenance:

Description	2020/21	2021/22			Budget variance %
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	
		R' 000			
Repairs and Maintenance Expenditure	2 957	5 761	5 159	1 426	(72.37)

Table 208. Repairs and maintenance expenditure

CHAPTER 5: FINANCIAL PERFORMANCE

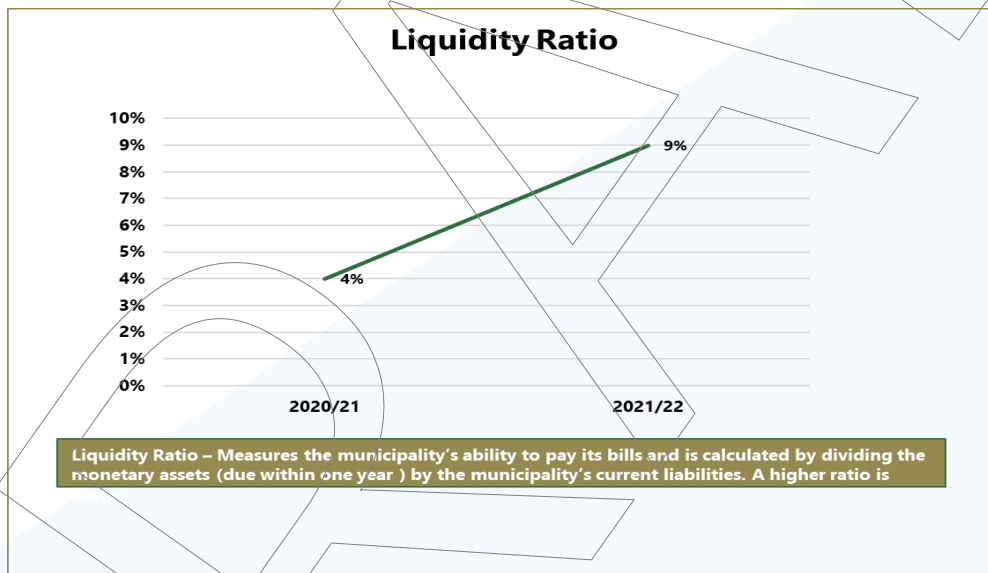
5.5 Financial ratios based on KPIs

The graphs and tables below indicate the Municipality's performance in relation to the financial ratios:

5.5.1 Liquidity ratio

Description	Basis of calculation	2020/21	2021/22
		Audited outcome	Pre-audited outcome
Current ratio	Current assets/current liabilities	59.76%	69.35%
Current ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	(13%)	(26%)
Liquidity ratio	Monetary assets/Current liabilities	4%	9%

Table 209: Liquidity financial ratio



Graph 9.: Liquidity ratio

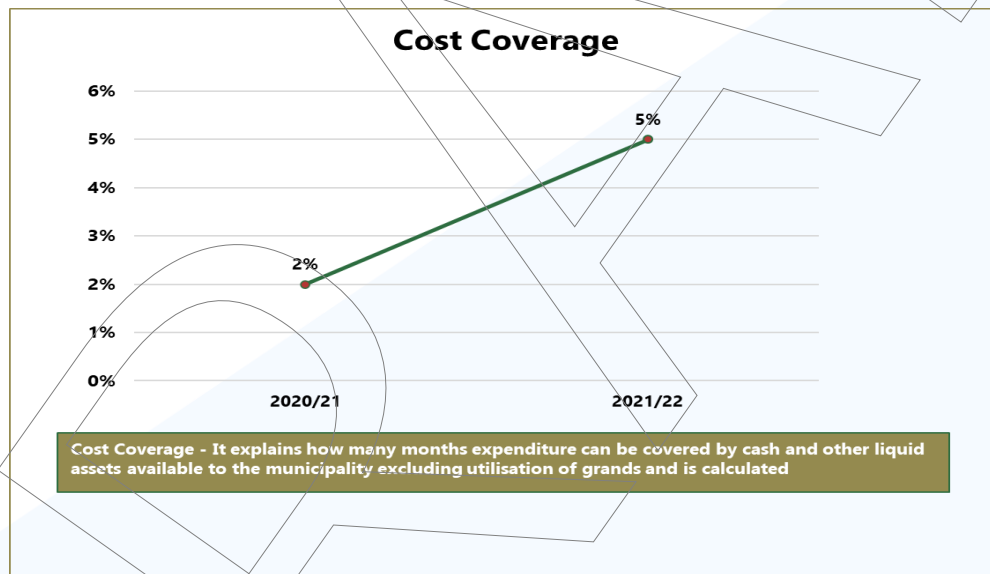
CHAPTER 5: FINANCIAL PERFORMANCE

5.5.2 IDP regulation financial viability indicators

Description	Basis of calculation	2020/21	2021/22
		Audited outcome	Pre-audited outcome
Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2%	5%
Total outstanding service debtors to revenue	Total outstanding service debtors/annual revenue received for services	20%	30%
Debt coverage	(Total operating revenue - operating grants)/Debt service payments due within financial year)	156.49	312.06

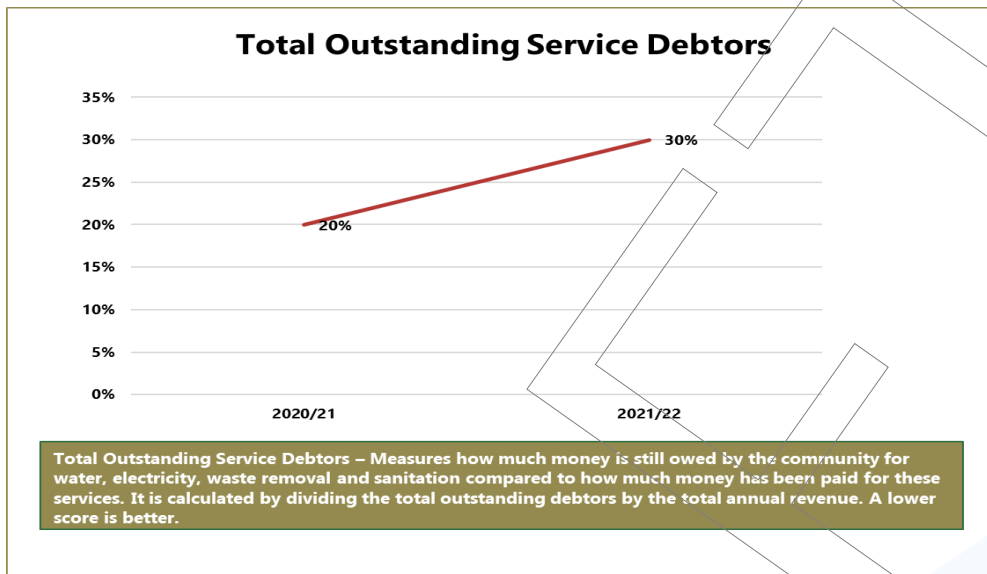
Table 210. Financial viability national KPAs

The following graphs illustrates the compared financial viability indicators for the past two financial years:

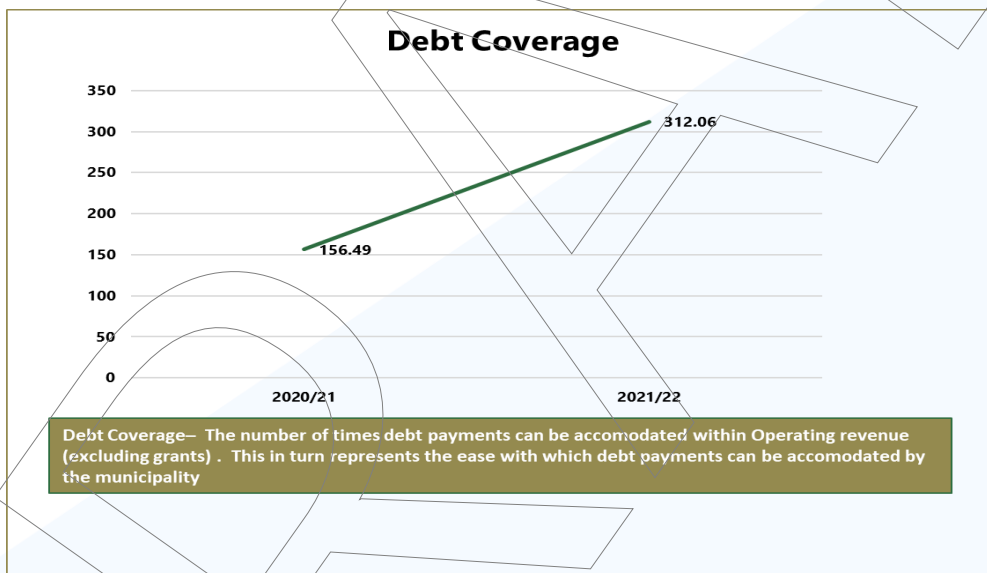


Graph 10.: Cost coverage

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Graph 11.: Outstanding service debtors to revenue



Graph 12.: Debt coverage

5.5.3 Repairs and maintenance

The following table illustrates the Municipality's proportion of operating expenditure in relation to repairs and maintenance:

Description	Basis of calculation	2020/21	2021/22
		Audited outcome	Pre-audited outcome
Repairs and maintenance	R and M/(Total revenue excluding capital revenue)	1%	0%

Table 211. Repairs and maintenance

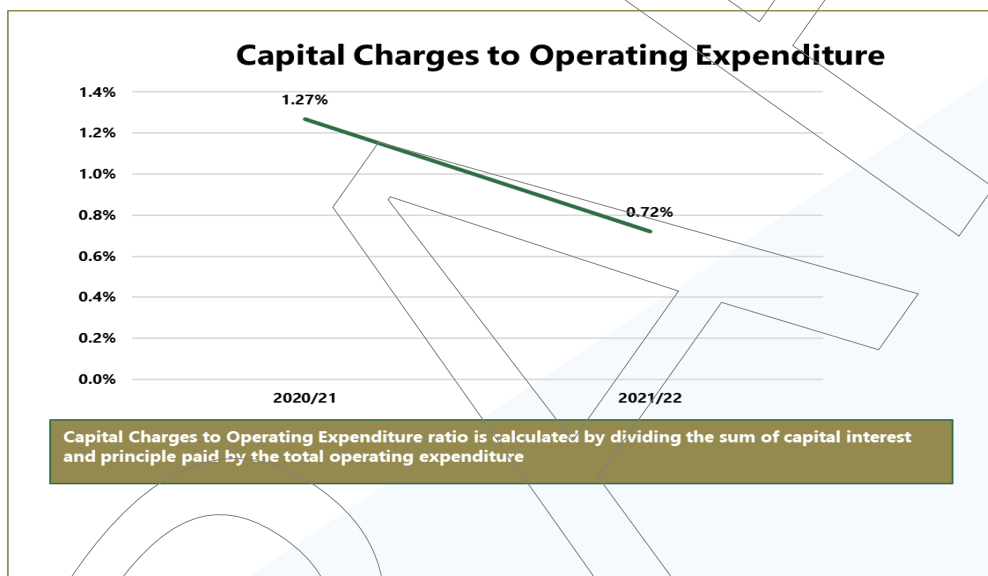
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5.5.4 Borrowing management

The following table and graph illustrate the Municipality's proportion of capital charges in relation to operating expenditure:

Description	Basis of calculation	2020/21	2021/22
		Audited outcome	Pre-audited outcome
Capital charges to operating expenditure	Interest and principal paid/ Operating expenditure	1.27%	0.72%

Table 212. Borrowing management



Graph 13.: Capital charges to operating expenditure

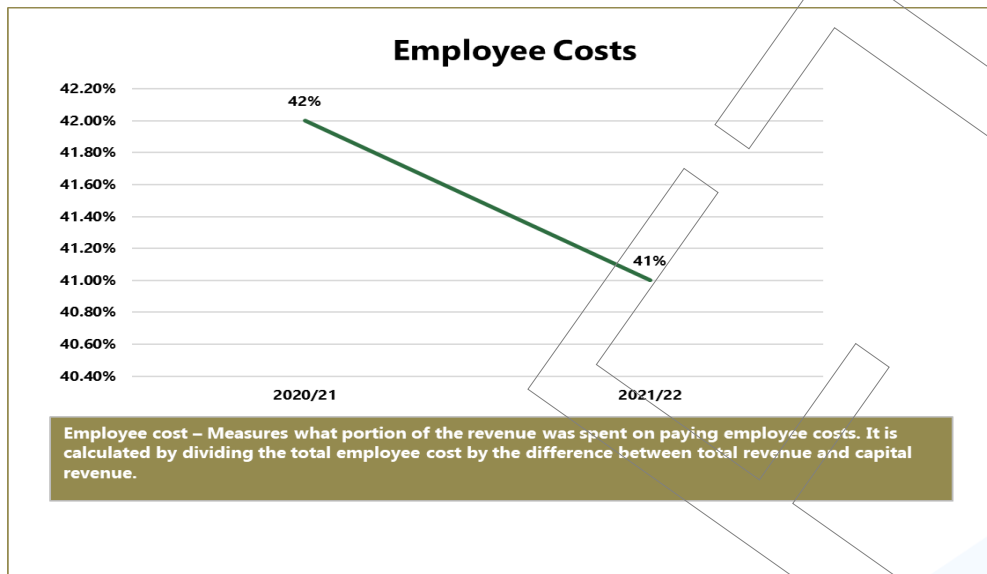
5.5.5 Employee costs

The table and graph below illustrate the Municipality's portion of revenue spent on employee costs for the past two financial years:

Description	Basis of calculation	2020/21	2021/22
		Audited outcome	Pre-audited outcome
Employee costs	Employee costs/(Total revenue - capital revenue)	42%	41%

Table 213. Employee costs

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Graph 14.: Employee costs

Component B: Spending against Capital Budget

5.6 Capital Expenditure: Sources of Finance

The table below indicates the capital expenditure by funding source for the 2021/22 financial year:

Details	2020/21	2021/22				
	<i>Audited outcome</i>	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance	Actual to OB Variance
Source of finance						
Description	R'000				%	
External loans	0	0	0	0	N/A	N/A
Public contributions and donations	0	0	0	794	N/A	N/A
Grants and subsidies	20 336	19 895	21 590	14 840	8.52	(33.93)
Own funding	565	3 570	2 531	5	(29.09)	(70.76)
Total	20 901	23 465	24 121	15 640	2.80	(36.15)
Percentage of finance						
External loans	0	0	0	0		
Public contributions and donations	0	0	0	3		
Grants and subsidies	97	85	90	62		
Own funding	3	15	10	0		
Capital expenditure						

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Details	2020/21	2021/22				
	<i>Audited outcome</i>	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance	Actual to OB Variance
Description	R'000				%	
Water and sanitation	11 881	3 124	4 524	4 095	44.82	(13.72)
Electricity	4 505	10 042	11 337	6 152	12.90	(51.63)
Housing	0	0	0	0	N/A	N/A
Roads and storm water	2 278	0	0	0	N/A	N/A
Other	2 237	10 299	8 260	5 393	(19.80)	(27.84)
Total	20 901	23 465	24 121	15 640	2.80	(36.15)
Percentage of expenditure						
Water and sanitation	57	13	19	26		
Electricity	22	43	47	39		
Housing	0	0	0	0		
Roads and storm water	11	0	0	0		
Other	11	44	34	34		

Table 214. Capital spending by funding source

Component C: Cash Flow Management and Investments

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

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5.7 Cash flow

The table below reflects the Municipality's cash flow for the financial year:

Cash flow outcomes				
R'000				
Description	2020/21	2021/22		
	Audited outcome	Original budget	Adjusted budget	Actual
Cash flow from operating activities				
Receipts				
Ratepayers and other	151 507	210 068	177 859	157 367
Government -operating	89 207	81 054	82 194	83 151
Government -capital	15 793	19 895	21 355	21 118
Interest	3 253	7 279	1 123	8 413
Payments				
Suppliers and employees	(220 613)	(279 238)	(279 128)	(220 771)
Finance charges	(7 291)	(835)	(7 140)	(7 084)
Transfers and grants	0	(525)	(525)	(500)
Net cash from/(used) operating activities	31 857	37 698	(4 262)	41 694
Cash flows from investing activities				
Payments				
Capital assets	(25 699)	(23 465)	(24 121)	(15 527)
Net cash from/(used) investing activities	(25 699)	(23 465)	(24 121)	(15 527)
Cash flows from financing activities				
Payments				
Repayment of borrowing	(1 880)	(1 503)	(1 503)	(1 503)
Net cash from/(used) financing activities	(1 880)	(1 503)	(1 503)	(1 503)
Net increase/ (decrease) in cash held	4 278	12 731	(29 886)	24 664
Cash/cash equivalents at the year begin:	(12 556)	(5 723)	(8 279)	(8 279)
Cash/cash equivalents at the yearend:	(8 279)	7 007	(38 165)	16 386

Table 215. Cash flow

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5.8 Gross outstanding debtors per service

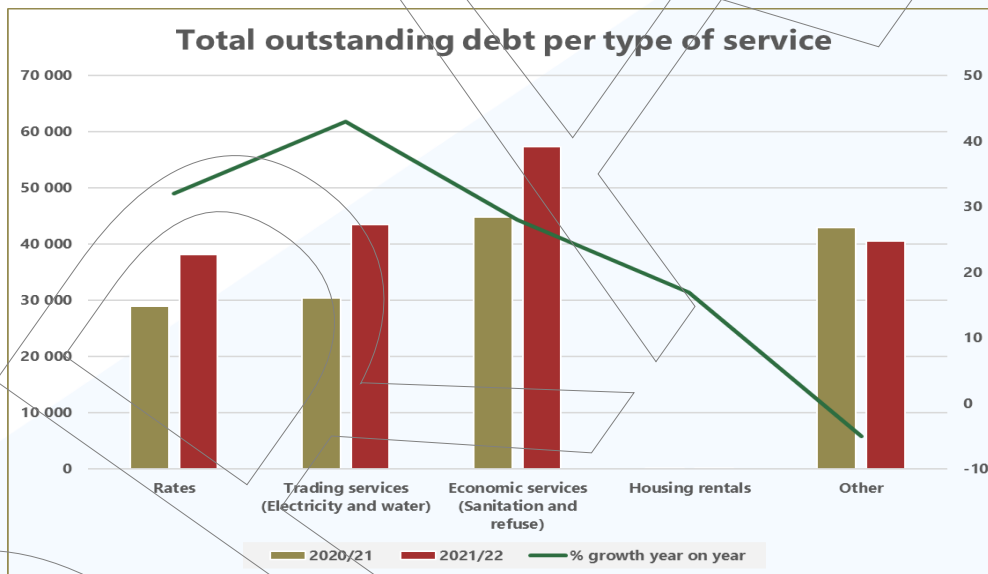
The table below reflects the debtor's analysis per service for the previous financial years:

Financial year	Rates	Trading services (Electricity and water)	Economic services (Sanitation and refuse)	Housing rentals	Other	Total
	R'000	R'000	R'000	R'000	R'000	R'000
	2020/21	28 942	30 391	44 875	48	42 905
2021/22	38 210	43 437	57 380	56	40 588	179 671
Difference	9 268	13 046	12 505	8	(2 317)	32 510
% growth year on year	32	43	28	17	(5)	22

Note: Figures exclude provision for bad debt

Table 216: Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service for 2021/22:



Graph 15.: Debt per type of service

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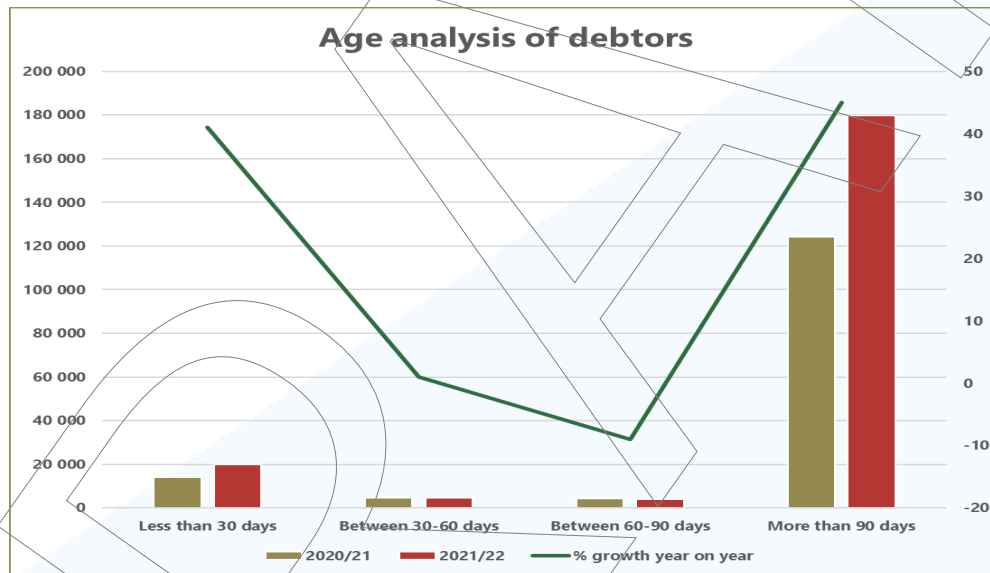
5.9 Total debtors age analysis

The table below reflects the Municipality's debtors age analysis for the past two financial years

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2020/21	14 033	4 631	4 369	124 129	147 161
2021/22	19 846	4 698	3 962	179 671	208 177
Difference	5 813	68	(407)	55 542	61 016
% growth year on year	41	1	(9)	45	41

Note: Figures exclude provision for bad debt.

Table 217. Service debtor age analysis



Graph 16.: Age analysis of debtors

5.10 Borrowing and investments

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

CHAPTER 5: FINANCIAL PERFORMANCE

5.10.1 Actual borrowings

The table below reflects the municipality's financial positions relating to borrowings:

Actual borrowings		
R' 000		
Instrument	2020/21	2021/22
Long-term loans (annuity/reducing balance)	5 807	5 194
Financial leases	977	88
Total	6 785	5 282

Table 218. Actual borrowings

5.10.2 Municipal investments

Actual investments		
R'000		
Investment type	2020/21	2021/22
	Actual	Actual
Deposits – bank	6 157	13 437
Total		

Table 219. Municipal investments

CHAPTER 6: AUDITOR-GENERAL OPINION

CHAPTER 6

Component A: Auditor-General Opinion 2020/21

6.1 Auditor-General report 2020/21

6.1.1 Audit report status: Disclaimer

Main issues raised	Corrective steps implemented / to be implemented
Property, plant and equipment	
<p>The AG was unable to obtain sufficient appropriate audit evidence that the Municipality recognised all items of property, plant and equipment in accordance with GRAP 17, <i>Property, plant and equipment</i>, as the AG was unable to confirm that all items of property, plant and equipment were recorded due to the status of accounting records.</p> <p>Additionally, the impairments of property, plant and equipment were not reviewed at each reporting date in accordance with GRAP 17. The AG was unable to determine the impact on the net carrying amount of plant and equipment, reversal of impairment loss/(impairment loss) on property plant and equipment and the depreciation and amortisation as it was impracticable to do so. Consequently, the AG was unable to determine whether any adjustments were necessary to property, plant and equipment, stated at R528.4 million (2019-20: R541 million) in note 2.1 and 2.2 to the financial statements and to the depreciation and amortisation, stated at R21.3 million (2019-20: R22.6 million) in note 37 to the financial statements</p>	<p>Management has obtained a certain portion of funding from Provincial Treasury and through Financial Management Grant that will be used to revise the fixed asset register in the 2021/2022 financial year. The process will include the verification of assets and the hierarchy to be used in breakdown of the assets.</p> <p>The completeness of the asset register and unbundling of the assets will also be looked at to ensure that the finding is addressed. The project is already underway and started in February 2022, however there is still a shortfall in funding the entire project</p>
Revenue from exchange transactions - service charges	
<p>The Municipality did not have adequate systems to maintain records to account for rebates given to indigents. This resulted in revenue from exchange transactions- service charges and being understated by R12.3 million (2019-20: R19.8 million). Consequently, receivables from exchange transactions being are understated by R12.3 million (2019-20: R19.8 million). Additionally, there was an impact on the surplus for the period and on the accumulated surplus in the financial statements</p> <p>The AG was unable to obtain sufficient and appropriate audit evidence that revenue from exchange transactions- service charges had been properly accounted for due to the status of the accounting records. The AG was unable to confirm the revenue from exchange transactions service charges by alternative means. Consequently, The</p>	<p>Investigate indigent rebates recognised as revenue forgone transactions relating to all service types and adjust where necessary. Implement controls to ensure that indigent rebates as revenue forgone are properly accounted for. Ensure that all people that receive the subsidy have completed the renewal forms for the subsidy. The review of the indigents that are subsidized in 2021/22 is currently underway and this task started in March 2022</p>

CHAPTER 6: AUDITOR-GENERAL OPINION

Main issues raised	Corrective steps implemented / to be implemented
AG was unable to determine whether any adjustment was necessary to the revenue from exchange transactions-service charges, stated at R121.1 million (2019-20: R126.7 million) in note 28 to the financial statements	
Revenue from exchange transactions – interest earned	
The AG was unable to obtain sufficient and appropriate audit evidence that revenue from exchange transactions - interest earned from service charges had been properly accounted for due to the status of these accounting records. The AG was unable to confirm the revenue from exchange transactions - interest earned from service charges by alternative means. Consequently, The AG was unable to determine whether any adjustment was necessary to the revenue from exchange transactions - interest earned from service charges, stated at R9.6 million in note 32 to the financial statements	Interest not charged on water was corrected and implemented from 1 July 2021. The finding has been addressed for 2021/22 financial year
Receivables from exchange transactions	
The AG was unable to obtain sufficient and appropriate audit evidence that receivables from exchange transactions had been properly accounted for due to the status of the accounting records. The AG was unable to confirm the receivables from exchange transactions by alternative means. Consequently, The AG was unable to determine whether any adjustment was necessary to the receivables from exchange transactions, stated at R20 million (2019-20: R24.6 million) in note 10 to the financial statements	Prepare monthly reconciliations between sub module and ledger. Also specify which reports are used for the different reconciliation. The reconciliations have been done from July 2021 to October 2021 and still need to be reviewed
Investment property	
The Municipality did not recognise all property held to earn rental or for capital appreciation as investment property in accordance with GRAP 16, <i>Investment property</i> . Investment property was incorrectly recognised as property, plant and equipment. Consequently, investment property was understated and property, plant and equipment were overstated by R5.4 million (2019-20: R5.4 million)	Management inspected the GL extract to confirm the classification of the items. It was determined that there are transactions linked to investment property, that should be classified as PPE. Therefore, note 30 is not overstated, but rather a misalignment between investment property and PPE rental income. It was determined that Rental income: Investment property is overstated and Rental income: PPE understated by R381 156.66. Finding resolved during audit
Taxes	
The AG was unable to obtain sufficient and appropriate audit evidence that taxes had been properly accounted for due to the poor quality of the accounting records. The AG was unable to confirm the taxes by alternative means. Consequently, The AG was unable to determine whether any adjustment was necessary to the taxes, stated at R9.8 million (2019-20: R9.1 million) in note 21 to the financial statements	Recalculate and evaluate the VAT for 2020/21 and 2021/22 financial years
Trade and other payables from exchange transactions	

CHAPTER 6: AUDITOR-GENERAL OPINION

Main issues raised	Corrective steps implemented / to be implemented
<p>The Municipality did not recognise all outstanding amounts meeting the definition of a liability in accordance with GRAP 1, <i>Presentation of financial statements</i>. The Municipality did not have adequate systems to maintain records of trade and other payables from exchange transactions for goods and services received, but not yet paid for. This resulted in trade and other payables from exchange transactions being overstated by R5 million</p>	<p>Prepare monthly reconciliations between sub module and ledger. Prepare monthly vendor reconciliations between sub module and monthly statements. The task is currently underway and should be completed by 30 April 2022. A memo was sent out to all service providers owed by the Municipality for them to respond no later than 31 March 2022</p>
Expenditure	
<p>Expenditure was materially misstated by R5.5 million due to the cumulative effect of individually immaterial uncorrected misstatements in the following items:</p> <ul style="list-style-type: none"> 🏠 Bulk purchases, contracted services, employee related cost and operational costs was overstated by R4.8 million due to management not having adequate systems to record expenditure transactions 🏠 Contracted services and operational expenditure were in aggregate overstated by R0.7 million due to management not having adequate processes in place to determine the appropriate classification of expenditure transactions <p>Additionally, there was an impact on the surplus for the period and on the accumulated surplus in the financial statements</p>	<p>Prepare reconciliations with regards to bulk purchases and employee related cost. Investigate trade payables and other creditors to ensure that it is classified correctly</p>
Statement of comparison of budget and actual amounts	
<p>The Municipality did not correctly prepare and disclose the cash flow from operating activities disclosed in the statement of comparison of budget and actual amounts as required by GRAP 24, <i>Presentation of budget information</i> in financial statements. This was due to multiple errors in determining cash flows from operating activities. Consequently, the effect of the misstatement is:</p> <ul style="list-style-type: none"> 🏠 Receipts from taxation is overstated by R14.4 million 🏠 Receipts from service charges is understated by R43.4 million 🏠 Receipts from other revenue is overstated by R29 million 🏠 Receipts from government grants and subsidies operating is understated by R3.6 million 🏠 Receipts from government grants and subsidies - capital is overstated by R3.6 million 	<p>Management will review the AFS prior to submission that it adheres to the disclosure requirements</p>
Statutory receivables	

CHAPTER 6: AUDITOR-GENERAL OPINION

Main issues raised	Corrective steps implemented / to be implemented
<p>The Municipality's analysis of receivables that are past due that have not been impaired in note 53, statutory receivables was incorrectly calculated, which constitutes a departure from GRAP 108, <i>Statutory receivables</i>. This has resulted in the ageing of amounts past due but not impaired being understated by R203.7 million (2019-20: R212.3 million)</p>	<p>Management will review the AFS prior to submission that it adheres to the disclosure requirements. Resolved during the audit</p>
Irregular expenditure	
<p>The Municipality did not include all irregular expenditure in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. This was due to payments amounting to R3.9 million (2020: R15 million) made in contravention of the supply chain management requirements, which were not disclosed as irregular expenditure. The AG was unable to determine the impact on the understatement of irregular expenditure – current year, stated at R18 million (2019 20: R41 million) in note 49.3 to the financial statements as it impracticable to do so</p>	<p>Investigate all irregular expenditure and prepare Section 32 report to be submitted to Council and to be handed over to a Council committee for investigation in line with Section 32 of the MFMA</p>
Corresponding figures for 30 June 2020	
<p>During the 2019-20 financial year, the AG was unable to obtain sufficient and appropriate audit evidence that the impairment loss on receivables had been properly accounted for due to the status of the accounting records. the AG was unable to confirm the impairment loss on receivables by alternative means. Consequently, the AG was unable to determine whether any adjustment was necessary to the impairment loss on receivables, stated at R48.7 million in note 42 to the financial statements corresponding figures for 30 June 2020.</p> <p>The AG's audit opinion on the financial statements for the period ended 30 June 2020 was modified accordingly. The AG's opinion on the current year financial statements was also modified because of the possible effect of this matter on the comparability of the reversal of impairment loss / (impairment loss) on receivables for the current period</p>	<p>Recalculate and evaluate the impairment on receivables for 2020/21 and 2021/22 financial years</p>
Material uncertainty relating to going concern/ financial sustainability	
<p>Statement of financial performance:</p> <p>The statement of financial performance, which indicates that the Municipality incurred a net loss of R28.9 million (2019-20: net loss of R13.5 million) during the year ended 30 June 2021 and, as of that date, the Municipality's current liabilities exceeded its current assets by R58.3 million (2019-20: net current liability position of R36.5 million). These events or conditions, along with other matters as stated in disclosure note 56 to the financial statements, indicate that a material uncertainty exists that</p>	<p>The Municipality is intensifying its credit control measures to ensure that revenue collection is increased to cover old outstanding creditors and day to day commitments. The Municipality has started installing prepaid meters where there are no meters to save on water losses and improve on revenue collection</p>

CHAPTER 6: AUDITOR-GENERAL OPINION

Main issues raised	Corrective steps implemented / to be implemented
may cast significant doubt on the Municipality's ability to continue as a going concern	
Emphasis of matters	
Restatement of corresponding figures: As disclosed in note 44 to the annual financial statements, the corresponding figures for 30 June 2020 were restated as a result of errors identified in the financial statements of the Municipality at, and for the year ended, 30 June 2021	Municipality must minimize prior year corrections with implementing proper reconciliations and review of AFS
Material impairments: As disclosed in note 6 to the annual financial statements, the Municipality provided for the impairment of non-current receivables from exchange transactions amounting to R5.4 million (2019-20: R2 million)	Investigate impairment of Long-Term Debtors. Implement and strengthen Credit Control and Debt Collection Policy
Material impairments: As disclosed in note 11 to the financial statements, the Municipality provided for the impairment of receivables from non-exchange transactions amounting to R232.9 million (2020/21: R193.5 million)	The Municipality is intensifying its credit control measures to ensure that revenue collection is increased to cover old outstanding creditors and day to day commitments. The Municipality has started installing prepaid meters where there are no meters to save on water losses and improve on revenue collection
Material losses: As disclosed in note 50.8 to the annual financial statements, material water losses of 1 456 276 kilolitres (2019-20: 1 598 802 kilolitres) were incurred which represents units lost during distribution of 49.9% (2019-20: 56.5%)	Replace and repair water meters and also repair and maintain leakages in network. The Municipality has started installing prepaid meters where there are no meters to save on water losses and improve on revenue collection. The programme started in March 2022
Material losses: As disclosed in note 50.8 to the annual financial statements, material electricity losses of 8 164 594 kilowatt hours (2019-20: 7 935 970 kilowatt hours) were incurred which represents units lost during distribution of 14.8% (2019-20: 14.7%)	Replace and repair electricity meters and also repair and maintain electricity network. Replace and repair electricity meters and also repair and maintain electricity network

Table 220. Auditor-General report 2020/21

Component B: Auditor-General Opinion 2021/22

6.2 Auditor-General report 2021/22

6.2.1 Audit report status: Qualified

6.2.2 Auditor-General Report on the Financial Statements 2021/22

To be completed after AG Report is received

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ABBREVIATIONS

List of Abbreviations

AG	Auditor-General	IRDP	Integrated Residential Development Programme
BWETT	Beaufort West Empowerment Through Tourism	KPA	Key Performance Area
CAPEX	Capital Expenditure	KPI	Key Performance Indicator
CBP	Community Based Planning	LED	Local Economic Development
CCMA	Commission for Conciliation, Mediation and Arbitration	LJOC	Local Joint Organising Committee
CFO	Chief Financial Officer	LLF	Local Labour Forum
CWP	Community Work Programme	LRO	Labour Relations Officer
DMA	Disaster Management Act	MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
DMR	Disaster Management Regulations	MIG	Municipal Infrastructure Grant
DoL	Department of Labour	MISA	Municipal Infrastructure Support Agent
DPLG	Department of Provincial and Local Government	MM	Municipal Manager
DR	Disaster Recovery	MSA	Municipal Systems Act No. 32 of 2000
DWAF	Department of Water Affairs and Forestry	MTECH	Medium Term Expenditure Committee
EE	Employment Equity	MVA	Mega-Volt Ampere
EPWP	Expanded Public Works Programme	NGO	Non-governmental organisation
FRP	Financial Recovery Plan	NT	National Treasury
GRAP	Generally Recognised Accounting Practice	OHS	Occupational Health and Safety
HR	Human Resources	OPEX	Operating expenditure
ICT	Information and Communication Technology	PMS	Performance Management System
IDP	Integrated Development Plan	PPE	Personal Protective Equipment
IFRS	International Financial Reporting Standards	PT	Provincial Treasury
IMFO	Institute for Municipal Finance Officers	SALGA	South African Local Government Organisation
		SAMDI	South African Management Development Institute

ABBREVIATIONS

- SCM** Supply Chain Management
- SDA** Skills Development Act
- SDBIP** Service Delivery and Budget Implementation Plan
- SDF** Spatial Development Framework
- SPLUMA** Spatial Planning and Land Management Act
- WRP** Water Reclamation Plant
- WWTW** Waste Water Treatment Works
- YCOP** Youth Community Outreach Program