

TABLING OF THE DRAFT ANNUAL REPORT FOR 2023/2024 (DIRECTOR: ECONOMIC, SOCIAL & INTEGRATED DEVELOPMENT SERVICES)

Purpose of report

To submit to Council the 2023-2024 Draft Annual Report for consideration. **The link to access the Draft Annual Report will be distributed separately.**

Background

In terms of the Municipal Systems Act, 2000 (Act 32 of 2000), sections 46 (1) and (2) and the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) Section 127,129,130, determines that an annual report must be tabled before Council.

The Municipal Systems Act, 2000 (Act 32 of 2000), sections 46(1) and (2) reads as follows:

“46. Annual performance reports. —

- (1) *A municipality must prepare for each financial year a performance report reflecting—*
 - (a) *the performance of the municipality and each external service provider during that financial year.*
 - (b) *a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and*
 - (c) *measures taken to improve performance.*
- (2) *An annual performance report must form part of the municipality’s annual report in terms of Chapter 12 of the Municipal Finance Management Act.*

[S. 46 substituted by. s. 6 of Act No. 44 of 2003.]
(Date of commencement of s. 46: 1 July 2001.)”

The Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) Section 127,129,130 reads as follows:

“127. Submission and tabling of annual reports.

- (1) *The accounting officer of a municipal entity must, within six months after the end of a financial year, or on such earlier date as may be agreed between the entity and its parent municipality, submit the entity’s annual report for that financial year to the municipal manager of the entity’s parent municipality.*
- (2) *The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality’s sole or shared control.*
- (3) *If the mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality’s sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must—*
 - (a) *promptly submit to the council a written explanation referred to in section 133 (1) (a) setting out the reasons for the delay, together with any components of the annual report listed in section 121 (3) or (4) that are ready; and*
 - (b) *submit to the council the outstanding annual report or the outstanding components of the annual report as soon as possible.*
- (4) *The Auditor-General may submit the financial statements and audit report—*
 - (a) *of a municipality directly to the municipal council, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the*

- province and any prescribed organ of state, if the mayor fails to comply with subsection (2) or (3); or
- (b) of a municipal entity directly to the parent municipality, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the province and any prescribed organ of state, if the accounting officer of the entity fails to comply with subsection (1).
- (5) Immediately after an annual report is tabled in the council in terms of subsection (2), the accounting officer of the municipality must—
- (a) following section 21A of the Municipal Systems Act—
- (i) make public the annual report; and
- (ii) invite the local community to submit representations in connection with the annual report; and
- (b) submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.
- (6) Subsection (5), with the necessary modifications as the context may require, is also applicable if only components of the annual report are tabled in terms of subsection (3).

(Date of commencement of s. 127: 1 July 2005.)

130. Council meetings are open to the public and certain public officials. —

- (1) The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken must be open to the public and any organs of state, and a reasonable time must be allowed—
- (a) for the discussion of any written submissions received from the local community or organs of state on the annual report; and
- (b) for members of the local community or any organs of state to address the council.
- (2) Representatives of the Auditor-General are entitled to attend and to speak at, any council meeting referred to in subsection (1).
- (3) This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of section 127 (3).

(Date of commencement of s. 130: 1 July, 2005.)”

Recommendation / Aanbeveling

That the Draft Annual Report for 2023-2024 be approved in principle by the Council, and that the report be advertised for public comment to ensure oversight.

Dat die Konsep Jaarverslag vir 2023-2024 in beginsel deur die Raad goedgekeur word en dat dit adverteer word vir publieke kommentaar vir oorsigdoeleindes.

This item served before an Ordinary Meeting of Council on 04 December 2024

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 04 Desember 2024

Eenparig Besluit / Unanimously Resolved

That the Draft Annual Report for 2023-2024 be approved in principle by the Council, and that the report be advertised for public comment to ensure oversight.

Dat die Konsep Jaarverslag vir 2023-2024 in beginsel deur die Raad goedgekeur word en dat dit adverteer word vir publieke kommentaar vir oorsigdoeleindes.



DRAFT ANNUAL REPORT 2023-2024

TABLE OF CONTENTS

Chapter 1: Mayors Foreword and Executive Summary	
Component A: Mayor's Foreword	
1.1 Executive Mayor's Foreword	8
Component B: Executive Summary	
1.1 Municipal Manager's Overview	10
1.2 Municipal Functions, Population and Environmental Overview	13
1.3 Service Delivery Overview	18
1.4 Financial Health Overview	22
1.5 Organisational Development Overview	26
1.6 Auditor General Report	28
1.7 Statutory Annual Report Process	29
Chapter 2: Governance	
Component A: Political and Administrative Governance	
2.1 Political Governance	31
2.2 Administrative Governance	39
Component B: Intergovernmental Relations	
2.3 Intergovernmental Relations	42
Component C: Public Accountability and Participation	61
2.4 Public Meetings	63
2.5. IDP Participation and Alignment	73
Component D: Corporate Governance	
2.6 Risk Management	74
2.7 Anti-Corruption and Fraud	75
2.8 Supply Chain Management	76
2.9 Policies and By-Laws	78
2.10 Website	79
2.11 Public Satisfaction with Municipal Services	80
Chapter 3: Service Delivery Performance	
Component A: Basic Services	
3.1 Water Provision	101
3.2 Wastewater (Sanitation) Provision	106
3.3 Electricity Services	110
3.4 Solid Waste Management	113
3.5 Housing Services	119
Component B: Road Transport	
3.6 Roads and Stormwater	124
Component C: Planning and Development	
3.7 Town Planning	128
3.8 Local Economic Development	131
Component D: Community and Social Services	
3.9 Library Services	137
3.10 Social Development	144
Component E: Environmental Protection	
3.11 Parks and Cemeteries	147
Component F: Security and Safety	
3.12 Law Enforcement and Traffic Officers	150
3.13 Fire and Disaster Services	152
Component G: Sport and Recreation	
3.14 Community Facilities	156

Component H: Corporate Policy Offices and Other Services	
3.15 Executive and Council	159
3.16 Financial Services	161
3.17 Human Resources	162
3.18 Information and Communication Technology (ICT) Services	165
Component I: Organisational Performance Scorecard	169
Chapter 4: Organisational Development Performance	
Component A: Introduction to the Municipal Personnel	
4.1 Employee Totals, Turnover and Vacancies	185
Component B: Managing the Municipal Workforce	
4.2 Human Resource Policies and Plans	187
4.3 Injuries, Sickness and Suspensions	188
4.4 Performance Rewards	190
Component C: Capacitating the Municipal Workforce	
4.5 Skills Development and Training	191
Component D: Managing the Workforce Expenditure	
4.6 Employee Expenditure	195
4.7 Disclosure of Financial Interest	197
Chapter 5: Financial Performance	
5.1. Statements of Financial Performance	198
Chapter 6: Audit General Audit Findings	
6.1. Auditor General Report	305
6.2. Audit Action Plan	316
6.3. Recommendations of the Municipal Audit Committee	317
Glossary	

LIST OF ACRONYMS

ACVV	Afrikaanse Christelike Vrouevereniging
AGSA	Auditor-General South Africa
ANC	African National Congress
ALD	Alderman
APP	Application
APR	Annual Performance Report
CBD	Central Business District
CBO	Community-Based Organization
CC	Close Corporation
CFO	Chief Financial Officer
CG	Conditional Grant
CLLR	Councillor
CLW	Community Liaison Worker
CRR	Capital Replacement Reserve
CWD	Cape Winelands District
CWDM	Cape Winelands District Municipality
CV	Curriculum Vitae
DA	Democratic Alliance
DALRRD	Department of Agriculture, Land Reform and Rural Development
DCAS	Department of Cultural Affairs and Sport
DEPT	Department
DFFE	Department of Forestry, Fisheries and Environment
DR	Disaster Recovery
ECD	Early Childhood Development
EE	Employment Equity
EPWP	Expanded Public Works Programme
ERP	Enterprise Resource Planning
EXCO	Executive Committee
FARMCO	Fraud and Risk Management Committee
FAS	Fetal Alcohol Syndrome
FF PLUS	Freedom Front Plus
FY	Financial Year
GDPR	Gross Domestic Product Region
GRAP	Generally Recognised Accounting Practice
GIS	Geographic Information System
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immunodeficiency Syndrome
HR	Human Resources
ICT	Information Communication and Technology
ICDP	Integrated Community Development Projects
IDP	Integrated Development Plan
IGR	Inter-Governmental Relations
IPPF	International Professional Practice Framework
IT	Information Technology
IWMP	Integrated Waste Management Plan
KL	Kilolitre
KPA	Key Performance Area
KPI	Key Performance Indicator
KV	Kilovolt
KVH	Kilowatt-hour
LED	Local Economic Development

LGSETA	Local Government Sector Education Training Authority
LIP	Langeberg Independent Party
LTA	Local Tourism Association
LUPA	Land Use Planning Act
LIZS	Langeberg Municipal Integrated Zoning Scheme
MAYCO	Mayoral Committee
MAF	Municipal Accounts Forum
MBRR	Municipal budget and reporting regulations
MDRG	Municipal Disaster Response Grant
MERO	Municipal Economic Review and Outlook
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Members of the Mayoral Committee
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPAC	Municipal Public Accounts Committee
MRF	Materials Recovery Facility
mSCOA	Municipal Standard Chart of Accounts
MTREF	Medium-Term Revenue and Expenditure
MVA	Megavolt-amperes
NFPA	National Fire Protection Association
NGO	Non-Governmental Organisation
NMD	Notified Maximum Demand
NPO	Non-Profit Organisation
NO	Number
NQF	National Qualifications Framework
NRW	Non-Revenue Water
NT	National Treasury
OEM	Original Equipment Manufacturer
OPEX	Operational Expenditure
PA	Patriotic Alliance
PAYE	Pay-As-You-Earn
PCF	Premiers Coordinating Forum
PDM	Peoples Democratic Movement
POE	Proof of Evidence
PR	Proportional Representative
PPE	Personal Protective Equipment
SA	South Africa
SALGA	South African Local Government Association
SANS	South African National Standards
SAPS	South African Police Services
SARS	South African Revenue Service
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
SMT	Senior Management Team
SNR	Senior
SO	Strategic Objective

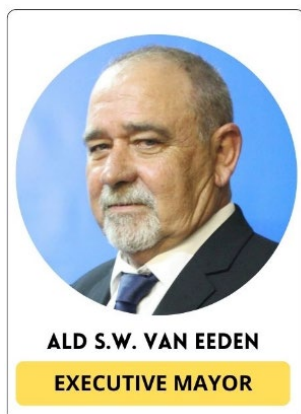
SOP	Standard Operating Procedures
STATS SA	Statistics South Africa
TASK	Tuned Assessment of Skills and Knowledge
UPS	Uninterruptible Power Supply
VAT	Value-added Tax
WCLS	Western Cape Library Service
WDF	Waste Disposal Facilities
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works



CHAPTER 1

COMPONENT A: EXECUTIVE MAYOR'S FOREWORD

1.1 EXECUTIVE MAYOR'S FOREWORD



This Annual Report reflects Langeberg Municipality's performance for the 2023-2024 financial year. Looking back on the financial year under review, we can proudly proclaim that, through a range of targeted interventions and strategic policy directives, we made remarkable progress and remained focused on our vision: to create a safe and healthy environment for delivering sustainable quality services.

We have taken great care to identify and respond to the needs of our community, as captured in our Integrated Development Plan (IDP). The projects undertaken during the 2023-2024 financial year put us on a path to achieve our mission: to create an efficient and cost-effective municipality through good governance practices, sustainable services, a safe and secure environment, sound financial management practices, and a conducive environment for local economic development.

Key Policy Developments:

Our policies and strategies were regularly revised to ensure relevance and improve good governance and accountability.

Langeberg Municipality strives to progress and grow from being one of the best municipalities to being the best municipality. With strategic objectives aligned with the provincial growth and development strategy our goals are focused towards:

1. Ensure efficient administration for good governance.
2. Provide infrastructure for sustainable and affordable basic services.
3. Promote a safe and secure environment.
4. Promote and facilitate investment and local economic development.
5. Provide sustainable financial management.

Key Service Delivery Improvements:

A three-year Medium-Term Revenue and Expenditure Framework (MTREF) budget ensures the identified Municipal Infrastructure Grant (MIG) projects are developed and approved by the Council. We have implemented projects that allow for upgrades to electrical infrastructure, road and stormwater infrastructure, water supply, recreational facilities and a fire service station. Power failures in Ashton and Robertson were the top complaints received through our customer call centre together with blocked drains which receive ongoing attention to improve service delivery.

Public Participation:

To enhance stakeholder engagements and deepen democracy, the municipality facilitates and strengthens public participation. The Public Participation Policy enables and encourages citizens to be actively involved in municipal affairs by various means.

The Ward Committee System remains the main vehicle for Langeberg Municipality's public participation processes and new ward committees were established to engage and consult with the community through various meetings. These meetings allow community inputs in municipal decision-making regarding service delivery, developing credible IDPs, policy formulation, budgeting processes and organisational performance at ward level. The Ward Committee System, however, remains challenged and mostly relies on those residents who make that

special effort to be involved and attend community meetings.

Future Actions:

The adopted 2023-2024 IDP sets out the Council's development path, goals and actions for the Langeberg municipal area in terms of budget priorities, land management, social development, economic development, and institutional transformation over the next reporting year. The immediate priority is to support economic activity and alleviate hardship. To realise all our objectives, we need the collaboration, energy and resources of our residents, organised civil society and the private sector. Strategic partnerships with other spheres of government and non-governmental role-players are central to our aim to create an open and equal opportunity society for all our communities to participate in.

We developed a Safety Plan for the Langeberg area that includes support for the establishment of Neighbourhood Watches and rural safety forums. The aim is to do safety projects in conjunction with South African Police Services (SAPS). We are also looking at installing more safety cameras to monitor and coordinate the prevention of criminal activities. The municipality is focussed on establishing sustainable renewable energy generation to increase bulk electricity supply for the purpose of economic development and associated infrastructure development. The Spatial Development Framework (SDF) will be reviewed to identify available land for future development.

Agreements / Partnerships:

This Municipality will continue to work in partnership with other stakeholders in the social development sector, including National and Provincial Government Departments, NGO's, NPO's, CBO's, private sector, and other structures, to improve cooperation, integration and utilisation of resources to jointly address the social ills that are gripping our communities. Co-operatively implementing programmes that empower the poor and most vulnerable people, particularly women, children, youth, the disabled, elderly persons, and rural dwellers throughout our area.

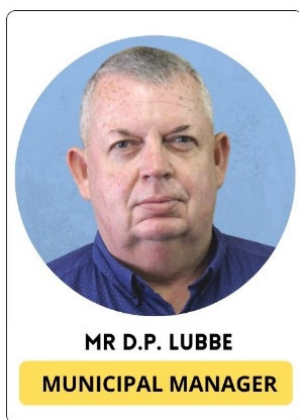
To develop a vibrant and resilient economy, we have upgraded the informal trading areas and work in partnership with other government departments to promote entrepreneurial skills.

I remain grateful to Council, the Deputy Executive Mayor, the Mayoral Committee and the Municipal Manager, all of whom continue to guide our staff, resources and operations.

ALDERMAN SCHALK VAN EEDEN
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGERS OVERVIEW



The Annual Performance Report of the Langeberg Municipality primarily aims to compare the actual performance of the Municipality with the targets set in the Integrated Development Plan (IDP) and the budget. According to the Annual Performance Report guidelines, the report is a key performance document for the community and other stakeholders.

Legislative Framework

Section 121 of the Municipal Finance Management Act outlines the following three main purposes of an annual report:

- To provide a record of the activities of the municipality or municipal entity during the financial year;
- To report on performance against the budget of the municipality or municipal entity for that financial year; and
- To promote accountability to the community for decisions made throughout the year by the municipality or municipal entity.

The Langeberg Municipality is a Category B (local) municipality. It exercises its powers and performs its functions in accordance with the legislative framework of Sections 155 and 156 of the Constitution, Act No. 200 of 1993, and Chapter 3 of the Municipal Systems Act, Act No. 32 of 2000.

Local Government Mandate

Under Section 152 of the Constitution, Local Government is tasked to:

- Provide services to communities in a sustainable manner;
- Promote social and economic development; and
- Promote a safe and healthy environment.

Since the Local Government Elections of November 2021, our elected Council, its sub-structures and new ward committees, have remained stable, with only two changes in respect of new Councillors taking up vacant seats on the Council.

The internal Section 56/57 senior managerial structure remained unchanged during the financial year. At the close of the financial year on 30 June 2024, the recruitment process for a new incumbent for the vacant Director: Engineering Services position, was successfully concluded. The new incumbent of the position took up office with effect from 1 July 2024.

Audit Outcomes

The Langeberg Municipality once again received a "Clean Audit" outcome for the 2023-2024 financial year, marking its sixth consecutive and thirteenth overall clean audit from the Auditor General SA (AGSA). A clean audit means that it is an unqualified audit opinion with no findings and no findings on the legislative prescripts and regulations.

Alignment of Services to IDP Indicators and Council Priorities

Transparency and accountability are achieved through a clear link between the strategic objectives of the

- IDP;
- Budget;
- Service Delivery Budget Implementation Plan (SDBIP);
- Performance agreements of senior management and officials;
- In-year reports (MFMA Sections 71 and 72);
- The Annual Financial Statements;
- Annual Performance Report; and
- The Annual Report.

Services Delivery Performance

Performance reporting against IDP plans is referred to as the golden circle of reporting. Municipalities use the SDBIP to integrate various reports.

Responsibilities, such as planning, service delivery implementation, performance measurement, and risk management are aligned with that of national, provincial and local government objectives. Through inter-governmental engagements, adherence to intersecting timelines, and scheduled reporting to Council, Provincial and National authorities, the Langeberg Municipality complied with all these provisions during the 2023-2024 financial year.

Risk Management

Langeberg Municipality is committed to managing risks to achieve its vision and strategic objectives. While conducting our day-to-day business operations, we are exposed to a variety of strategic and operational risks that require comprehensive controls and ongoing oversight.

We have adopted an enterprise-wide integrated risk management approach by embedding the risk management process into key business processes. This approach encompasses planning, service delivery implementation, and performance management to identify events affecting our objectives and to manage risks in ways that are consistent with the approved risk appetite. To this effect, an enterprise-wide risk management framework was developed and implemented.

To further implement the enterprise-wide approach, we have taken several steps to reinforce a culture of disciplined risk-taking. The council is responsible for oversight of the risk management process and has delegated its day-to-day implementation to the Municipal Manager. The Fraud and Risk Management Committee received appropriate reporting on the Municipality's risk profile and risk management process. Management executed their responsibilities as outlined in the risk management strategy. All other officials remain responsible for incorporating risk management into their daily activities. The Audit and Performance Committee has received the necessary and regular reports on the risk profile and risk management processes of the Municipality to exercise its oversight responsibilities.

As the Municipal Manager of Langeberg Municipality, I am responsible for enhancing corporate governance within the Municipality and to ensure that appropriate focus is placed on important tasks.

The risk management process, to review and update Langeberg Municipality's risk register, continued during the 2023-2024 financial year to ensure that relevant risks impacting the achievement of strategic objectives are accurately identified, assessed, appropriately mitigated, and continuously monitored. A combined risk register

inclusive of all directorates was developed and monitored for the 2023-2024 financial year. All risks were linked to the strategic outcomes of the IDP.

Financial Health

Langeberg Municipality prepared a multi-year budget in accordance with the Municipal Budgeting and Reporting Regulations, with capital expenditure financing from its own funds (CRR) totalling R204 million:

- The capital investment funding (own funding) represented 73,36 percent of the capital budget;
- Grants from the National Government, Provincial Government and District Municipality represented 26,64 percent of the capital budget.

Service Delivery Improvements

Langeberg Municipality's total expenditure R147 338 033.22 in the 2023-2024 financial year, for infrastructure upgrades and improvements within the municipal area.

The total capital actual expenditure was spent in the following areas during the 2023-2024 financial year:

Water capital assets and infrastructure	R 3 537 896.54
Sanitation Services	R 35 428 629.47
Solid Waste Management Services	R 7 771 155.96
Roads and Stormwater	R 61 701 250.31
Electricity Services	R 10 730 941.76
Sport and Recreation	R 3 035 811.41
Fire Services	R 13 274 326.70
Parks and Cemeteries	R 524 665.21
ICT Services	R 5 169 964.02
Local Economic Development	R 1 931 137.42
Traffic, Licensing and Law Enforcement Service	R 50 000.00
Other capital assets	R 4 182 254.42

MR D P LUBBE
MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 Municipal Function:

Langeberg Municipality is a Category B: Local Municipality, sharing municipal executive and legislative authority with the Cape Winelands District Municipality within the Western Cape Province. The municipal area covers approximately 4 517.4 km², which includes the towns of Robertson, Montagu, Ashton, Bonnievale and McGregor, as well as rural areas adjacent to and between these towns.

The Municipality has legislative and executive authority with respect of the powers and functions conferred on it in terms of the Constitution of the Republic of South Africa Act No. 108 of 1996 and other appropriate legislation. The municipal functions and powers are prescribed in Chapter 3 of the Municipal Systems Act.

Table 01: The core functions applicable to Langeberg Municipality include the following:

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality	Function Applicable to Entity
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	No
Building regulations and town planning	Yes	No
Childcare facilities	No	No
Electricity Services	Yes	No
Gas reticulation	No	No
Firefighting and disaster management services	Yes	No
Local tourism and local economic development	Yes	No
Municipal airports	Yes	No
Municipal planning	Yes	No
Municipal health services	No	No
Municipal public transport	No	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	No
Stormwater management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	Yes	No
Beaches and amusement facilities	No	No
Billboards and the display of advertisements in public places	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	Yes	No
Facilities for the accommodation, care and burial of animals	No	No
Fencing and fences	Yes	No
Housing Administration	Yes	No
Irrigation Services	Yes	No
Law enforcement	Yes	No
Licensing of dogs	No	No

Licensing and control of undertakings that sell food to the public	No	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Libraries	Yes	No
Markets	No	No
Municipal Cemeteries	Yes	No
Funeral parlours and crematoria	No	No
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	Yes	No
Pounds	No	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No

1.2.2 Population Details:

This section reflects the latest available information primarily sourced from Statistics South Africa, administrative data from sector departments, the Municipal Review and Outlook (MERO), Global Insight Regional Explorer, and Quantec. The data sourced from sector departments are the most recent that is available. The Statistics South Africa 2022 Census contains the latest survey data available at municipal level.

The Langeberg municipal area accommodated 10.9 percent of the Cape Winelands' population, comprising a total of 94 045 individuals in 2022. Projections indicate an anticipated increase to 101 570 persons by 2027, reflecting an estimated average annual growth rate of 1.6 percent over the specified period. Notably, this growth rate aligns closely with the broader demographic trend observed in the Cape Winelands District during the same timeframe.

Table 02: Population Overview

Population Details			
Age	2022		
	Male	Female	Total
Age: 0 - 4	3 885	3 743	7 628
Age: 5 - 9	3 435	3 098	6 533
Age: 10 - 19	6 829	7 195	14 024
Age: 20 - 29	8 223	8 336	16 559
Age: 30 - 39	7 751	8 054	15 805
Age: 40 - 49	5 614	6 209	11 823
Age: 50 - 59	4 656	5 733	10 389
Age: 60 - 69	3 144	3 983	7 127
Age: 70+	1 702	2 456	4 158
Total	94 045		
Source: Statistics SA, 2022			

Sex Ratio

The overall sex ratio (SR) depicts the proportion of males per 100 females in the population. The sex ratio stands at 92.7, signifying that for every 100 women, there are 92.7 men. This ratio experiences a marginal uptick and maintains a steady course from 2023 to 2027. Possible attributions for this phenomenon include potential influxes of working males to the municipal area or an escalation in female mortality rates.

Age Cohorts

The accompanying infographic delineates the demographic composition of the municipal area across various age cohorts, expressed in terms of a dependency ratio that distinguishes the workforce age (15–64) from dependents (children or senior citizens). A heightened dependency ratio suggests increased strain on social systems and the provision of essential services. Over the period spanning 2022 to 2027, the most substantial population expansion was observed in the 65+ age category, registering a growth of 1.8 percent. This phenomenon could be indicative of enhanced life expectancy (signifying an ageing population) or a rising inclination for individuals to choose the Langeberg municipal area as a retirement locale. Concomitant growth is anticipated in the working-age cohort (1.7percent), contributing to an overall reduction in the dependency ratio by 2027.

Racial Composition

The racial composition of the Langeberg municipal area, as delineated in the demographic data, elucidates a diverse population of 94 045 individuals, contributing to the broader regional total of 862 703.

The Coloured population stands out as the largest demographic group, comprising 58 071 individuals, and plays a substantial role in shaping the socio-economic landscape. The Black African population, totalling 23 038 individuals, also constitutes a significant segment, contributing to the overall diversity. Meanwhile, the White population, numbering 12 100 individuals, and the Indian or Asian population, with 135 individuals, reflect additional layers of diversity within the municipal area.

This heterogeneous demographic composition holds implications for economic dynamics, including labour market participation, consumer behaviour, and community development initiatives, necessitating a nuanced approach in formulating policies and strategies to address the distinct needs of each racial group within the Langeberg region.

Population Density

Population density serves as a quantitative assessment of the populace residing within a specified geographical area. Influential determinants impacting population density encompass economic, social, connectivity, location, and accessibility factors. These metrics play a pivotal role in enhancing the ability to respond to swift urbanisation, enabling municipalities to formulate judicious plans and budgets for efficient service provision while addressing environmental vulnerabilities.

As of 2022, the population density in the Langeberg municipal area stood at 27 individuals per square kilometre. When ranked from highest to lowest, comparative population density figures for various local municipal areas within the Cape Winelands District are as follows:

- Stellenbosch 240 people/km²
- Drakenstein 194 people/ km²
- Breede Valley 51 people/ km²
- **Langeberg 27 people/ km²**
- Witzenberg 14 people/ km²

Household Size

The mean household size is anticipated to exhibit stability, maintaining an average of 3.7 individuals per household between 2022 and 2027. Factors influencing this persistent trend encompass, among others, diminished fertility rates, an ageing demographic structure, divorce rates, cultural norms influencing intergenerational co-residence, and socio-economic dynamics impacting patterns in employment, education, and the housing markets.

Table 03: Overview of Neighbourhoods within Langeberg Municipality

Overview of Neighbourhoods within Langeberg Municipality		
Settlement Type	Households *	Population *
Towns		
Ashton	1 777	7 727
Bonnievale	2 376	9 092
McGregor	654	3 125
Montagu	4 029	15 176
Robertson	5 676	21 929
Langeberg NU	7 183	29 292
Townships		
Nkqubela	1 849	5 786
Zolani	1 580	5 598
Source: Stats SA, 2011 * Please note that the information provided is based on data available as part of STATSA for 2011 and may be subject to change as STATSA still needs to release the latest data.		
Settlement Type	Households	
Informal settlements		
Nkqubela (Nkanini & Kanana)	1 107	
Robertson North	268	
McGregor	32	
Boekenhoutskloof, Bonnievale	647	
Cogmanskloof, Ashton	144	
Zolani, Ashton	411	
Mandela Square, Montagu	299	
Source: Langeberg Municipality department: Human Settlements Administration		

Housing and Household Services

With a total of 28 032 households in the Langeberg municipal area, 92 percent had access to formal housing. This is higher than the Cape Winelands District average of 89 percent. The area also had a substantially lower proportion of informal dwellings, a total of 7 percent compared with the district's total of 10 percent.

Service access levels within the municipal area were generally on par with that of the district. Access to piped water inside the dwelling/yard or communal/neighbour's tap recorded a figure of 94 percent, access to a flush or chemical toilet at 91 percent, access to electricity (including a generator) for lighting at 99 percent, and the removal of refuse at least weekly by the local authority at 99 percent of households.

Table 04: Socio-Economic Status

Socio Economic Status					
Year	Housing Backlog as a proportion of current demand	Unemployment Rate	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Population older than 14 years that are illiterate due to no schooling.
2021-2022	9 206	7.3%	45.7%	3 729	876
2022-2023	9 242	11.1%	45.3%	3 822	Not available
2023-2024	13 887	15.2%	32.1%	4 251	Not available

1.2.3 Environmental Overview

The natural environment forms the basis on which our economic and social systems depend. Surrounded by the magnificent scenery of the Riviersonderend, Langeberg and Waboom Mountains with the Breede River with its tributaries and fertile land. The large heritage building stock, factories and infrastructure, including Route 60 and Route 62, are sustainably exploited to continue to provide and enhance the livelihoods of its residents. Agricultural activities, especially winemaking, also form the basis of its vibrant tourism industry.

While the Municipality exhibits a substantial concentration in mid-range income brackets, indicating a prevalent middle-income demographic, there is a notable presence in the lower income brackets, collectively representing 8.5 percent of the population. This suggests a segment of the population grappling with economic challenges, emphasising the urgency for targeted socio-economic interventions to uplift and empower this group. Addressing the socio-economic disparities within Langeberg necessitates a comprehensive strategy that prioritises inclusive growth, focusing on education, skill development, and job creation to enhance economic mobility and resilience.

One of the key challenges facing Langeberg Municipality is the need to bolster economic diversification and promote wealth creation, particularly considering the modest representation in higher income brackets. A limited presence in the upper-income strata, at 7.2 percent, suggests potential barriers to fostering broad-based economic prosperity. Encouraging entrepreneurship, attracting diverse industries, and investing in innovation can contribute to a more dynamic and resilient economic foundation. Additionally, efforts should be directed towards strengthening social safety nets and providing support systems for vulnerable populations to mitigate the impact of economic challenges on their well-being.

Langeberg Municipality is confronted with environmental and infrastructural risks that have the potential to hinder its socio-economic development. Climate change vulnerabilities, coupled with adequate infrastructure, pose threats to the agricultural sector and overall economic stability. Sustainable development practices, coupled with strategic investments in infrastructure projects, are imperative to enhance the Municipality's adaptive capacity and ensure long-term socio-economic sustainability. By addressing these challenges head-on and leveraging the Municipality's strengths, Langeberg can pave the way for a more resilient and equitable socio-economic future.

GDPR growth in the Langeberg municipal area decelerate to 0.7 percent in 2023, primarily due to the persistent underperformance of the agriculture and manufacturing sectors, compounded by the substantial and ongoing impact of load shedding. A potential resurgence of 1.9 percent was projected for 2024, driven by the anticipated robust growth in the trade, transport, and finance sectors. Nevertheless, the uncertainty surrounding the future of Langeberg & Ashton Foods introduces a significant risk to the economic stability of the Langeberg municipal area. This risk is particularly noteworthy, as it has the potential to impact municipal revenues through persistent levels of poverty and unemployment within the region.

Table 05: Natural Resources within Langeberg Municipal Area

Natural Resources	
Major Natural Resource	Relevance to Community
Mountain Catchment Areas	Water source and biodiversity, scenic value – heritage and tourism.
Rivers	Water source – urban and farmland, recreation, and tourism. Flood risk - no development in floodplains.
Biodiversity of Natural Areas & Municipal Nature Reserves	Climate change resilience, heritage, scenic value, recreation, and tourism.
Productive Agricultural land	Food security, a major employer.
Mineral deposits	Building materials and industry, employment.
Source: Langeberg SDF, 2015, Section 3	

1.3 SERVICE DELIVERY OVERVIEW

One of the objectives of local government is to ensure the provision of services to communities in a sustainable manner. Access to adequate housing encompasses essential services such as potable water, basic sanitation, safe energy sources, and refuse removal, contributing to the establishment of a decent standard of living for households.

Shared Services:

Langeberg Municipality has an arrangement with the Cape Winelands District Municipality for the sharing of fire services. Langeberg Municipality has arrangements (service level agreements and/or memorandums of agreements) with external organisations within the municipal area, for the development of local tourism and social development. Langeberg Municipality shared none of its functions with any municipal entity in 2023-2024. Other municipal services are discussed in detail in Chapter 3 of the Annual Performance Report.

1.3.1 Basic Service Delivery Performance Highlights

Langeberg Municipality contributes to the decent standard of living of 28 032 households in the municipal area by providing access to basic services as per the Constitution.

Service access levels within the municipal area align closely with the district averages, reflecting high percentages for access to piped water at 94 percent, flush or chemical toilets at 91 percent, access to electricity (including a generator) for lighting at 99 percent, and regular refuse removal by local authorities at 99 percent.

1.3.2 Basic Service Delivery Challenges

The continued growth of informal settlements, illegal land invasion and many shacks that have been erected illegally in the past year, has significantly impacted the housing backlog and service delivery. Some areas are unable to be reached with municipal vehicles to collect waste. Some of these areas share an onsite toilet and water facility.

The implementation of Eskom load shedding at higher stages impacts the day-to-day operation of delivering quality services to our communities. The pump station downtime at the wastewater treatment works compromise water

and wastewater quality and increases the risk of sewer spillage. Water cannot be pumped to the reservoir resulting in low reservoir levels as well as low water pressure. The pumping of raw water from the Breede River to specifically Montagu is a major challenge.

With load shedding the landlines to the call centre are down and municipal offices can only offer limited administrative services. Traffic offices are unable to conduct vehicle testing and appointments need to be rescheduled. After scheduled load shedding, other complications such as cable theft, damage or faults to electricity infrastructure or nuisance tripping could result in even further electrical downtime.

Eskom has limited capacity available. More capacity will come at a great cost to Langeberg Municipality. Eskom has a limited budget available for upgrades.

To ensure electricity supply to all Langeberg residents and future developments, a substantial investment in electricity infrastructure needs to take place. Langeberg Municipality is in the process of increasing its Notified Maximum Demand (NMD) by another 3MVA at an estimated cost of approx. R25 million. Eskom's upstream network that supplies the Langeberg region is constrained and any capacity beyond the 3MVA will require significant upstream upgrades with associated costs estimated to exceed R200 million.

Langeberg Municipality has embarked on a process to procure alternative generation capacity, preferably from renewable sources. This is part of the longer-term planning to improve the energy resilience of the Municipality.

The ageing electrical infrastructure is systematically being upgraded/replaced as budget allows, to ensure continued operation and service delivery. The capital project "Replacement and Repairs Network" consisted of various strategic network upgrades and strengthening initiatives as part of the implementation of the Electrical Master Plan.

An emergency project to replace copper overhead lines with aluminium, to reduce theft, has been initiated and is still in progress. R5.5 million will be spent for the first phase of the project which focuses on high-risk copper lines and infrastructure prone to theft and vandalism. The next phases of the project will be executed as budget allows. Insufficient water supply can also occur due to vandalism, theft, illegal water connections at standpipes, and flood damage at pump stations and reservoirs.

Ageing infrastructure results in failing pumps and bulk pipelines causing disruptions and placing enormous pressure on service delivery. Water resources are scarce and alternative sources need to be investigated to ensure sustainable water provision.

Langeberg Municipality faces a high level of waste production. The rural nature of the area and the distances between the urban and farming areas, cause difficulties for waste collection practices. Air, land, and water pollution are worsened by, among others, illegal dumping. There is a shortage of landfill airspace at the Ashton Waste Disposable Facility and a lack of permanent security at Waste Disposal Facilities resulting in vandalism and illegal waste pickers. With a lack of by-law enforcement, illegal dumping, littering of waste, and misuse or theft of wheelie bins remain a time-consuming and costly operation. To promote waste reduction through recycling, a new Waste Material Recovery Facility (MRF) was built in Ashton and operational from March 2024.

1.3.3 Proportion of Households with Access to Basic Services

All formal households have access to electricity, water, wastewater, and waste management services.

The table below illustrates the 7 registered informal settlements comprising of 2 908 households that have access to water, sanitation, electricity services, and waste management services, with weekly collections at a centralised point.

Table 06: Informal Settlements with access to basic services

Informal Settlements with access to basic services					
Informal Settlement	Number of Structures	Sanitation Facility		Water Facility	
		Flush Toilets	Chemical Toilets	Standpipes	Tanks
Nkqubela (Nkanini & Kanana)	1 107	0	0	5	0
Robertson North	268	0	0	6	0
McGregor	32	28	0	18	0
Boekenhoutskloof, Bonnievale	647	16	0	15	0
Cogmanskloof, Ashton	144	0	0	0	2
Zolani, Ashton	411	0	0	0	2
Mandela Square, Montagu	299	12	0	5	0

Source: Langeberg Municipality departments: Human Settlements Administration and Civil Engineering

Table 07: Proportion of Households with a minimum level of Basic Services

Proportion of Households with Minimum Level of Basic Services				
	2020-2021	2021-2022	2022-2023	2023-2024
Electricity service connections	70%	80%	90%	99%
Water - available within 200m from the dwelling	94%	94%	94%	94%
Sanitation - Households with at least VIP service	91%	91%	91%	91%
Waste collection - kerbside collection once a week	30%	35%	40%	99%

Free Basic Services

Langeberg municipality provides a package of free basic services to households that are financially vulnerable and struggle to pay for services. As per the Constitution, it is the responsibility of the local sphere of government to provide services that satisfy the basic needs of its citizens. The Municipal Systems Act 32 of 2000 in turn defines basic municipal services as those necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health, safety or the environment.

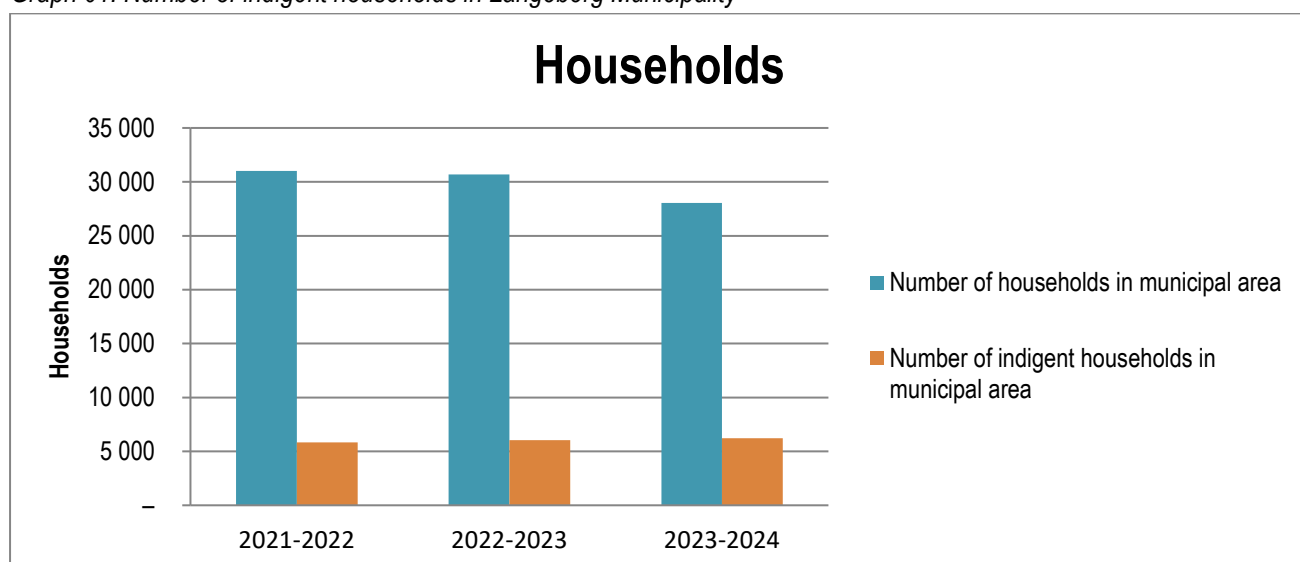
The municipality provides a Grant-in-Aid package of free basic services to qualifying households. To qualify for an indigent subsidy, the occupants of a household must earn a combined income of less than R4 190 per month (increased from R4 020 in 2022-2023). As per the indigent policy, an indigent household will receive:

- Provision of 6kl free basic water per indigent household per month
- Provision of free basic sanitation to indigent households
- Provision of 50kwh free basic electricity per indigent household per month
- Provision of free basic refuse removal to indigent households

Table 08: Basic service provision to households in the Langeberg Municipality

Basic service provision to households in the Langeberg Municipality								
	Basic Water		Basic Sewer		Basic Electricity		Basic Refuse	
	Formal Households	Indigent free services	Formal Households	Indigent free services	Formal Households	Indigent free services	Formal Households	Indigent free services
30 June 2022	15 055	5 688	15 337	5 703	18 568	5 848	15 403	5 709
30 June 2023	14 907	6 034	15 059	6 033	17 669	6 040	15 206	6 043
30 June 2024	14 830	6 234	15 418	6 091	18 515	6 181	16 085	6 219

Graph 01: Number of indigent households in Langeberg Municipality



1.4 FINANCIAL HEALTH OVERVIEW

The current ratio (current assets/current liabilities) of the organisation as at 30 June 2024, was 1.78:1 as opposed to the ratios of 2.34:1 (2022-2023) for the previous financial years. The current ratio of 1.83:1 means that the municipality can meet its short-term obligations.

Langeberg Municipality has a revenue management, expenditure management and cost containment programme. Included in the programme is a focus on expenditure management and cost containment to ensure that available resources are optimised for quality service delivery. To conserve resources within the administrative offices, there remains a focus towards savings on non-priority spending not linked to service delivery, telephone costs, overtime, congresses, meetings outside of the municipal area and fuel usage.

Langeberg Municipality has not defaulted on any payments to its creditors, i.e. Eskom (*bulk electricity purchases*), SARS (*VAT and PAYE*), bulk water purchases, third-party payments (*pension and medical aid funds*) or any other trade creditors.

1.4.1 Statement of Financial Performance Overview

The actual surplus of R49,8 million for the 2023-2024 financial year compared with the final adjustments budget surplus of R66 ,4 million resulted in a negative variance of R16,6 million.

Table 09: Financial Overview

Financial Overview: 2023-2024			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	177 961 000	223 237 265	192 475 649
Taxes, Levies and Tariffs	889 509 835	835 576 858	779 716 570
Other	32 661 421	46 269 459	94 035 077
Sub Total	1100 132 256	1105 083 472	1 066 227 296
Less: Expenditure	(1 070 958 133)	(1 038 624 136)	(1 016 356 166)
Net Total*	29 174 123	66 459 336	49 871 130
* Note: surplus/(deficit)			

1.4.2 Financial Viability Highlights

The year-to-date capital expenditure is R147 338 033 against a year-to-date budget of R206 196 739 which brings a negative 28.54 percent variance.

1.4.2 Financial Viability Challenges

Consumer debt remains a challenge and several initiatives were implemented. Consumer debt (property rates, service charges, housing and sundry debtors – VAT excluded) remained constant at R62 million on both comparative years. The relationship between the ever-increasing tariffs and outstanding debtors is an indication that consumers are struggling to meet their obligations in terms of payment for services. The worsening of economic climate puts pressure not only on the world economy but also filters down to households in municipalities globally.

Langeberg Municipality's debtors' collection period in days (after impairment) increased to 32 days on 30 June 2024 compared with 28 days as of 30 June 2023. The ability of the Council to finance the capital programme from internally generated funds remains a big challenge.

Table 10: Financial Viability Challenges and Interventions

Key Responsibilities	Challenges	Development Focus
<u>Budget and Support Services</u> Asset and Stores Management Auxiliary Services Financial Statements Financial Reporting Budgets	Budget cuts hindering projects directly linked to service delivery.	The Municipality is in the process of reviewing the option to take a loan with the sole purpose of improving service delivery and the livelihood of the citizens of the Langeberg Municipality
<u>Income and Expenditure</u> Income/ Revenue Credit Control Expenditure Payroll/Salaries	Debt collection: Outstanding debts of more than 90 days are increasing.	Third-Party Vending Project is ongoing. The electrical disconnection and reconnection of accounts in arrears have been awarded to a successful tenderer. General Valuation – The fifth Supplementary valuation roll was distributed.
<u>Income and Expenditure</u> Expenditure Payroll/Salaries	The Manually handling of invoices is a hassle and causes difficulties in tracking the documents for approval and document management in general The Manually handling of timesheets is a hassle and causes difficulties in tracking the documents for approval and document management in general	An automated electronic system should be implemented for the signing and verification of invoices.
<u>Supply Chain Management</u>	Slow processing of requisitions during high-volume periods (at the beginning of a financial year and before the cut-off date for requisitions) Verification of false information supplied by suppliers	Ensure implementation of the SCM Policy Actions were taken against suppliers providing false information. Develop staff capacity, to give effect to all Supply Chain Management functions as prescribed in the SCM regulations. Develop efficiency in demand management.

1.4.4 Operating Ratios

The operating ratios as depicted below compare favourably with the current industry norms. The employee cost (including Councillor Remuneration) of 28 percent of total operating expenditure (2023-2024) is within the level of the 25 percent to 40 percent range regarded as the industry norm (depending on the size and type of municipality), which means that the salary bill of the organisation is well within the required norms. It slightly decreased from 30 percent in 2022-2023 due to some positions that were vacant during the financial year.

Operating Ratios	
Detail	%
Employee Cost	28%
Repairs & Maintenance	4%
Finance Charges & Impairment	5 %

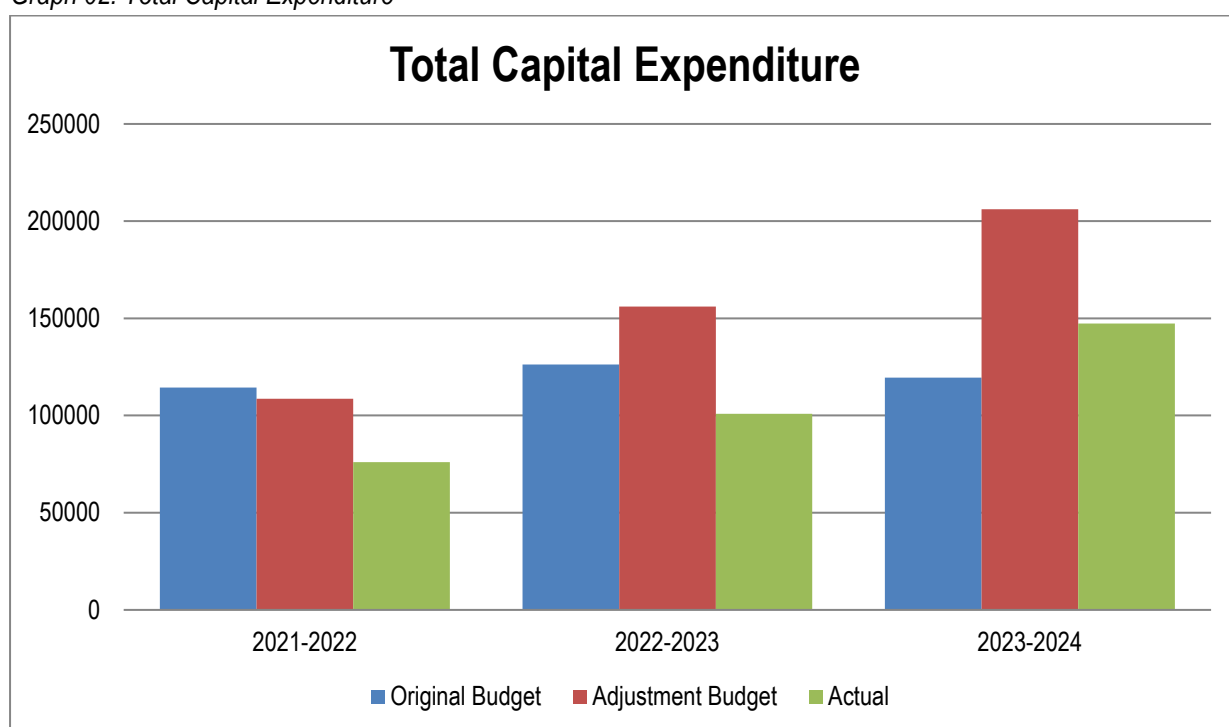
Langeberg Municipality's spending on repairs and maintenance to total operating expenditure amounts to 4 percent for the 2023-2024 financial year compared with 3 percent for the 2022-2023 financial year. The ratio of repairs and maintenance as a percentage of the carrying value of property, plant and equipment was 4 percent for the 2023-2024 financial year which is unfavourable if compared with the National Treasury's norm of 7 percent to 8 percent. Finance charges and Impairment expenditure represent 5 percent of total operating expenditure for 2023-2024 compared to 4 percent for 2022-2023.

1.4.5 Capital Expenditure

Table 12: Total Capital Expenditure 2023-2024

Total Capital Expenditure: 2021 to 2024			
R'000			
Detail	2021-2022	2022-2023	2023-2024
Original Budget	114 398	126 294	119 424
Adjustment Budget	108 633	156 086	206 196
Actual	75 964	100 867	147 338

Graph 02: Total Capital Expenditure



1.4.5.1 Comment on Capital Expenditure

The actual expenditure on capital projects increased from R100 million in the 2022-2023 financial year to R147 million in the 2023-2024 financial year. Actual expenditure as a percentage of the 2023-2024 final adjustment budget amounted to 71 percent compared with 64 percent for the 2022- 2023 financial year.

The Municipality also received the Municipal Disaster Response Grant late during the financial year and this resulted in the increased under-spending of the capital budget due to the limited time frame available to spend the grant.

1.4.6 Municipal Standard Chart of Accounts (mSCOA)

Langeberg Municipality continues to implement mSCOA.

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The organisational structure was reviewed and adopted by Council on 30 May 2024. All posts that are filled are graded by the TASK evaluation process.

1.5.1 The Key Organisational Development Highlights include:

- Identifying future critical positions and leadership roles from the Workforce Plan;
- Verifying processes and systems which will attract a sustainable pool of talent for current objectives and future organisation needs;
- Managing the retention of talent;
- Linking high-potential employees with key future roles in the organisation;
- Pinpointing, through assessment, optimal development opportunities for talent;
- Accomplishing consistently high levels of performance from employees;
- Ensuring relevant roles for all stakeholders in the development and management of talent;
- Monitoring and reporting on Talent Management key result areas and indicators.

1.5.2 Municipal Transformation and Organisational Development Challenges

TASK has been implemented to all job positions.

Individual Performance was implemented throughout the Langeberg Municipality in 2023-2024. During January 2024 the mid-year assessment took place where every employee was evaluated by his/her supervisor. During May 2024 employees were allowed to amend their Key Performance Areas (KPA's) for the new financial year 2024-2025.

Personal Development Plans have been developed and HR is following up with user departments to ensure proper implementation of the plans. Departments are encouraged to take ownership of the process to ensure that skills are retained/transferred, especially for critical skills and ageing staff.

1.5.3 MFMA Minimum Competencies

All Government Gazette 29967 targeted officials have successfully attained the prescribed minimum competencies.

Table 13: Financial Competency Development: Progress Report.

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	3	0	3	3	3	3
Any other Financial Officials	3	0	3	3	3	3
Supply Chain Management Officials						
Heads of Supply Chain Management Units	1	0	1	1	1	1
Supply Chain Management Senior Managers	0	0	0	0	0	0
TOTAL	9	0	9	9	9	9
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

1.6 AUDITOR GENERAL REPORT

The Auditor-General awarded the Municipality a Clean Audit for the 2023-2024 financial year.

The audit process includes the audit of Langeberg Municipality's financial affairs, the Municipality's tender processes, performance management systems, and legal compliance in the finest detail. An unqualified audit opinion is a report which indicates that the financial statements are sound and free from material misstatements.

This accomplishment symbolises Langeberg Municipality's great leadership, commitment to a clean administration, good governance, and sound financial management. The full audit report is available in Chapter 6 of this Annual Performance Report.

1.6.1 Audited Outcomes from the Auditor General SA

- 2023-2024: Clean audit (Unqualified audit opinion with no findings)
- 2022-2023: Clean audit (Unqualified audit opinion with no findings)
- 2021-2022: Clean audit (Unqualified audit opinion with no findings)
- 2020-2021: Clean audit (Unqualified audit opinion with no findings)
- 2019-2020: Clean audit (Unqualified audit opinion with no findings)
- 2018-2019: Clean audit (Unqualified audit opinion with no findings)

1.7 STATUTORY ANNUAL REPORT PROCESS

The statutory processes to follow to compile an Annual Report starts in July each year and continues until the end of March the following year, when Council accepts the Annual Report with the Oversight Report.

Table 14: Statutory Annual Performance Report process

No	Activity	Timeframe
1	Consideration of the next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for the previous financial year.	
4	Submit draft Annual Report to Internal Audit and Auditor-General.	
5	Municipal entities submit draft Annual Reports to Municipal Manager.	
6	Audit/Performance committee considers draft Annual Report of the Municipality and entities (where relevant).	August
8	Mayor tables the unaudited Annual Report.	
9	Municipality submits draft Annual Report including consolidated Annual Financial Statements and Performance Report to the Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase.	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - November
12	Municipalities receive and start to address the Auditor General's comments.	November - January
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report The Annual Report was tabled in Council on 04 December 2024 - within 7 months after the end of the financial year.	
14	Audited Annual Report is made public, and representation is invited. Communities were invited to make comments on the AR on 05 December 2024. The advert was published at www.langeberg.gov.za	
15	Oversight Committee assesses Annual Report.	February
16	Council adopts Oversight report.	
17	Oversight Report is made public. The Annual Report was placed on the municipal website within 5 days after tabling in Council on XX XXX 2025.	
18	Oversight Report is submitted to relevant provincial councils. The Annual Report was submitted to Provincial Treasury on XX XXX 2025.	March
19	Commencement of draft Budget/ IDP finalisation for the next financial year. Annual Report and Oversight Reports to be used as input.	

It is important to achieve the above deadlines, for legislative compliance, and to ensure the smooth running of municipal planning, budgeting, service delivery implementation, and reporting cycles which all feed and depend on one another. The Municipal Annual Report also informs the planning process of other spheres of government, thus influencing our equitable share of future government grants.



CHAPTER 2

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

In terms of Section 40 of the Constitution, the South African government is constituted as national, provincial, and local spheres of government which are distinctive, interdependent, and interrelated. All spheres of government must comply and adhere to the principles of the Constitution and must conduct their activities within the provisions of the act. The Municipality represents the local sphere of government.

The purpose of this Annual Report is to promote accountability to communities, to highlight those decisions taken by the Council, and matters relating to administrative structures, throughout the 2023-2024 financial year. To ensure good governance, nine major characteristics should be applied within the political and administrative structures of the Municipality namely;

- participation
- rule of law
- transparency
- responsiveness
- consensus
- equity/inclusiveness
- effectiveness/efficiency
- accountability
- sustainability

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

This chapter reports on how the Municipality met the requirements for managing its political and administrative structures, intergovernmental relations, public accountability, community participation, and corporate governance.

The Constitution S151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community. The Municipality makes a clear distinction between the politically elected structure, namely the Council, which is responsible for the oversight and legislative function, and the Administration.

The Council is chaired by the Speaker. The decision-making process is headed by the Executive Mayor together with the Mayoral Committee, who are full-time office bearers, involved in the day-to-day running of the Council from a political perspective.

The Administration is headed by the Municipal Manager, who is the organisation's Accounting Officer. Powers have been delegated to the different functions within the organisation to ensure that roles, responsibilities, and decision-making are unambiguous.

2.1 POLITICAL GOVERNANCE

In accordance with the MFMA No. 56 of 2003, Section 52 (a), the mayor provides general political guidance over the fiscal and financial affairs of the Municipality. To assist the Mayor with the exercise of political governance at Langeberg Municipality, a Portfolio Committee System is in place. An established Oversight Committee comprises of non-executive councillors, with the specific purpose of providing the Council with comments and recommendations on the Annual Report. The Oversight Committee Report will be published separately in accordance with MFMA No. 56 of 2003, section 129 guidance. In addition, the Municipality also has an Audit and Performance Committee. This committee provides opinions and recommendations on financial processes and performance, as well as comments to the Oversight Committee on the Annual Report. Political decisions are made by the Executive Mayor, in terms of the powers delegated to him by law, and by the Council. General council meetings are held monthly or Special Council Meetings which is called when urgent decisions need to be made and cannot wait for the scheduled monthly meetings. The Council of the Municipality comprises of 12 Ward Councillors and 11 proportional representatives.

To deepen democracy and contribute to the public participatory structure, a refined Ward Committee model is fully functional. The geographical area per ward is divided into 10 blocks. Each block is represented by a non-political Ward Committee Member. An established report was adopted by the council and monthly meetings are held.

POLITICAL STRUCTURE

COUNCILLORS FOR THE PERIOD 1 JULY 2023 - 30 JUNE 2024



EXECUTIVE MAYOR
ALD. SW VAN EEDEN



DEPUTY MAYOR
CLLR. JG STEENKAMP



SPEAKER
CLLR. P HESS



WARD 1 & MAYCO:
Cllr. C. Steyn (DA)



WARD 2
Cllr. L. Gxowa (ANC)



WARD 3
Cllr. P Hess (DA)



WARD 4
Cllr. JJJS January (ANC)



WARD 5
Cllr. MG Oostendorff-Kraukamp (DA)



WARD 6
Cllr. DB Janse (DA)



WARD 7 & MAYCO
Cllr. DAT Felix (DA)



WARD 8
Ald. SW Van Eeden (DA)



WARD 9
Cllr. Y. Siegel (DA)



WARD 10
Cllr. A Ndongeni (ANC)



WARD 11 & MAYCO
Cllr. JCJ Coetzee (DA)



WARD 12
Cllr. CJ Pokwas (DA)



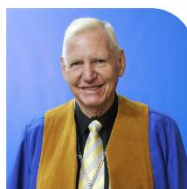
PR 2
Cllr. JS Maflika (ANC)



PR 3
Cllr. LL Kahla (ANC)



PR 1
Cllr. LJ Prince (DA)



PR 1 & MAYCO
Cllr. JG Steenkamp (FF Plus)



PR 2 & MAYCO
Cllr. RC Henn (FF Plus)



PR 3
Cllr. TV Coetzee (FF Plus)



PR 1
Cllr. CJ Grootboom (PDM)



PR 1
Cllr. D September (LIP)



PR 1
Cllr. M Gertse (GOOD)



PR 1
Cllr. NJ Beginsel (PA)
01 July 2023 - 7 September 2023



PR 1
Cllr. OC Simpson (ANC)
01 July 2023 – 22 January 2024



PR 1
Cllr. SE Rensburg (PA)
12 September 2023 - 30 June 2024



PR 1
Cllr. C Baartman (ANC)
23 February 2024 - 30 June 2024

POLITICAL DECISION-MAKING

Section 160(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) prescribes the way the Council takes decisions. A quorum of all Councillors must be present to take any decision, and most of the votes cast result in a legal decision. The exception to this rule is that when any of the following issues are determined, it is determined by a decision taken with a supporting vote of a majority of all its members:

- The passing of by-laws;
- The approval of budgets;
- The imposition of rates and other taxes, levies, and duties; and
- The raising of loan.

Table 15: Council, Mayoral Committee and Portfolio Meetings for the period 1 July 2023 - 30 June 2024

COUNCIL, MAYORAL COMMITTEE AND PORTFOLIO MEETINGS				
Meetings	2022-2023	Attendance	2023-2024	Attendance
Portfolio Committee Meetings	41	93%	27	100%
Mayoral Committee Meetings	9	98%	6	100%
Special Mayoral Committee Meetings	4	87%	1	100%
Statutory Council Meetings	1	95%	2	82%
Council Meetings	9	94%	8	85%
Special Council Meetings	7	91%	2	90%
Audit and Performance Committee Meetings	6	90%		
Municipal Public Accounts Committee	9	95%	5	100%
Special MPAC	2	90%	1	100%

Table 16: Councillors, Committees Allocated and Council Attendance for the period 1 July 2023 - 30 June 2024

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE				
Council Members	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
Cllr Baartman, C	Corporate Services, Community Services	PR	67%	33%
Cllr Beginsel, NJ	Corporate Services	PR	66%	34%
Cllr Coetzee, JCJ	Mayco, Engineering Services	Ward	91%	9%
Cllr Coetzee, T	Engineering Services, MPAC	PR	100%	0%
Cllr Felix, DAT	Mayco, Financial Services	Ward	100%	0%
Cllr Gertse, M	Community Services	PR	72%	28%
Ald Grootboom, CJ	Financial Services	PR	100%	0%
Cllr Gxowa, L	Engineering Services	Ward	100%	0%
Cllr Henn, RC	Mayco, Community Services	PR	100%	0%
Cllr Hess, P	Speaker	Ward	100%	0%
Cllr Janse, DB	Corporate Services, MPAC	Ward	100%	0%
Cllr January, JJJS	Engineering Services, MPAC	Ward	100%	0%
Cllr Kahla, LL	Strategy and Social Development	PR	95%	5%
Cllr Mafilika, JS	Financial Services	PR	50%	50%

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE				
Council Members	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
Cllr Ndongeni, A	Strategy and Social Development	Ward	65%	35%
Cllr Oostendorff-Kraukamp, MG	Strategy and Social Development, Community Services	Ward	100%	0%
Cllr Pokwas, CJ	Community Services, Financial Services	Ward	100%	0%
Cllr Prince, LJ	Engineering Services, Financial Services, MPAC	PR	100%	0%
Cllr Rensburg	Corporate Services	PR	75%	25%
Cllr September, D	MPAC, Corporate Services	PR	91%	9%
Cllr Siegel, Y	Strategy and Social Development	Ward	100%	0%
Cllr Simpson, OC	Corporate Services, Community Services	PR	9%	91%
Cllr Steenkamp, JG	Mayco, Strategy and Social Development	PR	100%	0%
Cllr Steyn, C	Mayco, Corporate Services	Ward	91%	8%
Ald Van Eeden, SW	Mayco	Ward	100%	0%
Note: * Councillors appointed on a proportional basis do not have wards allocated to them* Cllr Beginsel was replaced with Cllr Rensburg in Sept 2023 Cllr Simpson was replaced by Cllr Baartman in February 2024				

POLITICAL HEADS OF SECTION 80 COMMITTEE

Five (5) Section 80 committees are established, to advise the Executive Mayor on policy matters and any other matter to be considered by the Executive Mayor. They are assigned to focus on specific functional areas of the Municipality and can only make decisions on specific functional issues if delegations have been granted to them. The members are appointed by the Council. The chairpersons appointed by the Executive Mayor are full-time councillors and form part of the Mayoral Committee.

Table 17: Political Heads of Section 80 Committee for the period 1 July 2023 - 30 June 2024

POLITICAL HEADS OF SECTION 80 COMMITTEE				
For the period 01 July 2023 - 30 June 2024				
Cllr JG Steenkamp (Strategy & Social Development)	Cllr. C Steyn (Corporate Services)	Cllr DAT Felix (Financial Services)	Cllr JCJ Coetzee (Engineering Services)	Cllr RC Henn (Community Services)

Table 18: Strategy and Social Development Portfolio Committee for the period 1 July 2023 - 30 June 2024

STRATEGY AND SOCIAL DEVELOPMENT PORTFOLIO COMMITTEE				
The Strategy and Social Development Portfolio Committee consists of five councillors under the leadership of MMC for Strategy and Social Development who held 6 meetings during the year under review.				
For the period 01 July 2023 - 30 June 2024				
Cllr JG Steenkamp (Chairperson)	Cllr L Kahla	Cllr A Ndongeni	Cllr MG Oostendorff-Kraukamp	Cllr Y Siegel

Table 19: Corporate Services Portfolio Committee for the period 1 July 2023 - 30 June 2024

CORPORATE SERVICES PORTFOLIO COMMITTEE	
The Corporate Services Portfolio Committee consists of five councillors under the leadership of MMC for Corporate Services who held 5 meetings during the year under review.	
Cllr C Steyn (Chairperson) Cllr DB Janse Cllr D September	For the period 01 July 2023 - 30 June 2024
Cllr NJ Beginzel	For the period 01 July 2023 - 7 September 2023
Cllr OC Simpson	For the period 01 July 2023 – 22 January 2024
Cllr S Rensburg	For the period 12 September 2023 - 30 June 2024
Cllr C Baartman	For the period 23 February 2024 - 30 June 2024

Table 20: Financial Services Portfolio Committee for the period 1 July 2023 - 30 June 2024

FINANCIAL SERVICES PORTFOLIO COMMITTEE				
The Financial Services Portfolio Committee consists of five councillors under the leadership of MMC for Financial Services who held 7 meetings during the year under review.				
For the period 01 July 2023 - 30 June 2024				
Cllr DAT Felix (Chairperson)	Cllr CJ Grootboom	Cllr JS Maflika	Cllr C Pokwas	Cllr LJ Prince

Table 21: Engineering Services Portfolio Committee for the period 1 July 2023 - 30 June 2024

ENGINEERING SERVICES PORTFOLIO COMMITTEE				
The Engineering Services Portfolio Committee consists of five councillors under the leadership of MMC for Engineering Services who held 5 meetings during the year under review.				
For the period 01 July 2023 - 30 June 2024				
Cllr JCJ Coetzee (Chairperson)	Cllr T Coetzee	Cllr L Gxowa	Cllr JJJS January	Cllr LJ Prince

Table 22: Community Services Portfolio Committee for the period 1 July 2023 - 30 June 2024

COMMUNITY SERVICES PORTFOLIO COMMITTEE	
The Community Services Portfolio Committee consists of five councillors under the leadership of MMC for Community Services who held 5 meetings during the year under review.	
Cllr RC Henn (Chairperson) Cllr M Gertse Cllr MG Oostendorff-Kraukamp Cllr C Pokwas	For the period 01 July 2023 - 30 June 2024
Cllr OC Simpson	For the period 01 July 2023 - 22 January 2024
Cllr C Baartman	For the period 23 February 2024 - 30 June 2024

MAYORAL COMMITTEE AND PORTFOLIO CHAIRPERSONS

The Executive Mayor is supported by a Mayoral Committee. Each member of the Mayoral Committee has a portfolio with specific functions. The Executive Mayor may delegate specific responsibilities to each member of the Mayoral Committee. Any powers and duties delegated to the Executive Mayor by the Municipal Council must be exercised and performed by the Executive Mayor together with the other members of the Mayoral Committee.

Table 23: Mayoral Committee and Portfolio Chairpersons for the period 1 July 2023 - 30 June 2024

MAYORAL COMMITTEE AND PORTFOLIO CHAIRPERSONS		
2022-2023	2023-2024	Portfolio
Alderman SW van Eeden	Alderman SW van Eeden	Executive Mayor
Cllr JG Steenkamp	Cllr JG Steenkamp	Strategy and Social Development
Cllr C Steyn	Cllr C Steyn	Corporate Services
Cllr DAT Felix	Cllr DAT Felix	Financial Services
Cllr JCJ Coetzee	Cllr JCJ Coetzee	Engineering Services
Cllr RC Henn	Cllr RC Henn	Community Services

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

In terms of the provision of Section 79 of the Local Government Municipal Structures Act, 117 of 1998, five MPAC members were appointed to strengthen oversight within the Municipality and to determine the institutional functionality of the Municipal Council in terms of effectiveness. The committee met on 6 occasions during the year under review.

Table 24: Municipal Public Accounts Committee for the period 1 July 2023 - 30 June 2024

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)	
For the period 01 July 2023 - 30 June 2024	
Cllr D September	Chairperson
Cllr LJ Prince	Member of Committee
Cllr JJJS January	Member of Committee
Cllr DB Jansen	Member of Committee
Cllr T Coetzee	Member of Committee

INTERNAL AUDIT AND PERFORMANCE COMMITTEE

The Audit and Performance Committee is an independent advisory body established in terms of section 166 of the MFMA, which is responsible for the oversight of internal controls, risk management, performance information, financial reporting, and compliance with regulatory matters. The committee met on 6 occasions during the year under review.

Table 25: Internal Audit and Performance Committee for the period 1 July 2023 - 30 June 2024

INTERNAL AUDIT AND PERFORMANCE COMMITTEE				
Name of Member	Capacity	Start Date	End Date	Meeting dates
Ms. K Talmakkies	Chairperson	01-Mar-22	28-Feb-25	
	Qualifications: CA (SA)			
Mr. O Valley	Ordinary Member	01-Mar-22	28-Feb-25	Special Meeting 01 August 2023
	Qualifications: BA Degree. BA Honours (Psychology). M. Admin Courses in Research Methodology and various Management Programmes. Executive Management Course: Local Government			
Mr. A Njeza	Ordinary Member	03-Jun-22	31-May-25	Special Meeting 30 November 2023
	Qualifications: Masters of Law in the Law of Mineral and Petroleum Extract and Use Certificate in Forensic and Investigative Auditing LLB Degree Advocate of the High Court			
Mr. S Maharaj	Ordinary Member	01-Nov-22	31-Oct-25	Ordinary Meeting 06 December 2023
	Qualifications: MBA CA (SA) Chartered Director (SA) Chartered Government Finance Officer Municipal Executive Financial Management Green Belt Digital Six Sigma Certified			
				Ordinary Meeting 26 March 2024
				Ordinary Meeting 26 June 2024

PERFORMANCE MANAGEMENT COMMITTEE

The Municipal Systems Act, 32 of 2000, requires the Langeberg Municipality to establish a performance management system that is commensurate with its resources, best suited to its circumstances, and in line with the priorities, objectives, indicators, and targets contained in the IDP. For evaluating the performance of employees, an evaluation panel was established in terms of Section 6.6 of the Performance Agreement. The committee met on 2 occasions during the year under review.

Table 26: Performance Management Committee for the period 1 July 2023 - 30 June 2024

PERFORMANCE MANAGEMENT COMMITTEE
Mr DP Lubbe, Municipal Manager
Ald SW van Eeden, Executive Mayor
Mayoral Committee Members attending the evaluations for the portfolios they represent
Mr A Mati, Chief Audit Executive
Mr D McThomas, Municipal Manager from Breede Valley Municipality
Ms K Talmakkies, Chairperson of the Audit and Performance Committee
Mr R King (Member of the Community)

WARD COMMITTEES AND COMMUNITY PARTICIPATION

The Municipality collaborates with Ward Committees to enhance public participation and effectively reach the community. This partnership involves disseminating information through ward committee members, engaging in consultations, and incorporating community input into municipal decision-making processes. These processes cover service delivery, the development of credible Integrated Development Plans (IDPs), policy formulation, budgeting, and organisational performance.

To facilitate this, the Ward Committees of Langeberg Municipality hold various meetings with the community, including IDP Community Input Meetings, Ward-based Planning Sessions, and ordinary Community Feedback Meetings. The Municipality is structured into twelve (12) Ward Committees, each comprising of approximately ten members and chaired by the respective Ward Councillor. Ward-based Planning reviews were successfully conducted in all twelve (12) wards.

Table 27: Ward Committees and Chairpersons for the period 1 July 2023 - 30 June 2024

WARD COMMITTEES AND CHAIRPERSONS	
Ward Committee	Chairperson
Ward 1 – Robertson	Cllr Steyn C
Ward 2 – Robertson (Nkqubela)	Cllr Gxowa L
Ward 3 – Robertson	Cllr Hess P
Ward 4 – Bonnievale (Happy Valley)	Cllr January JJJS
Ward 5 – McGregor	Cllr Kraukamp M
Ward 6 – Robertson	Cllr Janse DB
Ward 7 – Montagu	Cllr Felix DAT
Ward 8 – Bonnievale	Cllr Van Eeden SW
Ward 9 – Ashton	Cllr Siegel Y
Ward 10 – Ashton (Zolani)	Cllr Ndongeni A
Ward 11 – Ashton (Rural)	Cllr Coetzee JCJ
Ward 12 – Montagu	Cllr Pokwas CJ

COMMUNITY LIAISON WORKERS

The Langeberg Municipality embraces the use of CLWs to strengthen effective, participative democracy in the Municipality.

Table 28: Community Liaison Workers and their Linkage to Wards for the period 1 July 2023 - 30 June 2024

COMMUNITY LIAISON WORKERS (CLW)		
CLW	Town/Area	Ward Deployed
Mr Wiaan Booysen	Robertson	1 & 3
Mr Johannes Jansen	Robertson and Nkqubela	2 & 6
Mr Andries Willemse	McGregor	5
Ms Siyamthanda Nentsa	Bonnievale	4 & 8
Ms Vuyolwethu Zweni	Zolani	10
Mr Jaco Kühn	Ashton	9 & 11
Ms Shani Pekeur	Montagu	7 & 12

Table 29: Committees (Other Than Mayoral / Executive Committee) and Purposes of Committees for the period 1 July 2023 - 30 June 2024

COMMITTEES (OTHER THAN MAYORAL / EXECUTIVE COMMITTEE) AND PURPOSES OF COMMITTEES	
Municipal Committees	Purpose of Committee
Appeals Committee	To deal with appeals in terms of Section 62 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
Fraud-and Risk Management Committee	To assist the Municipal Manager in fulfilling his fraud and risk management responsibilities in accordance with prescribed legislation and corporate governance principles. Assists the MM by reviewing the effectiveness of the Municipality's fraud and risk management systems, practices, and procedures and providing recommendations for improvement.
Budget Steering Committee	To assist the Council in ensuring that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Municipal Manager, serving as the Accounting Officer and Head of Administration, is the chief custodian of service delivery and the implementation of political priorities and decisions. Assisting the Municipal Manager is the Strategic Management Team (SMT), which includes the Executive Directors of the five municipal departments. The SMT meets at least weekly to discuss service delivery issues, review reports to be submitted to the Mayoral Committee or Council under delegated powers and address organisational management matters. Additionally, the SMT engages with the Mayoral Committee to expedite decision-making and enhance the service delivery process.

Macro Organisational Structure:

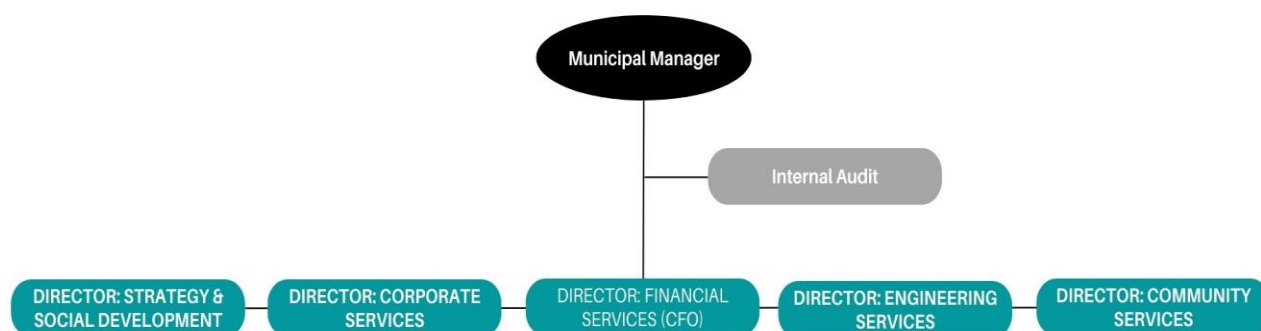


Table 30: Top Administrative Structure Tier 1 for the period 1 July 2023 - 30 June 2024

TOP ADMINISTRATIVE STRUCTURE TIER 1		
Position		Functions
	MUNICIPAL MANAGER Mr DP Lubbe	- Accounting Officer of the Municipality - Guide compliance to political structures, political office bearers, officials of the Municipality, and any entity under sole or shared control of the Municipality - Strategic Development - Sound Financial Management - Improvement of Communication and Stakeholder Management

Table 31: Top Administrative Structure Tier 2 for the period 1 July 2023 - 30 June 2024

TOP ADMINISTRATIVE STRUCTURE TIER 2		
Position		Functions
	DIRECTOR: CORPORATE SERVICES Mr AWJ Everson (Section 56)	• Legal Services • Administrative Support • Governance Support • Human Resources • Labour Relations • Traffic Services
	DIRECTOR: FINANCIAL SERVICES (CFO) Mr M Shude (Section 56)	• Budget Office • Supply Chain Management • Income Services • Expenditure Services
	DIRECTOR: ENGINEERING SERVICES Vacant ACTING DIRECTOR: ENGINEERING SERVICES Mr DP Lubbe (01/07/2023 – 30/06/2024)	• Civil Engineering Services • Electrical Engineering Services • Solid Waste Management • Project Management • Town Planning
	DIRECTOR: STRATEGY AND SOCIAL DEVELOPMENT Mrs CO Matthys (Section 56)	• Special Projects & Rural development • Integrated Development Plan • SMME Development • Information Technology • Communications • Performance Management • Expanded Public Works Programme • Local Economic Development
	DIRECTOR: COMMUNITY SERVICES Mr M Mgajo (Section 56)	• Community Facilities • Parks and Amenities • Fire and Disaster Management • Housing Administration • Libraries

Table 32: Top Administrative Structure Tier 3 for the period 1 July 2023 - 30 June 2024

TOP ADMINISTRATIVE STRUCTURE TIER 3		
Department	Officials	Designation
Office of the Municipal Manager	Mr A Mati	Chief Audit Executive
Corporate Services	Mr GM Moelich	Snr Manager: Administrative Support
	Mr AG Brönn	Assistant Manager: Governance Support
	Mr TH Carstens	Manager: Human Resources
	Mr E Jooste	Manager: Labour Relations
	Vacant	Chief: Traffic Services
Strategy and Social Development	Ms AJ Swarts	Manager: IDP, Communication & PMS
	Ms I Cook	Manager: LED & Rural Development
	Mr UB Bakaco	Manager: ICT
Financial Services	Ms L Nokama	Manager: Budget Office
	Mr S Ngcongolo	Manager: Supply Chain Management
	Ms JCR Ladouce	Manager: Income Services
	Mr CJ Franken	Manager: Expenditure Services
Engineering Services	Mr CGH Posthumus	Snr Manager: Civil Engineering Services
	Mr GA Lotter	Manager: Electrical Engineering Services
	Mr GM Slingers	Manager: Solid Waste Management
	Mr NW Albertyn	Manager: Project Management
	Ms TL Brunings	Manager: Town Planning
Community Services	Ms LJH April	Manager: Community Facilities
	Ms V Flepu	Manager: Parks & Amenities
	Mr NE Mdluli	Chief: Fire & Disaster Management
	Ms MB Brown	Manager: Housing Administration
	Ms FQ Gumede	Manager: Libraries

COMPONENT B: INTERGOVERNMENTAL RELATIONS

Section 3 of the Municipal Systems Act requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution Section 41.

Langeberg Municipality strives to uphold its legislative authority and co-operative governance as required by the Constitution and other relevant legislation. In doing so, the Municipality maintains good co-operative and inter-governmental relations with the Cape Winelands District Municipality, neighbouring municipalities, provincial and national government, and other government agencies.

Maintaining good relations with other government spheres makes it possible to benefit from the various contributions to service delivery offered by government, by aligning municipal planning to the development objectives and targets of provincial and national sector departments. Such contributions include various grants, skills development, and capacity building rollouts which strengthen local government in its quest to improve service delivery. A few of the intergovernmental platforms are reflected below:

- assisting and supporting one another,
- informing one another and consulting one another on matters of common interest,
- coordinating their actions and legislation with one another,
- adhering to agreed procedures,
- and avoiding legal proceedings against one another.

2.3 INTERGOVERNMENTAL RELATIONS

Table 33: IGR Engagements for the Department: Municipal Manager's Office

IGR ENGAGEMENTS FOR THE DEPARTMENT: MUNICIPAL MANAGER'S OFFICE		
Forum / Meeting	Date	Attended By
SALGA WC Provincial Members' Assembly	20-21/07/2023	D Lubbe
WC Liquor Authority Strategic Partner Engagement	28/07/2023	D Lubbe
Department of Health	03/08/2023	D Lubbe
Cape Winelands District Co-ordinating Technical Forum	11/08/2023	D Lubbe
Intergovernmental Relations (IGR) Concern Matters Meeting	22/08/2023	D Lubbe
Cape Winelands District Co-ordinating Forum	25/08/2023	D Lubbe
Western Cape Municipal Managers Forum	08/09/2023	D Lubbe
Department of Local Government	18/09/2023	D Lubbe
SALGA Workshop	22/09/2023	D Lubbe
CWDM - Community Safety Meeting	28/09/2023	D Lubbe
Small Enterprise Development Agency (SEDA)	05/10/2023	D Lubbe
Institute for Local Government Management Conference	17-20/10/2023	D Lubbe
National Rural Youth Service Corps (NARYSEC)	06/11/2023	D Lubbe
General Support Steering Committee Meeting	20/11/2023	D Lubbe
Cape Wineland DCF Meeting	24/11/2023	D Lubbe
Minister's and Mayoral Forum (MinMay)	28/11/2023	D Lubbe
Information Regulator (South Africa)	01/12/2023	D Lubbe
Department of Forestry, Fisheries and the Environment (DFFE)	05/12/2023	D Lubbe
Premier's Coordinating Forum (PCF)	27/02/2024	D Lubbe
SALGA Governance Intergovernmental Relations Provincial Working Group Meeting	15/03/2024	D Lubbe
Department of the Premier	19/03/2024	D Lubbe

IGR ENGAGEMENTS FOR THE DEPARTMENT: MUNICIPAL MANAGER'S OFFICE		
Forum / Meeting	Date	Attended By
Cape Winelands District Municipality	19/03/2024	D Lubbe
Department of Environmental Affairs and Development Planning	20/03/2024	D Lubbe
Cape Winelands Joint District and Metro Approach Meeting	11/04/2024	D Lubbe
IGR Concerns Matters in Langeberg Municipality	18/04/2024	D Lubbe
Minister's and Mayoral Technical Forum	22/04/2024	D Lubbe
2024 Strategic Integrated Municipal Engagement	10/05/2024	D Lubbe
National Department of Water and Sanitation	04/06/2024	D Lubbe
Cape Winelands District Municipality	06/06/2024	D Lubbe
SALGA Compliance Workshop	19/06/2024	D Lubbe
Western Cape Municipal Manager's Forum	21/06/2024	D Lubbe
Department of Economic Development and Tourism	27/06/2024	D Lubbe

Table 34: IGR Engagements for the Department: Financial Services

IGR ENGAGEMENTS FOR THE DEPARTMENT: FINANCIAL SERVICES		
Forum / Meeting	Date	Attended By
Development Workshop in Nekkie, Worcester	17-19/07/2023	G Fielies L Jaftha
Municipal Chief Financial Forum (CFO forum) – Robertson Town Hall	20-21/07/2023	M Shude
Smart Procurement World Conference – Club Mykonos	25-27/07/2023	M Shude S Ngcongolo
The South African Institute of Chartered Accountants (SAICA) – Public Sector Summit in Gauteng	15/08/2023	M Shude
IGR Concern Matters in Langeberg Municipality Meeting	22/08/2023	M Shude (SMT And PT)
A&PC Special Meeting: Review of 2022/23 Annual Financial Statements	24/08/2023	M Shude (SMT And Audit Committee)
Langeberg Municipality ASC 3 of 2022-23	30/08/2023	M Shude (SMT And Audit Committee)
CFO Forum (Virtual Meeting)	08/09/2023	M Shude
Quarterly A&PC Meeting	28/09/2023	M Shude (SMT And Audit Committee)
NERSA D-Forms Workshop	21/09/2023	J Ladouce G Lotter
Revenue Management Masterclass Meeting in Cape Town	28-29/09/2023	M Shude J Ladouce
National Public Sector Committee Meeting Q3 (Virtual Meeting)	04/10/2023	M Shude
Western Cape Local Government COID Compliance Seminar	20/10/2023	M Shude
CIGFARO Annual Conference in Cape Town	23-26/10/2023	M Shude
5 th Annual Local Government Supply Chain Management LED Indaba Club Mykonos Resort	01-03/11/2023	S Ngcongolo
Southern Region Public Sector Committee Meeting Q4 – Cape Town	13/11/2023	M Shude
National Public Sector Committee Meeting Q4 - Gauteng	16/11/2023	M Shude
Coaching of Leadership training in Nekkie, Worcester	15-17/11/2023	L Jass-Holmes
44th MPRA Focus Group Workshop (Virtual Meeting)	17/11/2023	J Ladouce B Cavernelis

IGR ENGAGEMENTS FOR THE DEPARTMENT: FINANCIAL SERVICES		
		E Du Toit Y Nogaga
Cost of Supply Training in Cape Town	22-24/11/2023	J Ladouce G Lotter
Issued on the Preferential Procurement Regulation, 2022 for Municipalities and the Way forward (Virtual Meeting)	30/11/2023	M Shude
Special Audit and Performance Committee Meeting	30/11/2023	M Shude
CFO Forum Meeting	04-05/12/2023	M Shude
Municipal Accountants' Forum (Virtual Meeting)	07/12/2023	M Shude L Nokama U Nakasa
SAICA Working Group - IPSASB 2024-2028 Strategy and Work Program Comment Letter (Virtual Meeting)	24/01/2024	M Shude
SAICA IPSASB 2024- 2028 Strategy and Work Programme Consultation Roundtable in Gauteng	29/01/2024	M Shude
INCA Capacity Building 5 th Summer School in Gauteng	05-07/02/2024	M Shude
TIME Precursor Engagement - Langeberg Municipality (Virtual Meeting)	13/02/2024	M Shude SMT
Cape Winelands District DCF Tech: TIME Engagement (TIME)	15/02/2024	M Shude
Accounting Working Committee Meeting 2024 – Quarter 1 (Virtual Meeting)	01/03/2024	M Shude L Nokama U Nakasa
Cost of Supply Study Workshop NERSA (Virtual Meeting)	05/03/2024	M Shude J Ladouce
Langeberg Municipality 2022-23 audit debrief (Virtual Meeting)	12/03/2024	M Shude
45th MPRA Focus Group Workshop (Virtual Meeting)	15/03/2024	J Ladouce B Cavernelis E Du Toit Y Nogaga
Cost Reflective Tariff Tool Provincial Treasury PT (Virtual Meeting)	19/03/2024	M Shude
Cost of Supply Study Workshop NERSA (Virtual Meeting)	19/03/2024	M Shude J Ladouce
Quarterly Audit and Performance Committee Meeting	26/03/2024	M Shude
Waste Pickers Discussion PT (Virtual Meeting)	10/04/2024	M Shude
IGR Concerns Matters in Langeberg Municipality PT (Virtual Meeting)	18/04/2024	M Shude
SAICA Working Group - IPSASB EDs 86 and 87 (Virtual Meeting)	08/05/2024	M Shude
2024 Strategic Integrated Municipal Engagement: Langeberg Municipality (HYBRID) PT, Robertson	10/05/2024	M Shude (SMT, PT And NT)
Enlit Africa Conference in Cape Town	21-23/05/2024	Mr S Ngcongolo
Power Africa: request for site visit, Montagu	24/05/2024	M Shude
SAICA Working Group on IPSASB ED 89, Amendments to Consider IFRIC Interpretations (Virtual Meeting)	05/06/2024	M Shude
Accounting Working Committee Meeting 2024 – Quarter 2 PT (Virtual Meeting)	07/06/2024	L Nokama U Nakasa
INCA Capacity Building Fund Study Tour in Switzerland	07-16/06/2024	M Shude
11TH Annual Western Cape Smart Procurement World Conference:	11-12/06/2024	L Jass-Holmes

IGR ENGAGEMENTS FOR THE DEPARTMENT: FINANCIAL SERVICES		
Garden Route District, Wilderness Hotel		
CFO Forum in Ganzekraal Coastal Resort, West Coast District	19/06/2024	M Shude
46th MPRA Focus Group Workshop	21/06/2024	J Ladouce B Cavernelis E Du Toit Y Nogaga
National Public Sector Committee Meeting Q2 (Virtual Meeting)	27/06/2024	M Shude

Table 35: IGR Engagements for the Department: Corporate Services

IGR ENGAGEMENTS FOR THE DEPARTMENT: CORPORATE SERVICES		
Forum / Meeting	Date	Attended By
Quarterly FARMCO Meeting	01/06/2023	A Everson
Quarterly A&PC Meeting	13/06/2023	A Everson
Task Evaluation Committee	07/07/2023	T Carstens
CDWP -Local Coordinators Meeting (Virtual Meeting)	12/07/2023	A Brönn
Ignite session	10/07/2023	A Brönn
Task Evaluation Committee	04/08/2023	T Carstens
Task Evaluation Committee	11/08/2023	T Carstens
Breede Outdoor Expo Event Application	15/08/2023	A Everson
Task Evaluation Committee	16/08/2023	T Carstens
Engagement with the Minister of Police Oversight and Community Safety	18/08/2023	A Everson
IGR Concern Matters in Langeberg Municipality Meeting	22/08/2023	A Everson
Staff Establishment Review Process Meeting	23/08/2023	T Carstens
CDWP - Local Coordinators Meeting (Virtual Meeting)	23/08/2023	A Brönn
A & PC Special Meeting: Review of 2022/23 Annual Financial Statements	24/08/2023	A Everson
Task Evaluation Committee	25/08/2023	T Carstens
Langeberg Municipality ASC 3 of 2022-23	30/08/2023	A Everson
Security at MRF	31/08/2023	A Everson
Cape Winelands District review meeting -DPPCOM Forum	01/09/2023	A Brönn
Quarterly Business Continuity Meeting	11/09/2023	A Everson
Langeberg Municipality ASC 4 of 2022-23	13/09/2023	A Everson
Quarterly FARMCO Meeting	14/09/2023	A Everson
Municipal Pound and Stray Animals Meeting	18/08/2023	A Everson
Establishment of Safe Houses & Orphanage in B/vale Meeting	18/09/2023	A Everson
GIS Project Meeting	18/09/2023	A Everson
Purchasing of Agricultural Land Meeting	18/09/2023	A Everson
Public Participation Support and Ward Committee Functionality	18/09/2023	A Everson
Provincial Public Participation Forum Session with DLG and Cape Winelands District and CDWP	19/09/2023	A Brönn
Urgent ASC Meeting	20/09/2023	A Everson
Quarterly A&PC Meeting	21/09/2023	A Everson
Langeberg Municipality ASC 5 of 2022-23	26/09/2023	A Everson
Establishment of a Local Community Safety Forum for Langeberg Municipality	28/09/2023	A Everson
Task Evaluation Committee	06/10/2023	TH Carstens

IGR ENGAGEMENTS FOR THE DEPARTMENT: CORPORATE SERVICES		
Forum / Meeting	Date	Attended By
Langeberg Municipality ASC 6 of 2022-23	10/10/2023	A Everson
Task Evaluation Committee	11/10/2023	T Carstens
Task Evaluation Committee	13/10/2023	T Carstens
CCG Systems - ERP Meeting	19/10/2023	T Carstens
Provincial Public Participation Forum Meeting	19-20/10/2023	A Brönn
Langeberg Municipality ASC 7 of 2022-23	24/10/2023	A Everson
CCG Systems - ERP Meeting	26/10/2023	T Carstens
CCG Systems - ERP Meeting	02/11/2023	T Carstens
Langeberg Municipality ASC 8 of 2022-23	07/11/2023	A Everson
Task Evaluation Committee	08/11/2023	T Carstens
Quarterly Business Continuity Meeting	10/11/2023	A Everson
Ignite Session	13/11/2023	T Carstens J Jeneke
Quarterly FARMCO Meeting	14/11/2023	A Everson
Task Evaluation Committee	17/11/2023	T Carstens
Langeberg Municipality: General Support Steering Committee Meeting	20/11/2023	A Everson
Langeberg Municipality ASC 9 of 2022-23	21/11/2023	A Everson
Langeberg MSDF Project Steering Committee Meeting	21/11/2023	A Everson
Task Evaluation Committee	22/11/2023	T Carstens
Task Evaluation Committee	29/11/2023	T Carstens
Special Audit and Performance Committee Meeting	30/11/2023	A Everson
Ignite Session	04/12/2023	T Carstens JC Jeneke
Quarterly Audit & Performance Committee Meeting	06/12/2023	A Everson
CCG Systems - ERP Meeting	11/12/2023	T Carstens
Task Evaluation Committee	26/01/2024	T Carstens
Task Evaluation Committee	02/02/2024	T Carstens
Task Evaluation Committee	14/02/2024	T Carstens
CCG Systems - ERP Meeting	19/02/2024	T Carstens
Mid-Year Performance Evaluation Sessions for 2023/2024	20/02/2024	A Everson
CDWP -Local Coordinators Meeting MS Team	23/02/2024	A Brönn
CDWP Stakeholders Forum Engagement	28/02/2044	A Brönn
Quarterly Business Continuity Committee Meeting	05/03/2024	A Everson
Task Evaluation Committee	06/03/2024	T Carstens
Langeberg Municipality: General Support Steering Committee Meeting	11/03/2024	A Everson
CSF Functions and Organogram Discussion	12/03/2024	A Everson
Langeberg Municipality 2022-23 Audit Debrief	12/03/2024	A Everson
Task Evaluation Committee	13/03/2024	T Carstens
Quarterly Fraud and Risk Management Meeting	14/03/2024	A Everson
Quarterly Audit and Performance Committee Meeting	26/03/2024	A Everson
Task Evaluation Committee	27/03/2024	T Carstens
CCG Systems - Direct Hire	02/04/2024	T Carstens J Jeneke

IGR ENGAGEMENTS FOR THE DEPARTMENT: CORPORATE SERVICES		
Forum / Meeting	Date	Attended By
		V Matthys V Titus
Task Evaluation Committee	03/04/2024	T Carstens
Langeberg Municipality / WCB Holdings	04/04/2024	A Everson
Steering Committee - CCG Systems	05/04/2024	T Carstens
Settlement Invite C1 275-23 Bester v Langeberg Local Municipality	09/04/2024	A Everson
Steering Committee - CCG Systems	17/04/2024	T Carstens
LGSETA Meeting	17/04/2024	T Carstens
CRF Training on Two-Pot System	18/04/2024	T Carstens J Jeneke V Matthys V Titus
Meeting: IGR Concerns Matters in Langeberg Municipality	18/04/2024	A Everson
Ignite Session	24/04/2024	T Carstens J Jeneke
Discussion: Zolani – Alexander Marcic	24/04/2024	A Everson
LCSF Meeting	03/05/2024	A Everson
MIE Meeting	07/05/2024	T Carstens
PPPMFORUM Workshop	07/05/2024	A Brönn
Task Evaluation Committee	08/05/2024	T Carstens
2024 Strategic Integrated Municipal Engagement: Langeberg Municipality (HYBRID)	10/05/2024	A Everson
Task Evaluation Committee	22/05/2024	T Carstens
Risk Assessment Session	23/05/2024	A Everson
Quarterly Business Continuity Meeting	28/05/2024	A Everson
Discussion on Waste Tariffs for Regional Site	06/06/2024	A Everson
Business Continuity Community Meeting	10/06/2024	A Brönn
Quarterly FARMCO Meeting	12/06/2024	A Everson
Task Evaluation Committee	14/06/2024	T Carstens
LCSF Induction / Onboarding Training	14/06/2024	A Everson
Task Evaluation Committee	19/06/2024	T Carstens
Discuss Temporary Liquor Licenses & Operational Procedures	20/06/2024	A Everson
Langeberg Municipality: General Support Steering Committee Meeting	26/06/2024	A Everson
Quarterly Audit & Performance Committee Meeting	26/06/2024	A Everson

Table 36: IGR Engagements for the Department: Engineering Services

IGR ENGAGEMENTS FOR THE DEPARTMENT: ENGINEERING SERVICES		
MEETING AND PURPOSE	DATE	ATTENDED BY
Cape Winelands District Waste Management Officer's Forum – Attend Quarterly Meeting	11/08/2023	G Slingers

Department of Environmental Affairs and Development Planning - Air Quality Management Roles and Responsibilities of Municipalities as per the NEM: AQA.	15/08/2023	G Slingers S Tutu
Ad-Hoc Committee on Energy Crisis Meeting	16/08/2023	G Lotter
Engagement With Local and District Municipalities on the Project Plans for the 2023/24 Energy Infrastructure Allocations Including the Emergency Funding Allocated to Assist Municipalities	16/08/2023	G Lotter
South African Local Government Association (SALGA) -Use of Municipal Conditional Grants to fund Waste Specialised Vehicles SALGA National Circular 28/2023.	17/08/2023	G Slingers
Waste Management Officer's Forum (WC: WMOF)	18/08/2023	G Slingers
DMRE would like to visit your municipality for project verification on 28 August 2023.	28/08/2023	G Lotter
Waste Management Officer's Forum (WC: WMOF)	29/08/2023	G Slingers
Western Cape Air Quality Officer's Forum - AQOF serves as a platform for the DEA & DP to interact with local government about Air Quality Management issues.	31/08/2023	G Slingers S Tutu
Western Cape Air Quality Officer's Forum	01/09/2023	G Slingers S Tutu
Department of Environmental Affairs and Development Planning – Waste Management - 9th Annual Industry Waste Management Forum (IWMF).	07/09/2023	G Slingers
Municipal Planning Heads Forum	14/09/2023	T Brunings
Workshop/Training Session to assist Municipalities with the completion of the Electricity Distribution Forms (D-Forms)	21/09/2023	G Lotter
New Municipal Generation Regulations (and related statutes) Training Workshop	22/09/2023	G Lotter
Department of Environmental Affairs and Development Planning – Waste Management - Integrated Waste Management Capacity-Building Webinar.	09/10/2023	G Slingers
BOCMA: Follow-Up Compliance Inspection: Robertson WWTW	23/10/2023	C Posthumus
M&E Update Project Meeting (Virtual Meeting)	06/11/2023	G Lotter
Cape Winelands District Waste Management Officer's Forum	07/11/2023	G Slingers
Webinar: Insights Into Local Government Wheeling & Trading	17/11/2023	G Lotter C Opperman
Waste Management Officer's Forum (WC: WMOF)	17/11/2023	G Slingers
Municipal Planning Heads Forum	22/11/2023	T Brunings
Department of Environmental Affairs and Development Planning Western Cape Government - Online Engagement: Western Cape Recycling Action Group (WCRAAG), 2023-24, Q3.	30/11/2023	G Slingers
MPAC – Municipal Public Accounts Committee Meeting	14/02/2024	G Lotter
Department of Environmental Affairs and Development Planning - Air Quality Management - Langeberg Local Municipality AQMP Review Process	13/02/2024	G Slingers S Tutu
Cape Winelands District Municipality RRAMS: Project Coordination Meeting	16/02/2024	M Norman
Waste Management Officer's Forum (WC: WMOF)	28/02/2024	G Slingers
Cape Winelands District Waste Management Officer's Forum	05/03/2024	G Slingers

Western Cape Disaster Management and Fire Rescue Services: Monthly Progress Meeting	11/03/2024	C Posthumus
Department of Environmental Affairs and Development Planning – Waste Management - Hybrid Engagement: Western Cape Recycling Action Group (WCRAAG), 2023-24 Q4	14/03/2024	G Slingers
Waste Management Officer's Forum (WC: WMOF)	27/03/2024	G Slingers
Western Cape Disaster Management and Fire Rescue Services: Monthly Progress Meeting	03/04/2024	C Posthumus
Western Cape Disaster Management and Fire Rescue Services: Monthly Progress Meeting	03/05/2024	C Posthumus
Department of Local Government, Western Cape: Quarterly Municipal Infrastructure Planning Forum Meeting	09/05/2024	C Posthumus
Department Water and Sanitation: WWTW Follow-Up Inspection	15/05/2024	X Maliwa
Development and Implementation of the National Sanitation Integrated Plan (NSIP)	15/05/2024	C Posthumus
Enlit Africa Conference 21-23 May 2024, Cape Town	21/05/2024	G Lotter
Western Cape Disaster Management and Fire Rescue Services: Monthly Progress Meeting	03/06/2024	C Posthumus
Department of Water and Sanitation: 2023 Blue Drop, Green Drop PAT & No Drop Reports and the Water Summit	04/06/2024	C Posthumus
Department of Environmental Affairs and Development Planning - Training on The Integrated Pollutant and Waste Information System (IPWIS), Reporting for Municipalities	05/06/2024	G Slingers
Cape Winelands District Municipality – Discussion on Waste Tariffs for the Regional Waste Disposal Facility	06/06/2024	G Slingers
Cape Winelands Severe Weather Events -Debriefing session	06/06/2024	A Joubert
National Treasury: RT67-2024 BEC Evaluation	10/06/2024	C Posthumus
Department of Water and Sanitation: SFD Project - Update on the SFD Benchmarking Workshop and invitations to selected 36 WSAs	10/06/2024	A Joubert X Maliwa
AFRIFORUM Case on Municipal Tariff Applications	18/06/2024	G Lotter
Directorate: Municipal Waste Support Department of Forestry, Fisheries and the Environment - Workshop on the Revised Technical Assessment Report Template for Purchase of the Specialised for Waste Management Through MIG, IUDG, & USDG	25/06/2024	G Slingers
Department of Environmental Affairs and Development Planning Western Cape Government - Western Cape Recycling Action Group (WCRAAG) Engagement for Q1 2024-25	27/06/2024	G Slingers

Table 37: IGR Engagements for the Department: Community Services

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
Forum / Meeting	Date	Attended By
Langeberg Municipality: Second Round of Engagements	04/07/2023	M Mgajo M Brown
Heyl Grounds: Discussion to Sell	06/07/2023	M Mgajo M Brown

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
YearBeyond Info Session: Teampact & Amended 'Stipend Process' (Virtual Meeting)	17/07/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
WC Library Managers' Meeting (Virtual Meeting)	19/07/2023	F Gumede
Langeberg Municipality: Title Deeds Challenges	19/07/2023	M Brown
ASLA - Meet & Greet	25/07/2023	M Brown
Western Cape Liquor Authority Strategic Partner Engagement	28/07/2023	M Mgajo
Virtual GreenBook Training for Inland Districts and Municipalities	28/07/2023	N Mdluli
Langeberg Municipality: PID Drafting Meeting	03/08/2023	M Brown
Fire Services By-Law Workshop	04/08/2023	N Mdluli
CWDM JOC on Taxi Strike	08/08/2023	M Mgajo
Bonnievale: Boekenhoutskloof Link Services - Site Handover	18/08/2023	M Brown
IGR Concern Matters in Langeberg Municipality Meeting	22/08/2024	M Mgajo
Beneficiary Selection Template	22/08/2023	M Brown
Hazmat Workgroup Meeting	22/08/2023	N Mdluli
Literacy Webinar 10: Swartland Libraries Creating Reading Inspirations (Virtual Meeting)	22/08/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Chief Fire Officer's Committee Meeting	23/08/2023	N Mdluli
Provincial Disaster Management Advisory Forum	24/08/2023	N Mdluli
Strat Session - Fire Working Group	24/08/2023	N Mdluli
Review of Wakkerstroom West PS MOA for the Dual-Purpose Library (Virtual Meeting)	25/08/2023	P Mouton C Lucas A Schericka L Dlambulo-Somdaka Y Herbst M Slingers
WC Provincial Steering Committee Meeting: Title Restoration Project 2023/24	31/08/2023	M Brown
Boekenhoutskloof: Co-ordination of Moving the People in Road Reserves	05/09/2023	M Brown
Attended City of Cape Town Seminar for Public Library Services at Old Mutual Park in Pinelands Cape Town	04-06/09/2023	F Gumede
Langeberg Municipality ASC 4 of 2022-23	13/09/2023	M Mgajo
Fire Safety Working Group Meeting	13/09/2023	N Mdluli
Langeberg Human Settlements Co-ordination Meeting	14/09/2023	M Mgajo M Brown
Purchasing of Agricultural Land Meeting	18/09/2023	M Mgajo
Fire Services App	19/09/2023	N Mdluli

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
Severe Weather Impact Meeting	25/09/2023	N Mdluli
CWDM Severe Weather JOC Meeting	25/09/2023	N Mdluli
Langeberg Municipality ASC 5 of 2022-23	26/09/2023	M Mgajo
Severe Weather JOC: CWDM	26/09/2023	N Mdluli
Severe Weather Meeting	27/09/2023	N Mdluli
CWDM: Severe Weather JOC Meeting	28/09/2023	N Mdluli
Attended Seminar in CPT at Cape Town Lodge by DCAS: WCLS – Municipal Support Services	28-29/09/2023	F Gumede
Meeting on McGregor	02/10/2023	N Mdluli
Follow-up Meeting for McGregor Relief	02/10/2023	N Mdluli
Follow-up Meeting on McGregor - Distribution of Relief items	02/10/2023	N Mdluli
Deputy Director-General Human Settlements: 3rd Round of Municipal Engagements	05/10/2023	M Mgajo
Langeberg Municipality ASC 6 of 2022-23	10/10/2023	M Mgajo
DDG Human Settlements: 3rd Round of Engagements: Langeberg Municipality	10/10/2023	M Brown
SANDEF Engineering Corpse Assessment	11/10/2023	N Mdluli
Launch of the 2023 Fire Awareness Campaign/IDRR	13/10/2023	N Mdluli
DDG Human Settlements: 3rd Round of Engagements: Langeberg Municipality	16/10/2023	M Brown
Western Cape Library Service Library Membership Guidelines (Virtual Meeting)	19-20/10/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Damage Assessment Site Visit: Langeberg Municipality	25/10/2023	N Mdluli
Cape Winelands District Flooding Task Team Meeting	01/11/2023	N Mdluli
IGR Concern Matters	07/11/2023	M Mgajo
Western Cape Library Service ICT Guidelines for Review (Virtual Meeting)	09/11/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Langeberg Municipality & DCAS: Municipal Support Services (Virtual Meeting)	09/11/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Western Cape Library Service ICT Guidelines Discussion	10/11/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
		S Marais
Western Cape Library Service ICT Guidelines for Review Follow-Up (Virtual Meeting)	13/11/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Cape Nature Units	13/11/2023	M Brown
Bruwer Land and Alternatives	14/11/2023	M Brown
Literacy Webinar- How I Get My Grandson to Read, Claude Meyer (Virtual Meeting)	14/11/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin
Langeberg Sports Stakeholders Meeting 1 (Robertson)	16/11/2023	L April A Mgulwa P Pokwas M Njoli
Langeberg Municipality: General Support Steering Committee Meeting	20/11/2023	M Mgajo
Quarterly Disaster Management Meeting	20/11/2023	N Mdluli
Langeberg MSDP Project Steering Committee Meeting	21/11/2023	M Brown
Disaster Management Advisory Forum Meeting - 21 November 2023	21/11/2023	N Mdluli
Hazmat Workgroup Meeting	21/11/2023	N Mdluli
WC Library Managers' Meeting (Virtual Meeting)	21/11/2023	F Gumede
Ald Farao & Brandweer	22/11/2023	N Mdluli
Chief Fire Officer's Committee Meeting	22/11/2023	N Mdluli
Langeberg Human Settlements Co-ordination Meeting	23/11/2023	M Brown
Site Meeting 03: Bonnievale Link Services	23/11/2023	M Brown
Provincial Disaster Management Advisory Forum	23/11/2023	N Mdluli
Digital M Jacksoneting and Project Management Training for Librarians (Virtual Meeting)	24/11/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
WCLS - Library Membership Guidelines Discussion (Virtual Meeting)	27/11/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Flooding Debriefing Meeting	28/11/2023	N Mdluli
Langeberg Sports Stakeholders Meeting 2 (Montagu)	30/11/2023	L April A Mgulwa P Pokwas

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
		M Njoli
DCAS & YearBeyond 2023: Librarian Reflections and Feedback Discussion	04/12/2023	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Quarterly Regional Co-ordination Forum Meeting - Cape Winelands Region	06/12/2023	M Brown
SDF Capital Expenditure Framework	19/01/2024	M Brown
WCLS - Library Membership Guidelines (Virtual Meeting)	22/01/2024	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Inception Meeting: Funding Allocation from the Municipal Disaster Response Grant (MDRG) for Flood Intervention in the Western Cape Province: 2023-2024 financial year	23/01/2024	N Mdluli
Collaboration Project Proposal - To Video Record Stories by Nkqubela Residents Removed from Bo-Dorp Area	24/01/2024	F Gumede T Mangiagalli N Adonis T Williams A Swarts I Cook S McGloughlin Nkqubela Library Staff M Hohlo
Gym Installation from the National Department of Sport in Ashton	01/02/2024	M Hucklesby L April
YearBeyond Libraries 2024 Onboarding: Online Briefing Session #1 (Virtual Meeting)	08/02/2024	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
YearBeyond Libraries 2024 Onboarding: Online Briefing Session #2 (Virtual Meeting)	08/02/2024	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Stakeholder Consultation on the Draft White Paper for Human Settlements	09/02/2024	M Mgajo
Hazmat Workgroup Meeting Nr 1	13/02/2024	N Mdluli
Quarterly Regional Co-ordination Forum Meeting - Cape Winelands Region	14/02/2024	M Brown
Chief Fire Officer's Committee Meeting 1	14/02/2024	N Mdluli

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
Treasury Circular Mun No.1 of 2024: 2024 Technical Intergraded Municipal Engagement (TIME) Circular	15/02/2024	M Mgajo
Job Description: YeBoneer: Reading Champion (Virtual Meeting)	16/02/2024	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Langeberg Municipality and DCAS: Municipal Support Services - Quarter 4 Meeting (Virtual Meeting)	20/02/2024	F Gumede S Marais M Simema Y Herbst R Mouton C Lucas E Links O Williams P Filander
Provincial Disaster Management Advisory Forum	22/02/2024	N Mdluli
Visit Projects in Cape Winelands and Overberg	27/02/2024	M Brown
Disaster Management Quarterly Meeting	27/02/2024	N Mdluli
Bonnievale: Boekenhoutskloof Meeting 6	28/02/2024	M Brown
WC Provincial Steering Committee Meeting: Title Restoration Project 2023/24	29/02/2024	M Brown
Disaster Management Quarterly Meeting	29/02/2024	N Mdluli
CCT - Literacy Webinar 12: World Read Aloud Day in the Metro (Virtual Meeting)	06/03/2024	F Gumede J Da Luz M Slingers M Faroa S McGloughlin S Marais
Langeberg Municipality: Housing Planning and Technical Meeting	06/03/2024	M Mgajo M Brown
Monthly MDRG Project Task Team	11/03/2024	L April
S30 of the NEMA Training and Awareness Raising	11/03/2024	N Mdluli
Meeting: Event Applications	20/03/2024	L April N Mdluli
Meeting with German Delegation	20/03/2024	N Mdluli
WC - Library Managers' Meeting (Virtual Meeting)	26/03/2024	F Gumede
Library Managers Attended Design School 2 Days Training at UCT, Cape Town	02-03/04/2024	F Gumede
Monthly MDRG Project Task Team	03/04/2024	L April
Meeting between Langeberg Municipality and School Principals	04/04/2024	M Mgajo L April M Hucklesby
CWDM Severe Weather JOC Meeting	09/04/2024	N Mdluli
Situation Update with the District	08/04/2024	N Mdluli

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
Basic Copyright Training - NC, NW, WC (Virtual Meeting)	10/04/2024	All Library Staff
UCT Design School Change Champions - Follow Up Training (Virtual Meeting)	12/04/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson
Mobile e-Centre Bus: WCG e-Centre Programme Proposal (Virtual Meeting)	15/04/2024	F Gumede C Fortuin J August
IGR Concerns Matters in Langeberg Municipality	18/04/2024	M Mgajo M Brown
UCT Design School Change Champions- Follow-Up Training (Virtual Meeting)	19/04/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson
Langeberg Municipality: Forward Planning Meeting	23/04/2024	M Mgajo, M Brown
Quarterly Regional Co-ordination Forum Meeting - Cape Winelands Region	24/04/2024	M Brown
Bonnievale Boekenhoutskloof Meeting 8	25/04/2024	M Brown
UCT Design School Change Champions- Follow-Up Training (Virtual Meeting)	26/04/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson
WCG Libraries: Miro Tutorial - UCT Design School	26/04/2024	N Conrad F Gumede
UCT Design School - Library Service Model Follow Up Training (Virtual Meeting)	30/04/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson N Conrad
UCT Design School - Library Service Model Follow Up Training (Virtual Meeting)	03/05/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
Chief Fire Officers' Committee Meeting 2	03/05/2024	N Mdluli
Monthly MDRG Project Task Team	03/05/2024	L April
Cape Winelands District Safety Summit	08/05/2024	M Mgajo
Boekenhoutskloof Housing Project: Request for Assistance	10/05/2024	M Mgajo M Brown
UCT Design School - Library Service Model Follow Up Training (Virtual Meeting)	10/05/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson
Cape Winelands Disaster Management Advisory Forum Meeting	15/05/2024	N Mdluli
Disaster Risk Management Centre IEC Meeting	15/05/2024	N Mdluli
Human Settlements Co-ordination Meeting	17/05/2024	M Brown
WCLS Tour – Robertson Library	21/05/2024	F Gumede S McGloughlin
DCAS - MSS Meeting with Langeberg Municipality, Nkqubela Library	22/05/2024	F Gumede S Marais M Simema Y Herbst R Mouton C Lucas E Links O Williams P Filander
Hazmat Workgroup Meeting Nr 2	28/05/2024	N Mdluli
Fire Safety Working Group Meeting 2	28/05/2024	N Mdluli
2023/2024 Veld Fire Season Assessment Meeting	31/05/2024	N Mdluli
Monthly MDRG Project Task Team	03/06/2024	L April
Cape Winelands Severe Weather Events -Debriefing Session	06/06/2024	N Mdluli
Meeting DCAS – Update on Netball Courts Resurfacing Project and Sports Day 2024 Planned by Department	06/06/2024	L April
UCT Design School - Library Service Model Follow-Up Training (Virtual Meeting)	07/06/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson
CWDM JDMA Interface Team	10/06/2024	M Mgajo
UCT Design School - Library Service Model Follow-Up Training (Virtual Meeting)	11/06/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze

IGR ENGAGEMENTS FOR THE DEPARTMENT: COMMUNITY SERVICES		
		M Jackson N Conrad
Discussion: Disaster Risk Reduction Plan	11/06/2024	N Mdluli
Boekenhoutskloof	12/06/2024	M Brown
UCT Design School - Library Service Model Follow-Up Training (Virtual Meeting)	14/06/2024	F Gumede B Meyer P Hugo C Sani A Gaibie J Marze M Jackson
WCLS Literacy Webinar 13: The Science of Reading - How does it work?	18/06/2024	All Library Staff
Request for Meeting to Discuss Temporary Liquor Licenses and Operational Procedures	20/06/2024	M Mgajo L April
Langeberg Municipality: Monthly Housing Technical Coordination Meeting	21/06/2024	M Mgajo M Brown
Provincial Disaster Management Advisory Forum	24/06/2024	N Mdluli
Quarterly Disaster Management meeting	25/06/2024	N Mdluli
Discussion & Visit: Smoke Alarms Grant Funding	28/06/2024	N Mdluli

Table 38: IGR Engagements for the Department: Strategy and Social Development

IGR ENGAGEMENTS FOR THE DEPARTMENT: STRATEGY AND SOCIAL DEVELOPMENT		
Forum / Meeting	Date	Attended By
Regional Tourism Liaison Committee	10/07/2023	A Wantza
Cape Winelands Regional LED Forum	08/09/2023	I Cook O Richards-Liemens P Rosant
Small Enterprise Development Agency	10/08/2024	I Cook O Richards-Liemens
Meeting Department of Social Development	14/08/2023	C Matthys I Cook
EPWP Bi-Monthly Meeting	15/08/2023	I Cook T Danti L Ngqakase
CWDM SLA Meeting	17/08/2023	I Cook O Richards-Liemens
Meeting with WCED	21/08/2023	C Matthys I Cook A Wantza
FAS Planning Session with National Department of Social Development	25/08/2023	I Cook A Wantza
Meeting Department of Agriculture	28/08/2023	I Cook
Meeting Cape Winelands District Municipality (Business Licences)	29/08/2023	I Cook
CWDM Local Tourism Association	30/08/2023	I Cook A Wantza
Child Protection Forum Meeting	04/09/2023	I Cook

IGR ENGAGEMENTS FOR THE DEPARTMENT: STRATEGY AND SOCIAL DEVELOPMENT		
Forum / Meeting	Date	Attended By
		A Wantza
EPWP National Data Quality Forum	05/09/2023	I Cook T Danti L Ngqakase
Meeting Provincial Department of Social Development	14/09/2023	I Cook O Richards-Liemens
Human Research Council and Safety Lab	14/09/2023	O Richards-Liemens
District Communication Forum	14/09/2023	M Pieterse W Gordon A Swarts
Provincial Communication Forum	14/09/2023	M Pieterse W Gordon A Swarts
Regional Tourism Liaison Committee	15/09/2023	A Wantza
CWDM JDMA: ECD	19/09/2023	I Cook
Cape Winelands Regional LED Forum	22/09/2023	I Cook O Richards-Liemens
Local Drug Action Committee Meeting	28/09/2023	C Matthys I Cook A Wantza
Meeting DALRRD	29/09/2023	I Cook
EPWP National Data Quality Forum	06/10/2023	I Cook T Danti L Ngqakase
Meeting NYDA	17/10/2023	I Cook O Richards-Liemens P Rosant
Meeting Department of Social Development (NPO's)	18/10/2023	I Cook A Wantza
Local Drug Action Committee Meeting	19/10/2023	C Matthys I Cook A Wantza
EPWP Cape Winelands District Forum	20/10/2023	I Cook T Danti L Ngqakase
Meeting DEDAT	24/10/2023	I Cook O Richards-Liemens
EPWP: Pre-Audit Assessment	25/10/2023	I Cook T Danti L Ngqakase
STATSSA Consulting Meeting	27/10/2023	A Swarts
Local Drug Action Committee Meeting	07/11/2023	I Cook A Wantza
Meeting DEDAT	09/11/2023	I Cook O Richards-Liemens
Cape Winelands Regional LED Forum	10/11/2023	I Cook

IGR ENGAGEMENTS FOR THE DEPARTMENT: STRATEGY AND SOCIAL DEVELOPMENT		
Forum / Meeting	Date	Attended By
		O Richards-Liemens P Rosant
Regional Tourism Liaison Committee	10/11/2023	A Wantza
Cape Winelands IDP Input Session	13/11/2023	I Cook A Swarts
Meeting CWDM	15/11/2023	A Wantza
Meeting Department of Local Government	21/11/2023	I Cook A Wantza
CWDM IDP Managers Forum Meeting	22/11/2023	J Mfutwana
EPWP Cape Winelands District Forum	28/11/2023	I Cook
CWDM Local Tourism Association	29/11/2023	A Wantza
Langeberg Safety Forum	29/11/2023	C Matthys I Cook A Swarts
Western Cape Provincial IDP Forum	30/11/2023	A Swarts J Mfutwana
Meeting CWDM	01/12/2023	I Cook
National Communication Forum	12/12/2023	A Swarts
Meeting Provincial Department of Social Development	02/01/2024	I Cook O Richards-Liemens
Regional Tourism Liaison Committee	09/02/2024	A Wantza
Meeting DALRRD	13/02/2024	I Cook
Districts Communication Forum	15/02/2024	M Pieterse W Gordon
Technical Integrated Municipal Engagements Meeting	15/02/2024	C Matthys A Swarts
Tourism Peer Learning Workshop	21–22/02/2024	A Wantza
EPWP Grant Workshop	28/02/2024	I Cook
Cape Winelands District IDP Managers Forum Meeting	01/03/2024	J Mfutwana
EPWP Skills Development Program Meeting	04/03/2024	I Cook T Danti L Ngqakase
Department of Infrastructure: EPWP	08/03/2024	I Cook T Danti L Ngqakase
CWDM Youth Stakeholders Forum Meeting	11/03/2024	I Cook
EPWP Skills Development Program Meeting	13/03/2024	I Cook T Danti L Ngqakase
Provincial Training and ED Forum	14/03/2024	I Cook
Cape Winelands Regional LED Forum	15/03/2024	I Cook
Regional Tourism Liaison Committee	12/03/2024	A Wantza
National Communication Forum	19/03/2024	A Swarts
STATSSA Census Meeting	19/03/2024	C Matthys A Swarts
EPWP Cape Winelands District Forum	16/04/2024	I Cook

IGR ENGAGEMENTS FOR THE DEPARTMENT: STRATEGY AND SOCIAL DEVELOPMENT		
Forum / Meeting	Date	Attended By
Local Drug Action Committee Meeting	19/04/2024	A Wantza
IGR Concerns Matters in Langeberg (Virtual Meeting)	03/04/2024	C Matthys
Child Protection Forum Meeting	30/04/2024	A Wantza
Small Enterprise Development Agency	02/05/2024	I Cook O Richards-Liemens
Strategic Integrated Municipal Engagements Meeting	10/05/2024	C Matthys A Swarts
CWDM Winelands Autumn Expo	20/05/2024	I Cook
CWDM Youth Stakeholders Forum Meeting	21/05/2024	I Cook A Wantza P Rosant
DALRRD	06/06/2024	I Cook
Meeting Provincial Department of Social Development	07/06/2024	I Cook A Wantza
EPWP Grant Agreement Session	07/06/2024	I Cook
CWDM JDMA	10/06/2024	I Cook A Swarts
CWDM Local Tourism Association	12/06/2024	A Wantza
CWDM Youth Summit	19/06/2024	C Matthys A Wantza
Cape Winelands Regional LED Forum	13/06/2024	I Cook O Richards-Liemens
Meeting with Cape Liquor Authority	20/06/2024	C Matthys
Langeberg MMA with DEDAT	27/06/2024	C Matthys I Cook A Swarts

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

The MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

Accountability, Transparency and Rule of Law: Accountability is a key requirement for good governance and cannot be enforced without transparency and the rule of law. It means that stakeholders are provided with information on decisions that directly affect them and that legal frameworks are enforced impartially. Langeberg Municipality's political and administrative governance structures are held accountable through various measures, all of which are adhered to.

Table 39: Governance Structures and Measures of Accountability

GOVERNANCE STRUCTURES AND MEASURES OF ACCOUNTABILITY	
Governance Structures	Measures Of Accountability
Council	Approved minutes are available on request. All Council proceedings are ruled by the Council's Rules of Order. The councillor conduct is ruled by the Code of Conduct for Councillors.
Mayoral Committee	Mayoral Committee Meetings are scheduled, and minutes are kept. Mayoral Committee reports to Council.
Ward Committees	Ward Councillors have a duty to provide feedback to Ward Committees and to Council. Meetings are scheduled and minutes are kept.
Portfolio Committees	Responsible for oversight over administrative departments and report to Council monthly. Meetings are scheduled and minutes kept.
Municipal Public Accounts Committee	The MPAC serves as an Oversight Committee - to determine the institutional functionality of the Municipal Council in terms of effectiveness. An Oversight Report is tabled to Council.
The Municipality reports its Annual Performance Financial Statements to the Auditor General	The Auditor General delivers an AG Report and expresses an audit opinion.
The Municipality reports its Annual Performance Financial status to its communities annually	The approved Annual Report is made available to the public on the Municipal website.
Municipal structures, employees, operations, procedures and processes are ruled by legislation	Policies and Bylaws Legislation, Regulations and Codes are available.
Worker Representative Unions represent employees on organisational structures and observe the legality of labour practices procedures and processes	Representation on recruitment and selection panels: Interviews are recorded. Representation on Labour Forum: Minutes are recorded. Representation on Occupational Health and Safety Committee: Minutes are recorded.
Internal Auditing ensures the management of risk exposure and monitors adherence to legislation	The unit identifies municipal risk and generates a Municipal Risk Register. Internal Auditing reports are generated and tabled to the Audit and Performance Committee, which then reports to Council.
The Audit and Performance Committee is responsible for the oversight of internal controls, financial reporting and compliance with regulatory matters	Audit and Performance Committee approves the Internal Audit Plan and reports to Council.
Community participation in the development of Policies and Strategies	Participative processes were scheduled, and notices are posted on the municipal website.
IDP and Budgeting Participation	Draft Process plan that was made public, at beginning of August 2023. The final process plan approved by Council on 31 August 2023

GOVERNANCE STRUCTURES AND MEASURES OF ACCOUNTABILITY	
Governance Structures	Measures Of Accountability
Performance Management Committee	An evaluation panel, established in terms of Section 6.6 of the Performance Agreement, evaluates the performance of employees. Performance Agreements are signed on acceptance.
Organisational and Service Delivery Performance Reporting to Council	Quarterly Performance Reports on the SDBIP are tabled to Council. Dates tabled: 1st Quarter: 31 October 2023 2nd Quarter (Mid-Year Report): 23 January 2024 3rd Quarter: 30 April 2024 4th Quarter: 31 July 2024
Municipal website promotes transparency	The Municipal website is updated continuously. All current events, news articles, as well as required legislative documents (including budgets, tenders and vacancies) are updated on the website daily. An average of 32 549 visitors browsed the Municipal website monthly during the 2023-2024 financial year.

Effective and Efficient Governance means that governance structures and processes ensure community needs are met, with the best use of resources.

Table 40: Governance Structures and Measures of Effectiveness and Efficiency

GOVERNANCE STRUCTURES AND MEASURES OF EFFECTIVENESS AND EFFICIENCY	
Governance Structure	Measure of Effectiveness and Efficiency
Portfolio Committees monitor Municipal service delivery and budget implementation	Quarterly Performance Reports on the SDBIP are tabled to Council. Dates tabled: 1st Quarter: 31 October 2023 2nd Quarter (Mid-Year Report): 23 January 2024 3rd Quarter: 30 April 2024 4th Quarter: 31 July 2024
Mayoral Committee ensures the mid-term assessment of performance, spending and budget	Mid-Term Assessment Report tabled to Council on 23 January 2024. Adjustment Budget Tabled to Council on 29 February 2024. Adjusted SDBIP tabled to Council on 29 February 2024
Audit and Performance Committee ensures oversight of internal auditing and risk management processes	Internal Audit Plan. Audit and Performance Committee reports tabled to Council. Risk Register. Number of fraud cases reported, and losses recovered.
Performance Management Committee	Performance Bonuses awarded. The performance management system is designed to reward outstanding performance. This linking increase overall organisational motivation and efficiency by focusing the executive management on the successful implementation of the IDP and Budget.

Equity and Inclusiveness: Society's well-being depends on ensuring that all its members have a stake in it and do not feel excluded from mainstream society. The political and administrative governance structures of the Municipality reflect equitable representation of the area's population. Different political parties are well-represented in Council, as well as both genders.

Consensus Orientation: To be consensus orientated means striving towards reaching a broad consensus on what is in the best interest of the whole community and how it can be achieved. Langeberg's orientation towards reaching broad consensus unfolds through its scheduled and consultative IDP, Budget and Ward-based Planning processes.

Responsiveness: In trying to serve all stakeholders within a responsible timeframe, the governance structures of the Municipality adhere to set Council schedules, approved process plans, and reporting cycles determined by provincial and national government spheres. This is maintained through administrative compliance monitoring and oversight.

Participation: Community participation in the governance structures of the Municipality is mainly achieved through the Ward Committees-system and consultative meetings with the community and all sectors.

Community participation, in the development or revision of policies and strategies, are achieved through scheduled consultation sessions or workshops or through website uploads for community review and comments.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

No municipal entities have been established within the Langeberg Municipal area.

2.4 PUBLIC MEETINGS

Sustainability and Productivity

The Municipality's political and administrative governance structures remained productive throughout 2023-2024 and complied well with legislative requirements.

Equity and Inclusiveness

To facilitate inclusive participation in mainstream society, Ward Committees reached out to communities - creating opportunities to improve and/or maintain their well-being.

The table below reflects the Ward Committee Outreach Programmes in 2023-2024

Table 41: Ward Committee Outreach Programmes in 2023-2024

WARD	DATE	PROGRAMMES
1-12	01 – 31 /07/2023	Distribution of Safety Audit questionnaires to communities in wards 1 – 12 for their inputs.
	06/12/2023	Langeberg Stakeholder Engagement on Kwaggaskloof
	23 – 31 /01/2024	Distribution of customer satisfaction surveys in wards 1 – 12 for their inputs.
	01 - 29/02/2024	Distribution of Human Settlements policy document in wards 1 – 12 for their inputs.
	28/02/2024	Community Development Workers Programme Stakeholder Engagement
	01/04 - 20/05/2024	Distribution of IDP questionnaires to wards 1 -12 for community inputs
	17/06/2024	Youth Day outreach programme wards 1,2,3,6,9,10 and 11.

IDP COMMUNITY INPUT MEETINGS

Table 42: IDP Community Input Meetings for the period 01 July 2023 - 30 June 2024

IDP COMMUNITY INPUT MEETINGS HELD				
Wards	Town	Ward Councillor	Date (1 st Round)	Date (2 nd Round)
1	Robertson	Cllr Steyn C	09/10/2023	02/04/2024
2	Robertson	Cllr Gxowa L	03/10/2023	15/04/2024
3	Robertson	Cllr Hess P	19/10/2023	04/04/2024
4	Bonnievale	Cllr January JJJS	12/10/2023	08/04/2024
5	McGregor	Cllr Kraukamp M	05/10/2023	03/04/2024
6	Robertson	Cllr Janse DB	04/10/2023	04/04/2024
7	Montagu	Cllr Felix DAT	18/10/2023	16/04/2024
8	Bonnievale	Cllr Van Eeden SW	16/10/2023	10/04/2024
9	Ashton	Cllr Siegel Y	10/10/2023	09/04/2024
10	Zolani, Ashton	Cllr Ndongeni A	11/10/2023	11/04/2024
11	Ashton, Montagu - South	Cllr Coetzee JCJ	17/10/2023	02/04/2024
12	Montagu	Cllr Pokwas CJ	02/10/2023	17/04/2024

WARD COMMITTEE MEETINGS

The tables below reflect the Ward Community Meetings held in 2023-2024:

Table 43: Ward Committee – Community (Feedback) Meetings for the period 01 July 2023 - 30 June 2024

WARD COMMITTEE – COMMUNITY (FEEDBACK) MEETINGS HELD				
Ward	Date			
	July – Sept 2023	Oct – Dec 2023	Jan – March 2024	April – June 2024
1	14 August 2023	09 October 2023	11 March 2024	08 April 2024
2	01 August 2023	03 October 2023	05 March 2024	15 April 2024
3	18 August 2023	17 October 2023	25 March 2024	18 April 2024
4	10 August 2023	31 October 2023	14 March 2024	08 April 2024
5	03 August 2023	24 October 2023	02 March 2024	03 April 2024
6	02 August 2023	04 October 2023	06 March 2024	04 April 2024
7	23 August 2023	18 October 2023	06 March 2024	03 April 2024
8	21 August 2023	16 October 2023	18 March 2024	10 April 2024
9	15 August 2023	10 October 2023	12 March 2024	09 April 2024
10	16 August 2023	11 October 2023	13 March 2024	11 April 2024
11	15 August 2023	17 October 2023	19 March 2024	18 April 2024
12	07 August 2023	02 October 2023	04 March 2024	22 April 2024

Table 44: Public Meetings for the period 01 July 2023 - 30 June 2024

PUBLIC MEETINGS						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward 1						
Ward Community Feedback Meeting - Ward 1	14 Aug 23	1	3	66	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting - Ward 1	23 Oct 23	1	3	38	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting - Ward 1	11 Mar 24	1	3	10	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Feedback Meeting - Ward 1	02 April 24	2	7	4	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 2						
Ward Community Feedback Meeting - Ward 2	02 Aug 23	1	4	41	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting - Ward 2	13 Sept 23	2	7	36	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting - Ward 2	25 Oct 23	1	4	22	Yes	Verbal Reporting by Councillor and Ward Committee
Ward Community Feedback Meeting - Ward 2	07 Mar 24	1	4	52	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting - Ward 2	11 Apr 24	1	6	6	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 3						
Ward Community Feedback Meeting - Ward 3	17 Aug 23	1	3	11	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting - Ward 3	19 Oct 23	2	3	24	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting - Ward 3	25 Mar 24	1	3	18	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Feedback Meeting - Ward 3	04 April 24	2	9	12	Yes	Verbal Reporting by Councillor and Ward Committee

PUBLIC MEETINGS						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward 4						
Ward Community Feedback Meeting -Ward 4	10 Aug 23	2	2	48	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 4	31 Oct 23	3	10	85	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 4	14 Mar 24	1	2	65	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Feedback Meeting -Ward 4	08 April 24	3	6	7	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 5						
Ward Community Feedback Meeting -Ward 5	03 August 23	1	2	35	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 5	24 Oct 23	1	4	48	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 5	07 March 24	1	1	27	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Feedback Meeting -Ward 5	03 April 24	1	5	23	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 6						
Ward Community Feedback Meeting -Ward 6	06 Aug 23	1	3	26	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 6	14 Sept 23	1	5	31	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 6	05 Oct 23	1	3	48	Yes	Verbal Reporting by Councillor and Ward Committee
Ward Community Feedback Meeting -Ward 6	01 Mar 24	1	3	19	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 6	17 Apr 24	1	3	15	Yes	Verbal Reporting by Councillor and Ward Committee

PUBLIC MEETINGS						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward 7						
Ward Community Feedback Meeting -Ward 7	23 Aug 23	1	3	2	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 7	18 Oct 23	1	3	11	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 7	20 Mar 24	1	3	17	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 7	17 April 24	1	3	28	Yes	Verbal Reporting and PowerPoint Presentations
Ward 8						
Ward Community Feedback Meeting -Ward 8	21 Aug 23	1	2	11	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 8	16 Oct 23	2	8	9	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 8	18 Mar 24	2	2	4	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 8	10 April 24	1	5	1	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 9						
Ward Community Feedback Meeting -Ward 9	22 Aug 22	1	2	14	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 9	29 Sept 22	2	3	18	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 9	01 Aug 22	1	2	14	Yes	Verbal Reporting by Councillor and Ward Committee
Ward Community Feedback Meeting -Ward 9	14 Mar 23	1	2	25	Yes	Verbal Reporting by Councillor and Ward Committee

PUBLIC MEETINGS						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward 10						
Ward Community Feedback Meeting -Ward 10	16 Aug 23	01	02	50	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 10	30 Oct 23	02	13	72	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 10	13 Mar 24	01	02	67	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Feedback Meeting -Ward 10	11 April 24	02	10	38	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 11						
Ward Community Feedback Meeting -Ward 11	22 Aug 23	1	2	35	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 11	17 Oct 23	2	6	21	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 11	19 Mar 24	1	2	15	Yes	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 11	18 Apr 24	2	5	6	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 12						
Ward Community Feedback Meeting -Ward 12	07 Aug 23	1	1	0	No	Verbal Reporting by Councillor and Ward Committee
Ward IDP Budget Meeting -Ward 12	02 Oct 23	1	3	13	Yes	Verbal Reporting and PowerPoint Presentations
Ward Community Feedback Meeting -Ward 12	04 Mar 24	1	3	4	Yes	Verbal Reporting by Councillor and Ward Committee
Ward Community Feedback Meeting -Ward 12	22 April 24	1	3	16	Yes	Verbal Reporting by Councillor and Ward Committee

Sustainable Participation: The Ward Committee System provides Langeberg Municipality with a powerful governance structure through which public accountability and community participation are promoted and strengthened. Being fully capacitated and institutionalised in each of the twelve wards, the foundation has been laid to sustain a fully functional system for a continuous, two-way information flow and engagement between the Municipality and the community. The Ward Committee Chairpersons per ward are set out in the table below:

Table 45: Ward Committee Meetings held as from 1 July 2023 - 30 June 2024

WARD COMMITTEE MEETINGS		
Ward Committee	Chairperson	Number Of Meetings Held
Ward 1, Robertson	Cllr C Steyn	10
Ward 2, Robertson (Nkqubela)	Cllr L Gxowa	10
Ward 3, Robertson	Cllr P Hess	10
Ward 4, Bonnievale (Happy Valley)	Cllr JJJS January	10
Ward 5, McGregor	Cllr M Kraukamp	10
Ward 6, Robertson	Cllr DB Janse	10
Ward 7, Montagu	Cllr D Felix	10
Ward 8, Bonnievale	Ald SW Van Eeden	10
Ward 9, Ashton	Cllr Y Siegel	10
Ward 10, Ashton (Zolani)	Cllr Ndongeni	10
Ward 11, Ashton (Rural)	Cllr JCJ Coetzee	10
Ward 12, Montagu	Cllr J Pokwas	10

BLOCK MEETINGS 2023-2024 IN WARD 1-12

Table 46: Block Meetings 2023-2024 in Ward 1-12 from 1 July 2023 - 30 June 2024

WARD 1 - BLOCK MEETINGS HELD					
Block	Ward committee Member	1st Quarter July-Sept 2023	2nd Quarter Oct-Dec 2023	3rd Quarter Jan-March 2024	4th Quarter April-June 2024
1	E Liebich	Yes	No	Yes	Yes
2	R Van Ryneveld	Yes	Yes	Yes	Yes
3	Leon Rosser (February 2024)	-	-	Yes	Yes
4	Stephen Jones (February 2024)	-	-	Yes	Yes
5	Vacant	-	-	-	-
6	M Macdonald	Yes	Yes	No	No
7	P Veldsman	Yes	Yes	Yes	Yes
8	S Davids	Yes	Yes	Yes	Yes
9	M Tiras	Yes	Yes	Yes	Yes
10	Siloya Hopp	Yes	Yes	Yes	Yes

WARD 2 - BLOCK MEETINGS HELD					
Block	Ward committee member	1st Quarter July-Sept 2023	2nd Quarter Oct-Dec 2023	3rd Quarter Jan-March 2024	4th Quarter April-June 2024
1	M Nyamana	No	No	No	Yes
2	N Marareni (April 2024)	-	-	-	Yes
3	B Madonono	No	Yes	Yes	Yes
4	X Mxakakza	Yes	No	Yes	Yes
5	Z Sokutapa	No	Yes	Yes	Yes
6	S Khuselo	Yes	Yes	Yes	Yes
7	M Kopini	Yes	No	No	Yes
8	J Rum	Yes	Yes	Yes	Yes
9	N Siqangwe	No	No	No	Yes
10	G Silwana	Yes	Yes	Yes	Yes

WARD 3 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	A Pretorius	Yes	Yes	Yes	Yes
2	T Beat	Yes	Yes	Yes	Yes
3	S Hartzenberg	Yes	Yes	Yes	Yes
4	H Arendse	Yes	Yes	Yes	Yes
5	J Windvogel	Yes	Yes	Yes	Yes
6	J Smith	Yes	Yes	Yes	Yes
7	C Jacobs	Yes	Yes	Yes	Yes
8	A Stevens (May 2024)	-	-	-	Yes
9	K Joseph	Yes	Yes	Yes	Yes
10	M Eyssen	Yes	Yes	Yes	Yes

WARD 4 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	A Ross	Yes	Yes	Yes	Yes
2	W Kortje	Yes	No	Yes	Yes
3	M Ngwenya	No	Yes	No	No
4	S Conradie	Yes	Yes	Yes	Yes
5	B Siegelaar	Yes	Yes	Yes	Yes
6	L Pawuli	Yes	Yes	Yes	Yes
7	A Dampies	Yes	Yes	Yes	Yes
8	D Willemse	Yes	Yes	Yes	Yes
9	P Paulse	Yes	Yes	Yes	Yes
10	G Visser	No	Yes	Yes	Yes

WARD 5 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	E Schiefner	Yes	Yes	Yes	Yes
2	J Le Roux	Yes	Yes	Yes	Yes
3	E Fillies	Yes	Yes	Yes	Yes
4	M Lee	Yes	Yes	Yes	Yes
5	C Davids	Yes	Yes	Yes	Yes
6	C De Vries	Yes	Yes	Yes	Yes
7	I Muller	Yes	Yes	Yes	Yes
8	L Davids	Yes	Yes	Yes	Yes
9	J Jacobs	Yes	Yes	Yes	Yes
10	F Brits	Yes	Yes	Yes	Yes

WARD 6 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	T Cookson	Yes	Yes	Yes	Yes
2	C Carelse	Yes	Yes	Yes	Yes
3	P Eyssen	Yes	Yes	Yes	Yes
4	C Pieterse (April 2024)	-	-	-	Yes
5	S Adonis	Yes	Yes	Yes	Yes
6	M Pietersen	Yes	Yes	Yes	Yes
7	G Olckers	Yes	Yes	Yes	Yes
8	E George	Yes	Yes	Yes	Yes
9	E Verneel	Yes	Yes	Yes	Yes
10	C Hunoldt	Yes	Yes	Yes	Yes

WARD 7 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	G Delderfield	Yes	Yes	Yes	Yes
2	F De Kock	Yes	Yes	Yes	Yes
3	A Willemse	Yes	No	Yes	Yes
4	O Kiewietz	Yes	No	Yes	Yes
5	Q Terblanche	Yes	Yes	Yes	Yes
6	C Plaatjies	Yes	Yes	Yes	Yes
7	D Bottrie	Yes	Yes	Yes	Yes
8	A Blaauw	Yes	Yes	Yes	Yes
9	J Oncke	No	Yes	No	Yes
10	D Jonkers	No	No	Yes	Yes

WARD 8 - BLOCK MEETINGS HELD					
Block	Ward Committee Member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	J Crous	Yes	Yes	Yes	Yes
2	D Gagiano	Yes	Yes	Yes	Yes
3	G September	Yes	Yes	Yes	Yes
4	F Klue	Yes	Yes	Yes	Yes
5	S Nobel	No	Yes	Yes	Yes
6	L Smith	No	Yes	No	No
7	F Erasmus	Yes	Yes	Yes	Yes
8	B Swarts	Yes	Yes	Yes	Yes
9	L De Lot	Yes	Yes	Yes	Yes
10	T Slingers	Yes	Yes	Yes	Yes

WARD 9 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	D Geduld	No	No	Yes	Yes
2	S Douwrie	Yes	Yes	Yes	Yes
3	H Abrahams	Yes	Yes	Yes	Yes
4	P January	Yes	Yes	Yes	Yes
5	C Fortuin	Yes	Yes	Yes	Yes
6	N Van Eck	Yes	Yes	Yes	Yes
7	S Buis	Yes	Yes	Yes	Yes
8	N Nel	No	No	Yes	Yes

WARD 9 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
9	P Du Toit	Yes	Yes	Yes	Yes
10	A Gertse	Yes	Yes	Yes	Yes

WARD 10 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	N Kumeke	Yes	Yes	Yes	Yes
2	S November	Yes	Yes	Yes	Yes
3	S Nkomonye	Yes	Yes	Yes	No
4	N Ntlalombi	Yes	Yes	Yes	Yes
5	V Mrubata	Yes	Yes	No	Yes
6	K Mpiko	Yes	Yes	Yes	Yes
7	M Selani	Yes	Yes	Yes	Yes
8	B Xabela	Yes	Yes	No	Yes
9	A Matroos	Yes	Yes	No	Yes
10	N Mzini	Yes	Yes	Yes	Yes

WARD 11 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	M Baartman	Yes	Yes	No	Yes
2	J Verhoog	No	Yes	No	Yes
3	A Windvogel	No	No	No	Yes
4	Hansie Volschenk	No	No	No	No
5	R Fuller	Yes	Yes	Yes	Yes
6	A Jacobs	Yes	Yes	Yes	Yes
7	F Tredoux	Yes	Yes	Yes	No
8	K Kleinhans	No	No	Yes	Yes
9	E Du Toit	Yes	Yes	Yes	Yes
10	Vacant	-	-	-	-

WARD 12 - BLOCK MEETINGS HELD					
Block	Ward committee member	1 st Quarter July-Sept 2023	2 nd Quarter Oct-Dec 2023	3 rd Quarter Jan-March 2024	4 th Quarter April-June 2024
1	S Herder	Yes	Yes	Yes	Yes
2	R Jones	Yes	Yes	Yes	Yes
3	E Slingers	Yes	Yes	Yes	Yes
4	L Conradie	Yes	Yes	Yes	Yes
5	A Wewers	Yes	Yes	Yes	Yes
6	A Plaatjies (from April 2024)	-	-	-	Yes
7	F Swart (from April 2024)	-	-	-	Yes
8	A Klein	Yes	Yes	Yes	Yes
9	B Jakobus	No	No	No	No
10	C Appollis	Yes	Yes	Yes	Yes

COMMENTS ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

Over the past year, significant strides were made to ensure meaningful public participation. Communities were informed of the Municipality budget projections and financial viability to deliver services and provide a platform whereby communities could give inputs on their needs and the challenges they faced.

All twelve wards of Langeberg Municipality successfully held ward IDP and budget meetings, including those in remote and rural areas. Additionally, all wards conducted community feedback meetings to report on progress in service delivery and capital projects. This process was complemented by geographical feedback meetings and initiatives within each ward.

2.5 IDP PARTICIPATION AND ALIGNMENT

Table 47: IDP Participation and Alignment Criteria

IDP Participation and Alignment Criteria*	Yes/No
Does the Municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the Strategic Plan?	Yes
Do the IDP KPIs align to the section 57 Managers?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 of Municipal Systems Act 2000	

COMPONENT D: CORPORATE GOVERNANCE

In Langeberg Municipality, the principals of good governance as set out in the King IV Report, are embraced and implemented within the Municipality. These principals relate amongst others to ethical governance, the implementation of controls to prevent fraud and corruption, and the management of risks.

2.6 RISK MANAGEMENT

Section 62 (i) (c) of the Municipal Finance Management Act (MFMA) No. 56 of 2003 requires a municipality to have and maintain an effective, efficient, and transparent system of risk management. By managing its risks, Langeberg Municipality maximises value by setting clear and realistic objectives, develop appropriate strategies, understands the intrinsic and associated risks of its actions, and directs resources towards managing such risks based on cost benefit principles. Langeberg Municipality's enterprise-wide integrated approach ensured that resources have been allocated to drive the risk management processes and procedures to ensure that risk management is integrated into the operational, strategic, and decision-making processes and procedures.

A culture of disciplined risk-taking has been reinforced through the development and implementation of an enterprise-wide risk management framework. This ensures that a systematic and formalised process to identify, assess, manage, monitor, report, and address risks on a continuous basis to mitigate against negative impact on the service delivery capacity and ability of the Langeberg Municipality.

When properly executed risk management provides reasonable assurance that the Municipality will be successful in achieving its goals and objectives. The risk management policy, risk identification methodology, strategy, and combined assurance framework were reviewed by the Fraud and Risk Management Committee and approved by Council in June 2023. In addition, the risk appetite framework was reviewed in March 2024. The risk management framework of the Municipality was aligned to the local government risk management framework.

The risk management process, to review and update the Municipality's risk register continued during 2023-2024 with the objective to ensure the relevant risks impacting on the achievement of strategic objectives are accurately identified, assessed, and appropriately mitigated. The annual risk assessment was concluded in June 2023 whereby a combined risk register inclusive of all directorates was developed and monitored for continuous mitigation. All risks were linked to the strategic outcomes of the Integrated Development Plan (IDP). The Municipality has also undergone a process to review its IDP which also necessitated a review of its strategic objectives. As a result, the risk profile of the Municipality had to be reviewed to ensure that measures were put in place to mitigate against identified risks. Management will continue to review and monitor the risk profile of the Municipality on a continuous basis to ensure the achievement of the set goals and strategic objectives.

As part of the process management, it is required to report mitigation measures for risks to the Fraud and Risk Management Committee on a quarterly basis. Furthermore, the reviewed risk registers and changes to the risk profile of the Municipality are reported to the Audit and Performance Committee, Municipal Public Accounts Committee and Council for oversight and accountability quarterly. Further enrolment of a combined assurance framework is planned with some of the components already included in current processes.

The following table illustrates the strategic risks identified that will be managed, monitored, and reported to oversight bodies to ensure the achievement of strategic and operational objectives:

Table 48: Langeberg Municipality's Strategic Risks for the period 1 July 2023 - 30 June 2024

No	Langeberg Municipality's Strategic Risk in 2023-2024
1	Protest action / Community unrest / Political instability
2	Underspending of capital budget
3	Ageing municipal infrastructure (Network and municipal buildings)
4	Risk of reputational damage to the municipality
5	Inherent risk of fraud

No	Langeberg Municipality's Strategic Risk in 2023-2024
6	Vandalism and theft of municipal properties
7	Effect of unstable electricity supply due to loadshedding
8	Compromised water and wastewater quality
9	Impact of extreme weather conditions on water security
10	Shortage of landfill airspace within the Municipality
11	Unlawful land use in the Municipal jurisdiction
12	Shortage of cemetery space in all towns
13	Limited disaster management capacity
14	Non-compliance with municipal staff regulations
15	The risk of public liability and possible claims against the Municipality
16	Occupational health and safety hazards
17	Limitations to attract and retain skilled staff
18	Increased strain on the financial viability and sustainability
19	ICT continuity disruptions
20	Risk of cybercrime
21	Under-/unfunded mandate
22	Community safety challenges due to immigration
23	Impact of incomplete replacement of non-compatible prepaid electricity meters and Token Identifier (TID) rollover project by 24 November 2024
24	Effect of reduction in conditional grants

2.7 ANTI-CORRUPTION AND FRAUD

The Langeberg Municipality has adopted a fraud prevention policy to guide all employees and even external stakeholders as a point of reference for their conduct in relation to the Municipality. This policy promotes ethical conduct and intends to assist in preventing, detecting, investigating, and sanctioning fraud and corruption.

A fraud prevention plan and strategy is also in place for the Municipality to provide a framework on the reporting, handling, and investigating of fraud allegations. Additionally, it outlines the activities to be undertaken to enhance employee awareness. As part of the Municipality's risk management processes, fraud risks are also considered to identify where the exposures to fraud exist within the Municipality's current operating system and procedures.

Appropriate prevention, detective and corrective controls are developed and implemented based on identified fraud exposure through review and update of systems, policies, and procedures of the Municipality. The Municipality has a zero tolerance towards fraud and corruption and therefore all reported allegations are followed up on or investigated to apply the necessary sanctions and remedies, if applicable. The responsibility to drive employee awareness on fraud and corruption and other related fraud prevention activities resides with the Internal Audit Activity.

The Fraud and Risk Management Committee (FARMCO) and Audit and Performance Committee (A&PC) evaluates the effectiveness of the implementation of fraud prevention related policies and procedures and reports on fraud considerations in their quarterly meetings. Codes of Conduct are in place for municipal employees, service providers and Councillors. Declaration of interests are required to be made by service providers, relevant officials, and Councillors. The Municipal Disciplinary Board has been established with members appointed and have been operational for the 2023-2024 financial year.

The inherent risk of fraud was included in the Municipality's risk register and the anti-corruption and fraud preventative measures include:

- Continuous promotion of ethical culture through awareness and ongoing training.
- Implementation of risk management policy and strategy, fraud prevention policy, and fraud prevention plan and strategy.
- Considering and incorporating fraud prevention considerations in other municipal policies, such as supply chain management policy and recruitment and selection policy.
- Provision of adequate and effective security measures at municipal buildings or facilities where required.

- Procedures of employee vetting before employment.
- The Municipality is promoting the use of the National and Provincial hotlines to report fraud and corruption allegations anonymously. The plan is to have established a municipal fraud hotline in the first quarter of the 2024-2025 financial year, to enable all stakeholders to report anonymously on dishonest activities that affects the organisation. The service will be totally independent of Langeberg Municipality. No one will therefore ever know who reported the fraud or the dishonest and inappropriate behaviour.
- A risk-based internal audit strategic plan.
- A functional Internal Audit and Risk Management Unit, Fraud and Risk Management Committee, and Audit and Performance Committee.

The Municipality adopts a culture of zero-tolerance towards fraud and corruption and takes immediate steps against fraudulent and corrupt actions. In each instance where fraud is detected, the matter should be reported to the Audit & Performance Committee (A&PC) with recommendations as to how the adequacy of the applicable current control environment will be enhanced. The A&PC assesses the adequacy of the recommendations and make further recommendations where applicable. These recommendations form part of the Internal Audit Activity's follow-up process on audit findings and progress is reported quarterly to the A&PC. No details are stipulated on this due to the sensitivity of information relating to investigations and therefore by disclosing any particulars on A&PC recommendations, the confidentiality that is required in this regard may be compromised. During the 2023-2024 financial year, the Audit and Performance Committee had five (4) members and convened 6 meetings for the purpose of providing oversight of internal controls, financial reporting, compliance with regulatory matters and approving the risk-based internal audit strategic plan.

The Audit and Performance Committee (A&PC) is an independent advisory body established in terms of section 166(1) of the MFMA to advise the municipal council, the political office-bearers, the accounting officer, and the management staff of the Municipality, on matters relating to section 166 (2) (a) – (e). This is further supplemented by the Local Government Municipal and Performance Management Regulations as well as the approved A&PC charter which outlines its roles and responsibilities. The Fraud and Risk Management Committee (FARMCO) and Audit and Performance Committee (A&PC) quarterly reports are submitted to the Municipal Public Accounts Committee for oversight. Langeberg Municipality has established a functional Internal Audit Activity as required by section 165 (1) of the MFMA and has conducted its activities in terms of section 165 (2) of the MFMA. The Internal Audit Activity is an independent department in the Office of the Municipal Manager at Langeberg Municipality and forms a significant part of governance within the Municipality, thus contributing to ensure good governance and regulatory compliance.

Internal Audit is mandated to provide independent, objective assurance and consulting services, towards adding value and improve the Municipality's operations. The Internal Audit Activity has assisted with the development of the Risk Management Policy, Risk Management Strategy and Fraud Prevention in line with the National Treasury prescriptions. To ensure the organisations' governance and risk management processes are sound and underpin the ethical values, vision and mission of the organisation governance, risk management and general controls form an integral part of the reviews performed by the Internal Audit Activity. An integrated approach is followed by Internal Audit that ensures that information technology, governance, and risk management form part and are covered within all reviews performed as part of the risk based internal audit plans. The Internal Audit Activity conforms to the International Standards for the Professional Practice of Internal Auditing (Standards) (IPPF), as prescribed by The Institute of Internal Auditors (IIA). In the 2023-2024 financial year, audit follow-ups were regularly performed, and a register of agreed management action plans was kept and constantly followed up, where actions have been implemented by responsible management, proof of evidence to support such implementation is submitted to Internal Audit, to then update the register. This register is submitted to the Audit Committee on a quarterly basis, highlighting all the implemented actions, not yet due actions and overdue actions. Management Internal Audit Activity continue to allocate resources to implement internal audit recommendations.

2.8 SUPPLY CHAIN MANAGEMENT

The MFMA No. 56 of 2003, Sections 110-119, the Supply Chain Management (SCM) Regulations 2005 and relevant MFMA Circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer the best value for money, and minimise the opportunities for fraud and corruption. The Municipality adopted a SCM

Policy, based on the model prescribed by National Treasury. Implementation of the policy ensures that legal requirements are met. Certain areas of underperformance were highlighted as risks and remedial action was taken and implemented. The SCM Unit operates under the Finance Directorate, and the Manager: SCM reports directly to the Chief Financial Officer. The Municipality has Bid Specification, Bid Evaluation and Bid Adjudication Committees to ensure that fair and just supply chain processes and outcomes are achieved.

Table 49: Bid Specification Committee for the period 1 July 2023 - 30 June 2024

Names	Department / Section
Line Manager	Manager responsible for the function involved, will serve as Chairperson
Ms L.J Jass-Holmes	Practitioner: Supply Chain Management
When appropriate	External Specialist Advisor
Secundi	
Ms P Kana	Supply Chain Management

The following table details the number of Bid Specification Committee meetings held for the financial year under review.

Table 50: Bid Specification Committee Meetings for the period 1 July 2023 - 30 June 2024

Period	Bid Specification Committee	No. of Meetings	No. of Items	No. of Agendas
1st Quarter	July 2023 – Sep 2024	14	31	14
2nd Quarter	Oct 2023 – Dec 2024	10	12	10
3rd Quarter	Jan 2024 – March 2024	19	27	19
4th Quarter	Apr 2024 – June 2024	11	15	11
Total		54	85	54

Table 51: Bid Evaluation Committee for the period 1 July 2023 - 30 June 2024

Names	Department / Section
Mrs J Ladouce	Manager: Income Services (Chairperson)
Mrs A Swarts	Manager: IDP, Communication & PMS
Ms L Deutchen	Practitioner: Supply Chain Management
Secundi	
Mr C Franken	Manager: Expenditure Services
Mr U Nakasa	Snr Accountant AFS & Reporting

The following table details the number of Bid Evaluation Committee meetings held for the financial year under review.

Table 52: Bid Evaluation Committee Meetings for the period 1 July 2023 - 30 June 2024

Period	Bid Evaluation Committee	No. of Meetings	No. of Items	No. of Agendas
1st Quarter	July 2023 – Sep 2024	3	10	3
2nd Quarter	Oct 2023 – Dec 2024	6	38	6
3rd Quarter	Jan 2024 – March 2024	6	30	6
4th Quarter	Apr 2024 – June 2024	12	47	12
Total		27	125	27

Table 53: Bid Adjudication Committee for the period 1 July 2023 - 30 June 2024

BID ADJUDICATION COMMITTEE IN 2023-2024	
Name	Position
Mr M Shude	Chief Financial Officer (Chairperson)
Mr AWJ Everson	Director: Corporate Services
Mr M Mgajo	Director: Community Services
Mrs CO Matthys	Director: Strategy and Social Development
Vacant post	Director: Engineering Services
Mr S Ngcongolo	Manager: SCM
Secundi	
Mrs L Jass-Holmes	Practitioner: SCM

The following table details the number of Bid Adjudication Committee meetings held for the financial year under review.

Table 54: Bid Adjudication Committee Meetings for the period 1 July 2023 - 30 June 2024

Period	Bid Adjudication Committee	No. of Meetings	No. of Items	No. of Agendas
1st Quarter	July 2023 – Sep 2024	3	10	3
2nd Quarter	Oct 2023 – Dec 2024	6	38	6
3rd Quarter	Jan 2024 – March 2024	6	30	6
4th Quarter	Apr 2024 – June 2024	12	47	12
Total		27	125	27

2.9 POLICIES AND BY-LAWS

The Municipal Systems Act, 32 of 2000, Section 11(3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the boundaries of the legislation. The table below provides the policies and by-laws which have been passed by the Municipality in 2023-2024.

Table 55: Policies and Bylaws passed in the period 1 July 2023 - 30 June 2024

	POLICY / BYLAW	COUNCIL RESOLUTION
A4570	Resubmission - Reviewed Langeberg Municipality Tree Management Policy (Directorate: Community Services)	- This item served before an Ordinary Meeting of Council on 31 August 2023 - That Tree Management Policy be approved with amendments as indicated in the report and that all trees planted going forward be indigenous trees - Unanimously Resolved - That the content of the report be noted.
A4586	Implementation of the Supply Chain Management (SCM) Policy for 2022-2023 financial year (Director: Financial Services (CFO))	- This item served before an Ordinary Meeting of Council on 31 August 2023 - Unanimously Resolved - That the content of the report be noted.
A4632	Quarterly Report on the Implementation of the Supply Chain Management Policy: July 2023 to September 2023 (Director: Financial Services (CFO))	- This item served before an Ordinary Meeting of Council on 12 December 2023 - Unanimously Resolved - That the content of the report be noted.
A4654	Amendment of SCM Policy and Preferential Procurement Policy – (Director Financial Services (CFO))	- This item served before a Statutory Meeting of Council on 23 January 2024 - Unanimously Resolved - That Council approves the abovementioned amended Supply Chain Management Policy and Preferential Procurement Policy.
A4657	Quarterly Report on the Implementation of the Supply Chain Management Policy: October 2023 to December 2023 (Director: Financial Services (CFO))	- This item served before a Statutory Meeting of Council on 23 January 2024 - Unanimously Resolved - That the content of the report be noted.
A4710	Quarterly Report on the Implementation of the Supply Chain Management Policy: January 2024 to March 2024 (Director: Financial Services (CFO))	- This item served before an Ordinary Meeting of Council on 02 May 2024 - Unanimously Resolved - That the content of the report be noted.

2.10 WEBSITE

The Municipality website, accessible at <http://www.langeberg.gov.za>, is available via mobile phones, computers, and with free access at all municipal libraries. This website is a crucial component of Langeberg Municipality's communication infrastructure and strategy. It provides easy access to relevant information, facilitates community participation, enhances stakeholder involvement, and enables stakeholder monitoring and evaluation of municipal performance.

The website is continuously updated with important legislative documentation as required by the Local Government Municipal Financial Management Act No 56 of 2003 and the Municipal Property Rates Act No 6 of 2004. These documents include the Integrated Development Plan (IDP), budget, public participation processes, annual report, policies, by-laws, property valuations, and supply chain documents. The Communication Department manages the website content, ensuring it is constantly updated and populated. They also develop new interactive features to enhance the user experience. During the 2023-2024 financial year, an average of 32,549 visitors browsed the Municipal website monthly.

The table below reflects the documents required to be published on the Municipality's website and the Municipality's level of compliance with these requirements:

Table 56: Website Uploads for Community Reviews and Comments for the period 1 July 2023 - 30 June 2024

Municipal Website: Content and Currency of Material according to the MFMA s75			
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date	
Annual and adjustments budgets and all budget-related documents	Yes	30/05/2023 31/05/2023 28/03/2023 31/03/2023 15/08/2023 31/08/2023 14/09/2023 13/10/2023 02/11/2023 14/11/2023 13/12/2023	14/12/2023 15/01/2024 24/01/2024 14/02/2024 29/02/2024 14/03/2024 15/04/2024 03/05/2024 15/05/2024 14/06/2024 12/07/2024
All budget-related policies	Yes	28/03/2023 31/05/2023	
The previous annual report (2022-2023)	Yes	12/12/2023 08/02/2024	
The annual report (2023-2024) published/to be published	Yes	05/12/2024	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes	22/06/2023 07/03/2024	
All service delivery agreements	Yes	16/01/2024	
All long-term borrowing contracts	Yes	04/11/2022	
All supply chain management contracts above R30 000	Yes	16/01/2024	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2023-2024	No	19/01/2024 (notice of auction)	
Contracts agreed in 2023-2024 to which subsection (1) of section 33 apply, subject to subsection (3) of public-private partnership agreements	No		
Public-private partnership agreements referred to in section 120 made in 2023-2024	No		
All quarterly reports tabled in the council in terms of section 52 (d) during 2023-2024	Yes	13/10/2023 15/01/2024 15/04/2024 12/07/2024	

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Community Liaison Workers (CLWs) conducted public satisfaction surveys in wards 1–12, using various methods to gather resident feedback. CLWs went door-to-door in specific blocks, while ward committee members gathered input within their respective blocks.

Surveys were also conducted during community events like meetings, indigent subsidy outreach, and housing outreach programs. Community Development Workers (CDWs) assisted the CLWs and ward committee members in carrying out these surveys. Information was collected through multiple channels, including email submissions and in-person collection by CLWs.

A sample size of 180 residents per ward was chosen due to several challenges, including the reluctance of some residents to participate, concerns about the survey being linked to the Langeberg Municipality, and difficulties in reaching people during daytime hours in certain areas. In the surveys, "Sometimes" indicated that the problem occurred occasionally, "Never" meant the problem did not happen at all, and "Always" signified that the problem was continuous.

The tables below provide a summary report of the satisfaction surveys conducted in wards 1–12 from July 2023 to June 2024.

Table 57: Summary Report of Satisfaction Survey Conducted in Wards 1 -12 for the period 1 July 2023 - 30 June 2024

WARD 1				
Free Services from the Municipality				
	Yes	No		
Free service	147	33		
Water	147	33		
Electricity	147	33		
Indigenous subsidy	147	33		
Quality of Water				
Poor	Good			
20	160			
Water Pressure				
Poor	Good			
18	162			
Storm Water Blockages				
Sometimes	Never	Always		
52	110	18		
Water and Electricity				
	Sometimes	Never	Always	Estimated
Water	7	6	166	1
Electricity	7	6	166	1
Refuse Collection				
Poor	Good			
4	146			
Cleaning of Areas				
	Sometimes	Never	Always	
Streets	60	5	115	
Sidewalks	58	9	113	
Streetlights Working Conditions				
All are working	Most are working	Few are working	None are working	
94	61	21	4	
Sewerage Blockages				
Sometimes	Never	Always		
83	77	20		
Courtesy and Respect received from personnel				
Sometimes	Never	Always		
7	4	169		

WARD 2				
Free Services from The Municipality				
	Yes		No	
Free service	102		87	
Water	99		81	
Electricity	99		81	
Indigenous subsidy	92		88	
Quality of Water				
Poor	Good			
111	69			
Water Pressure				
Poor	Good			
72	108			
Storm Water Blockages				
Sometimes	Never		Always	
52	82		46	
Water and Electricity Reading				
	Sometimes	Never	Always	Estimated
Water	53	20	84	23
Electricity	53	20	84	23
Refuse Collection				
Poor	Good			
9	171			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	49		52	79
Side walks	33		97	50
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
3	110		54	16
Sewerage Blockages				
Sometimes	Never		Always	
0	82		98	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
0	0		180	

WARD 3				
Free Services from the Municipality				
	Yes		No	
Free service	134		46	
Water	134		46	
Electricity	137		43	
Indigenous subsidy	141		39	
Quality of Water				
Poor	Good			
23	157			
Water Pressure				
Poor	Good			
7	173			
Storm Water Blockages				
Sometimes	Never		Always	
64	98		18	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	14	3	160	3
Electricity	12	8	157	3
Refuse Collection				
Poor	Good			
4	176			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	77		22	81
Side walks	79		24	77
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
93	60		27	
Sewerage Blockages				
Sometimes	Never		Always	
68	89		23	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
8	0		172	

WARD 4				
Free Services from the Municipality				
	Yes		No	
Free service	86		89	
Water	86		89	
Electricity	86		89	
Indigenous subsidy	86		89	
Quality of Water				
Poor	Good			
127	53			
Water Pressure				
Poor	Good			
30	153			
Storm Water Blockages				
Sometimes	Never		Always	
58	100		28	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	25	3	122	25
Electricity	5	92	52	0
Refuse Collection				
Poor	Good			
3	179			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	57		11	112
Side walks	54		26	81
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
101	62		10	0
Sewerage Blockages				
Sometimes	Never		Always	
25	106		42	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
0	0		180	

WARD 5				
Free Services from the Municipality				
	Yes		No	
Free service	142		38	
Water	150		30	
Electricity	150		30	
Indigenous subsidy	150		30	
Quality of Water				
Poor	Good			
25	155			
Water Pressure				
Poor	Good			
25	155			
Storm Water Blockages				
Sometimes	Never		Always	
10	155		25	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	20	150	5	5
Electricity	20	150	0	10
Refuse Collection				
Poor	Good			
20	160			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	20		10	150
Side walks	20		10	150
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
165	15		0	0
Sewerage Blockages				
Sometimes	Never		Always	
15	165		0	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
0	0		180	

WARD 6				
Free Services from the Municipality				
	Yes		No	
Free service	98		82	
Water	90		90	
Electricity	97		83	
Indigenous subsidy	82		98	
Quality of Water				
Poor	Good			
114	66			
Water Pressure				
Poor	Good			
108	72			
Storm Water Blockages				
Sometimes	Never		Always	
85	85		43	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	54	23	89	14
Electricity	51	26	80	23
Refuse Collection				
Poor	Good			
0	180			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	72		59	131
Side walks	16		145	14
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
0	117		59	4
Sewerage Blockages				
Sometimes	Never		Always	
0	148		32	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
0	0		180	

WARD 7				
Free Services from the Municipality				
	Yes		No	
Free services	143		37	
Water	143		37	
Electricity	143		37	
Indigenous subsidy	143		37	
Quality of Water				
Poor	Good			
14	166			
Water Pressure				
Poor	Good			
42	138			
Storm Water Blockages				
Sometimes	Never		Always	
23	136		21	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	29	28	123	
Electricity	29	28	123	
Refuse Collection				
Poor	Good			
22	158			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	34		34	112
Side walks	34		34	112
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
129	51			
Sewerage Blockages				
Sometimes	Never		Always	
129	51		0	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
0	0		180	

WARD 8				
Free Services from the Municipality				
	Yes		No	
Free service	43		137	
Water	43		137	
Electricity	43		137	
Indigenous subsidy	43		137	
Quality of Water				
Poor	Good			
92	88			
Water Pressure				
Poor	Good			
39	141			
Storm Water Blockages				
Sometimes	Never		Always	
27	138		15	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	9	5	153	13
Electricity	2	119	57	2
Refuse Collection				
Poor	Good			
5	175			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	23		18	139
Side walks	48		27	105
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
127	34		12	7
Sewerage Blockages				
Sometimes	Never		Always	
27	129		24	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
0	0		180	

WARD 9				
Free Services from the Municipality				
	Yes		No	
Free service	62		118	
Water	62		118	
Electricity	62		118	
Indigenous subsidy	62		118	
Quality of Water				
Poor	Good			
118	62			
Water Pressure				
Poor	Good			
74	106			
Storm Water Blockages				
Sometimes	Never		Always	
64	56		60	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	33	27	110	10
Electricity	26	31	115	8
Refuse Collection				
Poor	Good			
46	134			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	58		50	72
Side walks	57		53	70
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
63	63		40	14
Sewerage Blockages				
Sometimes	Never		Always	
76	72		32	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
20	8		151	

WARD 10				
Free Services from the Municipality				
	Yes		No	
Free service	84		96	
Water	86		94	
Electricity	101		79	
Indigenous subsidy	86		94	
Quality of Water				
Poor	Good			
148	32			
Water Pressure				
Poor	Good			
86	94			
Storm Water Blockages				
Sometimes	Never		Always	
47	38		95	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	23	15	132	10
Electricity	23	26	121	10
Refuse Collection				
Poor	Good			
11	169			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	78		56	46
Side walks	76		51	53
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
12	96		66	6
Sewerage Blockages				
Sometimes	Never		Always	
48	42		90	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
7	11		162	

WARD 11				
Free Services from Municipality				
	Yes		No	
Free service	26		154	
Water	26		154	
Electricity	26		154	
Indigenous subsidy	26		154	
Quality of Water				
Poor	Good			
16	164			
Water Pressure				
Poor	Good			
7	173			
Storm Water Blockages				
Sometimes	Never		Always	
37	122		21	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	61	15	104	
Electricity	58	15	107	
Refuse Collection				
Poor	Good			
5	175			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	61		15	104
Side walks	58		15	107
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
98	74		6	2
Sewerage Blockages				
Sometimes	Never		Always	
28	135		17	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
13	4		163	

WARD 12				
Free Services from the Municipality				
	Yes		No	
Free service	141		39	
Water	141		39	
Electricity	141		39	
Indigenous subsidy	141		39	
Quality of Water				
Poor	Good			
43	137			
Water Pressure				
Poor	Good			
43	137			
Storm Water Blockages				
Sometimes	Never		Always	
43	137		0	
Water and Electricity Readings				
	Sometimes	Never	Always	Estimated
Water	36	34	110	0
Electricity	36	34	110	0
Refuse Collection				
Poor	Good			
45	135			
Cleaning of Areas				
	Sometimes		Never	Always
Streets	35		34	111
Side walks	35		34	111
Streetlights Working Conditions				
All are working	Most are working		Few are working	None are working
100	80		0	0
Sewerage Blockages				
Sometimes	Never		Always	
26	154		0	
Courtesy and Respect received from personnel				
Sometimes	Never		Always	
1	0		179	

Table 58: Comments received in Ward 1 - 12 from the Satisfaction Survey for the period 1 July 2023 - 30 June 2024

Ward	Comments
Ward 1	1. Neighbours' water pools up in my yard (10 Viola Avenue). 2. Sewer blockage due to neighbours (20 4th Avenue). 3. Sewer blockage as well as streets that need to be swept (31 Tindall Street). 4. Regular cleaning of parks as well as marking of storm water pipes (7 Rosa Avenue, Moreson). 5. Stormwater problems (14 Papawer Avenue).
Ward 2	1. Frequent sewer blockages, seeking solutions. 2. Problems with rent and the need for help with a dirty dam in Kanana. 3. Cleaning of stormwater drains. 4. Dirty streets and constant burning of trash bags. 5. Poor service delivery. 6. Need for dustbins. 7. Urgent attention needed for the sewerage system. 8. Improvement of the storm drain system to prevent property flooding during rainy days. 9. Improvement of street lighting and construction of speed bumps. 10. Need for speed bumps in Silimela Street. 11. Issues with water running in streets and a need for rubbish bins. 12. Need for a stop sign on August Street due to speeding drivers. 13. Spaza shops selling expired food. 14. Problem with illegal dumping. 15. Improvement of the drainage system. 16. Need for black bags. 17. Fisheries selling bad food. 18. Earlier closing times for taverns to reduce crime. 19. Fixing streetlights and reducing municipal account fees. 20. Better drainage system. 21. Insufficient electrical units. 22. Empty properties standing unused. 23. Need for a park for kids to play. 24. Unroadworthy cars. 25. High crime rate. 26. Fixing lights in Kanana. 27. Out-of-control illegal dumping. 28. Occasionally dirty drinking water. 29. Non-functional streetlights. 30. Rates being too high for residents' salaries. 31. Upgrading of drainage systems.
Ward 3	1. Non-operational streetlight at the corner of Malva Street. 2. Cleaning of garbage dumping areas. 3. Installation of speed bumps for speed reduction. 4. Repair of potholes. 5. Filling of potholes in the street. 6. Muddy water and the need for cleaning stormwater channels. 7. Problem with visible water seepage. 8. Better parks and facilities for children.
Ward 4	1. More attention needed for Ward 4. 2. Frequent sewer blockages. 3. Electricity department does not respond to problem reports. 4. Poor quality of drinking water. 5. Cleaning of meters. 6. Relocation of meters from neighbours' yards. 7. Blockages in stormwater drains. 8. Streets are not cleaned. 9. Leaking meters.

Ward 5	1. Establishment of a pavilion at the McGregor sports grounds. 2. Reduction in rates for the use of sports grounds in McGregor. 3. Cleaning of all irrigation water canals. 4. Job creation projects for the unemployed.
Ward 6	1. Service delivery is good. 2. There is room for improvement. 3. Would appreciate road signs. 4. Please put-up road signs. 5. Streetlights are out. 6. Sidewalk must be filled. 7. Blockage if it rains. 8. Leakage at tap and toilet. 9. Filling potholes in Jones Street
Ward 7	1. Install curbs in Klaasten and Saunder Street. 2. Tarring of dirt roads in Ward 7. 3. Stormwater system repair at 13 Buitekante Street. 4. Return garbage skips to Banieand Buitekant Street.
Ward 8	1. Our owners do not complain much about municipal services. 2. There is no solution to problems 3. The municipal services are top notch, very helpful and friendly. 4. Dirt roads must be scraped. 5. Tar of dirt roads. 6. No streetlights at Uitsig. 7. Work is scarce especially for Uitsig's people as well as some of the projects. 8. The councillor must come and visit us. 9. Look at the storm water problems please. 10. Upgrade roads and improve water pressure. 11. Sewage system upgrade. 12. Street must be cleaned. 13. Stormwater channels must be cleaned.
Ward 9	1. Streetlight is out of order at Vygie Street 7. 2. Request for outside toilets and water for Nkandla. 3. Attention must be paid to the water quality of the towns. 4. Green Street 13, floodlight is out of order and water tap is currently broken. 5. Request for an extra floodlight on the open space. 6. Frequent sewer blockages, municipal authorities must pay attention to outdated pipe systems. 7. The quality of the water must improve in the town. 8. Potholes in the streets must be filled and storm water pipes must be cleaned regularly. 9. Alwyn Street must be tarred. 10. Unemployment among the youth is a big problem in society. 11. Streetlights are out of order and is a problem and a danger for community members. 12. What are the requirements to qualify for indigent subsidy. 13. Attention must be paid to potholes. 14. Stormwater blockages need regular attention. 15. Water quality must improve in the community/towns. 16. Trees in Olyboom Avenue were requested and streetlights out of order. 17. Tinky Winky Creche, regular cleaning behind the nursery as needed. 18. No attention is paid to businesses, health inspectors must visit businesses. 19. Residents hand in their CV at HR, but never receives calls for EPWP projects.
Ward 10	1. Arrangement of streets to be cleaned regularly. 2. Services for Nkandla. 3. Job creation for youth. 4. Subsidy.

	5. Stormwater blockage is a challenge is Spofana and Dr. Nqawe Street. 6. Streetlights goes on and off in Dr. Nqawe Street. 7. Potholes, speedbumps and building of new houses. 8. Water quality is very poor in Zolani. 9. Stormwater dam to be regularly clean that is at the bottom of Mabombo Street. 10. Speedhumps in Wezile Street. 11. Building of netball court. 12. Challenge of seepage water every time after the rain. 13. Cleaning of illegal dumping sites. 14. Network is very challenging in Bhekela. 15. Unemployment rate too high. 16. Cleaning of stormwater channels. 17. What is the process to qualify for a subsidy. 18. Potholes.
Ward 11	1. The Municipality must check the water quality in the municipal areas. Residents pay for their services but must still purchase water from businesses. 2. Potholes in our streets are getting worse, hope they will improve. 3. Replace stormwater pipes, repair potholes in town roads. 4. Building houses for poor and needy people. 5. Installation of garbage skips in the areas. 6. Regular cleaning of illegal dumps. 7. Regular cleaning of illegal garbage dumps. 8. Streetlights upgrade to LED lights. 9. Limit irrigation water per erf for a certain allocation of time. 10. Training for unemployed youth on Excelsior. 11. Installation of bus stops at Excelsior.
Ward 12	1. Repair of stormwater system at Ysterhout, Geelhout, Botterboom and Soetdoring Avenue. 2. Streetlights not working at Karee and Soetdoring Avenue. 3. Installation of floodlights Seder Avenue, Mandela Square. 4. Return garbage skips to Olyfboom Avenue. 5. Install speedbump at Bloekom Avenue.

During the period 01 July 2023 until 30 June 2024, surveys were also conducted by the call centre operators via follow up phone calls and WhatsApp messages on the satisfaction with the service received based on logged complaints to the call centre. It is however regarded as community feedback and is reflected in the table below.

Table 59: Survey Results Per Section for the period 1 July 2023 - 30 June 2024

SURVEY RESULTS PER SECTION FOR PERIOD FROM 01 JULY 2023 - 30 JUNE 2024		
Task Section	Surveys Done	Satisfied with Service
Admin Support	45	7
Ambulance Services	4	1
Budget Office	-	-
Building Control	88	9
Cemeteries	4	-
Civil (Ashton)	2566	957
Civil (Bonnievale)	2371	806
Civil (McGregor)	1234	392
Civil (Montagu)	2216	481
Civil (Robertson)	6350	2047
Community Services	813	119
Corporate Services	1000	139
CWDM	46	-

SURVEY RESULTS PER SECTION FOR PERIOD FROM 01 JULY 2023 - 30 JUNE 2024		
Task Section	Surveys Done	Satisfied with Service
Electrical (Ashton)	3087	1445
Electrical (Bonnievale)	1264	584
Electrical (Bonnievale)	-	-
Electrical (McGregor)	640	255
Electrical (McGregor)	-	-
Electrical (Montagu)	2023	914
Electrical (Robertson)	5235	2288
Electrical (Robertson)	-	-
Engineering Services	27962	10340
Financial Services	1	-
Fire and Disaster	59	19
Governance Support	-	-
Income Services	1	-
Law Enforcement	637	74
Libraries	-	-
Municipal Health Ser	-	-
Office MM	-	-
Parks and Amenities	35	5
Parks and Amenities (Ashton)	156	7
Parks and Amenities (Ashton)	-	-
Parks and Amenities (Bonnievale)	42	6
Parks and Amenities (Bonnievale)	-	-
Parks and Amenities (Montagu)	192	43
Parks and Amenities (Montagu)	-	-
Parks and Amenities (Robertson)	291	36
Parks and Amenities (Robertson)	-	-
Provincial (Road Maintenance)	-	-
Provincial (Roads)	46	-
Provincial (Traffic)	23	3
Provincial Traffic	-	-
Roads	-	-
SAPS	24	4
Security Services	10	4
Solid Waste (Ashton)	149	42
Solid Waste (Bonnievale)	41	4
Solid Waste (Bonnievale)	-	-
Solid Waste (McGregor)	22	1
Solid Waste (McGregor)	-	-
Solid Waste (Montagu)	156	20
Solid Waste (Montagu)	-	-
Solid Waste (Robertson)	542	124
Solid Waste (Robertson)	-	-
SPCA	-	-
Sport Facilities	12	-
Swimming Pools	-	-
Town Planning	88	9
Traffic Services	333	57
Total	59 808	21 242

Table 60: Satisfaction Survey Undertaken for the period 1 July 2023 - 30 June 2024

Satisfaction Surveys Undertaken				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:				
(a) Municipality	Customer Satisfaction Survey	July 2023 – June 2024	2160	73%
(b) Municipal Service Delivery	Customer Satisfaction Survey	July 2023 – June 2024	2160	72%
(c) Mayor	No surveys conducted	N/A	N/A	N/A
Satisfaction with:				
(a) Refuse Collection	Customer Satisfaction Survey	July 2023 – June 2024	2160	91%
(b) Road Maintenance	Customer Satisfaction Survey	July 2023 – June 2024	2160	52%
(c) Electricity Supply	Customer Satisfaction Survey	July 2023 – June 2024	2160	68%
(d) Water Supply	Customer Satisfaction Survey	July 2023 – June 2024	2160	77%
(e) Information supplied by the Municipality to the public	No surveys conducted	N/A	N/A	N/A
(f) Opportunities for consultation on municipal affairs	No surveys conducted	N/A	N/A	N/A
* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				



CHAPTER 3

INTRODUCTION TO SERVICE DELIVERY PERFORMANCE

Performance Management is a local government legislative requirement by the Municipal Systems Act (MSA), 2000 which measures the implementation of the organisation's strategy. It is a management tool to plan, monitor, measure and review performance indicators to ensure strategic goals are met with efficient, effective and impactful service delivery by the municipality. The performance indicators are monitored via the Service Delivery and the Budget Implementation Plan (SDBIP) which are aligned to the Integrated Development Plan (IDP) and municipal budget as required by the MSA and the Municipal Finance Management Act (MFMA).

The IDP process and the performance management process must be seamlessly integrated. The IDP fulfils the planning stage of performance management. Performance management, in turn, fulfils the implementation management, monitoring and evaluation of the IDP. Local Government: Municipal Planning and Performance Management Regulations, 2001, states the framework of how the municipality's cycle and processes will be conducted and determine the roles of the different role players.

- Section 57 makes the employment of the Municipal Manager and Managers directly accountable to him subject to a separate performance agreement concluded annually before the end of July each year.
- Section 67 regards the monitoring, measuring and evaluating of the performance of staff as a platform to develop human resources.

Legislative Requirements of the Annual Performance Report

In terms of section 46(1)(a) of the Local Government: Municipal Systems Act, a municipality must prepare an Annual Performance Report (APR) for each financial year that reflects the municipality's and any service provider's performance during the financial year. The APR must further indicate the following:

- Development of service delivery priorities,
- The performance targets set by the municipality,
- Performance in the previous financial year,
- Measures will be taken to improve targets not achieved

Organisational Strategic Performance

Strategic performance assessments indicate how well the Municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is effective, efficient and economical. Municipalities must develop strategic plans and allocate resources for implementation. Implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role players to enable them to implement corrective measures timeously as and when required. The APR highlights the strategic performance in terms of the Municipality's Top-Layer Service Delivery and Budget Implementation Plan (SDBIP), high-level performance in terms of the strategic objectives of the Municipality, and performance on the National Key Performance Indicators prescribed in terms of section 43 of the Municipal Systems Act of 2000.

The Service Delivery Budget Implementation Plan (SDBIP)

The organisational performance is evaluated using a municipal scorecard (Top Layer SDBIP) at the organisational level and through the service delivery budget implementation plan (SDBIP) at the directorate and departmental levels. The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the municipality will be implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned
- The budget must address the strategic priorities
- The SDBIP should indicate what the municipality is going to do during the next 12 months
- The SDBIP should form the basis for measuring performance against goals set during the budget /IDP processes.

The SDBIP needs to be prepared as described in the paragraphs below and submitted to the Executive Mayor within

14 days after the budget has been approved. The Executive Mayor needs to approve the SDBIP within 28 days after the budget has been approved. For each indicator, the scorecard will require that a responsible official, usually the respective line manager, be designated. While this official will not necessarily be accountable for performance on this indicator, they will be responsible for conducting measurements of that indicator, analysing and reporting first to their respective superior who in turn will report to the Municipal Manager and then the Executive Mayor on these for reviews. The municipal performance must be measured monthly and analysed at least quarterly. Municipal performance will be measured during the mid-year review where after the performance scorecard can be adjusted and action plans developed to address poor performance.

The Municipal Scorecard

The municipal scorecard (Top Layer SDBIP) must consolidate service delivery targets set by the Council / Senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the top-layer SDBIP include:

- One-year detailed plan, but should include a three-year capital plan
- The 4 necessary components include:
 - ✓ Monthly projections of revenue to be collected for each source
 - ✓ Expected revenue to be collected NOT billed
 - ✓ Monthly projections of expenditure (operating and capital) and revenue for each vote
 - ✓ Section 71 format (Monthly budget statements)
- Quarterly projections of service delivery targets and performance indicators for each vote
 - ✓ Non-financial measurable performance objectives in the form of targets and indicators
 - ✓ Output NOT input / internal management objectives
 - ✓ Level and standard of service being provided to the community
- Ward information for expenditure and service delivery.
- Detailed capital project plan broken down by ward over three years

Update Actual Performance

The TL SDBIP will in most instances update automatically with the actual results reported in the departmental SDBIP. The SDBIP / PMS Officer needs to review the results, update the results that require a manual update and document the final performance comments in the relevant columns. The KPI Owners should report on the results of the KPI by properly documenting the information in the performance response fields and making reference to where the POE can be found. In the instance of poor performance, corrective measures should be identified and documented. The POE should prove that the KPI was delivered and that the expected outcome/impact has been achieved.

The actual performance should be monitored quarterly in terms of the objectives, KPI's and targets set. To measure the outcomes of the KPIs, the outputs and performance evidence (POEs) should be evaluated and documented. It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POEs for reporting and auditing purposes.

Quarterly Reviews

Every quarter, the Executive Mayor should engage in an intensive review of municipal performance against both the directorate's scorecards and the municipal scorecard, as reported by the Municipal Manager. These reviews will take place in October (for the period July to the end of September), January (for the period October to the end of December), April (for the period January to the end of March) and July (for the period April to the end of June). The review in January will coincide with the mid-year performance assessment as per section 72 of the Municipal Finance Management Act. Section 72 determines that by 25 January of each year, the accounting officer must assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

Many of the indicators in the municipal scorecard will only be measurable on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance in terms of all the scorecards.

The Executive Mayor will need to ensure that targets committed to in the municipal scorecard are being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the poor performance.

The review should also focus on reviewing the systematic compliance to the performance management system, by directorates, departments, Portfolio Councillors and the Municipal Manager. The review will also include:

- An evaluation of the validity and suitability of the Key Performance Indicators and recommending any changes.
- An evaluation of the annual and 5-year targets to determine whether the targets are overstated or understated. These changes need to be considered.
- Changes to KPI's and 5-year targets for submission to the council for approval. (The reason for this is that the original KPI's and 5-year targets would have been published with the IDP, which would have been approved and adopted by the council at the beginning of the financial year.)
- An analysis to determine whether the Municipality is performing adequately or underperforming. It is important that the Executive Mayor not only pays attention to poor performance but also to good performance. It is expected that the Executive Mayor will acknowledge good performance, where directorates or departments have successfully met targets in their directorate/departmental scorecards.

Amendments to the TL KPI's

KPI's can only be adjusted after the mid-year assessment and/or after the adjustment budget has been approved. KPI's should be adjusted to be aligned with the adjustment estimate (incl. capital projects) and the reason for the adjustment in the indicator/target should be submitted in a report to Council. The KPI's can only be changed on the system after Council approval has been obtained.

COMPONENT A: BASIC SERVICES

3.1 WATER PROVISION

Highlights and Summary

Water Services Overview

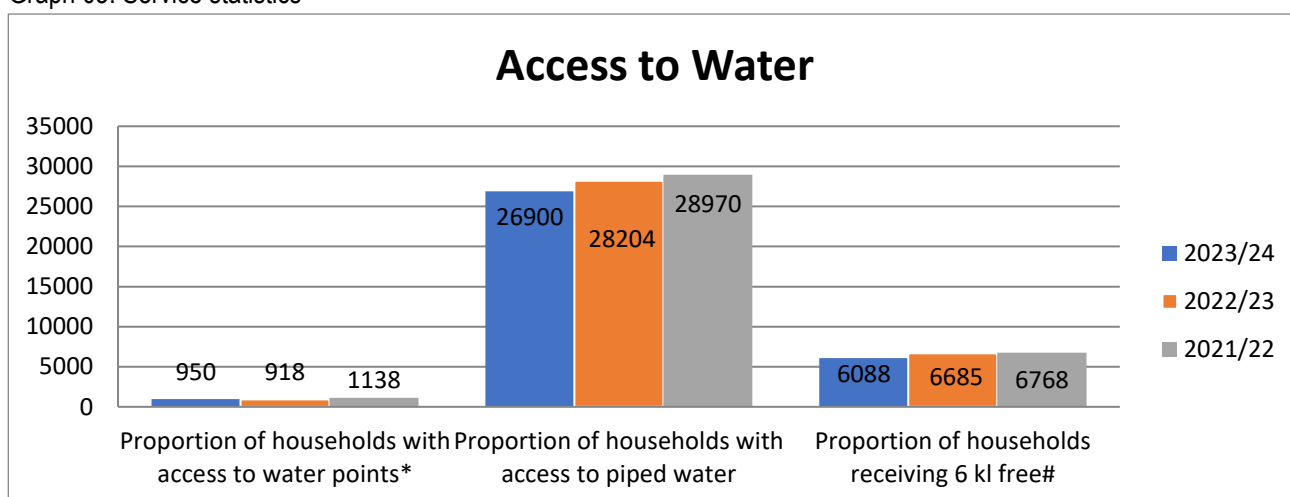
Approximately 94.52% of households in the Langeberg Municipality have access to at least a basic level of water service or higher. The remaining 5.48% of households receive a below-basic level of service. Water distribution data is categorized by user type for each system. All formal urban households within the Langeberg Municipality's Management Area benefit from water connections and comprehensive waterborne sanitation facilities. In informal areas, shared services are provided as a temporary solution.

The Municipality has consistently maintained a high standard of service for urban water consumers. Emergency requests are addressed around the clock by the Emergency and Customer Call Centre.

Detailed water balance models are utilized for each distribution system in the Municipality. These models track raw water abstraction volumes, treated water supply from Water Treatment Works (WTWs), System Input Volumes, Non-Revenue Water (NRW), and water losses. Additionally, flows at all WTWs and Wastewater Treatment Works (WWTWs) are monitored. For the period of 2023-2024, the combined water loss across all five towns is 18,70%.

The graph below indicates the proportion of households with access to water as at 30 June 2024.

Graph 03: Service statistics



The table below indicates the proportion of households with access to water as at 30 June 2024.

Table 61: Access to water

Access to water			
	The proportion of households with access to water points*	Proportion of households with access to piped water	The proportion of households receiving 6 kl free
2023-2024	950	26900	6088
2022-2023	918	28204	6685
2021-2022	1138	28970	6768

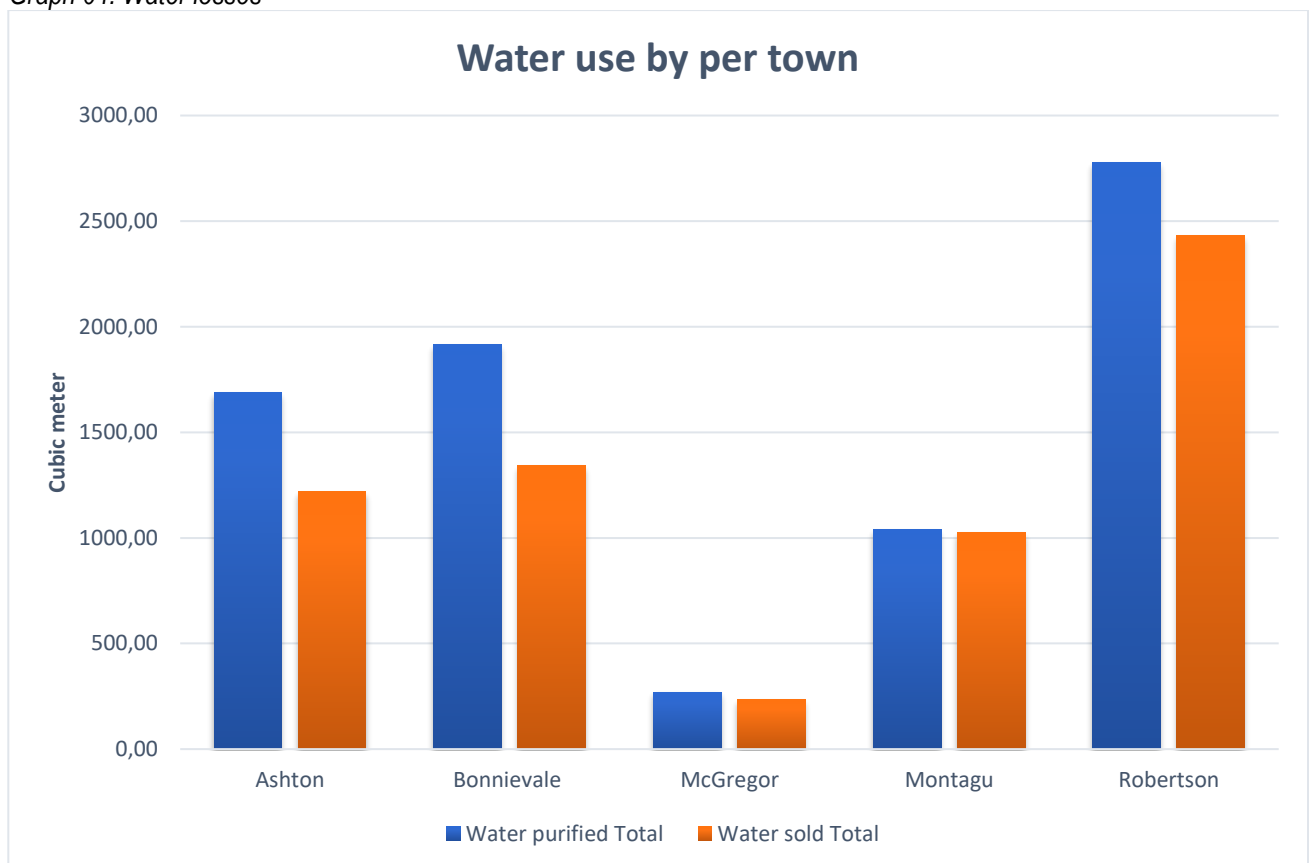
The table below indicates water losses per town for the period starting 1 July 2023 until 30 June 2024

Table 62: Water losses for each town

	Kilolitres water losses per town					
	Ashton	Bonnievale	McGregor	Montagu	Robertson	All five (5) towns
Water purified Total	1689,51	1915,76	269,70	1040,44	2777,31	7692,71
Water sold Total	1218,19	1344,14	234,80	1027,09	2429,94	6254,16
Loss	471,32	571,62	34,90	13,35	347,37	1438,55
% Loss	27,90%	29,84%	12,94%	1,28%	12,51%	18,70%

The graph below indicates water losses per town for the period starting 1 June 2023 until 30 June 2024.

Graph 04: Water losses



Service Delivery Levels

The table below indicates the different water service delivery levels per household.

Table 63: Water Services Delivery levels

Households - Water service delivery levels			
Description	2021-2022	2022-2023	2023-2024
	Actual	Actual	Actual
	No.	No.	No.
<u>Water: (above min level)</u>			
Piped water inside the dwelling	20 786	20 957	21 526
Piped water inside the yard (but not in a dwelling)	7 046	7 194	7 296
Using public tap (within 200m from dwelling)	1 138	966	846
Other water supply (within 200m)	28 970	29 117	29 668
<i>Minimum Service Level and Above sub-total</i>			
<i>Minimum Service Level and Above Percentage</i>	94,43%	94,46%	94,52%
<u>Water: (below min level)</u>			
Using a public tap (more than 200m from the dwelling)	1 709	1 709	1 721
Other water supply (more than 200m from the dwelling)	1 709	1 709	1 721
<i>Below Minimum Service Level sub-total</i>			
<i>Below Minimum Service Level Percentage</i>	5,57%	5,54%	5,48%
Total number of households*	30 679	30 826	31 389
<i>To include informal settlements</i>			

The table below indicates the water service delivery level below the minimum.

Table 64: Households - Water Service Delivery Levels below the minimum

Households - Water service delivery levels below the minimum			
Description	2021-2022	2022-2023	2023-2024
	Actual	Actual	Actual
	No.	No.	No.
Formal Settlements			
Total households	28 970	29 117	29 668
Households below the minimum service level	1 709	1 709	1 721
The proportion of households below the minimum service level	5,90%	5,87%	5,74%
Informal Settlements			
Total households	2 650	2 650	2 712
Households below the minimum service level	1 709	1 709	1 721
The proportion of households below the minimum service level	64,49%	64,49%	63,46%

Capital Expenditure

The water services section has spent 41,01% of the final adjustment budget on water infrastructure projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the water services section as at 30 June 2024.

Table 65: Capital expenditure-water services

Capital Expenditure 2023-2024: Water Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R 8 627 495,00	R 8 627 495,00	R 3 537 896,54	-143,86%
Montagu reservoir	R 150 000,00	R 150 000,00	R 150 000,00	0,00%
Breede river pumps	R 450 441,00	R 450 441,00	R 450 411,00	-0,01%
Breede River Pump station	R 478 261,00	R 478 261,00	R 478 261,00	0,00%
Generators for WTW and pumps	R 5 368 793,00	R 5 368 793,00	R 960 115,34	-459,18%
Water Pipe Replacement	R 2 000 000,00	R 2 000 000,00	R 1 386 524,02	-44,25%
Equipment	R 180 000,00	R 180 000,00	R 112 585,18	-59,88%

Table 66: Financial Performance 2023-2024: Water Services

2023/24 Financial Performance Per Function: Water Services				
Details	2023/24			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 58 870 362,00	-R 58 870 362,00	-R 64 364 313,99	8,54%
Expenditure:				
Employees	R 19 506 138,00	R 19 506 138,00	R 19 233 660,90	-1,42%
Repairs and Maintenance	R 637 443,00	R 637 443,00	R 465 464,53	-36,95%
Other	R 48 413 196,00	R 48 413 196,00	R 46 428 632,47	-4,27%
Total Operational Expenditure	R 68 556 777,00	R 68 556 777,00	R 66 127 757,90	-3,67%
Net Operational Expenditure	R 9 686 415,00	R 9 686 415,00	R 1 763 443,91	-449,29%

Employee Statistics

The water and sanitation services section has 96 posts on the organisational structure approved by the Council and the section had a 3,13% vacancy rate at the end of the 2023-2024 financial year.

Table 67: Employees: Water services

Employees: Water and Sanitation Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	40	39	1	2,50%
4 – 6	6	6	0	0,00%
7 – 9	42	41	1	2,38%
10 - 12	7	6	1	14,29%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	96	93	3	3,13%

Challenges in Water Services

The water services sector faces several significant challenges:

- **Aging Infrastructure:** Much of the existing infrastructure is outdated and requires urgent attention.
- **Reactive Maintenance:** Maintenance is often conducted in response to issues rather than proactively.
- **Chlorine Gas Supply Issues:** The national shortage of 70kg chlorine gas cylinders affects water quality.
- **Load Shedding:** Power outages disrupt water treatment processes.
- **Outdated Master Plans:** Current master plans do not reflect recent developments and needs.
- **Capacity Shortages:** There is a lack of sufficient resources and personnel.
- **Funding Constraints:** Limited financial resources hinder infrastructure improvements and maintenance.
- **Vandalism and Theft:** Damage and theft of infrastructure increase operational challenges and costs.

Measures for Improvement

To address these challenges and improve performance, the following measures are being implemented:

- **Purchasing Generators:** Investing in generators to ensure continuous water treatment during power outages.
- **Review of Organogram:** Assessing and optimizing the organizational structure to improve efficiency and capacity.
- **Alternative Chlorination Methods:** Implementing alternative chlorination solutions at all treatment works to mitigate the impact of chlorine gas shortages.
- **Updating Master Plans:** Initiating a comprehensive update of master plans during the 2024-2025 financial year to better align with current needs and future requirements.
- **Enhanced Security Measures:** Increasing security to protect infrastructure from vandalism and theft.
- **Additional Funding:** Securing extra funding to support the rehabilitation and upgrading of critical infrastructure.

3.2 WASTEWATER (SANITATION) PROVISION:

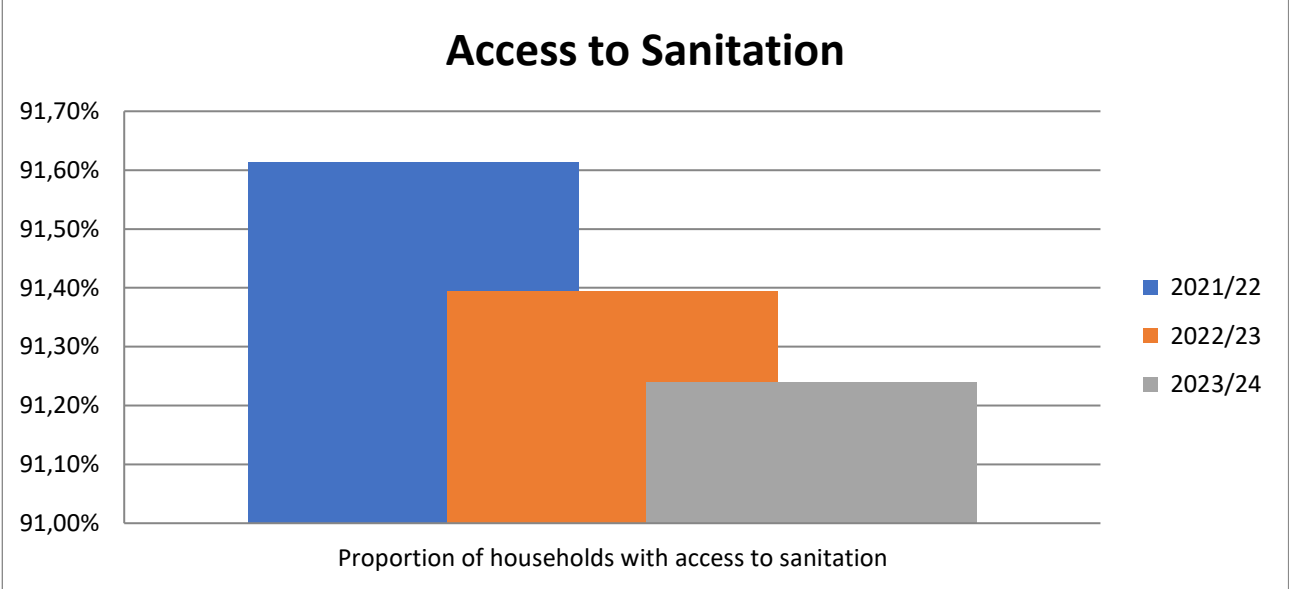
Highlights and Summary

In the Langeberg Municipality’s Management Area, all formal urban households have access to comprehensive waterborne sanitation facilities. Informal areas receive shared services as an interim solution. Currently, 91.24% of households benefit from at least a basic level of water and sanitation services. Schools and medical facilities in the urban areas are provided with advanced water and sanitation services.

The Robertson Wastewater Treatment Works (WWTW) is operating beyond its capacity and is undergoing an upgrade to address this issue. The Municipality is dedicated to ensuring that all Wastewater Treatment Works (WWTWs) meet compliance standards and has implemented various initiatives to support this goal. Significant improvements are expected over the next few years.

The graph below indicates the proportion of households with access to sanitation as at 30 June 2024.

Graph 05: Service statistics



The graph below indicates the proportion of households with access to sanitation as at 30 June 2024

Table 68: Access to sanitation

Access to sanitation	
	The proportion of households with access to sanitation
2021-2022	91,61%
2022-2023	91,39%
2023-2024	91,24%

Service delivery levels

The table below indicates the different sanitation service delivery levels per household.

Table 69: Sanitation Service Delivery Levels

Households -Sanitation Service Delivery Levels			
Description	2021/22	2022/23	2023/24
	Outcome No.	Outcome No.	Actual No.
<u>Sanitation/sewerage: (above minimum level)</u>			
Flush toilet (connected to sewerage)	19745	19916	20201
Flush toilet (with septic tank)	7417	7557	7102
Chemical toilet	48	48	48
Pit toilet (ventilated)	41	41	41
Other toilet provisions (above min.service level)	942	770	
<i>Minimum Service Level and Above sub-total</i>	28193	28332	27392
<i>Minimum Service Level and Above Percentage</i>	91,61%	91,39%	91,24%
<u>Sanitation/sewerage: (below minimum level)</u>			
Bucket toilet	194	194	194
Other toilet provisions (below min.service level)	212	299	261
No toilet provisions	2175	2175	2175
<i>Below Minimum Service Level sub-total</i>	2581	2668	2630
<i>Below Minimum Service Level Percentage</i>	8,39%	8,61%	8,76%
Total households	30774	31000	30022
<i>Total number of households including informal settlements</i>			

Service Delivery Levels

The table below indicates the sanitation service delivery level below the minimum.

Table 70: Households - Sanitation service delivery levels below the minimum

Households - Sanitation Service Delivery Levels below the minimum			
Description	2021-2022	2022-2023	2023-2024
	Actual No.	Actual No.	Actual No.
Formal Settlements			
Total households	28 193	28332	27392
Households below the minimum service level	2 581	2 668	2630
The proportion of households below the minimum service level	9,15%	9,42%	9,60%
Informal Settlements			
Total households	2581	2668	2630
Households below minimum service level	2581	2668	2630
The proportion of households below minimum service level	100,00%	100,00%	100,00%

Capital Expenditure

The sanitation services section has spent 92,53% of the final adjustment budget on water infrastructure projects for the 2023-2024 financial year. The table below indicates the capital expenditure for sanitation services section as at 30 June 2024.

Table 71: Capital Expenditure 2023-2024: Sanitation services

Capital Expenditure 2023-2024: Sanitation Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R38 288 779,00	R38 288 779,00	R35 428 629,47	-8,07%
Equipment	R378 742,00	R378 742,00	R293 858,12	-28,89%
Generators WWTW and sewer pump stations	R588 207,00	R588 207,00	R588 206,96	0,00%
McGregor Sewer Plant Repair (Flood Damage)	R491 304,00	R491 304,00	R403 144,75	-21,87%
McGregor Sewer Plant Repair (Flood Damage)-MDRG	R2 608 696,00	R2 608 696,00	R2 650 000,93	1,56%
Pump station-Montagu	R937 000,00	R937 000,00	R217 040,00	-331,72%
Pump station-Avalon Springs	R240 000,00	R240 000,00	R0,00	0,00%
Ashton Train Bridge Pumpstation and fencing	R1 304 348,00	R1 304 348,00	R360 561,75	-261,75%
Bulk Sewer-Montagu	R86 860,00	R86 860,00	R0,00	0,00%
Construction and alterations to the sewer networks in Hospital Street, Robertson	R250 000,00	R250 000,00	R0,00	0,00%
New Telemetry System Bonnievale Sewerage Pump station	R1 344 706,00	R1 344 706,00	R1 238 480,94	-8,58%
Upgrade Robertson WWTW - MIG	R22 249 565,00	R22 249 565,00	R22 249 565,00	0,00%
Upgrade Robertson WWTW - CRR	R7 809 351,00	R7 809 351,00	R7 427 771,02	-5,14%

Operating Expenditure

Table 72: Financial Performance 2023-2024: Sanitation Services

Financial Performance Year 2023-2024: Sanitation Services							
Details	2023-2024						
	Original Budget		Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	-R	63 161 202,00	-R	63 161 202,00	-R	61 300 254,99	-3,04%
Expenditure:							
Employees	R	12 325 659,00	R	12 325 659,00	R	12 700 972,95	2,96%
Repairs and Maintenance	R	2 002 542,00	R	2 002 542,00	R	1 784 718,25	-12,20%
Other	R	34 892 266,00	R	34 892 266,00	R	32 662 407,37	-6,83%
Total Operational Expenditure	R	49 220 467,00	R	49 220 467,00	R	47 148 098,57	-4,40%
Net Operational Expenditure	-R	13 940 735,00	-R	13 940 735,00	-R	14 152 156,42	1,49%

Employee Statistics

The water and sanitation services section has 96 posts on the organisational structure approved by the Council and the section had a 3,13% vacancy rate at the end of the 2023-2024 financial year.

Table 73: Employees: Water and sanitation services

Employees: Water and Sanitation Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	40	39	1	2,50%
4 - 6	6	6	0	0,00%
7 - 9	42	41	1	2,38%
10 - 12	7	6	1	14,29%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	96	93	3	3,13%

Comment on electricity services performance overall (Major projects or efficiencies achieved by sanitation services during the year under reviewed):

- Robertson Wastewater Treatment Works Upgrade.
- The upgrade of the Robertson Wastewater Treatment Works (WWTW) is in progress with a total investment of R100 million. This project aims to increase the plant's capacity from 3.5 million litres per day to 7 million litres per day, with completion expected by December 2025.



Photo: Upgrade of Robertson Wastewater Treatment Works (Currently underway)

Challenges in Sanitation Services

The sanitation services sector faces several challenges, including:

- **Aging Infrastructure:** Much of the infrastructure is outdated and in need of repair.
- **Chlorine Gas Supply Issues:** The national shortage of 70kg chlorine gas affects the quality of effluent at treatment works.
- **Reactive Maintenance:** Maintenance is often performed in response to issues rather than proactively.
- **Load Shedding:** Power outages disrupt wastewater treatment processes.
- **Outdated Master Plans:** Existing master plans do not reflect current needs and developments.

- **Capacity Shortages:** There is a lack of sufficient resources and personnel.
- **Funding Constraints:** Limited financial resources hinder infrastructure improvements and maintenance.
- **Vandalism and Theft:** Damage and theft of infrastructure increase operational challenges and costs.

Measures for Improvement

To address these challenges and enhance performance, the following measures are being undertaken:

- **Purchasing Generators:** Acquiring generators to ensure continuous operation during power outages.
- **Alternative Chlorination Solutions:** Implementing alternative methods for chlorination at all treatment works to address chlorine gas supply issues.
- **Review of Organogram:** Evaluating and optimizing the organizational structure to improve efficiency and capacity.
- **Updating Master Plans:** Revising master plans during the 2023-2024 and 2024- 2025 financial years to align with current and future needs.
- **Increased Security Measures:** Enhancing security to protect infrastructure from vandalism and theft.

3.3 ELECTRICITY SERVICES:

Highlights and Summary

Langeberg Municipality purchases bulk electricity from Eskom at six points of supply at various voltage levels from 11kV to 132kV. The combined Notified Maximum Demand (NMD) of the Municipality is 76.7MVA. Reticulation to Langeberg Municipal customers is at 11,000 Volt, 400 Volt and 230 Volt.

Service Statistics

The table below indicate the different electricity service delivery levels per household.

Table 74: Electricity Service Delivery Levels

Households - Electricity Service Delivery Levels			
Description	2021-2022	2022-2023	2023-2024
	Actual	Actual	Actual
	No.	No.	No.
<u>Energy: (above minimum level)</u>			
Number of formal households with conventional electricity meters (at least min. service level)	1692	1682	1795
Number of formal households with prepaid electricity meters - (min. service level)	13911	14251	16820
Minimum Service Level and Above sub-total	15603	15933	18615
Minimum Service Level and Above Percentage	99,00%	99,00%	99,03%
<u>Energy: (below minimum level)</u>			
Number of informal households with electricity conventional electricity meters (< min. service level)	0	0	0
Number of informal households with prepaid electricity meters - (< min. service level)	157	161	182
Other energy sources			
Below Minimum Service Level sub-total	157	161	182
Below Minimum Service Level Percentage	1,00%	1,00%	0,97%
Total number of households	15 760	16 094	18 797

The table below indicates the electricity delivery levels below the minimum

Table 75: Electricity service delivery levels below the minimum

Households - Electricity Service Delivery Levels below the minimum			
Description	2021/22	2022/23	2023/24
	Actual No.	Actual No.	Actual No.
Formal Settlements			
Number total households with electricity	15603,00	15933,00	18615,00
Number of households without electricity	157,00	161,00	182,00
Proportion of households below minimum service level	1,01%	1,01%	0,98%
Informal Settlements			
Total households	157,00	161,00	182,00
Households below minimum service level			
Proportion of households below minimum service level	0%	0,00	0%

Capital Expenditure

The electricity services section has spent 45,36% of the final adjustment budget on electrical projects for the 2023-2024 financial year. Approximately R12.8m (54%) of the capital funds not spent is for projects that roll over to the next financial year.

The table below indicates the capital expenditure for the electricity services section as at 30 June 2024.

Table 76: Capital Expenditure 2023-2024: Electricity services

Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R23 656 159,04	R23 656 159,04	R10 730 941,76	-120,45%
Replace Safety Equipment - Electrical Services	R400 000,00	R400 000,00	R308 873,63	-29,50%
AHD Electrification	R2 173 913,04	R2 173 913,04	R2 173 913,04	0,00%
Upgrade Goedemoed 11Kv Line	R0,00	R0,00	R0,00	0,00%
Replace 66Kv Transformers at Robertson Main Substation	R6 015 000,00	R6 015 000,00	R0,00	0,00%
New Elect Connections	R0,00	R0,00	R0,00	
Replacement and Repairs Network	R0,00	R0,00	R0,00	0,00%
New Elect Connections	R300 000,00	R300 000,00	R428 937,98	30,06%
LM High Mast Lighting	R434 783,00	R434 783,00	R0,00	0,00%
LM High Mast Lighting – CRR	R200 000,00	R200 000,00	R0,00	0,00%
Replacement and Repairs Network	R7 570 000,00	R7 570 000,00	R4 285 756,57	-76,63%
Boekenhoutskloof Elect Pre-Eng	R217 391,00	R217 391,00	R217 391,20	0,00%
Robertson Heights Elect Pre-Eng	R182 609,00	R182 609,00	R182 130,00	-0,26%
Replacements and Repairs Street Lights	R550 000,00	R550 000,00	R402 975,53	-36,48%
Replacement of Prepaid Meters Bulk Supply Meters to reduce losses	R1 468 463,00	R1 468 463,00	R1 524 496,32	3,68%
Electrification Bonnievale Boekenhoutskloof	R4 144 000,00	R4 144 000,00	R1 206 467,49	-243,48%

Operating Expenditure

Table 77: Financial performance 2023-2024: Electricity services

Financial Performance Year 2023-2024: Electricity Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 529 785 157,00	-R 529 785 157,00	-R 534 337 467,04	0,85%
Expenditure:				
Employees	R 25 418 209,00	R 25 418 209,00	R 23 209 428,77	-9,52%
Repairs and Maintenance	R 845 574,00	R 845 574,00	R 568 663,25	-48,70%
Other	R 441 055 533,00	R 441 055 533,00	R 510 076 678,26	14%
Total Operational Expenditure	R 467 319 316,00	R 467 319 316,00	R 533 854 770,28	12,46%
Net Operational Expenditure	-R 62 465 841,00	-R 62 465 841,00	-R 482 696,76	-12841,01%

Employee Statistics

The electricity services Section has 63 posts on the organisational structure approved by the Council and the section had a 1,59% vacancy rate at the end of the 2023-2024 financial year.

Table 78: Employees: Electricity services

Employees: Electricity Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	33	33	0	0,00%
4 - 6	8	8	0	0,00%
7 - 9	5	5	0	0,00%
10 - 12	16	15	1	6,25%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	63	62	1	1,59%

Comment on electricity services performance overall (Major projects or efficiencies achieved by electricity services during the year under reviewed):

Electrification projects proceed according to the housing pipeline and grant funding is utilised as far as possible with Municipal top-up funding where required. The pre-engineering (design) of the Boekenhoutskloof and Robertson Heights projects were completed.

The capital project "Replacement and Repairs Network" consisted of various strategic network upgrades and strengthening initiatives as part of the implementation of the Electrical Master Plan. This included a project to replace overhead copper lines with aluminium to reduce theft. This project will roll over into the new financial year.

The Langeberg Municipality is in the process of increasing its Notified Maximum Demand (NMD) by another 3MVA at an estimated cost of approx. R25m. Eskom's upstream network that supplies the Langeberg region is constrained and any capacity beyond the 3MVA will require significant upstream upgrades with associated costs estimated to exceed R200m.

Challenges within the electricity services section

- The ageing electrical infrastructure poses a risk to service delivery; the infrastructure is systematically being upgraded/replaced as budget allows, to ensure continued operation and service delivery.
- The limited Eskom bulk electrical capacity is congesting development and economic growth in the Langeberg area.
- The theft and vandalism of electrical infrastructure is a concern which drains Municipal resources.
- The illegal connections are kept to a minimum but there is a concern for unsafe connections which are metered, but not safely installed and pose a safety risk for the public.

Set out measures to be taken to improve performance or challenges

The capital project “Replacement and Repairs Network” will continue to be used for network upgrades and strengthening.

The Municipality has embarked on a process to procure alternative generation capacity, preferably from renewable sources. This is part of the longer-term planning to improve the energy resilience of the Municipality. An initiative to make seasonal capacity available to consumers who incorporate alternative energy generation was approved by the Council. The Municipality is working hand in hand with the Community and engaging Private Sector Security to limit theft and vandalism to electrical infrastructure. A Council Item regarding illegal and unsafe connections was approved and an action plan was compiled to address this. After funding has been secured, a project will be initiated.

3.4 SOLID WASTE MANAGEMENT

Highlights and Summary

The key responsibility of this department is to deliver a sustainable waste management service to keep areas clean and free of illegal dumping. Primary focus areas are the collection and disposal of waste, area cleaning, street cleaning, preventing waste and pollution, and minimising waste in the Langeberg municipal area.

Other responsibilities include:

- Provision and servicing of street litter bins.
- Litter picking and clearing of illegal dumping.
- Cleaning hawkker areas.
- Overseeing and/or facilitating various cleaning programmes.

The 4th generation Integrated Waste Management Plan (IWMP) has been completed and the Integrated Waste Management By-law, which focuses on strategies to mitigate illegal dumping, has been reviewed. Its goal is the transformation of the current methodology of waste management, i.e., collection and disposal, to a sustainable practice focusing on waste avoidance and environmental sustainability.

WASTE MINIMISATION, DIVERSION AND RECYCLING:

The draft IWDP item served before an Ordinary Meeting of the Council on 28 February 2024 and the plan was approved by Council. At this stage, the budget requirements cannot be determined until a feasibility study is concluded in terms of IWDP implementation. The outcome of such a study will inform the budget requirements. This initial IWDP compiled for the LLM needs to be updated once the financial viability has been finalised to reflect the various suggested feasibilities and communication strategies required to formalise this plan and start implementation.

ROBERTSON COMPOST FACILITY:

Langeberg Municipality does not provide a separation waste collection service dedicated to organic waste. The public disposes of organic and green waste fractions at drop-off facilities, transfer stations or landfills. Organic waste is then separated and diverted from these waste facilities and transported to the Robertson Composting Facility.

Other organic waste disposed into the general waste stream includes grass cuttings and other smaller garden waste fractions capable of fitting into the black bags for curbside collection. Organic waste volumes generated, including all garden refuse, from the Robertson composting facility amounted to **1443 tons from 01 July 2023 until 30 June 2024**.

The Bonnievale WDF has sufficient space to stockpile, chip and sell organic waste to the public. Clean garden waste from Ashton transfer station, Montagu transfer station and McGregor public drop-off facility are transported to the centralised Robertson Composting Facility. Organic waste volumes generated from the Bonnievale amounted to **821 tons from 01 July 2023 until 30 June 2024**.

A total of **3279 m³** of green waste has been chipped at the Robertson compost facility and McGregor drop-off facility. This enabled the Municipality to comply with the organic waste diversion target for 2024.

SWOP SHOP:

The Langeberg Municipality in collaboration with Broadlake, MMA Recruitment, volunteers of the Robertson Angels, and Primary schools have officially launched a mobile Swop Shop in Robertson. This innovative project encourages learners to take the initiative to keep our area clean, and environmentally healthy and save space on rapidly filling landfill sites while earning themselves a gift incentive from the shop. Scholars enthusiastically supported the launch of this project, bringing a mountain of recyclables to school. The recyclable materials are “paid for” in coupons that can be used to purchase items like stationery, toys, and toiletries from the shop.

The items in the shop were donated by MMA Recruitment. Swop Shop collections will take place weekly, where scholars can bring recyclable waste to school during the school term. The goal is to expand the project to more schools in high-littering areas on a dedicated day of the week. On these days, recyclable materials are collected by the Langeberg Municipal Waste Department and transported to the new Materials Recovery Facility in Ashton, to sort the materials by glass, paper, cardboard, plastic, and tin.



Photo: Recycle SWOP Shop

NEW ASHTON MATERIAL RECOVERY FACILITY (MRF):

The new Waste Material Recovery Facility (MRF) in Ashton is now operational as part of Langeberg Municipality's commitment to becoming a more sustainable and greener municipality. The MRF serves the entire Langeberg Municipality as a public drop-off area where residents can bring all recyclable materials. Langeberg Municipality also collects recyclables from households and businesses, which are then transported here to be sorted, baled, and distributed to companies for use as raw materials in the production of new products.

The sorted recyclables have a much higher value and are well-accepted in the booming recycling market. The MRF

has the potential to process 100 tons of recyclable material per month. The project provides temporary job opportunities to our residents registered in the unemployment database. Currently, the MRF operations are run by 26 Temporary General Workers, one Temporary Supervisor, and one Forklift Operator with the potential to employ up to 30 people once fully operational.



Photo: Completed Material Recovery Facility, Ashton

EDUCATION AND AWARENESS:

The municipality conducts educational programs that drive and increase the community's level of participation. Presentations and educational material to schools and organisations together with articles in the municipal newsletter, website and social media platforms are used to spread useful information to encourage waste minimisation, re-use and recycling. Door-to-door environmental awareness campaigns are regularly conducted, focused on illegal dumping and recycling. Households receive a free clear bag for recyclables in exchange for a clear bag filled with recyclables.

WASTE COLLECTION:

Waste collection services are collected from all formal households, commercial/government properties and industries according to a weekly collection schedule. This service is executed as a curbside door-to-door or central collection point service. High-density areas and informal settlements receive a door-to-door black bag collection service at least once per week. This service is performed by means of the temporary workers as these areas are often inaccessible to the refuse trucks, because of limited space between dwellings, illegal overhead power connections and the presence of backyard dwellers. In addition, communal skips are also placed in these areas and are serviced weekly.

New development applications are assessed and requirements for the necessary waste infrastructure are identified for implementation. Businesses have the option to select different service frequencies up to three days per week.

WASTE DISPOSAL FACILITIES (WDF) - REMAINING AIRSPACE AND REHABILITATION COSTS:

All the waste disposal facilities are licensed or authorised in terms of the National Environmental Management: Waste Act, 59 of 2008. The municipality delivers waste removal, storage and disposal services in a manner that does not conflict with national or provincial norms and standards and conducts internal and external audits on all sites as required.

ASHTON WDF:

The latest survey of the Ashton landfill site was undertaken in September 2023 and indicated that the landfill had no remaining airspace as of September 2023. Regarding the waste that has been disposed of at the Ashton landfill site from September 2023 until May 2024, the total amount of waste disposed of on-site was 18 900 m³.

REHABILITATION COSTS = R 43 654 832,00

BONNIEVALE WDF:

The latest survey of the Bonnievale landfill site was undertaken in September 2023 and showed a remaining airspace of 20 101 m³. From the weighbridge data provided, the site ran out of airspace in February 2039, indicating a remaining lifespan of 15 years. An average value based on the previous year was used to estimate cover and filling materials.

This projection is based on an average monthly waste generation of 104 m³; this was calculated by finding the average monthly disposal rate from January 2022 to May 2024. An average compaction density of 0.68 tons/m³, was assumed and used to calculate the cubic metres of waste and the remaining airspace from June to December. This volume usage was escalated with an annual increase of 1.79% every year until closure (as per Stats SA 2011 Census Langeberg growth rate).

REHABILITATION COSTS = R 26 521 545,00

MCGREGOR WDF:

This site was issued with a closure license. The closure license required rehabilitation commencement within five (5) years from the license issue date of 12/05/2015. Decommissioning must, therefore, have commenced on or before 12/05/2020. However, the Langeberg Municipality applied to the Department of Environmental Affairs & Development Planning (DEA&DP) to vary the license and postpone the commencement date. The DEA&DP requested further information regarding the planned commencement. The Municipality officially submitted that they plan to commence rehabilitation construction in 2030 and achieve completion in 2033.

REHABILITATION COSTS = R 34 126 391,00

MONTAGU (BESSIEKOP) WDF:

The landfill is no longer used for household waste disposal but is kept open for the storage of building rubble for later use as cover material. As part of the McGregor License amendment additional information, the Municipality indicated that the commencement of rehabilitation construction for the Montagu Landfill is in 2041 and completion in 2043. Based on the survey data from September 2023, it is projected that the Montagu (Bessiekop) Landfill will reach its maximum airspace capacity in January 2028. This projection is based on an average monthly waste generation of 37 m³ which was calculated by finding the average monthly disposal rate from January 2022 to May 2024. An average compaction density of 0.68 tons/m³ was used to calculate the cubic meters of waste and the remaining airspace from June to December. This volume usage was escalated with an annual increase of 1.79% every year until closure (as per Stats SA 2011 Census Langeberg growth rate).

REHABILITATION COSTS = R 18 329 080,00

The Langeberg Municipality owns the following landfill sites:

- Robertson landfill site (closed and rehabilitated)
- McGregor landfill site (closed, but rehabilitation required)
- Bonnievale landfill site (operational)
- Ashton landfill site (operational)
- Montagu landfill site (operational, but closure and rehabilitation required).

The Langeberg Municipality owns the following waste management facilities:

- Robertson transfer station (operational)
- Composting facility (operational)
- McGregor drop-off facility (operational)
- Bonnievale drop-off facility (operational)
- Ashton transfer station (operational)
- Montagu transfer station (operational).
- Ashton Material Recovery Facility (operational)

Four quarterly internal audits were done and submitted to the Department of Environmental Affairs and Disaster Plan. External audits were done for Ashton, Bonnievale and Montagu Waste Disposal Facilities (WDF) and were also submitted to DEA and DP.

The following facilities are registered on the Integrated Pollutant and Waste Information System (IPWIS):

Table 79: Weighbridge available

Facilities	Weighbridge available
Ashton Waste Disposal Facility	Yes
Ashton Material Recovery Facility	Yes
Robertson Compost Facility	Yes
Bonnievale Waste Disposal Facility	No (waste estimation system)
Montagu Waste Disposal Facility	No (waste estimation system)

AREA CLEANING, STREET SWEEPING AND ILLEGAL DUMPING

The Municipality uses funds from its operational budget to appoint workers to do street cleansing weekly throughout all towns in the Municipality. There is a dedicated team to clear illegal dumping as soon as it is reported, and a front-end loader and two tipper trucks are available to collect and transport the illegal dumping to the Ashton Landfill for disposal. This has been deemed to be sufficient at this stage.

Public clean-ups are regularly organised and involve ward councillors and the public. The municipality has also appointed a service provider to install 200 free-standing refuse containers throughout the municipality to help combat littering and illegal dumping.

Hotspots have been identified by the municipality and sufficient teams/manpower are available to address these challenges. Area cleaning and street sweeping activities are executed by temporary employed workers. These workers are sourced from the municipal central database for the various projects:

- Cleaning of Robertson (Nkqubela, Droeheuwel & Dorpsig, Burnholme, Panorama & Extension 15, Moreson and CBD Area)
- Cleaning of Ashton (Cogmanskloof and Conradie Dorp and Zolani)
- Cleaning of Montagu (Ashbury and Old neighbourhood and Bergsig)
- Cleaning of Bonnievale (Happy Valley, Mountain View and Informal Area)
- Cleaning of McGregor

Service Statistics

The table below indicate the different solid waste service delivery levels per household.

Table 80: Solid waste service delivery levels

Solid Waste Service Delivery Levels			
Description Ref	Households		
	2021-2022 Actual No.	2022-2023 Actual No.	2023-2024 Actual No.
<u>Solid Waste Removal: (formal households)</u>			
Removed at least once a week (wheelie bins)	14660	14949	16802
Minimum Service Level and Above sub-total	14660	14949	16802
Minimum Service Level and Above percentage	98,95%	98,97%	99,05%
<u>Solid Waste Removal: (informal households)</u>			
Removed less frequently than once a week	155	155	161
Using communal refuse dump	0	0	0
Using your own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
Below Minimum Service Level sub-total	155	155	161
Below Minimum Service Level Percentage	0	0	0
Total number of households	14815	15104	16963

Service Delivery Level

The table below indicates the solid waste service delivery levels below the minimum

Table 81: Solid waste service delivery levels below the minimum

Households - Solid Waste Service Delivery Levels below the minimum			
Description	2021/22	2022/23	2023/24
	Actual No.	Actual No.	Actual No.
Formal Settlements			
Total households	14660	14949	16802
Households below minimum service level	155	155	161
Proportion of households below minimum service level	1,06%	1,04%	0,96%
Informal Settlements			
Total households	155	155	161
Households below minimum service level	0	0	0
Proportion of households below minimum service level	0,00%	0,00%	0,00%

Capital Expenditure

The waste management services section has spent 93,44% of the final adjustment budget on waste management projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the waste management services section as at 30 June 2024.

Table 82: Capital expenditure 2023-2024: Waste management services

Capital Expenditure Year 2023-2024: Solid Waste Management Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R8 316 829,00	R8 316 829,00	R7 771 155,96	-7,02%
Purchase Of Skips For Transfer Stations - Whole of Municipality	R2 000 000,00	R2 000 000,00	R1 999 852,66	-0,01%
Purchase of 2 Axle Single Bin Trailer	R450 000,00	R450 000,00	R368 750,00	-22,03%
Purchase of Equipment for the New Material Recovery Facility	R350 000,00	R350 000,00	R350 000,00	0,00%
Material Recovery Facility	R759 827,00	R759 827,00	R760 000,00	0,02%
Material Recovery Facility	R4 757 002,00	R4 757 002,00	R4 292 553,30	-10,82%

Operating Expenditure

Table 83: Financial Performance 2023-2024: Solid Waste Management Services

Financial Performance Year 2023-2024: Solid Waste Management Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 44 282 936,00	-R 44 282 936,00	-R 43 283 622,03	-2,31%
Expenditure:				
Employees	R 30 815 984,00	R 30 815 984,00	R 27 615 052,28	-11,59%
Repairs and Maintenance	R 59 009,00	R 59 009,00	R 15 600,78	-278,24%
Other	R 24 712 314,00	R 24 712 314,00	R 24 346 939,58	-1,50%
Total Operational Expenditure	R 55 587 307,00	R 55 587 307,00	R 51 977 592,64	-6,94%
Net Operational Expenditure	R 11 304 371,00	R 11 304 371,00	R 8 693 970,61	-30,03%

Employee Statistics

The solid waste management services section has 88 posts on the organisational structure approved by the Council and the section had a 2,27% vacancy rate at the end of the 2023-2024 financial year.

Table 84: Employees - Solid waste management services

Employees: Solid Waste Management Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	59	58	1	1,69%
4 - 6	21	20	1	4,76%
7 - 9	5	5	0	0,00%
10 - 12	2	2	0	0,00%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	88	86	2	2,27%

Challenges within the solid waste management services section

- Shortage of airspace at the Ashton landfill site .
- Lack of permanent Security at Waste Disposal Facilities.
- Vandalism at Waste facilities.
- Illegal Waste Pickers at the Ashton Waste Disposal Facility.
- Collaboration between the Waste Management department and Law Enforcement department.
- Lack of By-law Enforcement.
- Illegal dumping and littering of waste.
- Unacceptable behaviour of black bag scratchers.
- High cost of non-compliance and Rehabilitation of Waste Disposal Facilities.
- To increase green waste and food waste diversion from landfill sites.
- A lack of hazardous waste facilities.
- Growing informal settlements and Backyard dwellers.
- Waste collection in areas with inadequate infrastructure (Informal Areas).
- To create awareness amongst all stakeholders about recycling and illegal dumping.
- Misuse and theft of wheelie bins. An increase in the reporting of stolen has been noticed during this year.
- High cost for the transportation and disposal of waste to the Regional Waste Disposal Facility in Worcester.

3.5 HOUSING SERVICES

The Constitution of the Republic of South Africa states that every citizen has the right to access adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realization of this right.

Though housing is a National and Provincial mandate Langeberg Municipality continues to collaborate with these spheres of government to find amicable solutions to address its housing backlog. The municipality facilitates the development of sustainable regional land use, and economic, spatial, and environmental frameworks that will support and guide the development of a diversified, resilient, and sustainable district economy.

Rapid growth in informal housing remained an increasing challenge in 2023-2024. Limited housing opportunities, increased patterns of immigration, spikes in illegal occupation and land invasion put additional pressure on our growing

housing backlog and service delivery.

Table 85: Housing backlog

Housing Backlog		
Town	Number of Applicants on the Housing Database List	Date of First Application
Ashton & Zolani	3 172	20/03/1985
Bonnievale	2 367	17/08/2001
McGregor	1 060	09/09/2001
Montagu	1 539	11/07/1987
Nkqubela	2 446	17/09/2001
Robertson	3 303	22/05/2001
Other		
Total	13 887	

Table 86: Households per neighborhood

Overview of Neighbourhoods within Langeberg Municipality		
Settlement Type	Households *	Population *
Towns		
Ashton	1 777	7 727
Bonnievale	2 376	9 092
McGregor	654	3 125
Montagu	4 029	15 176
Robertson	5 676	21 929
Langeberg NU	7 183	29 292
Townships		
Nkqubela	1 849	5 786
Zolani	1 580	5 598
Source: Stats SA, 2011		
* Please note that the information provided is based on data available as part of STATSA for 2011 and may be subject to change as STATSA still needs to release the latest data.		
Settlement Type	Households	
Informal settlements		
Nkqubela (Nkanini & Kanana)	1 107	
Robertson North	268	
McGregor	32	
Boekenhoutskloof, Bonnievale	647	
Cogmanskloof, Ashton	144	
Zolani, Ashton	411	
Mandela Square, Montagu	299	
Source: Langeberg Municipality department: Human Settlements Administration		

Capital Expenditure

The housing services section had no capital projects for the 2023-2024 financial year.

Table 87: Capital Expenditure 2023-2024: Housing services

Capital Expenditure Year 2023-2024: Housing Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R0	R0	R0	0,00%
No capital projects				

Operating Expenditure

Table 88: Financial performance 2023-2024: Housing services

Financial Performance 2023-2024: Housing Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R36 234 508,00	-R36 234 508,00	-R32 003 901,07	-911,71%
Expenditure:				116,79%
Employees	R3 295 925,00	R3 295 925,00	R3 024 088,68	-8,99%
Repairs and Maintenance	R0,00	R0,00	R0,00	0,00%
Other	R37 632 924,00	R37 632 924,00	R1 021 410,98	-3584,41%
Total Operational Expenditure	R40 928 849,00	R40 928 849,00	R4 045 499,66	-911,71%
Net Operational Expenditure	R4 694 341,00	R4 694 341,00	-R27 958 401,41	116,79%

Employee Statistics

The housing services section has 9 posts on the organisational structure approved by Council and the section had a 0,00% vacancy rate at the end of the 2023-2024 financial year.

Table 89: Employees: Housing services

Employees: Housing Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0,00%
4 – 6	7	7	0	0,00%
7 – 9	0	0	0	0,00%
10 - 12	1	1	0	0,00%
13 - 15	1	1	0	0,00%
16 - 18	0	0	0	0,00%
19 - 20	0	0	0	0,00%
Total	9	9	0	0,00%

Comment on housing services performance overall major projects or achievements by housing services during the year under review:

Boekenhoutskloof:	Construction commenced on 18 August 2023. Phase 1, 2, 3 and 6 relocations completed out of the road reserve. Access to link road and link services 75% complete Internal services 45% complete
Outreach Program:	The program was presented in all towns over three weekends during April and May where applicants had the opportunity to verify and update information on the housing database. 1236 applications were updated and verified 139 new applications were processed during the outreach
Title Deeds:	Nkqubela Kenana UISP 295 Transfers Nkqubela 172 IRDP 17 Transfers Title deed restoration Programme 49 Transfers
Human Settlement Plan:	Urban -Econ has been appointed to review and update the human settlement plan

Challenges within the housing services section

Illegal land invasion:	Illegal invasion of land that leads to poor service delivery and obstruction of project progress
Secure tenure:	Dilapidated properties to which occupants refuse to sign deeds of sale Untraceable beneficiaries Family disputes
Adequate land:	Various pockets of land have been identified by the department; however, all suitable land is privately owned, and land acquisition processes must be initiated.

FREE BASIC SERVICES

To qualify the occupants in said households earn a combined income of less than R4 190 per month. As per the indigent policy an indigent household, qualify for:

- Provision of 6kl free basic water per indigent household per month
- Provision of free basic sanitation to indigent households per month
- Provision of 50kwh free basic electricity per indigent household
- Provision of free basic refuse removal to indigent households

The table below indicate free basic services delivered per household.

Table 90: Free basic services delivered per service.

Free basic services delivered per service				
		2021-2022	2022-2023	2023-2024
Serial No	Services	Number of consumers	Number of consumers	Number of consumers
1	Water	5 688	6 034	6 234
2	Electricity	5 848	6 040	6 181
3	Refuse	5 709	6 043	6 219
4	Sanitation	5 703	6 033	6 091

The table below indicates the number of households receiving free basic services.

Table 91: Free basic services to low-income households

Free Basic Services To Low-Income Households									
	Number of households								
	Households earning less than R4 190 per month								
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
	Total	Access	%	Access	%	Access	%	Access	%
2021/22	5 848	5 688	97,26%	5 703	97,52%	5 848	100,00%	5 709	97,62%
2022/23	6 043	6 034	99,85%	6 033	99,83%	6 040	99,95%	6 043	100,00%
2023/24	6 234	6 234	100,00%	6 091	97,71%	6 181	99,15%	6 219	99,76%

The table below indicates the cost to the municipality of free basic services delivered per service.

Table 92: Cost to the Municipality of Free Basic Services Delivered

Financial Performance Year 2023-2024: Cost to Municipality of Free Basic Services Delivered				
Services Delivered	2023-2024			
	Budget	Adjustment Budget	Actual	Variance to Budget
Water	R9 372 000,00	R8 867 523,00	R9 114 014,00	-2,83%
Sanitation	R12 210 192,00	R10 235 293,00	R10 452 929,00	-16,81%
Electricity	R6 612 067,00	R4 883 378,00	R874 757,00	-655,87%
Refuse	R18 410 798,00	R14 909 425,00	R14 797 746,00	-24,42%
Total	R46 605 057,00	R38 895 619,00	R35 239 446,00	-32,25%

Challenges within the housing services section

- Challenges with the integration between the Service provider for verification and the Financial System.
- Not all indigent households apply for the benefit as per council resolution.
- Shortage of capacity (Employees) to conduct roadshows to indigent households that must apply for the benefit.

Set out measures to be taken to improve performance or challenges.

- In progress to embark on a prompt roadshow for indigent consumers.
- The municipality obtained assistance from the services provider to conduct roadshows on the indigent verification

COMPONENT B: ROAD TRANSPORT

3.6 ROADS AND STORMWATER

ROADS

Highlights and Summary

The current condition of our roads necessitates significant rehabilitation efforts. Due to a backlog in funding for resurfacing and repairs, pothole incidents have increased, particularly during the rainy season. The persistent wet conditions not only complicate repairs but also accelerate the deterioration of road surfaces.

In response, a Pothole Repair Programme has been implemented as a short-term solution. This programme focuses on repairing potholes and cleaning stormwater channels across the towns. However, the total estimated capital required to address all road rehabilitation needs across the five towns is R300,000,000.

The table below indicates kilometres of gravel road infrastructure constructed, upgraded and maintained.

Table 93: Gravel road infrastructure

Kilometres - Gravel Road Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2021-2022	17	0	7	11
2022-2023	15	0	8	15
2023-2024	19	0	0,6	19

The table below indicates kilometres of tarred road infrastructure constructed, updated and maintained.

Table 94: Tarred road infrastructure

Kilometres - Tarred Road Infrastructure					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2021-2022	195	6,931	1	0	187
2022-2023	203	7,831	1	25	187
2023-2024	203	0,6	7	12	3.8

The table below indicates the cost of construction or maintenance for both gravel roads and tarred roads.

Table 95: Cost of construction/maintenance

Cost of Construction/Maintenance						R000,00
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2021-2022	R -	R 28 125,84	R 90,87	R -	R 10 298,63	R 906,26
2022-2023	R -	R 21 671,10	R 526,44	R -	R 4 184,69	R 2 879,67
2023-2024	R -	R -	R 1 200,00	R -	R 46 813,73	R 6 228,62

Employee Statistics

The road services section has 78 posts on the organisational structure approved by Council and the section had a 3,85% vacancy rate at the end of the 2023-2024 financial year.

Table 96: Employees: Road Services

Employees: Road and Stormwater Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	46	46	0	0,00%
4 - 6	12	12	0	0,00%
7 - 9	9	7	2	22,22%
10 - 12	10	9	1	10,00%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	78	75	3	3,85%

Table 97: Financial Performance 2023-2024: Road Services

Financial Performance 2023/24: Road and stormwater Services				
Details	2023/24			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 35 906 558,00	-R 35 906 558,00	-R 34 160 714,51	-5,11%
Expenditure:				
Employees	R 14 730 158,00	R 14 730 158,00	R 14 423 449,74	-2,13%
Repairs and Maintenance	R 136 377,00	R 136 377,00	R 75 710,60	-80,13%
Other	R 37 213 718,00	R 37 213 718,00	R 35 385 888,72	-5,17%
Total Operational Expenditure	R 52 080 253,00	R 52 080 253,00	R 49 885 049,06	-4,40%
Net Operational Expenditure	R 16 173 695,00	R 16 173 695,00	R 15 724 334,55	-2,86%

STORMWATER

The table below indicates the kilometres of stormwater infrastructure upgraded, maintained and new stormwater constructed.

Table 98: Stormwater infrastructure

Kilometres - Stormwater Infrastructure				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2021-2022	160	20	12	120
2022-2023	166	25	14	140
2023-2024	166	0	0	260

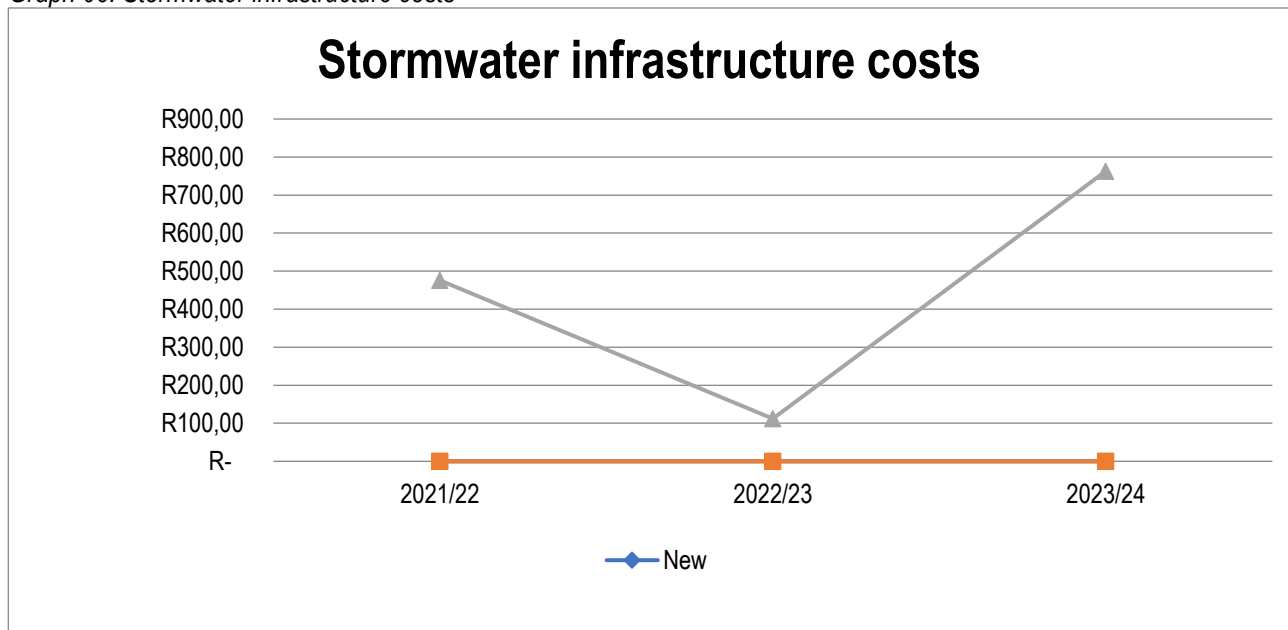
The table below indicates the cost of construction or maintenance for the stormwater, updated maintenance and new stormwater constructed.

Table 99: Cost of construction/maintenance

Cost of Construction/Maintenance				
	Stormwater Measures(R000)			
	New	Upgraded	Maintained	
2021-2022	R -	R -	R 475,82	
2022-2023	R -	R -	R 112,16	
2023-2024	R -	R -	R 763,14	

The graph below indicates stormwater infrastructure costs upgraded, maintained and new stormwater constructed.

Graph 06: Stormwater infrastructure costs



Employee Statistics

The stormwater services section has 78 posts on the organisational structure approved by Council and the section had a 3,85% vacancy rate at the end of the 2023-2024 financial year.

Table 100: Employees - Stormwater services

Employees: Road and Stormwater Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	46	46	0	0,00%
4 - 6	12	12	0	0,00%
7 - 9	9	7	2	22,22%
10 - 12	10	9	1	10,00%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	78	75	3	3,85%

Table 101: Financial Performance 2023-2024: Stormwater Services

Financial Performance 2023-2024: Road and stormwater Services				
Details	2023/24			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 35 906 558,00	-R 35 906 558,00	-R 34 160 714,51	-5,11%
Expenditure:				
Employees	R 14 730 158,00	R 14 730 158,00	R 14 423 449,74	-2,13%
Repairs and Maintenance	R 136 377,00	R 136 377,00	R 75 710,60	-80,13%
Other	R 37 213 718,00	R 37 213 718,00	R 35 385 888,72	-5,17%
Total Operational Expenditure	R 52 080 253,00	R 52 080 253,00	R 49 885 049,06	-4,40%
Net Operational Expenditure	R 16 173 695,00	R 16 173 695,00	R 15 724 334,55	-2,86%

Capital Expenditure

The roads and stormwaters services section has spent 70,77% of the final adjustment budget on roads and stormwater services projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the roads and stormwater services section as of 30 June 2024.

Table 102: Capital Expenditure 2023-2024: Roads and stormwater services

Capital Expenditure Year 2023-2024: Road and stormwater Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R87 191 405,00	R87 191 405,00	R61 701 250,31	-41,31%
Rehabilitation of MR219 Bonnievale	R2 469 983,00	R2 469 983,00	R0,00	R0,00
Bulk Stormwater-Montagu	R84 000,00	R84 000,00	R0,00	R0,00
Nkqubela diversion weir upgrade	R5 174 000,00	R5 174 000,00	R995 786,89	-419,59%
NDPG: Upgrading of bus route - August Street-Nkqubela	R8 062 609,00	R8 062 609,00	R6 545 977,14	-23,17%
Equipment	R171 257,00	R171 257,00	R171 257,00	0,00%
The Rehabilitation/Upgrading of existing tar roads in Robertson	R17 741 265,00	R17 741 265,00	R20 173 834,38	12,06%
The Rehabilitation/Upgrading of existing tar roads in Montagu	R16 097 610,00	R16 097 610,00	R16 854 818,20	4,49%
The Rehabilitation/Upgrading of existing tar roads in Bonnievale	R8 090 183,00	R8 090 183,00	R5 507 924,83	-46,88%
The Rehabilitation/Upgrading of existing tar roads in Ashton	R3 984 030,00	R3 984 030,00	R3 984 030,00	0,00%

Road Infrastructure-R62 Road near bridge - Montagu	R3 913 043,00	R3 913 043,00	R1 732 491,45	-125,86%
Road Infrastructure-Kohler Street at the bridge – Montagu	R1 130 435,00	R1 130 435,00	R973 539,70	-16,12%
Road Infrastructure-Middel Street Montagu West	R4 173 913,00	R4 173 913,00	R1 740 008,70	-139,88%
Road Infrastructure-Low water bridge in Graaf Street -Montagu West	R434 783,00	R434 783,00	R421 481,57	-3,16%
Road Infrastructure-Low water bridge in Bath Street -Montagu West	R565 217,00	R565 217,00	R86 956,52	-550,00%
Road Infra, Pumpstation, Water Reti-water bridge Tanner Street - Montagu West	R5 652 174,00	R5 652 174,00	R692 830,33	-715,81%
The Rehabilitation/Upgrading of existing tar roads in 5 towns	R9 446 903,00	R9 446 903,00	R1 820 313,60	-418,97%

Comment on roads and stormwater services performance overall (Major projects or efficiencies achieved by roads and stormwater services during the year under reviewed):

Construction work on the selected road rehabilitation project began in September 2023 and is scheduled for completion by the end of September 2024. The total contract value for this initiative is R52,800,048 (VAT inclusive). In September 2023, severe flooding impacted all five towns, leading to significant infrastructure damage. To address this, disaster funding was sought, and in February 2024, MDRG funding was approved for the repair of damaged road and stormwater infrastructure, totalling R18,250,000.

Challenges in Roads and Stormwater Services

Road construction and maintenance involve substantial costs. Persistent challenges include addressing inherited backlogs and funding constraints. The Integrated Development Plan (IDP) has prioritized upgrading roads in Robertson and eliminating gravel roads in townships, resulting in the tarring of 7 kilometres of gravel roads. An estimated R300 million is required to rehabilitate the existing road network.

Measures for Improvement

To enhance performance and address challenges, additional funding is crucial for managing the backlog in road maintenance. Furthermore, the Pavement Management System needs to be updated to accurately assess the current condition of roads in the Langeberg Municipal area.

COMPONENT C: PLANNING AND DEVELOPMENT

3.7 TOWN PLANNING

Highlights and Summary

Land Use Planning

The Premier of the Western Cape province assented to Act No 3 of 2014: Western Cape Land Use Planning Act, 2014 (LUPA), which was published in Provincial Gazette Extraordinary, 7250, on 7 April 2014. LUPA regulations were published on 26 June 2015. Western Cape local authorities were exempted from certain provisions in Chapter IV of LUPA, to facilitate integrated public participation processes (Provincial Gazette Extraordinary, 8671, 27 October 2022).

The Langeberg Municipal Land Use Planning By-Law, May 2015, was published (PN 264/2015) on 30 July 2015. All land use applications are processed in terms of this bylaw.

The Langeberg Integrated Zoning Scheme By-Law, 2018 (LIZS) was published (PN 71/2018) on 18 May 2018. The LIZS is reviewed annually for required amendments and updates. Any proposed amendments must be submitted to the Council for a decision. The Western Cape Biodiversity Spatial Plan is incorporated into the Langeberg SDF and forms the basis for Spatial Planning Categories which are used to guide all development decisions. Key actions include the protection of floodplains and Critical Biodiversity Areas in all proposed developments. This also ensures that residents are protected from risks such as flooding and fire. In addition, river maintenance management plans and renewable energy technologies are promoted in all building plans and land use approvals.

The Langeberg SDF, 2015 sets out the spatial vision for the Langeberg Municipal area and identifies new development areas. The SDF is in the process of review and will be adopted as an integral part of the 2024-2025IDP review. The key challenge is to ensure that sufficient, well-located land is identified for future low-income housing, educational facilities and economic development.

Applications for Land Use Development:

There were 295 building plans approved, predominantly for residential development. Larger buildings included the Robertson Fire Station, medical village at Robertson Lifestyle Estate, and pack stores. Forty-two (42) land use applications were approved, and fifty-five (55) new land use applications were received. The main type of application is the densification of residential areas through subdivisions, guest houses and tourist facilities. Larger-scale developments include group housing and the Lactalis Wastewater Treatment Works in Bonnievale.

The table below indicates the land use development applications

Table 103: Applications for land use development

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024
Applications received	14	24	17	31	409	357
Determination made in the year of receipt (Approval letters)	16	17	34	25	381	295
Determination made in the following year	-	-	-		-	-
Applications withdrawn	-	2	-		14	-
Applications are still in process at year-end	7	10	13	28	-	-

Employee Statistics

The town planning services section has 14 posts on the organisational structure approved by the Council and the section had a 7,14% vacancy rate at the end of the 2023-2024 financial year.

Table 104: Employees: Town planning services

Employees: Town Planning Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	4	4	0	0,00%
7 - 9	0	0	0	0,00%
10 - 12	8	7	1	12,50%
13 - 15	1	1	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	14	13	1	7,14%

Table 105: Financial Performance 2023-2024: Town Planning Services

Financial Performance Year 2023-2024: Town Planning Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 2 725 586,00	-R 2 725 586,00	-R 2 422 130,32	-12,53%
Expenditure:				
Employees	R 5 892 262,00	R 5 892 262,00	R 5 608 135,68	-5,07%
Repairs and Maintenance	R 2 946,00	R 2 946,00	R 1 665,22	-76,91%
Other	R 3 262 618,00	R 3 262 618,00	R 953 566,26	-242,15%
Total Operational Expenditure	R 9 157 826,00	R 9 157 826,00	R 6 563 367,16	-39,53%
Net Operational Expenditure	R 6 432 240,00	R 6 432 240,00	R 4 141 236,84	-55,32%

Capital Expenditure

The town planning services section had no capital projects for the 2023-2024 financial year

Table 106: Capital Expenditure 2023-2024: Town planning services

Capital Expenditure Year 2023-2024: Town Planning Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R -	R -	R -	0,00%
No capital project				

Comment on Town Planning Services performance overall (Major projects or efficiencies achieved by Town Planning Services during the year under reviewed):

The Town Planning Department has performed well despite recurring vacant posts and continued non-compliance with land use and building regulations in certain areas of all five towns. Regular building plan meetings are held and plans are processed efficiently and inspections are conducted as required in terms of the building regulations. The Langeberg Municipal Planning Tribunal meets as and when required and applicants are notified timeously of decisions made on development applications. The GIS system has been implemented in-house through the Ease of Doing Business programme. A public viewer is planned to be available early in 2025.

Challenges within the Town Planning Services section

Recurring vacancies of the Building Inspector posts as well as limited Town Planning capacity relative to workload created challenges in performing functions optimally and within the required time frames. This impacted on the processing of development applications, following up on non-compliant land uses and building work, amending the Langeberg Integrated Zoning Scheme, and finalising the SDF rewrite. The same staff are responsible for multiple functions, namely: responding to the public, assessment of development proposals and report writing, appeal reports, compliance procedures, and long-term planning. It is difficult to complete reports and longer-term planning functions with the numerous, unpredictable day-to-day queries.

Set out measures to be taken to improve performance or challenges

Appointment of technical and professional staff to budgeted vacant posts is urgently required to manage the current workload. The organisational structure also needs to be restructured to make the best use of resources and additional capacity needs to be provided through new posts. This will streamline the internal administration and ensure that officials can more effectively adhere to deadlines and other critical aspects of the Department's functions.

Implement incentives (vehicle schemes, scarcity allowance) to ensure that the Building Inspector and Town Planning posts are attractive to prospective employees.

Appoint a legal advisor, easily accessible to the Town Planning Department to assist in establishing clear and implementable Standard Operating Procedures and facilitate more efficient follow-through on compliance and enforcement cases.

3.8 LOCAL ECONOMIC DEVELOPMENT

The Department of Local Economic Development and Rural Development plays a pivotal role in fostering economic growth and improving the quality of life within our community. This multifaceted department is responsible for a broad range of activities and collaborations that support local businesses, enhance tourism, and drive rural development.

Key Responsibilities and Functions:

- **Local Economic Development (LED):**

The department is at the forefront of local economic development, striving to create a vibrant and sustainable economic environment. This involves supporting small businesses, fostering entrepreneurship, and driving initiatives that stimulate economic growth across the region.

- **Tourism Development:**

Tourism is a vital component of our local economy. The department actively engages in tourism development by monitoring Local Tourism Associations (LTAs) that work on promoting and enhancing the area's tourism offerings. Additionally, the department is involved in recommending event applications to the Municipal Manager's office, aimed at boosting tourism and showcasing our region as a desirable destination.

- **Special Projects and Collaborations:**

The department manages several special projects through strategic collaborations with various government departments, including:

- Department of Social Development: Working together to integrate social development initiatives with economic growth strategies.
- Department of Rural Development and Land Reform: Partnering to advance rural development projects and land reform efforts, which are crucial for the sustainable development of small-scale farmers.
- Department of Agriculture: Collaborating to support agricultural initiatives and promote rural economic activities.
- Department of Education: Engaging in the rollout of support for Early Childhood Development (ECD) centres, ensuring that educational resources and support reach our youngest learners.

- **Business Licensing and Compliance:**

The department is responsible for processing business licenses, ensuring that local businesses operate within regulatory frameworks and supporting their compliance with municipal requirements.

- **Expanded Public Works Programme (EPWP):**

The department reports on the creation and management of job opportunities through the EPWP. This initiative is essential for providing employment and contributing to local economic development.

- **Event Management for Tourism Promotion:**

The department reviews and recommends event applications aimed at tourism development. These events are crucial for promoting the area as a tourist destination and contributing to the local economy.

Through these diverse responsibilities and collaborative efforts, the Local Economic Development and Rural Development Department strives to drive sustainable economic growth, enhance tourism, and support the overall well-being of our community. By working closely with other government departments and stakeholders, the department continues to play a key role in shaping the economic and social landscape of our region.

Highlights and Summary

- **Job Creation:** Throughout the 2023-2024 financial year, a total of 672 job opportunities were generated through municipal and EPWP (Expanded Public Works Programme) projects.
- **Support for SMMEs:** The department assisted 177 Small, Medium, and Micro Enterprises (SMMEs) during the year.
- **Business Management Training:** 88 local businesses received business management training across all towns, facilitated by SEDA (Small Enterprise Development Agency).
- **Establishment of Business Forums:** In collaboration with SEDA, the Local Economic Development (LED) department successfully established four business forums in various local towns.
- **Youth Training on Job Preparedness:** A job preparedness training program for youth, aged 18 to 35, was conducted in McGregor, Ashton, Montagu, Bonnievale, Robertson, and Nkqubela, with 49 participants.
- **Ongoing Mentorship for SMMEs:** SEDA continues to provide mentorship programs for SMMEs, supporting their growth and development.
- **Contractor Development Programme:** The LED department, in partnership with SEDA, launched a Contractor Development Programme, beginning with an orientation for 25 compliant local contractors. An ongoing mentorship program is in place for both startups and established contractors.
- **Business Licenses Issued:** A total of 10 business licenses were issued during the 2023-2024 financial year.
- **Informal Trading Permits:** The LED department issued 379 informal trading permits from July 2023 to June 2024, under the Informal Trading By-law.

The table below indicates Langeberg area economic activity by sector for the 2023-2024 financial year.

Table 107: Economic activity by sector

Economic activity by sector		Billion
Sector		2023-2024
Agriculture		2,3
Mining		0,0
Manufacturing		2,0
Electricity		0,1
Construction		0,4
Trade		1,2
Transport		0,5
Finance		1,4
Community services		1,9
Total		7,90

Source: Municipal Review and Outlook (MERO)

The table below indicates Langeberg area economic employment by sector for the 2023-2024 financial year.

Table 108: Economic employment by sector

Economic Employment by Sector		Jobs
Sector		2023-2024
		No.
Agriculture		1 760
Mining		54
Manufacturing		4 860
Electricity		41
Construction		2 260
Trade		8 880
Transport		2 050
Finance		7 500
Community services		6 070
Households		1 310
Total		34 785

Source: Municipal Review and Outlook (MERO)

The table below indicates job creation by LED initiatives excluding EPWP projects.

Table 109: Jobs Created during 2023-2024 by LED Initiatives (Excluding EPWP projects)

Jobs Created during 2023-2024 by LED Initiatives (Excluding EPWP projects)	
Total Jobs created / Top 3 initiatives	Jobs created No.
Total (all initiatives)	90
2023-2024	
Initiative (2023-2024)	0
SMME'S assisted during the financial year	55
Informal trading	35

The table below indicates the job creation through EPWP projects.

Table 110: Job creation through EPWP projects

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
2021-2022	12	689
2022-2023	17	902
2023-2024	14	672
* - Extended Public Works Programme		

Employee Statistics

The local economic development section has 7 posts on the organisational structure approved by Council and the section had a 14,29% vacancy rate at the end of the 2023-2024 financial year.

Table 111: Employees: Local economic development services

Employees: Local Economic Development and Social Development Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	3	2	1	33,33%
7 - 9	2	2	0	0,00%
10 - 12	1	1	0	0,00%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	7	6	1	14,29%

Table 112: Financial Performance 2023-2024: Local Economic Development Services

Financial Performance 2023-2024: Local Economic Development Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 119 044,00	-R 119 044,00	-R 18 260,96	-551,90%
Expenditure:				
Employees	R 1 211 295,00	R 1 211 295,00	R 1 080 859,07	-12,07%
Repairs and Maintenance	R -	R -	R -	0,00%
Other	R 2 832 593,00	R 2 832 593,00	R 2 344 954,75	-20,80%
Total Operational Expenditure	R 4 043 888,00	R 4 043 888,00	R 3 425 813,82	-18,04%
Net Operational Expenditure	R 3 924 844,00	R 3 924 844,00	R 3 407 552,86	-15,18%

Capital expenditure

The local economic development section has spent 61,90% of the final adjustment budget on local economic development projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the local economic development section as at 30 June 2024.

Table 113: Capital expenditure 2023-2024: Economic development services

Capital Expenditure Year 2023-2024: Economic Development Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R3 206 919,00	R3 206 919,00	R1 931 137,42	-66,06%
Upgrading of Robertson Informal Trading Area - CRR	R3 119 962,00	R3 119 962,00	R1 931 137,42	-61,56%
Upgrading of Robertson Informal Trading Area - CWDM	R86 957,00	R86 957,00	R0,00	0,00%

Comment on local economic development performance overall (Major projects or efficiencies achieved by local economic development during the year under reviewed):

Targets/objectives for the 2023-2024 financial year:

- Implementation of LED and Tourism Strategy that was approved by Council.
- Upgraded Robertson Informal Trading area.
- Signed an agreement with SEDA to improve business assistance to SMMEs / emerging businesses
- To create 400 jobs through the EPWP



Photo: Upgrade of Robertson Informal Trading area (currently underway)

Table 114: The following objectives were determined for the 2023 - 2024 financial year:

Objective	Activity	Target	Achievement
To facilitate and develop an entrepreneurial culture and skills development	Promote entrepreneurial skills in partnership with other Government Departments	40	177
To promote economic development	Sign SLA with organisations to roll out arts and culture development projects	7	5
To promote economic development	Implementation of the EPWP	898	672
To manage special projects including rural development	Annual review and update of MOU with the Local Tourism Associations	7	4
To manage special projects including rural development	Monthly reporting to the Municipal Manager on conditions in the SLA with tourism offices	10	12 reports to the Municipal Manager
To manage special projects including rural development	Implementation of Tourism Strategy	2	Bonnievale LTA established Number of 11 events approved that promote Langeberg as a tourist destination
To manage special projects including rural development	Implementation of social development initiatives according to approved business plan	10	13

Challenges and Measures for the Local Economic Development Department

Supporting Emerging Small Businesses:

- Challenge: Difficulty in growing and supporting emerging small businesses, particularly in securing startup funding.
- Context: Small businesses are vital for local economic growth, but access to capital and support is a persistent issue.

Lack of Entrepreneurial Skills:

- Challenge: There is a noticeable deficit in entrepreneurial skills among potential business owners.
- Context: This gap hampers the successful establishment and growth of new ventures.

Survivalist Businesses:

- Challenge: Many local businesses operate in survival mode rather than focusing on growth and expansion.
- Context: These businesses often struggle due to limited resources and support.

Low Skills and Illiteracy:

- Challenge: High levels of illiteracy and low skills affect the productivity and development potential of the local workforce.
- Context: This situation creates barriers to business operation and development.

High Cost of Business Operations:

- Challenge: The escalating cost of essential services, such as electricity, is placing a heavy burden on businesses.
- Context: High operational costs reduce profitability and discourage new business investments.

Land Availability for Small-Scale Farmers:

- Challenge: There is a need for adequate land to support small-scale farmers.
- Context: Access to land is crucial for the growth of the agricultural sector and local food security.

Registration and Compliance for Creches:

- Challenge: Creches face complex registration and compliance requirements within the municipal area.
- Context: These requirements can be burdensome and may deter the establishment of new childcare facilities.

Local Economic Growth and Job Creation:

- Challenge: There is a pressing need to stimulate local economic growth and create more job opportunities.
- Context: A growing economy with increased job opportunities is essential for improving living standards.

Undocumented Foreign Nationals:

- Challenge: The influx of undocumented foreign nationals is straining municipal infrastructure and the health system.
- Context: This challenge requires careful management to balance humanitarian needs with infrastructure capabilities.

EPWP System:

- Challenge: The Expanded Public Works Programme (EPWP) is progressing slowly.
- Context: The slow pace of the EPWP affects the timely delivery of public works projects and job creation.

Business Licence Processing Time:

- Challenge: The current processing time for business licenses is 21 days.
- Context: This timeframe can be seen as inefficient and may affect business operations and compliance.

Measures to Improve Performance:**Filling Vacancies:**

- Measure: Ensure all vacancies within the department are filled in the new financial year.
- Goal: Enhance departmental capacity and effectiveness in addressing economic development challenges.

Establishment of Business Chambers:

- Measure: Focus on establishing and strengthening business chambers.
- Goal: Improve coordination between big businesses and address compliance issues more effectively.

Development of Business Hubs:

- Measure: Create and support business hubs to provide resources and guidance to small and emerging businesses.
- Goal: Offer a centralized platform for business support, networking, and development.

Enhancing Entrepreneurial Training Programs:

- Measure: Implement targeted training programs to build entrepreneurial skills.
- Goal: Equip aspiring entrepreneurs with the necessary skills to successfully start and grow their businesses.

Support for Small-Scale Farmers:

- Measure: Develop initiatives to allocate and manage land resources for small-scale farmers.
- Goal: Foster agricultural development and improve food security.

Simplification of Registration Processes:

- Measure: Review and streamline registration and compliance requirements for creches and other small businesses.
- Goal: Reduce administrative burdens and encourage new business establishments.

Cost Reduction Initiatives:

- Measure: Advocate for and implement strategies to reduce high operational costs, such as negotiating better rates for essential services.
- Goal: Lower the financial barriers for local businesses.

Efficient Management of EPWP:

- Measure: Improve the efficiency of the EPWP system through process optimization and better resource allocation.
- Goal: Accelerate the delivery of public works projects and job creation.

Enhanced Infrastructure and Health Support:

- Measure: Collaborate with relevant authorities to manage the impact of undocumented foreign nationals on infrastructure and health services.
- Goal: Ensure sustainable infrastructure and health service provision while addressing humanitarian needs.

Reducing Business Licence Processing Time:

- Measure: Streamline and expedite the business license processing procedures.
- Goal: Decrease the waiting period and support timely business operations.

By addressing these challenges and implementing the outlined measures, the Local Economic Development Department aims to foster a more robust and dynamic local economy, ultimately benefiting businesses and residents alike.

COMPONENT D: COMMUNITY & SOCIAL SERVICES**3.9 LIBRARY SERVICES****Highlights and Summary**

Langeberg Municipality manages 11 libraries and 4 dual-purpose libraries. With a membership record of 22 276 (the decline in stats is a result of a cleanup for duplicate records on the libraries system in 2023-2024) that have free access to books, the internet, social media, newspapers, magazines and other facilities and services such as convenient internet browsing, photocopying, scanning and printing facilities. With venues to use as training facilities for the Municipality's Workplace Skills Plans

- Libraries are a safe space where children and youth can attend recreational and literacy programs, such as games, watching movies, story times and receive assistance with school projects and homework from library staff, library partners and volunteers.
- Libraries provide platforms for job searches and job applications searching via newspapers, the public notice board and the internet where one can also create a CV.
- Partnerships with NGOs provide community empowerment programs such as starting an SMME, teaching a handicraft to unemployed youth for self-sustainability, Gender-Based Violence, drug and substance abuse awareness and intervention programs and youth career guidance.

Table 115: Libraries policy objective taken from IDP

Libraries Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year - 2022/2023		Year - 2023-2024		
		Target	Actual	Target		Actual
Service Indicators		*Previous Year		*Previous Year	*Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Provides communities free access to books, the internet, social media, newspapers and magazines	Total Members	20000	23301	23301	21000	22276
Safe spaces for children and youth to attend recreational library programs, such as games, and watching movies both educational and motivational.	Books Circulation: Adults	85000	97056	97056	95000	108792
Assistance with school projects and homework by library staff and library partners and volunteers	Children	60000	77869	77869	65000	77823
Provide platforms for job searches and job applications on-line and newspapers, creation of CVs, notice boards for Community News,	Total Books Circulated	80000	174965	174965	160000	186615
Partnerships with NGOs to provide community empowerment programs such as starting SMEs, Teaching Handicraft to unemployed youths for self-sustenance, Gender Based Violence, drug and substance abuse awareness and intervention programs and youth career guidance	Internet Users/ Usage	10000	15663	15663	18000	24888
Bonnievale 418, Roxy Girls Foundation partnership at Bonnievale area libraries to provide meaningful library programs to the community.	Library Community Outreach Programs	140	997	997	140	1463
YearBeyond and the Department of Cultural; Affairs and Sports collaboration initiatives to provide libraries "Yeboneers" ICT & Reading Champions Internship training experience for 6-8 months ending December 2023	Library Exhibits/ Displays	144	517	517	144	616
	Gate Readings/ Foot Traffic Statistics	180000	205912	205912	190000	221337
	Library Activities	700	978	978	900	1463
	Library Activities Participants	10000	19065	19065	12000	18145
	DCAS & YearBeyond Yeboneers Internship Program	10	10	10	11	11

Table 116: CIRCULATION OF BOOKS:

Libraries		JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Sum
Ashbury	Total	4 117	2 615	2 406	2 537	2 134	1 018	1 459	1 579	1 406	1 540	2 016	1 421	24 248
	Adults	2 196	250	629	636	643	611	628	627	618	623	648	642	8 751
	Children	1 921	2 365	1 777	1 901	1 491	407	831	952	788	917	1 368	779	15 497
Ashton	Total	1 267	1 598	1 327	1 450	1 409	771	1 416	1 176	1 340	1 432	1 394	1 525	16 105
	Adults	824	996	848	912	912	557	928	725	837	853	871	916	10 179
	Children	443	602	479	538	497	214	488	451	503	579	523	609	5 926
Bonnievale	Total	1 073	1 615	1 294	1 390	1 688	866	1 654	1 604	1 023	1 629	1 579	1 430	16 845
	Adults	896	1 406	1 079	1 138	1 438	724	1 513	1 289	822	1 314	1 309	1 130	14 058
	Children	177	209	215	252	250	142	141	315	201	315	270	300	2 787
Happy Valley	Total	500	484	428	576	551	202	336	417	412	222	317	349	4 994
	Adults	342	268	293	307	342	146	184	290	266	237	186	261	3 122
	Children	158	216	135	269	209	56	152	127	146	185	131	88	1 872
Klaasvoogds	Total	228	366	580	655	321	115	310	322	396	405	475	349	4 522
	Adults	29	56	60	38	34	16	34	52	30	40	83	75	547
	Children	199	310	520	617	287	99	276	270	366	365	392	274	3 975
McGregor	Total	365	543	613	598	550	267	425	456	474	714	558	587	6 150
	Adults	256	387	463	426	432	237	336	324	330	507	415	416	4 529
	Children	109	156	150	172	118	30	89	132	144	207	143	171	1 621
Middelrivier	Total	129	212	276	165	252	52	122	253	113	146	172	66	1 956
	Adults	61	66	108	52	112	52	66	100	50	56	108	56	887
	Children	68	146	168	111	140	0	56	153	63	90	64	10	1 069
Montagu	Total	1 756	1 743	1 787	2 368	2 235	1 520	2 709	2 076	2 171	2 389	2 318	2 387	25 459
	Adults	1 379	1 451	1 470	1 825	1 847	1 243	2 362	1 709	1 949	2 137	2 096	1 934	21 402
	Children	377	292	317	543	388	277	347	367	222	252	222	453	4 057
Mountain View	Total	1 962	2 061	1 340	1 776	1 641	857	1 457	1 592	1 663	2 197	2 162	1 726	20 424
	Adults	1 181	1 085	946	1 013	920	649	931	908	973	1 252	1 237	1 148	12 243
	Children	771	976	394	763	721	208	526	684	690	945	925	578	8 181
Nkqubela	Total	244	341	235	510	239	155	199	199	133	898	889	154	4 196
	Adults	141	178	78	205	92	42	99	99	63	266	171	68	1 502
	Children	103	163	157	305	147	113	100	100	70	632	718	86	2 694
Robertson	Total	1 967	1 660	2 682	3 311	3 459	2 840	4 622	4 349	4 937	4 809	4 222	3 399	42 257
	Adults	1 350	966	1 828	2 457	1 710	1 745	2 362	2 306	2 388	2 577	2 297	2 028	24 014
	Children	617	694	854	854	1 749	1 095	2 260	2 043	2 549	2 232	1 925	1 371	18 243
Sunnyside	Total	433	523	561	687	211	24	491	934	783	1 046	913	701	7 307
	Adults	314	331	355	385	151	0	272	542	482	598	463	538	4 431
	Children	119	192	206	302	60	24	219	392	301	448	450	163	2 876
Wakkerstroom- Wes	Total	459	769	428	580	744	106	239	709	690	652	24	496	5 896
	Adults	20	43	27	34	37	18	15	36	45	47	16	61	399
	Children	439	726	401	546	707	88	224	673	645	605	8	435	5 497
Wakkerstroom- Oos	Total	0	22	56	78	46	0	16	96	90	53	327	0	784
	Adults	0	10	36	45	25	0	5	42	47	30	60	0	300
	Children	0	12	20	33	21	0	11	54	43	23	267	0	484
Wandsbeck (Le Chasseur)	Total	96	273	283	480	471	0	161	253	130	60	253	171	2 631
	Adults	27	113	115	210	208	0	55	90	45	21	107	59	1 050
	Children	69	160	168	270	263	0	106	163	85	39	146	112	1 581
Zolani	Total	339	455	268	267	252	121	153	163	200	300	206	126	2 841
	Adults	123	176	103	128	126	104	98	109	82	143	114	72	1 378
	Children	207	279	165	139	126	17	55	54	118	157	92	54	1 463
Sum totals	Total	14 916	15 280	14 564	17 426	16 203	8 914	15 769	16 178	15 961	18 692	17 825	14 887	186 615
	Adults	9 139	7 782	8 438	9 811	9 029	6 144	9 888	9 248	9 027	10 701	10 181	9 404	108 792
	Children	5 777	7 498	6 126	7 615	7 174	2 770	5 881	6 930	6 934	7 991	7 644	5 483	77 823

Table 117: TOTAL MEMBERS

Libraries		JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Sum
Ashbury	Total	1 639	1 639	1 639	2 033	2 033	2 033	2 033	2 042	2 049	2 063	2 096	2 122	2 122
	Adults	356	356	356	388	388	388	388	391	394	398	410	416	416
	Children	1 283	1 283	1 283	1 645	1 645	1 645	1 645	1 651	1 655	1 665	1 686	1 706	1 706
Ashton	Total	1 527	1 583	1 418	1 424	885	887	763	776	799	822	832	851	851
	Adults	727	732	697	700	426	429	383	387	397	407	414	423	423
	Children	800	808	721	724	459	458	380	389	402	415	418	428	428
Bonnievale	Total	2 966	2 974	2 985	2 064	2 066	2 070	2 081	2 085	2 082	2 087	2 092	2 094	2 094
	Adults	2 037	2 044	2 054	2 059	2 064	2 062	2 066	2 070	2 067	2 071	2 087	2 090	2 090
	Children	929	930	931	5	2	8	15	15	15	16	5	4	4
Happy Valley	Total	1 021	1 128	1 023	1 026	1 026	1 026	1 032	1 032	1 035	1 040	1 041	1 050	1 050
	Adults	436	436	436	438	438	438	441	441	444	447	448	456	456
	Children	585	587	587	588	588	588	591	591	591	593	593	594	594
Klaasvoogds	Total	318	321	321	321	321	321	321	323	328	328	328	328	328
	Adults	90	90	90	90	90	90	90	90	91	91	91	91	91
	Children	228	231	231	231	231	231	231	233	237	237	237	237	237
McGregor	Total	690	690	693	693	625	625	627	627	619	616	616	579	579
	Adults	393	393	395	395	366	366	368	368	367	363	363	344	344
	Children	297	297	298	298	259	259	259	259	252	253	253	235	235
Middelrivier	Total	201	201	201	201	201	201	201	201	201	201	201	201	201
	Adults	73	73	73	73	73	73	73	73	73	73	73	73	73
	Children	128	128	128	128	128	128	128	128	128	128	128	128	128
Montagu	Total	1 642	1 656	1 670	1 674	1 665	1 680	1 685	1 689	1 691	1 697	1 755	1 762	1 762
	Adults	1 312	1 323	1 335	1 336	1 327	1 342	1 347	1 351	1 353	1 357	1 415	1 422	1 422
	Children	330	333	335	338	338	338	338	338	338	340	340	340	340
Mountain View	Total	4 586	4 605	4 607	4 632	4 643	4 645	4 672	4 689	4 694	4 712	4 726	4 734	4 734
	Adults	1 734	1 736	1 739	1 744	1 745	1 746	1 755	1 760	1 761	1 766	1 772	1 774	1 774
	Children	2 852	2 863	2 868	2 888	2 898	2 899	2 917	2 929	2 933	2 946	2 954	2 960	2 960
Nkqubela	Total	497	505	505	592	592	592	59	73	91	162	229	230	230
	Adults	209	209	209	296	296	296	34	38	39	73	79	80	80
	Children	288	296	296	296	296	296	25	35	52	89	150	150	150
Robertson	Total	6 315	6 329	6 348	6 376	6 376	6 390	6 383	6 398	6 293	6 423	6 435	6 448	6 448
	Adults	4 378	4 378	4 400	4 418	4 418	4 429	4 424	4 434	4 369	4 448	4 458	4 467	4 467
	Children	1 937	1 937	1 948	1 958	1 958	1 961	1 959	1 964	1 924	1 975	1 977	1 981	1 981
Sunnyside	Total	946	952	965	950	950	952	953	967	972	977	982	987	987
	Adults	416	417	420	418	418	418	421	421	422	426	426	428	428
	Children	530	535	545	532	532	534	532	546	550	551	556	559	559
WakkerstroomWes	Total	365	365	365	365	365	365	304	304	304	304	304	304	304
	Adults	158	158	158	158	158	158	114	114	114	114	114	114	114
	Children	207	207	207	207	207	207	190	190	190	190	190	190	190
WakkerstroomOos	Total	108	108	108	108	109	109	109	109	109	109	109	0	0
	Adults	64	64	64	64	64	64	64	64	64	64	64	0	0
	Children	44	44	44	44	45	45	45	45	45	45	45	0	0
Wandsbeck (Le Chasseur)	Total	225		226	225	225	0	226	226	226	228	228	228	228
	Adults	72	72	72	72	72	0	72	72	72	73	73	73	73
	Children	153	154	154	153	153	0	154	154	154	155	155	155	155
Zolani	Total	330	347	343	333	335	337	337	335	347	351	358	358	358
	Adults	123	125	125	124	124	126	126	124	126	128	129	129	129
	Children	207	213	218	209	211	211	211	211	221	223	229	229	229
Total: Members		23 376	23 403	23 417	23 017	22 417	22 417	21 786	21 876	22 496	22 120	22 332	22 276	22 276

Library statistics

Table 118: Use of computers by patrons June 2023

	June 2024	Cumulative
Visits	19	239
Basic Training (including staff)	13	122
Assistance with Internet or MS Office-related queries	21	293
Potentially malicious software was removed manually	0	38
Hardware / Software related issues resolved	5	84
Deleted downloaded files and cleared sensitive and/or user-related cookies on browsers	0	52
Attempts to correct faulty hardware	5	26
Updated programs/anti-virus	0	49
Corrected minor setting changes done on the user level	0	25
Added measures to prevent patrons from making setting changes	0	4

Table 119: Visits by patrons

Library	Adults		Female	Total
	Student	Male		
Ashbury	57	65	52	174
Ashton	11	226	119	356
Bonnievale	253	17	10	280
Happy Valley	10	128	45	183
Klaasvoogds	1	0	0	1
McGregor	2	24	8	34
Montagu	0	50	3	53
Mountain View	7	60	15	82
Nkqubela	25	144	116	285
Robertson	7	150	46	203
Sunnyside	11	25	18	54
Wakkerstroom-Wes	10	0	3	13
Zolani	9	42	43	94
SUMTOTAL	403	931	478	1812
			Cumulative	24 888

Employee Statistics

The libraries section has 42 posts on the organisational structure approved by the Council and the section had a 7,14% vacancy rate at the end of the 2023-2024 financial year.

Table 120: Employees: Libraries

Employees: Libraries				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	36	34	2	5,56%
7 - 9	4	4	0	0,00%
10 - 12	1	0	1	100,00%
13 - 15	1	1	0	0,00%
16 - 18	0	0	0	0,00%
19 - 20	0	0	0	0,00%
Total	42	39	3	7,14%

Table 121: Financial performance 2023-2024: Libraries

Financial Performance Year 2023-2024: Libraries				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 11 221 886,00	-R 11 221 886,00	-R 11 239 661,48	0,16%
Expenditure:				
Employees	R 10 720 768,00	R 10 720 768,00	R 10 850 025,09	1,19%
Repairs and Maintenance	R 28 000,00	R 28 000,00	R 26 755,00	-4,65%
Other	R 1 793 815,00	R 1 793 815,00	R 1 655 770,93	-8,34%
Total Operational Expenditure	R 12 542 583,00	R 12 542 583,00	R 12 532 551,02	-0,08%
Net Operational Expenditure	R 1 320 697,00	R 1 320 697,00	R 1 292 889,54	-2,15%

Capital expenditure

The libraries services section had no capital projects for the 2023-2024 financial year

Table 122: Capital Expenditure 2023-2024: Libraries

Capital Expenditure Year 2023-2024: Libraries				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R0,00	R0,00	R0,00	0,00%
NO PROJECTS				

Comment on library services performance overall (Major projects or efficiencies achieved by libraries services during the year under reviewed):

- **Projects successfully implemented in 2023-2024**

1. Zolani Library: Replaced of Roof Flashing
2. Ashbury Library: External Works: Roof Repairs, Internal Works: Men's Toilet Ceiling Repairs & Wall Repairs.

- **YearBeyond and DCAS Youth Internship Program**

The libraries dept. participation in the program for young people aged between 18 - 25 years from communities in the Langeberg enabling their placement in their community libraries. In 2022 we received 7 seven youths and in 2023 we received 11 youths.

Challenges within library services

- **Limited library operations budgets to sustain service delivery (excluding personnel remuneration);**

2021/2022	R584,011-74
2022/2023	R606,123-73
2023-2024	R688, 907-00

As at December 2024, 3 x Library Assistants Resigned, to date, there are 6 Vacant Posts at the Libraries Dept. Vacant posts funds are used to sustain general library operations due to significant grant budget cuts.

Set out measures to be taken to improve performance or challenges

Wish Lists to request additional funding were submitted to the Province in 2023-2024 as follows:

- 4.3% additional for personnel costs for 2024/2025, R468,182-45
- Additional personnel costs (future posts) R1 230,000-00
- Additional 6% for general operations budget for 2024/2025, R41,334-42
- Capital Costs R4 183,000-00 includes the library upgrade for McGregor Library.

Currently, there are three vacant positions in the library department. 5 x Library Assistants posts and 1 x Librarian post since 2021- 2022, 2022-2023, 2023-2024 to date.

The libraries department cannot afford to fill these vacant posts, so a decision had to be taken that for libraries services not to suffer as the result of the constraints in the CG & MRF Grants funding received from DCAS, the budgeted salaries for the vacant positions had to be used to sustain the libraries operations, taking this drastic measure has helped the libraries to sustain and provide an effective service delivery to the public. Challenges still exist caused by the limited staff at some of the libraries.

3.10 SOCIAL DEVELOPMENT

The department manages several special projects through strategic collaborations with various government departments, including:

- **Department of Social Development:** Working together to integrate social development initiatives with economic growth strategies.
- **Department of Rural Development and Land Reform:** Partnering to advance rural development projects and land reform efforts, which are crucial for the sustainable development of small-scale farmers.
- **Department of Agriculture:** Collaborating to support agricultural initiatives and promote rural economic activities.
- **Department of Education:** Engaging in the rollout of support for Early Childhood Development (ECD) centres, ensuring that educational resources and support reach our youngest learners.

Highlight and summary

Langeberg Municipality, with the support of various stakeholders, prioritizes annual social development projects focusing on substance abuse, school dropouts, and parenting programs. These initiatives are rotated across the five towns and farming communities and include:

- Support for vegetable gardens in farm schools, ECD facilities, and urban schools
- Fetal Alcohol Syndrome (FAS) programs
- Assistance with the Prestige Agri Awards
- Substance abuse prevention and support programs
- Support for individuals with disabilities
- The 16 Days of Activism campaign
- World AIDS Day events
- Support for ECD facilities in both rural and urban areas
- Teenage pregnancy prevention programs
- Holiday programs
- Parenting support initiatives
- Child protection programs
- Provision of educational materials to all ECD facilities annually and assistance with their registration process
- Programs for the elderly
- Establishment of a Local Drug Action Committee (LDAC)

Stakeholders involved in these projects include the Department of Social Development, South African Police Service, Department of Health, Department of Education, Department of Agriculture, ACVV, Child Welfare, and others. Langeberg Municipality also supports ECD facilities with educational materials and registration assistance.

Table 123: Objectives determined for the 2023 - 2024 financial year

OBJECTIVE	ACTIVITY	TARGET	ACHIEVEMENT
To manage special projects including rural development.	Annual review and update of SLA with the Local Tourism Associations	4	4
To manage special projects including rural development	Monthly reporting to Municipal Manager and quarterly report to Council on conditions in the SLA with tourism offices.	10	2 Reports to Council and 12 reports to the Municipal Manager
To manage special projects including rural development	Implementation of social development initiatives according to approved business plan	10	13

Employees statistics

The social development section has 7 posts on the organisational structure approved by Council and the section had a 14,29% vacancy rate at the end of the 2023-2024 financial year.

Table 124: Employees: Social development

Employees: Local Economic Development and Social Development Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	3	2	1	33,33%
7 - 9	2	2	0	0,00%
10 - 12	1	1	0	0,00%
13 - 15	0	0	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	7	6	1	14,29%

Table 125: Financial Performance 2023-2024 Social development

Financial Performance Year 2023-2024: Social Development				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R0,00	R0,00	R303,32	0,00%
Expenditure:				
Employees	R1 564 428,00	R1 564 428,00	R1 557 411,94	-0,45%
Repairs and Maintenance	R0,00	R0,00		0,00%
Other	R375 656,00	R375 656,00	R138 036,94	-172,14%
Total Operational Expenditure	R1 940 084,00	R1 940 084,00	R1 695 448,88	-14,43%
Net Operational Expenditure	R1 940 084,00	R1 940 084,00	R1 695 145,56	-14,45%

Capital expenditure

The social development section had no capital projects for the 2023-2024 financial year.

Table 126: Capital Expenditure 2023-2024: Social development

Capital Expenditure Year 2023-2024:				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total	R0,00	R0,00	R0,00	0,00%
NO PROJECT				

Challenges and Measures for the Local Economic Development Department

Supporting Emerging Small Businesses:

- Challenge: Difficulty in growing and supporting emerging small businesses, particularly in securing startup funding.
- Context: Small businesses are vital for local economic growth, but access to capital and support is a persistent issue.

Lack of Entrepreneurial Skills:

- Challenge: There is a noticeable deficit in entrepreneurial skills among potential business owners.
- Context: This gap hampers the successful establishment and growth of new ventures.

Low Skills and Illiteracy:

- Challenge: High levels of illiteracy and low skills affect the productivity and development potential of the local workforce.
- Context: This situation creates barriers to business operation and development.

Land Availability for Small-Scale Farmers:

- Challenge: There is a need for adequate land to support small-scale farmers.
- Context: Access to land is crucial for the growth of the agricultural sector and local food security.

Registration and Compliance for Creches:

- Challenge: Creches face complex registration and compliance requirements within the municipal area.
- Context: These requirements can be burdensome and may deter the establishment of new childcare facilities.

Undocumented Foreign Nationals:

- Challenge: The influx of undocumented foreign nationals is straining municipal infrastructure and the health system.
- Context: This challenge requires careful management to balance humanitarian needs with infrastructure capabilities.

Measures to Improve Performance:

Support for Small-Scale Farmers:

- Measure: Develop initiatives to allocate and manage land resources for small-scale farmers.
- Goal: Foster agricultural development and improve food security.

Simplification of Registration Processes:

- Measure: Review and streamline registration and compliance requirements for creches and other small businesses.
- Goal: Reduce administrative burdens and encourage new business establishments.

Enhanced Infrastructure and Health Support:

- Measure: Collaborate with relevant authorities to manage the impact of undocumented foreign nationals on infrastructure and health services.
- Goal: Ensure sustainable infrastructure and health service provision while addressing humanitarian needs.

COMPONENT E: ENVIRONMENTAL PROTECTION

3.11 PARKS AND CEMETERIES

The Langeberg municipality maintains 17 cemeteries in its service area. Seven cemeteries are still active, albeit operating at almost maximum capacity. The municipality handles pauper funerals, and bricked-up graves, keeps cemetery records, develops cemetery bylaws and policies, and maintains the municipal cemeteries. Lack of burial space is one of the challenging issues within the Langeberg Municipality. The municipality is exploring avenues to expand the Robertson cemetery. The second phase of regional cemetery development in Ashton has been completed and resulted in additional burial space which is estimated to address the shortage for the next few years.

The table below indicates the status of the cemetery as at 30 June 2024

Table 127: The status of each cemetery

Name of Cemetery	Town	Capacity
White Street Cemetery	Robertson	100% full
New White Street Cemetery	Robertson	100% full
Northern Cemetery	Robertson	99% full
Nkqubela Cemetery	Robertson	available space for another 655
McGregor Cemetery	McGregor	available space for another 253
Cogmanskloof	Ashton	100% full
Conradie Dorp	Ashton	100% full
Silo's	Ashton	10 000 graves
Zolani Old	Ashton	100% full
Zolani New	Ashton	available space for another 418
Golf Course cemetery	Montagu	100% full
Ashbury New	Montagu	available space for another 2898
Ashbury Old	Montagu	100% full
Town old	Bonnievale	100% full
Town New	Bonnievale	available space for another 537
Happy Valley Milner Street	Bonnievale	100% full
Happy Valley Newcross Street	Bonnievale	100% full

Key projects include:

- Development of Ashton Silo's cemetery which increased burial space.
- Purchasing of additional cemetery land in the Robertson White Street cemetery complex.

Parks and Amenities

Parks and Amenities are striving to create public open spaces that reflect diversity and encourage people to enjoy the outdoors. The parks are well-maintained and are inviting to the public.

Focus areas:

- Management and maintenance of parks and street-side gardens within the Langeberg municipal area.
- Development of new parks within the municipal area.
- Maintenance of trees on sidewalks.
- Greening of the municipal area.
- Management and cleaning of open spaces, rivers, municipal nature reserves and hiking trails.
- Planting, pruning and maintenance of trees and shrubs in public areas.
- Mowing of open spaces and road reserves.
- Development and maintenance of play parks.
- Horticultural maintenance.
- Clearing of invasive alien vegetation.

Key projects included:

- River cleaning project- Operational project.
- Procurement of tractors and equipment- Capital

Employees statistics

The parks and cemeteries section has 73 posts on the organisational structure approved by Council and the section had 2,74% at the end of the 2023-2024 financial year.

Table 128: Employees: parks and cemeteries

Employees: Parks and Cemeteries				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	65	63	2	3,08%
7 - 9	5	5	0	0,00%
10 - 12	2	2	0	0,00%
13 - 15	1	1	0	0,00%
16 - 18	0	0	0	0,00%
19 - 20	0	0	0	0,00%
Total	73	71	2	2,74%

Table 129: Financial Performance 2023-2024: Parks and Cemeteries

Financial Performance 2023-2024: Parks and Cemeteries				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 507 441,00	-R 507 441,00	-R 442 084,92	-14,78%
Expenditure:				
Employees	R 15 837 821,00	R 15 837 821,00	R 14 816 010,96	-6,90%
Repairs and Maintenance	R 154 167,00	R 154 167,00	R 152 367,87	-1,18%
Other	R 5 635 138,00	R 5 635 138,00	R 5 183 995,47	-8,70%
Total Operational Expenditure	R 21 627 126,00	R 21 627 126,00	R 20 152 374,30	-7,32%
Net Operational Expenditure	R 21 119 685,00	R 21 119 685,00	R 19 710 289,38	-7,15%

Capital Expenditure

The parks and cemeteries section has spent 22,90% of the final adjustment budget on parks and cemeteries projects for the 2023-2024 financial year. The table below indicates the capital expenditure for parks and cemeteries section as at 30 June 2024.

Table 130: Capital expenditure Year 2023-2024: Parks and cemeteries

Capital Expenditure Year 2023-2024: Parks and Cemeteries				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R1 795 000,00	R1 795 000,00	R524 665,21	-242,12%
Purchase of replacement horticultural equipment	R300 000,00	R300 000,00	R205 165,21	-46,22%
Truck Canopies	R100 000,00	R100 000,00	R0,00	0,00%
Purchasing of land at White Street Cemetery Complex	R275 000,00	R275 000,00	R220 000,00	-25,00%
Development of Ashton Silos cemetery expansion	R500 000,00	R500 000,00	R0,00	0,00%
Purchasing of Ride on mower	R120 000,00	R120 000,00	R99 500,00	-20,60%
Upgrade of parks	R500 000,00	R500 000,00	R0,00	0,00%

Comment on parks and cemeteries performance overall (Major projects or efficiencies achieved by parks and cemeteries during the year under review):

The Parks and Amenities department performed well during the year and a reasonable standard of maintenance of the play parks, street trees, sidewalks, nature reserves and rivers was maintained.

Challenges within the Parks and Amenities Department

- Vandalism and theft in playparks, nature reserves and cemeteries
- Unauthorised felling of trees for firewood
- The negative image of trees as messy and a congregating area for criminal elements
- Illegal dumping on playparks, cemeteries, rivers and public open spaces
- Lack of River Maintenance Management Plans
- Flood damages in Montagu Mountain Reserve affected roads, fencing, hiking trails, picnic areas, parking

Set out measures to be taken to improve performance or challenges

- The Parks and Amenities Department will strive to combat criminal activities with the assistance of the Law Enforcement Department.
- Raise awareness of the importance of trees by organising events such as the Arbor Day celebration.
- Encourage members of the public to form Friends Groups
- Source funds for the appointment of a consultant and drafting of River Maintenance Management Plans

COMPONENT F: SECURITY AND SAFETY

3.12 LAW ENFORCEMENT AND TRAFFIC OFFICERS

The unit is responsible for:

- **Traffic Management:** Overseeing and regulating traffic flow and safety.
- **Vehicle Licensing and Registration:** Handling the registration and licensing processes for vehicles.
- **Road Markings and Signs:** Maintaining and updating road markings and signage.
- **Law Enforcement:** Enforcing traffic laws and regulations.
- **Education and Training:** Providing education and training related to traffic safety and regulations.
- **Security:** Ensuring security measures are in place to protect road users and infrastructure.

Highlights and Summary

A new traffic officer has been appointed to the Traffic Services.

Table 131: Traffic, Licensing and Law Enforcement Service data

Traffic, Licensing and Law Enforcement Service Data				
	Details	2021/2022	2022/2023	2023-2024
		Actual No.	Actual No.	Actual No.
1.	Number of road traffic accidents (Fatal)	4	8	18
2.	Number of by-law infringements attended	3697	1304	887
3.	Number of traffic officers in the field on an average day	8	8	8
4.	Number of traffic officers on duty on an average day	4	4	11

Employee Statistics

The traffic services have 34 posts on the organisational structure approved by Council and the section had a 5,88% vacancy rate at the end of the 2023-2024 financial year

Table 132: Employees: Motor vehicle registration and vehicle testing

Employees: Motor Vehicle Registration and vehicle testing				
Job Level	2023-2024			
Police	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	%
0 - 3	4	4	0	0,00%
4 - 6	12	12	0	0,00%
7 - 9	2	2	0	0,00%
10 - 12	15	14	1	6,67%
13 - 15	1	0	1	100,00%
16 - 18	0	0	0	0,00%
19 - 20	0	0	0	0,00%
Total	34	32	2	5,88%

Employee Statistics

The traffic services have 26 posts on the organisational structure approved by Council and the section had a 7,69% vacancy rate at the end of the 2023-2024 financial year.

Table 133: Employees: Law enforcement and security

Employees: Law enforcement and security				
Job Level	2023-2024			
Police	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	17	16	1	5,88%
7 - 9	7	7	0	0,00%
10 - 12	1	1	0	0,00%
13 - 15	1	0	1	100,00%
16 - 18	0	0	0	0,00%
19 - 20	0	0	0	0,00%
Total	26	24	2	7,69%

Table 134: Financial Performance 2023-2024: Traffic and Law Enforcement

Financial Performance 2023-2024: Traffic and Law enforcement				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 9 011 791,00	-R 9 011 791,00	-R 9 178 682,80	1,82%
Expenditure:				
Employees	R 22 013 722,00	R 22 013 722,00	R 20 817 947,70	-5,74%
Repairs and Maintenance	R 215 203,00	R 215 203,00	R 179 385,61	-19,97%
Other	R 10 246 733,00	R 10 246 733,00	R 8 328 476,98	-23,03%
Total Operational Expenditure	R 32 475 658,00	R 32 475 658,00	R 29 325 810,29	-10,74%
Net Operational Expenditure	R 23 463 867,00	R 23 463 867,00	R 20 147 127,49	-16,46%

Capital Expenditure

The law enforcement and traffic section has spent 100,00% of the final adjustment budget on law enforcement and traffic projects for the 2023-2024 financial year. The table below indicates the capital expenditure for law enforcement and traffic section as at 30 June 2024.

Table 135: Capital expenditure 2023-2024: Traffic, Licensing and Law Enforcement service

Capital Expenditure 2023-2024: Traffic, Licensing and Law Enforcement Service				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R50 000,00	R50 000,00	R50 000,00	0,00%
VTS roll-up doors	R50 000,00	R50 000,00	R50 000,00	0,00%

Performance and Challenges

Our licensing departments have demonstrated strong performance in service delivery. Another highlight is the installation of generators at our Robertson and Ashton Traffic Services.

Challenges:

- Presence of illegal taxi operators in our area who are foreign nationals
- Illegal shacks and illegal hawkers not operating in the designated trading areas

Measures to Address Challenges:

- Collaborate with other government stakeholders to address these issues
- Impound illegal taxis weekly

3.13 FIRE AND DISASTER SERVICES:

Highlights and summary

The Langeberg Municipality has a memorandum of understanding with the Cape Winelands District Municipality for the handling of fire-related incidents. The PPE project was completed in the 2023-2024 financial year. For the smoke alarms and small equipment projects, there were delays in the delivery of the ordered items which were eventually delivered in July 2024. Robertson Fire Station was officially opened on the 7th of February 2024 as the construction project was complete. There is improvement on the response times since the Robertson Fire Station has been placed on commission.

The duties of the fire service include:

- Fire prevention. (The inspections at business premises, institutional facilities, etc.)
- Examination of building plans
- Fire and life safety education
- Attends to motor vehicle accidents.
- Different kinds of rescues
- Maintenance of fire hydrants
- Attendance of Chief Fire Officers Committee Meetings and different Provincial workgroups
- Response to life-threatening emergency fire incidents

The activities of the Disaster Management team included:

- Smoke alarms installation
- Awareness campaigns
- Emergency relief in the form of food parcels, blankets etc.
- Review of Disaster Management Plan
- Joint Operation Committee
- Attendance of Disaster Management Forum
- Collaboration with District, Province and National concerning Disaster Management

Table 136: Fire service data

	Details	2021-2022	2022-2023	2023-2024
		Actual No.	Actual No.	Actual No
1	Total fires attended in the year	263	304	270
2	Total of other incidents attended in the year	39	50	85
3	Average turnout time - urban areas	0:15:12	0:12:00	00:07:00
4	Average turnout time - rural areas	0:15:56	0:13:00	00:19:00
5	Firefighters in post at year-end	16	26	27
6	Total fire appliances at year-end	08	10	9
7	Average number of appliances off the road during the year	0	0	1

Employee Statistics

The fire services section has 27 posts on the organisational structure approved by Council and the section had a 0,00% vacancy rate at the end of the 2023-2024 financial year.

Table 137: Employees: Fire services

Employees: Fire Services				
Job Level	2023-2024			
Fire Fighters	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	%
Chief Fire Officer & Deputy	1	1	0	0%
Other Fire Officers				
0 - 3	0	0	0	0%
4 - 6	14	14	0	0%
7 - 9	11	11	0	0%
10 - 12	1	1	0	0%
13 - 15	0	0	0	0%
16 - 18	0	0	0	0%
19 - 20	0	0	0	0%
Total	27	27	0	0%

Table 138: Financial Performance 2023-2024: Fire Services

Financial Performance Year 2023-2024: Fire Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 635 605,00	-R 635 605,00	-R 166 147,14	-282,56%
Expenditure:				
Employees	R 13 064 662,00	R 13 064 662,00	R 13 297 634,31	1,75%
Repairs and Maintenance	R 30 138,00	R 30 138,00	R 28 430,47	-6,01%
Other	R 3 154 393,00	R 3 154 393,00	R 2 439 342,47	-29,31%
Total Operational Expenditure	R 16 249 193,00	R 16 249 193,00	R 15 765 407,25	-3,07%
Net Operational Expenditure	R 15 613 588,00	R 15 613 588,00	R 15 599 260,11	-0,09%

Capital Expenditure

The fire services section has spent 70,62% of the final adjustment budget on fire services projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the fire services section as at 30 June 2024.

Table 139: Capital expenditure 2023-2024: Fire services

Capital Expenditure Year 2023-2024: Fire Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R18 791 869,00	R18 791 869,00	R13 268 796,70	-41,62%
3 X PPE (Protective Personal Ensemble)	R103 795,00	R103 795,00	R101 149,58	-2,62%
Furniture - Fire Station	R30 000,00	R30 000,00	R29 558,02	-1,50%
Air Conditioners - Fire Services	R30 000,00	R30 000,00	R0,00	0,00%
Smoke Alarm	R434 782,00	R434 782,00	R0,00	0,00%
Small equipment - Fire Services	R374 000,00	R374 000,00	R184 343,80	-102,88%
Fire Station Robertson Building	R17 819 292,00	R17 819 292,00	R12 953 745,30	-37,56%
Fire Extinguishers and Fire Hose Reels above 500	R5 530,00	R5 530,00	R5 530,00	0,00%

Comment on fire services performance overall (Major projects or efficiencies achieved by fire services during the year under review):

- The PPE project was completed in the 2023-2024 financial year.
- Building of Robertson fire station was completed
- Furniture and fire extinguisher projects were completed in the 2023-2024 financial year.
- The smoke alarms and small equipment projects delayed the delivery of the ordered items which were eventually delivered in July 2024.

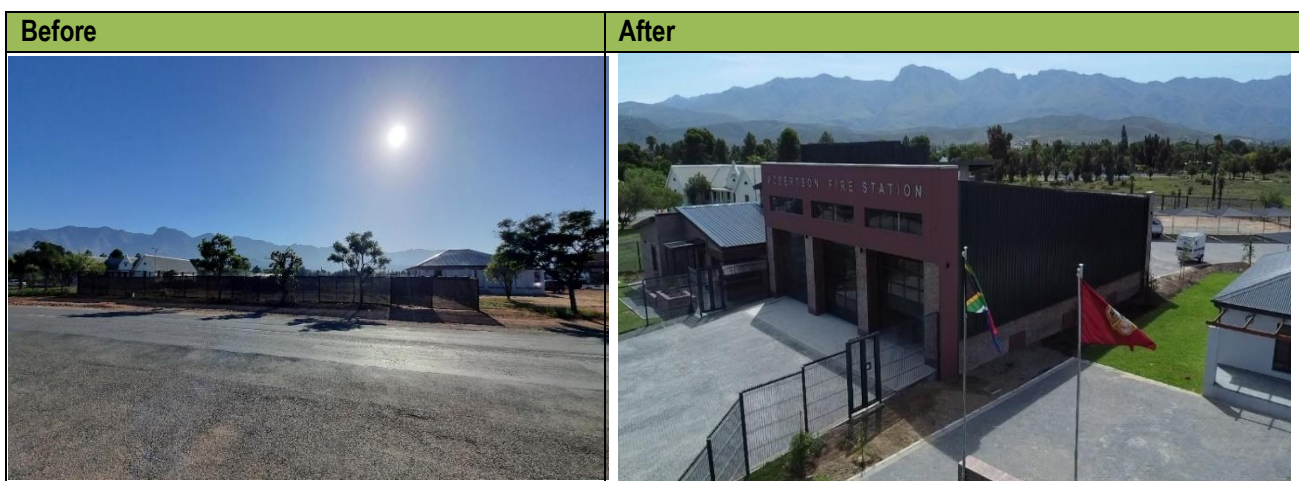


Photo: Construction of Robertson Fire Station

Challenges within fire services

- Only the Chief and Station Commander can attend to inspections and building plans in the whole of Langeberg Municipal area, amidst other commitments that are required by legislation and national standards to make sure the fire services are up to standard.
- The Disaster Management function has no designated official to attend to it on a 24/7 hr. basis, it is performed as a dual function with the Fire Service functions.
- The five towns in the Langeberg Municipality are located at a distance from each other which presents a challenge in terms of coverage for community fire protection purposes in line with SANS 10090. Even though there is a life-threatening fire emergency line, Langeberg Local Municipality is not compliant with the South African National Standard 10090 for Community Fire Protection and other standards like NFPA 1221 in terms of Call taking and Dispatching.

Set out measures to be taken to improve performance or challenges

- That the Langeberg Local Municipality Fire Station capacity establishment in Robertson Town, be completed, as one of the steps towards achieving a safe environment for the whole community of Langeberg in terms of community fire protection coverage.
- The Call Centre or the Public Emergency Communication Centre be capacitated to take and dispatch fire emergency calls in line with the South African National Standard (SANS 10090)
- Prioritization of resources capable of handling emergencies in terms of human resources, vehicles and equipment.
- Fire Safety Division needs to be established that will deal primarily with fire safety issues in the whole of Langeberg. There are personnel who are qualified but need experience to do this kind of work but cannot be taken off the shift due to the shortage of personnel (They will need to work office hours-2 x personnel). This will allow the Chief to have time for research, planning, training, ensuring the readiness of personnel, liaising with Province and National, and directing, organising and controlling the fire services without being too involved on the ground.
- Community Fire Safety by-laws need to be established
- As a priority the three (3) Senior Firefighters will need to be appointed to supervise the shifts that are now rendering the service at Robertson Satellite Fire Station
- Appoint a full-time Disaster Management official
- An additional budget is needed to have the function in all the other towns.
- Proposed organogram needs to be prioritized to enable fire and disaster to fulfil its legislated mandate

COMPONENT G: SPORT AND RECREATION

3.14 COMMUNITY FACILITIES

Highlights and summary

The Community Facilities Department oversees the management of seven sports fields, twelve community halls, and one swimming pool across the five towns in the Langeberg Municipal area. In addition to maintenance, the department handles all bookings for these facilities and fosters an environment conducive to sports development within the municipality.

Sport Facilities:

- **Robertson:** Van Zyl Street Sports Ground, Callie de Wet Sports Ground, Nkqubela Sports Ground.
- **Bonnievale:** Happy Valley Sports Ground.
- **McGregor:** McGregor Sports Ground.
- **Ashton:** Zolani Sports Field, Cogmanskloof Sports Ground.
- **Montagu:** King Edward Sports Ground.

Key Projects:

- Ongoing installation of boundary walls at Van Zyl Street Sports Ground in Robertson using precast walling.
- Installation of high mast lighting for the soccer field at Happy Valley Sports Ground in Bonnievale.
- Completion of the boundary wall at Happy Valley Sports Ground with precast walling.
- Installation of cricket nets at King Edward Sports Ground in Montagu.
- Purchase of equipment to enhance sports field maintenance and standards.
- Refurbishment of the roof at Callie de Wet Sports Hall.
- Acquisition of various appliances.

Swimming Pool Facility:

- Replacement of the old pipe system at the Dirty Uys Street Swimming Pool in Robertson.

Community Halls:

- Robertson: Robertson Town Hall, Robertson Civic Hall, Nkqubela Hall, Callie de Wet Hall.
- McGregor: McGregor Hall.
- Bonnievale: Chris Van Zyl Hall, Happy Valley Hall.
- Ashton: Ashton Town Hall, Barnard Hall, Zolani (Rholihlahla) Hall.
- Montagu: Hofmeyer Hall, Wilhelm Thys Hall, King Edward Hall.

Key Projects:

- Purchase of tables and chairs to address shortages and meet capacity needs in community halls.
- Replacement of outdated and irreparable appliances to ensure proper facilities for public use.
- Refurbishment of the main hall roof at Robertson Civic Hall.

Employee Statistics

The community facilities section has 39 posts on the organisational structure approved by the Council and the section had a 2,56% vacancy rate at the end of the 2023-2024 financial year.

Table 140: Employees: Community facilities

Employees: Community facilities				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	10	10	0	0,00%
4 - 6	21	20	1	4,76%
7 - 9	5	5	0	0,00%
10 - 12	2	2	0	0,00%
13 - 15	1	1	0	0,00%
16 - 18	0	0	0	0,00%
19 - 20	0	0	0	0,00%
Total	39	38	1	2,56%

Table 141: Financial Performance 2023-2024: Community facilities

Financial Performance Year 2023-2024: Community facilities				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 11 603 134,00	-R 11 603 134,00	-R 442 351,02	-2523,06%
Expenditure:				
Employees	R 12 503 216,00	R 12 503 216,00	R 12 935 268,75	3,34%
Repairs and Maintenance	R 1 183 712,00	R 1 183 712,00	R 748 763,66	-58,09%
Other	R 4 747 435,00	R 4 747 435,00	R 4 319 644,83	-9,90%
Total Operational Expenditure	R 18 434 363,00	R 18 434 363,00	R 18 003 677,24	-2,39%
Net Operational Expenditure	R 6 831 229,00	R 6 831 229,00	R 17 561 326,22	61,10%

Capital expenditure

The sport and recreation section has spent 84,24% of the final adjustment budget on sport and recreation projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the sport and recreation section as at 30 June 2024.

Table 142: Capital expenditure 2023-2024: Community facilities

Capital Expenditure Year 2023-2024: Community facilities				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R5 250 019,00	R5 250 019,00	R3 035 811,41	-72,94%
Community facilities				
Equipment Community Facilities	R211 459,00	R211 459,00	R175 700,00	-20,35%
Swimming pool old pipe system replacement	R200 000,00	R200 000,00	R0,00	0,00%
Callie de Wet Hall roof refurbishment	R350 000,00	R350 000,00	R296 176,70	-18,17%
Appliances	R123 000,00	R123 000,00	R0,00	0,00%
Sports fields				
Upgrading floodlights Cogmanskloof Sports field	R162 600,00	R162 600,00	R108 400,00	-50,00%
Happy Valley Sportsground soccer field high mast lighting	R185 960,00	R185 960,00	R0,00	0,00%
Upgrading sport field lighting – Bonnievale	R600 000,00	R600 000,00	R518 494,50	-15,72%
Supply & delivery & installation of cricket nets X 2 King Edward sports field, Montagu	R133 000,00	R133 000,00	R126 341,91	-5,27%
Sports field Boundary Wall: Van Zyl Street, Robertson – CRR	R2 400 000,00	R2 400 000,00	R1 613 495,00	0,00%
Boundary wall Happy Valley sportsground completion with precast walling	R400 000,00	R400 000,00	R0,00	
Community halls				
Furniture	R134 000,00	R134 000,00	R69 000,00	-94,20%
Robertson Civic Roof refurbishment	R250 000,00	R250 000,00	R128 203,30	-95,00%
Appliances	R100 000,00	R100 000,00	R0,00	0,00%

Key projects include the following upgrades and installations:

- Boundary Walls: Upgrading the boundary walls at Van Zyl Street Sports Ground and Bonnievale Sports Ground from vibracrete to precast walling.
- Lighting: Enhancing the high mast lighting at Happy Valley Sports Ground.
- Cricket Nets: Installing new cricket nets at King Edward Sports Ground in Montagu.



Photo: Precast Boundary Wall completed at Happy Valley Sportsground, Bonnievale

Challenges

Maintenance and repairs to community facilities remain a challenge. Major capital projects, such as roof refurbishments at community halls and sports fields, have been completed to extend the longevity and usability of these facilities. Many community halls have been secured with new fencing, and replacing the vibracrete boundary walls with precast walls at sports fields is a priority. Upgrading all sports field boundaries to precast walling, along with improvements to field lighting and pavilions, is scheduled over the next five years.

Vandalism continues to affect community facilities. The public is encouraged to report incidents to aid in combating crime in the Langeberg area. As the population grows and local clubs advance to higher league play, Langeberg's sports fields need to meet provincial and national standards set by sports federations. Rugby remains the largest sport, with three clubs in the super leagues, and cricket has seen notable success, with two Boland-affiliated teams in the area. Local football also shows growth, with one town having over five registered clubs, highlighting the need for additional sports fields. The overuse of existing fields, with only one field available for practice and play, and the lack of seasonal rest are pressing issues.

Measures to Improve Performance and Address Challenges

- **Enhance Security:** Implement physical security measures or cameras with armed responses at all sports fields and community halls.
- **Increase Funding:** Secure additional funding from municipal, MIG (Provincial/National), and other sources for sports field development, repairs, and maintenance.
- **Address Maintenance Backlog:** Obtain permits from Western Cape Heritage for maintenance and repair work on community halls designated as heritage sites.
- **Support Sport Council Formation:** With the election of a formal Langeberg Sport Council, apply for funding through the Cape Winelands District Sport Council to support local sports development.
- **Prioritize Sports Projects:** Collaborate with sports stakeholders to prioritize annual sports project budgets based on input from involved sports clubs.

COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.15 EXECUTIVE AND COUNCIL

Table 143: Financial Performance 2023-2024: The Executive and Council

Financial Performance Year 2023-2024: The Executive and Council				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 11 596 906,00	-R 11 596 906,00	-R 10 321 371,85	0,00%
Expenditure:				
Employees	R -	R -	R -	0,00%
Repairs and Maintenance	R -	R -	R -	0,00%
Other	R 13 331 958,00	R 13 331 958,00	R 12 113 363,05	-10,06%
Total Operational Expenditure	R 13 331 958,00	R 13 331 958,00	R 12 113 363,05	-10,06%
Net Operational Expenditure	R 1 735 052,00	R 1 735 052,00	R 1 791 991,20	3,18%

Employee Statistics

The executive and council section has 6 posts on the organisational structure approved by the Council and the section had a 0,00% vacancy rate at the end of the 2023-2024 financial year.

Table 144: Employees: Executive and Council

Employees: The Executive and Council				
Job Level	2023/2024			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	1	1	0	0,00%
7 - 9	1	1	0	0,00%
10 - 12	2	2	0	0,00%
13 - 15	1	1	0	0,00%
16 - 18	1	1	0	0,00%
19 - 20	0	0	0	0,00%
Total	6	6	0	0,00%

Capital expenditure

The Executive and council section had no capital projects for the 2023-2024 financial year

Table 145: Capital Expenditure 2023-2024: The Executive and Council

Capital Expenditure Year 2023-2024: The Executive and Council				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R -	R -	R -	0,00%
No capital projects				

3.16 FINANCIAL SERVICES

Highlights and summary

The Municipality performed well when it came to its finances and achieved key ratios that were above the norms set by the National Treasury.

Employee Statistics

The financial services directorate has 83 posts on the organisational structure approved by the Council and the section had a 7.23% vacancy rate at the end of the 2023-2024 financial year.

Table 146: Employees: Financial Services

Employees: Financial Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0,00%
4 - 6	60	58	2	3,33%
7 - 9	8	6	2	25,00%
10 - 12	10	8	2	20,00%
13 - 15	2	2	0	0,00%
16 - 18	3	3	0	0,00%
19 - 20	0	0	0	0,00%
Total	83	77	6	7,23%

Table 147: Financial Performance 2023-2024: Financial Services

Financial Performance Year 2023-2024: Financial Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-R 88 337 206,00	-R 88 337 206,00	-R 80 145 207,40	-10,22%
Expenditure:				
Employees	R 3 222 760,00	R 3 222 760,00	R 5 878 086,82	45,17%
Repairs and Maintenance	R 33 498,00	R 33 498,00	R 24 059,90	-39,23%
Other	R 269 365 753,00	R 269 365 753,00	R 25 182 842,73	-969,64%
Total Operational Expenditure	R 272 622 011,00	R 272 622 011,00	R 31 084 989,45	-777,02%
Net Operational Expenditure	R 360 959 217,00	R 360 959 217,00	R 111 230 196,85	-224,52%

Capital expenditure

The financial services directorate has spent 99,92% of the final adjustment budget on financial services projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the financial services directorate as at 30 June 2024.

Table 148: Capital Expenditure 2023-2024: Financial services

Capital Expenditure Year 2023-2024: Financial Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R3 015 828,00	R3 015 828,00	R3 013 299,51	-0,08%
ERP System	R2 615 828,00	R2 615 828,00	R2 615 827,23	0,00%
Furniture & Office Equipment	R95 000,00	R95 000,00	R92 472,28	-2,73%
Forklift	R305 000,00	R305 000,00	R305 000,00	0,00%

Comment on the overall performance of financial services, including any major projects or efficiencies achieved during the review year.

The cash/cost coverage ratio is 3.59 in the month ended 30 June 2024. This ratio indicates that the municipality can meet its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue for four months at most. This is above the norm of 1-3 months. The current ratio is 1.8:1 for the month ended 30 June 2024 and is below the benchmark of 2:1. The collection rate is 94,12% in the month ended 30 June 2024.

Challenges within financial services

The main challenge is the influx of illegal immigrants within the municipal jurisdiction, which places significant pressure on the Municipality's infrastructure. Many of these immigrants reside in unauthorised informal settlements and do not pay for services. Another major issue causing financial strain is the steep rise in Eskom's electricity tariffs, which are becoming increasingly unaffordable for both the community and the Municipality.

Illegal immigrants

The Municipality has strengthened enforcement against illegal settlements by collaborating with Consortium, a service provider, to identify and address unlawful occupation.

High Eskom tariffs

The Municipality is currently implementing a tiered pricing structure (block tariffs) for low-income households/low-consumption households.

The Municipality also drafted an opposition letter to the National Energy Regulator of South Africa and the South African Local Government Association to advocate for more reasonable and predictable tariff increases.

3.17 HUMAN RESOURCES

In the Municipality, the Human Resources department plays a vital role in managing a broad range of functions that ensure the smooth operation and support of our workforce. These functions include:

- Leave Management: Administering all types of leave, including annual, sick, and special leave.
- Working Hours: Regulating employee work hours to ensure compliance with policies.
- Study Loans: Handling internal study loan applications for employee development.
- Recruiting and Selecting: Overseeing recruitment and selection to hire qualified candidates.
- Private Work Applications: Managing requests for private work outside official duties.
- Long Service Recognition: Celebrating long-term employee commitment.
- Housing Subsidies: Administering subsidies to assist with accommodation costs.

- Termination of Service: Managing all forms of service terminations.
- Probation Periods: Evaluating performance during probation to ensure role suitability.
- Contract and Job Creation Appointments: Overseeing new role creation and contract appointments.
- Injuries on Duty: Addressing workplace injuries to ensure proper support.
- Holiday Work for Students: Facilitating temporary work opportunities for students.
- Acting Allowances: Administering allowances for additional responsibilities.
- Night-Work Allowances: Managing compensation for nighttime work.
- Rehabilitation of Employees: Supporting employees' return to work after illness or injury.
- Internal Transfers: Facilitating employee transfers within the Municipality.
- Vehicle Schemes: Overseeing transportation solutions for employees.
- Medical Unfitness: Managing cases of medical unfitness for current duties.
- Induction of New Members: Conducting effective induction programs for new employees.
- Overtime Procedures: Administering overtime procedures for fair compensation.
- Service Bonus: Rewarding employees with service bonuses.
- Letters of Appreciation: Issuing letters to recognize employee achievements.
- Loans from Pension Funds: Managing pension fund loan applications.
- Human Resources Policies: Developing and implementing HR policies.
- Individual Performance Management: Enhancing individual performance through management processes.
- Job Evaluations: Conducting evaluations to ensure appropriate role classification and compensation.
- Medical Funds: Managing funds for employee health and wellness.
- Retirement/Pension Funds: Administering retirement and pension benefits.

These functions collectively support an efficient, supportive, and well-regulated work environment for all Municipality employees.

Highlights and summary

The Human Resources section has made significant strides in enhancing its operations and services. As of 1 July 2023, we successfully implemented the new Staff Regulations, reflecting our commitment to up-to-date and effective management practices. In addition, eight policies were thoroughly reviewed, and the next five-year Employment Equity Plan was approved, ensuring our ongoing dedication to fair and equitable employment practices.

We also submitted and received approval for both the HR Plan and HR Strategy from the Council, aligning our goals with the Municipality's strategic objectives. The Human Resources department remains focused on delivering effective and efficient services to our employees, ensuring that we recruit and retain the best talent for Langeberg Municipality. Our continuous efforts aim to support our workforce and enhance our organizational performance.

The highlights of human resources for the 2023-2024 financial year are as follows:

- Number of 127 employees were trained
- Number of 3 employees completed municipal minimum competency training
- Number of 32 internal bursaries awarded
- Number of 5 people appointed on EE target group in the top level
- Number of 12 employees attended learnerships

Employee Statistics

Human Resource Services has 4 posts on the organisational structure approved by Council and the section had a 0,00% vacancy rate at the end of the 2023-2024 financial year.

Table 149: Employees: Human Resource Services

Employees: Human Resource Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0,00%
4 – 6	0	0	0	0,00%
7 – 9	0	0	0	0,00%
10 – 12	3	3	0	0,00%
13 – 15	1	1	0	0,00%
16 – 18	0	0	0	0,00%
19 – 20	0	0	0	0,00%
Total	4	4	0	0,00%

Table 150: Financial Performance 2023-2024: Human Resource Services

Financial Performance Year 2023-2024: Human Resource Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R -	R -	R -	0,00%
Expenditure:				
Employees	R 2 760 439,00	R 2 760 439,00	R 2 726 694,57	-1,24%
Repairs and Maintenance	R -	R -	R -	0,00%
Other	R 3 027 413,00	R 3 027 413,00	R 2 084 811,18	-45,21%
Total Operational Expenditure	R 5 787 852,00	R 5 787 852,00	R 4 811 505,75	-20,29%
Net Operational Expenditure	R 5 787 852,00	R 5 787 852,00	R 4 811 505,75	-20,29%

Capital expenditure

The human resource section had no capital projects for the 2023-2024 financial year

Table 151: Capital Expenditure 2023-2024: Human Resource Services

Capital Expenditure Year 2023-2024: Human Resource Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R0,00	R0,00	R0,00	0,00%
NO PROJECTS				

Comment on human resource services performance overall (Major projects or efficiencies achieved by human resource services during the year under review):

The same as highlighted above

Challenges in Human Resource Services

One significant challenge encountered was the implementation of individual performance management, a first for Langeberg Municipality. Introducing performance measurement for all employees proved demanding, as it required adjustments to both processes and mindsets. Despite these challenges, the implementation was successful, and we anticipate ongoing improvements as employees become more accustomed to this new approach.

Highlight and summary

The ICT Department, part of the Directorate of Strategy and Social Development, is crucial to the Municipality's operations. According to the Integrated Development Plan (IDP), this department is tasked with planning, coordinating, and delivering ICT services to ensure efficient municipal operations and support in alignment with the ICT strategy and policies.

Functions of the ICT Department:

- Develop and implement the ICT strategy and policy for the Municipality.
- Conduct security configuration reviews of operating systems and databases.
- Manage user access roles, segregation of duties, and privileged user access.
- Oversee availability controls and incident management.
- Monitor service level agreements and ensure programmed controls for accurate data transmission.
- Implement security controls for system interfaces.
- Govern municipal programs and projects with established governance structures and frameworks.
- Apply project management methodologies and standards.
- Develop business cases and manage stakeholder relationships.
- Handle contract and vendor management.
- Plan, implement, and manage ICT operations.
- Ensure secure and optimal availability of ICT infrastructure, telecommunications systems, and data.
- Operate an ICT service desk and provide support.
- Oversee all ICT hardware deployed within Langeberg Municipality.
- Provide operations and support for 300 users.
- Research, develop, and maintain ICT systems.
- Ensure network connectivity and install ICT equipment and software.
- Offer expert advice on acquiring and maintaining ICT equipment and systems.
- Maintain ICT systems and infrastructure to ensure efficient operation.

ICT GOVERNANCE

ICT governance ensures the effective and efficient management of ICT resources to support the Municipality's strategic goals and objectives. It involves organisational structures and processes that align the ICT infrastructure with the Municipality's strategies.

The ICT Governance Framework is guided by the Municipal Corporate Governance of Information and Communication Technology Policy, 2023-2024 (approved by Council in 2023), and supported by the following ICT-related policies:

- ICT Strategic Plan
- ICT Governance Framework Policy
- Langeberg Municipality Information Security Policy
- Langeberg End User Information Security Policy
- ICT Business Continuity Plan

ICT Control Environment

The below table provides an overview of the status of the ICT General Control Environment:

Table 152: ICT focus areas.

Focus Area	High-Level Control Processes	Actions
ICT Governance Processes	Adequate and well-structured ICT governance in place of reasonable maturity i.e., documented policies and procedures to prevent/ mitigate risks such as untimely, inaccurate data processing, downtime of critical ICT systems and ICT processes. Langeberg Municipality ICT Strategy Plan. Langeberg Municipality ICT Governance Framework Policy.	All ICT Policies are regularly reviewed and updated to incorporate AG comments and legislation.
ICT Service Continuity Processes	Disaster Recovery and Contingency plans are in place, regularly reviewed, and tested monthly and on an annual basis with users. Established a Disaster Recovery Site in Robertson. Standby Power Generators installed and operating at the following Offices: Ashton Production Site, Robertson DR Site, Robertson Municipal Office, Robertson Commando Office and Fire Station, Ashton Traffic Office and Ashton Fire Station, Bonnievale Main Office, Montagu Main Office, Robertson Traffic Office, and Ashton Call Centre. ICT Business Continuity Plan.	Leverage on the Municipality Alternative Energy strategy. Expansion of DR Site storage capacity for a server environment. Ensure adequate maintenance of installed standby generators to ensure business continuity. Align ICT Disaster Recovery Plan to Municipality Business Continuity Plan.
Physical & Environmental Controls	Access to organization data and systems is restricted by preventing unauthorized access or changes. Firewalls, SPAM Filters, Anti-Virus and other controls. Physical access to Server Rooms: Biometrics, Cameras, Environmental controls (Temperature, Flood, Fire and Door Sensors, e-mail notifications and alerts. Record keeping of access registers.	Ongoing
User Account Management	Adequate controls and SOP's. Langeberg Municipality End User Information Security Policy. Langeberg Municipality Information Security Policy.	Self-service password unlock and /or IT Help desk for all IT-related issues. ittechnical@langeberg.gov.za
Change Management	Adequate controls and SOP's. All Changes follow a change request process. Langeberg Security Information Security Policy.	Development of a Change Management Policy.
Security Management	Firewalls, SPAM Filters, Content Filtering, Application Controls and Anti-virus tools are operating effectively. Langeberg Municipality Information Security Policy.	Ongoing
IT Backups and Disaster Recovery Testing and Restore	Scheduled daily, weekly and monthly backups of all systems. Email notification for successful or Failed backups. Monthly DR Site testing and reporting. Monthly backup Restores performed. Langeberg Municipality Business Continuity Plan.	Backups are done daily, weekly and monthly of all our systems. Align ICT Disaster Recovery Plan to Municipality Business Continuity Plan – business impact assessment.

Risk Management 2023-2024

Strategic Risks:

- ICT Continuity during disruptions
- Risk of cybercrime

ICT risks are updated monthly. Progress is monitored on a quarterly basis by Internal Audit and reported to the Fraud- and Risk Management Committee (FARMCO).

Employee Statistics

The ICT services section has 6 posts on the organisational structure approved by the Council and the section had no vacant positions at the year's end. Currently, the section has a 0,00% vacancy rate.

Table 153: Employees: ICT services

Employees: ICT Services				
Job Level	2023-2024			
	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0%
4 – 6	0	0	0	0%
7 – 9	0	0	0	0%
10 – 12	4	4	0	0%
13 – 15	1	1	0	0%
16 – 18	1	1	0	0%
19 – 20	0	0	0	0%
Total	6	6	0	0%

Table 154: Financial Performance 2023-2024: ICT Services

Financial Performance Year 2023-2024: ICT Services				
Details	2023-2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R -	R -	R 1 065,19	0,00%
Expenditure:				
Employees	R 4 221 668,00	R 4 221 668,00	R 4 082 677,66	-3,40%
Repairs and Maintenance	R 423 335,00	R 423 335,00	R 133 943,12	-216,06%
Other	R 11 454 062,00	R 11 454 062,00	R 8 317 206,15	-37,72%
Total Operational Expenditure	R 16 099 065,00	R 16 099 065,00	R 12 533 826,93	-28,44%
Net Operational Expenditure	R 16 099 065,00	R 16 099 065,00	R 12 533 826,93	-28,44%

Capital expenditure

The ICT services section has spent 80,51% of the final adjustment budget on ICT services projects for the 2023-2024 financial year. The table below indicates the capital expenditure for the ICT services section as at 30 June 2024.

Table 155: Capital Expenditure 2023-2024: ICT Services

Capital Expenditure Year 2023-2024: ICT Services				
Capital Projects	2023-2024			
	Budget	Adjustment Budget	Actual Expenditure	Variance from the original budget
Total All	R6 421 559,00	R6 421 559,00	R5 169 964,02	-24,21%
General ICT Needs	R1 547 295,00	R1 547 295,00	R1 392 171,97	-11,14%
Upgrade ICT Infrastructure	R2 889 891,00	R2 889 891,00	R2 175 996,13	-32,81%
Machinery and Equipment_Generators	R1 984 373,00	R1 984 373,00	R1 601 795,92	-23,88%

During the year under review, the ICT services achieved several significant milestones:

- **Generators Purchased:** To ensure uninterrupted operations during power outages.
- **Infrastructure Upgrade:** Enhanced ICT infrastructure to improve efficiency and reliability.
- **Policy Updates:** Updated ICT policies in accordance with AGSA requirements.

- **ERP System Implementation:** Appointed and began rolling out an ERP system for better integration.
- **Cybersecurity Assessments:** Conducted assessments to strengthen cybersecurity measures.

Challenges Faced by ICT Services

- **Loadshedding and Operational Costs:** Managing the impact of power outages and the associated costs to keep offices operational.
- **Budget Constraints:** Limited funds to explore and implement business continuity alternatives.
- **Cable Theft:** Theft of cables affecting service delivery to the public.
- **Telecommunications Network Provisioning:** Inadequate provisioning of a complete telecommunications network.

Measures to Address Challenges

- **Risk Management:** Address risks identified in the risk register.
- **Alternative Energy Investigation:** Appoint a service provider to explore alternative energy solutions.

LANEBERG ORGANISATIONAL PERFORMANCE SCORECARD

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO1: Ensure efficient administration for good governance

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL11	Corporate Services	SO1: Ensure efficient administration for good governance	Percentage of municipality's training budget actually spent on implementing its workplace skills plan measured as at 30 June 2024	Percentage(%)of municipality's training budget actually spent	1%	PROMUN financial system Annual Budget Variance report (Refer to Promun skills levy vote number)	Last Value	0.98% was spent on implementing workplace skills plan	1%	97.76%	O	The planned training was completed. There was an error with the target, it was supposed to be 100 %	The allocated training budget will be corrected for the 2024-2025 FY and will be 1 % of the total employee cost budget The remaining funds for the 2023 – 2024 FY were insufficient to cover any additional training
TL12	Corporate Services	SO1: Ensure efficient administration for good governance	Limit vacancy rate to 15% of budgeted posts by 30 June 2024	Percentage (%) of vacancy rate	0%	Advertisement Process Excel Sheet	Reverse Last Value	Limited vacancy rate to 5.82%	15%	4.30%	B		
TL13	Corporate Services	SO1: Ensure efficient administration for good governance	Number of people from the EE target groups employed by 30 June 2024 in the 3 highest levels of management in compliance with the approved EE plan	Number of people from the EE target groups employed in the highest 3 levels of management by 30 June 2024	1	Appointment letter and approval dates for the filling of the vacancy	Last Value	1 person from the EE target group was employed	1	5	B		

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO1: Ensure efficient administration for good governance (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL14	Corporate Services	SO1: Ensure efficient administration for good governance	Review the Organisational Structure and submit to Council for approval by 31 May 2024	Reviewed Structure submitted to Council for approval	1	Agenda of the Council meeting	Last Value	New KPI	1	1	G		
TL31	Engineering Services	SO1: Ensure efficient administration for good governance	Review the Zoning Scheme Regulations Bylaw and submit to Council for approval by 30 June 2024	The bylaw was reviewed and submitted	1	Minutes of the Council Meeting	Last Value	New KPI	1	1	G		
TL43	Financial Services	SO1: Ensure efficient administration for good governance	Submit the Annual Financial Statements to the Auditor-General by 31 August 2023	Annual Financial Statements submitted to the Auditor-General	1	Proof of submission	Last Value	One (1) Annual financial statements submitted	1	1	G		
TL46	Financial Services	SO1: Ensure efficient administration for good governance	Limit misstatements in the Annual Financial Statements (No more than four (4) material findings)	No more than four (4) material misstatements as per Auditor Generals audit report	0	Auditor General audit report	Reverse Last Value	New KPI	4	0	B		
TL49	Office of the Municipal Manager	SO1: Ensure efficient administration for good governance	Develop a Risk Based Audit Plan and submit to the Audit Committee by 30 June 2024	Developed and submitted Plan	1	Submission of the Risk-Based Audit Plan to MM and Minutes of Audit Committee meeting during which the risk-based audit plan was discussed	Last Value	One (1) risk-based audit plan was submitted	1	1	G		
TL51	Strategy & Social Development	SO1: Ensure efficient administration for good governance	Submit reviewed IDP to Council by 31 May 2024	Reviewed IDP submitted to council	1	Reviewed IDP and Minutes of Council meeting during which IDP was discussed	Last Value	New KPI	1	1	G		
TL52	Strategy & Social Development	SO1: Ensure efficient administration for good governance	Submit the draft Annual Report to Council by 31 January 2024	Draft annual report submitted to Council by 31 January 2024	1	Draft Annual Report and Minutes of Council meeting during which report was discussed	Last Value	One (1) Annual report was submitted	1	1	G		

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL1	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to construct a boundary wall at Van Zyl Street sportfield by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	67.23%	R	The project was delayed due to excessive rain experienced during May and June 2024	A request to roll over the funds to the new financial year has been approved
TL3	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the capital budget allocated for the expansion of the silo cemetery in Ashton by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	Spent 96.43% of the capital budget	95%	0%	R	The supplier cancelled the contract due to material price increases, requiring the re-advertisement of the tender.	A request to roll over the funds to the new financial year has been approved. The tender was readvertised and awarded to the new supplier.
TL4	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the replacement of the Dirkie Uys Swimming Pool pipe system by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	0%	R	The tender was awarded to the successful service provider; The service provider has not delivered the material as at 30 June 2024	A request to roll over the funds to the new financial year has been approved. The rollover funds will be spent by 30 December 2024.
TL5	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Complete the refurbishment of the Callie De Wet Hall by 30 June 2024	Project completed	0	Practical completion certificate	Last Value	New KPI	1	1	G		
TL6	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Complete the refurbishment of the Robertson Civic Roof by 30 June 2024	Project completed	0	Practical completion certificate	Last Value	New KPI	1	1	G		
TL8	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Complete the construction of the Happy Valley boundary walls on the front side by 30 June 2024	Project completed	0	Practical completion certificate	Last Value	New KPI	1	1	G		
TL9	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Complete the upgrade of the Happy Valley Sportfields lights by 30 June 2024	Project completed	0	Practical completion certificate	Last Value	New KPI	1	1	G		

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL15	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Limit unaccounted electricity to less than 7.5% as at 30 June 2024	Percentage (%) unaccounted electricity captured in the report	7.50%	Electricity losses report generated from an Excel database maintained for the calculation of the electricity losses	Reverse Last Value	Electricity losses of 3.93% and the target was achieved	7.50%	5.76%	B		
TL16	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	95% of Water samples comply with SANS241 microbiological indicators on a monthly basis	Percentage (%) compliance of samples tested	95%	Monthly Lab results	Last Value	88.89% of water samples complied. Alternative chlorination systems have been installed at all the water treatment works to ensure continuous effective chlorination at the water treatment works. The water quality is continuously monitored.	95%	95,79%	G2		
TL17	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Limit unaccounted water to less than 15% as at 30 June 2024	Percentage (%) of unaccounted water captured in the report	15%	Water Losses Excel database maintained by the Manager: Civil Engineering Services	Reverse Last Value	Water losses of 14.20% and the target was achieved	15%	18.70%	R	Water loss figures are calculated as an average over a year. Between July and October 2023, water sales were lower than usual, but this issue has been resolved. Additionally, water quality issues in Robertson and Montagu from September to December 2023 required extra backwashing and flushing of the system.	A meter audit is planned for large users, and some of their meters will be replaced during the 2024/25 period. Meter replacement will also occur throughout the year as faulty meters are identified. The 2024/25 capital budget includes funding to replace the main feeder pipe from Bonnievale to Uitzig and Lactalis.

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL18	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	80% of Effluent samples comply with permit values on a monthly basis	Percentage (%) compliance of samples	75%	Monthly Lab results	Last Value	60.73% of effluent samples complied. Alternative chlorination systems have been installed at all the water treatment works to ensure continuous effective chlorination at the wastewater treatment work. The water quality is continuously monitored. Funding for the provision of backup power has been allocated for the 2024/25 financial year.	80%	63.02%	O	Chemical breakdowns in the processes, such as pump malfunctions, impact the quality of the effluent.	A 3-year tender will be done in the new FY for the maintenance of the pump and all treatment units
TL19	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to purchase generators for WTW, WWTW and pumps by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	25.99%	R	T50/2023 was awarded, and the generators for ICT and WWTW were installed. The generators for WTW and pumps are currently on order and awaiting delivery in the new financial year.	A request to roll over the funds to the new financial year has been approved. The rollover funds will be spent by 30 December 2024
TL20	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to replace waterpipe in Jasmyn Street by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	69.33%	R	The project was delayed due to excessive rain experienced during May and June 2024.	A request to roll over the funds to the new financial year has been approved. The rollover funds will be spent by 30 December 2024
TL21	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to upgrade Robertson WWTW by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	98.73%	G2		
TL22	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Complete the construction of the material recovery facility by 30 June 2024	Project completed	95	Practical completion certificate	Last Value	Actual performance (0). The project is scheduled for completion in September 2023.	1	1	G		

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL23	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the rehabilitation of roads in all 5 towns by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	Spent 1.58% of the capital budget. Funding allocation during the adjustment budget. The site handover meeting with the contractor was on 26 July 2023. It is anticipated that construction will start in early September 2023.	95%	87.32%	O	The project was delayed due to excessive rain experienced during May and June 2024	A request to roll over the funds to the new financial year has been approved. The rollover funds will be spent by 30 December 2024
TL24	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to upgrade weir diversion in Nkqubela by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	19.25%	R	The project was delayed due to excessive rain experienced during May and June 2024	A request to roll over the funds to the new financial year has been approved. The rollover funds will be spent by 30 December 2024.
TL25	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to upgrade bus route in Nkqubela by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	Spent 36.91% of the capital budget. A new contractor has been appointed to complete the project. The contractor is on-site and in the process of completing the project. The completion date is 17 October 2023	95%	81.19%	O	Project was completed	Savings have been incurred on the remaining funds
TL26	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for electrification by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	35.34%	R	ASLA is responsible for the UISP project in Boekenhoutskloof. The project has been delayed due to external factors impacting the electrification of the units.	A request to roll over the funds to the new financial year has been approved. The estimated completion date is December 2024, depending on ASLA's construction progress.
TL27	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for replacement and repair of electricity networks by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	56.62%	R	The project to replace copper overhead lines with aluminium, aimed at reducing theft is still underway. Delays occurred because network outages could not be scheduled during the agricultural peak season, which impacted the overall timeline of the project.	A request to roll over the funds to the new financial year has been approved.

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL28	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the replacement of electricity meters by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	103.82%	G2		
TL29	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to replace 66Kv transformers at Robertson's main substation by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	0%	R	The tender was advertised however it had to be re-advertised due to non-compliance. A contractor was subsequently appointed but due to insufficient funds the project had to be rolled over to a new financial year where additional funds were made available	A request to roll over the funds to the new financial year has been approved.
TL30	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to purchase skips for transfer stations by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	99.99%	G2		
TL32	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide water to the formal residential properties that are connected to the municipal water infrastructure network as at 30 June 2024	Number of formal residential properties connected to the water infrastructure network and provided with water	15 000	MUN837 report from the Promun financial system	Last Value	Provided water to 14 907 formal residential properties that are connected to the municipal water infrastructure	14 500	14 830	G2		
TL33	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide electricity to the formal residential properties connected to the municipal electrical infrastructure network as at 30 June 2024	Number of formal residential properties connected to the electrical infrastructure network and provided with electricity	19 000	MUN837 report from the Promun financial system	Last Value	Provided electricity to 17 669 formal residential properties that are connected to the municipal electricity infrastructure	16 800	18 515	G2		

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL34	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide wastewater services (sanitation/sewerage) to the formal residential properties connected to the municipal waste water network service as at 30 June 2024, irrespective of the number of water closets (toilets) and which are billed for sanitation/sewerage	Number of formal residential properties connected to the municipal wastewater (sanitation/sewerage) services and are provided with sanitation/sewerage services	15 000	MUN837 report from the Promun financial system	Last Value	Provided sewerage to 15 059 formal residential properties that are connected to the municipal sewerage infrastructure	14 500	15 418	G2		
TL35	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide refuse removal once per week to formal residential properties which are billed for refuse removal as at 30 June 2024	Number of residential properties which are billed for refuse removal	15 000	MUN837 report from the Promun financial system	Last Value	Provided refuse to 15 206 formal residential properties that are connected to the municipal refuse infrastructure	14 500	16 085	G2		
TL36	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide free basic water to indigent households as at 30 June 2024	Number of indigent households provided with free basic water	7 000	MUN837 report from the Promun financial system	Reverse Last Value	Provided water to 6 034 indigent households	7 000	6 234	B		
TL37	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide free basic electricity to indigent households as at 30 June 2024	Number of indigent households provided with free basic electricity	7 000	MUN837 report from the Promun financial system	Reverse Last Value	Provided electricity to 6 040 indigent households	7 000	6 181	B		

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL38	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide free basic sanitation to indigent households as at 30 June 2024	Number of indigent households provided with free basic sanitation services	7 000	MUN837 report from the Promun financial system	Reverse Last Value	Provided sewerage to 6 033 indigent households	7 000	6 091	B		
TL39	Financial Services	SO2: Provide infrastructure for sustainable and affordable basic services	Provide free basic refuse removal to indigent households as at 30 June 2024	Number of indigent households provided with free basic refuse removal services	7 000	MUN837 report from the Promun financial system	Reverse Last Value	Provided refuse to 6 043 indigent households	7 000	6 219	B		
TL54	Strategy & Social Development	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to upgrade ICT infrastructure and general ICT needs by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	92.59% of the budget was spent on ICT infrastructure: A rollover will be applied for professional services fees and outstanding items General ICT needs: The UPS tender was cancelled as the appointed service provider could not provide the items as per tender specifications	95%	80.42%	O	Tender 49: All items have been delivered for General ICT needs. Tender 48: Three items remain outstanding due to global supply chain issues. Tender 10: The tender came in lower than the Original Equipment Manufacturer (OEM) market price, resulting in savings against these votes.	A request to roll over the funds against Tender 48 for the outstanding items was approved
TL55	Strategy & Social Development	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to purchase generators and equipment 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	80.72%	O	Tender 50 was awarded. All four generators for the ICT department have been supplied, delivered, and installed. Outstanding items include the installation of remote monitoring units at all sites and exhaust pipe extensions at Bonnievale and Montagu to meet environmental compliance requirements.	A request to roll over the funds to the new financial year has been approved. The rollover funds will be spent by 30 December 2024.

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL57	Community Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to upgrade parks by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	0%	R	The supplier indicated that they were unable to deliver the items.	A request to roll over the funds to the new financial year has been approved. The process to appoint an alternative supplier will be done in the new FY
TL58	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the replacement of Breede River pumps by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	100%	G2		
TL59	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated to repair the McGregor sewer plant by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	98.49%	G2		
TL60	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the replacement of the pumpstation in Montagu by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	18.44%	R	The project is part of the grant funding received for flood damage repairs. Funds were received in March 2024 four (4) months before the end of the financial year and the procurement process commenced shortly thereafter.	A request to roll over the funds to the new financial year has been submitted to the National department. The funds rolled over will be spent by 30 December 2024
TL61	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the replacement of the Ashton train bridge pumpstation and fencing by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	27.64%	R	The project is part of the grant funding received for flood damage repairs. Funds were received in March 2024 four (4) months before the end of the financial year and the procurement process commenced shortly thereafter.	A request to roll over the funds to the new financial year has been submitted to the National department. The funds rolled over will be spent by 30 December 2024

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO2: Provide infrastructure for sustainable and affordable basic services (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL62	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the installation of a new telemetry system at Bonnievale sewerage pumpstation by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	92.10%	O	Project was completed	A saving has been incurred
TL63	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the installation of high mast lighting by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	0%	R	The project is part of the grant funding received for flood damage repairs. Funds were received in March 2024 four (4) months before the end of the financial year and the procurement process commenced shortly after that.	A request to roll over the funds to the new financial year has been submitted to the National department. The funds rolled over will be spent by 30 December 2024
TL64	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 95% of the budget allocated for the replacement and repair of streetlights by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	73.27%	O	Project was completed	A saving has been incurred
TL65	Engineering Services	SO2: Provide infrastructure for sustainable and affordable basic services	Spend 60% of the budget allocated to repair flood-damaged road and stormwater infrastructure in Montagu by 30 June 2024	Percentage (%) of the approved budget spent	60%	Monthly capital expenditure report	Last Value	New KPI	60%	35.59%	R	The project is part of the grant funding received for flood damage repairs. Funds were received in March 2024 four (4) months before the end of the financial year and the procurement process commenced shortly after that.	A request to roll over the funds to the new financial year has been submitted to the National department. The funds rolled over will be spent by 30 December 2024

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO3:Promote a safe and secure environment

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit Measurement	Baseline	Source Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL2	Community Services	SO3:Promote a safe and secure environment	Complete the construction of the Robertson Fire Station by 30 June 2024	Project completed	95	Practical completion certificate	Last Value	Spent 39.58% of the capital budget. Daily inspections and monthly meetings are held between the management and contractor	1	1	G		
TL56	Community Services	SO3:Promote a safe and secure environment	Spend 95% of the budget allocated to install smoke alarms by 30 June 2024	Percentage (%) of the approved budget spent	95%	Monthly capital expenditure report	Last Value	New KPI	95%	0%	R	The project is part of the grant funding received for flood damage repairs. Funds were received in March 2024 four (4) months before the end of the financial year and the procurement process commenced shortly thereafter.	A request to roll over the funds to the new financial year has been submitted to the provincial department The items were delivered at the end of July 2024 and the payment is outstanding

SO4: Promote and facilitate investment and local economic development

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit Measurement	Baseline	Source Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL50	Strategy & Social Development	SO4: Promote and facilitate investment and local economic development	Create job opportunities through the Expanded Public Works Programme (EPWP) by 30 June 2024	Number of job opportunities created through EPWP	400	Signed appointment contracts	Accumulative	901 EPWP job opportunities were created	400	672	B		
TL53	Strategy & Social Development	SO4: Promote and facilitate investment and local economic development	Complete the upgrade of the informal trading areas in Robertson by 30 June 2024	Number of upgrades completed	2	Practical completion certificate	Last Value	Two (2) upgrades of informal trading areas were completed in Bonnievale and Montagu	1	0	R	The project was delayed due to excessive rain experienced during May and June 2024.	A request to roll over the funds to the new financial year has been approved. The funds rolled over will be spent by 30 December 2024

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO5: Provide sustainable financial management

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL40	Financial Services	SO5: Provide sustainable financial management	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2024	Percentage (%) of debt coverage	45%	Annual financial statements	Reverse Last Value	Percentage of 6.06% of debt coverage achieved	25%	4.08%	B		
TL41	Financial Services	SO5: Provide sustainable financial management	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024	Percentage (%) of outstanding service debtors	12%	Annual financial statements	Reverse Last Value	Percentage of 7.03% of outstanding services debtors achieved	12%	8.29%	B		
TL42	Financial Services	SO5: Provide sustainable financial management	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024	Number of months operational expenditure covered by available cash	2	Annual financial statements	Last Value	Number of 5.24 months operational expenditure covered by available cash achieved	2.20	3.59	B		
TL44	Financial Services	SO5: Provide sustainable financial management	Achieve a debtor payment percentage of 95% as at 30 June 2024	Payment % achieved	95%	Annual financial statements	Last Value	Achieved 99.11%% of debtor payment	95%	94.12%	O	The service provider for the disconnection and reconnection of services on properties with outstanding accounts cancelled the contract during the year.	A new service provider has been appointed to ensure that debt collection measures continue effectively.

Legend					
N/A	R	O	G	G2	B
KPI Not Yet Applicable	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Well Met
KPIs with no targets or actuals in the selected period.	0% <= Actual/Target <= 74.999%	75.000% <= Actual/Target <= 99.999%	Actual meets Target (Actual/Target = 100%)	100.001% <= Actual/Target <= 149.999%	150.000% <= Actual/Target

SO5: Provide sustainable financial management (continue)

Internal Ref / Indicator Code	Responsible Directorate	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Actual Performance for 2022-2023	Overall Performance for the period 1 July 2023 - 30 June 2024				
									Target	Actual	R	Performance comments	Corrective measure
TL45	Financial Services	SO5: Provide sustainable financial management	Maintain the asset register in terms of GRAP standards (No more than four (4) material findings)	No more than four (4) material findings in the external Audit report on non-compliance with GRAP	0	Auditor General audit report	Reverse Last Value	New KPI	4	0	B		
TL47	Financial Services	SO5: Provide sustainable financial management	Submit the final budget to the Council for approval by 31 May 2024	Final budget submitted to Council for approval	0	Approved annual budget and minutes of the council meeting where the budget was approved	Last Value	New KPI	1	1	G		
TL48	Office of the Municipal Manager	SO5: Provide sustainable financial management	The percentage of the municipal capital budget spent on projects as at 30 June 2024	Percentage (%) of capital budget spent	90%	Monthly section 71 reports submitted and annual financial statements	Last Value	Spent 67.70% of the capital budget. Procurement plans, CAPEX reports and performance information will be discussed at SMT meetings to monitor performance. This is a consolidated KPI for the entire municipality, additional project-specific corrective measures are provided in other capital spending KPIs	95%	71.46%	O	Some projects were delayed due to excessive rain experienced during May and June 2024 Some projects were part of the grant funding received for flood damage repairs. Funds were received in March 2024 four (4) months before the end of the financial year and the procurement process commenced shortly after that. Some projects incurred savings Some projects were delayed due to contractors having to address issues of poor workmanship and snag lists	On a weekly basis, the directors have to report to MM at the SMT meeting



CHAPTER 4

INTRODUCTION

The Human Resources Department endeavours to enhance excellence within Langeberg Municipality by promoting an ethical and professional working environment and empowering a loyal and diverse workforce toward maximizing personal potential, competency, and productivity. It aims for the continuous improvement and alignment of individual and organisational effectiveness.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

The reviewed organisational structure approved by the Council on 30 May 2024 provides for 857 approved posts. The number of approved budgeted positions is 791 and the number of unfunded 'frozen' posts is 66.

The financial year started with a total number of 744 employees on 01 July 2023 and ended with a total of 757 employees on 30 June 2024.

Langeberg Municipality had a total of 15 staff members with disabilities in 2023-2024. There were 6 Financial Management Interns appointed for the financial year.

Table 154: Employee totals, turnover and vacancies for 2023-2024 as on 30 June 2024

Employees					
Description of Department	2022-2023	2023-2024			
	Employees	Approved Posts (Budgeted)	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Office of the Municipal Manager	2	2	2	0	0%
Internal Audit	5	6	6	0	0%
Corporate Services	111	121	116	5	4%
Strategy & Social Development	16	20	19	1	5%
Financial Services	80	86	78	8	9%
Engineering Services	2	3	2	1	33%
Civil Engineering Services	188	192	187	5	3%
Electrical Engineering Services	60	63	61	2	3%
Solid Waste Management	84	88	86	2	3%
Project Management	3	3	3	0	0%
Town Planning	12	14	13	1	7%
Community Services	2	2	2	0	0%
Community Facilities	36	39	38	1	3%
Parks & Amenities	68	73	71	2	3%
Fire Services	26	27	27	0	0%
Housing Administration	9	9	9	0	0%
Libraries	40	43	37	6	14%
Total	744	791	757	34	4.3%

4.1.1 Employee Vacancy Rate

During the 2023-2024 financial year seventy-nine (79) positions were filled. By June 30, 2024, the financial year had concluded with a 4.3% vacancy rate based on the 34 budgeted vacant positions listed above. Although 100 positions were unfilled, according to the reviewed organisational structure approved by the Council on May 30, 2024, only 34 of those positions have a budget to be filled.

The organisational structure includes six Section 57 positions. The Director of Engineering Services position was vacant from April 1, 2023, until the new incumbent began on July 1, 2024. The position remained vacant for 15 months because it needed to be advertised for a second time. Despite having qualified internal staff, no internal candidates meet the requirements applied for the role.

4.1.2 Employee Turnover Rate

During the 2023-2024 financial year, forty-nine (49) employees left the service of Langeberg Municipality, primarily due to normal retirement (4), early retirement (8), medical disabilities (2), dismissal (4), resignations (27), termination of contract (1), and death (3). As of June 30, 2024, the turnover rate is 6.6%.

To attract and retain staff, Langeberg Municipality has implemented the following measures:

- Identifying future critical positions and leadership roles within the Workforce Plan.
- Verifying processes and systems to attract a sustainable pool of talent for future organisational needs.
- Managing the retention of talent.
- Linking high-potential employees with key future roles in the organisation.
- Pinpointing optimal development opportunities for talent through assessments.
- Achieving consistently high levels of performance from employees.
- Ensuring relevant roles for all stakeholders in the development and management of talent.
- Monitoring and reporting on Talent Management key result areas and indicators.

Table 155: Employee turnover rate for 2023-2024

Employee turnover rate for 2023 - 2024			
Details	Total appointments at the beginning of the Financial Year No.	Terminations during the Financial Year No.	Turn-over rate*
2021-2022	722	47	6.5%
2022-2023	699	36	4.8%
2023-2024	744	49	6.6%

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

The Municipal System Act, 32 of 2000, S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective, and transparent personnel administration in accordance with the Employment Equity Act, 55 of 1998.

This section reports on all the measures necessary for the effective and efficient management of Langeberg Municipality's workforce and includes the regulatory environment and policy development, injuries and sickness, discipline, performance, and rewards.

4.2 HUMAN RESOURCE POLICIES AND PLANS

Langeberg Municipality provides a stable, regulated working environment for its staff and regards policy development important and of high priority. Most of the Human Resources policies were reviewed according to the new Staff Regulations. One new policy was developed and adopted in this financial year.

Table 156: Human resource policies and plans

HR policies and plans				
	Name of policy	Completed %	Reviewed %	Date adopted by Council
1	Affirmative action		100	30/05/2023
2	Attendance and punctuality policy	100		
3	Attraction and retention		100	30/05/2023
4	Code of conduct for employees	100		No
5	Delegations, authorisation and responsibility	100		
6	Disciplinary code and procedures	100		No
7	Essential services	100		01/04/2012
8	Employee assistance / wellness	100		
9	Employment equity		100	30/05/2023
10	Exit management		100	30/05/2023
11	Gifts	100		
12	Grievance procedures	100		No
13	HIV/aids	100		24/02/2009
14	Human resource and development	100		30/05/2023
15	HR Strategy and HR plan	100		30/05/2023
16	Ill health and injury	100		24/02/2009
17	Internal bursaries	100		19/06/2012
18	Information technology	100		
19	Job evaluation		100	30/05/2023
20	Leave	100		10/04/2018
21	Mentoring & coaching		100	30/05/2023
22	Occupational health and safety	100		Yes
23	Official housing			
24	Official journeys			
25	Official transport to attend funerals	100		
26	Official working hours and overtime	100		24/02/2009
27	Organisational rights	100		
28	Payroll deductions	100		
29	Private work and declaration of interest	100		19/06/2012
30	Performance management and development	100		Yes
31	Recruitment, selection and appointments		100	30/05/2023
32	Remuneration scales and allowances	100		
33	Resettlement	100		19/06/2012
34	Sexual harassment	100		
35	Skills development		100	30/05/2023
36	Scarce skills and retention	100		30/05/2024

HR policies and plans				
	Name of policy	Completed %	Reviewed %	Date adopted by Council
37	Smoking	100		19/06/2012
38	Special Skills		100	
39	Training implementation plan	100		
40	Work organisation	100		30/05/2023
41	Workplace skills plan analysis	100		
42	Uniforms and protective clothing	100		
43	Induction of new staff		100	30/05/2023

4.3 INJURIES, SICKNESS AND SUSPENSIONS

4.3.1 Injuries on duty

Langeberg Municipality has an established Safety Committee dedicated to addressing work-related injuries. This committee discusses incidents and implements necessary measures to reduce workplace injuries. During the year under review, the total number of injury-leave days amounted to 71 working days, involving 18 employees, which represents 2.4% of the total workforce as of June 30, 2024. Training was provided to the Safety Committee members to enhance their ability to reduce work-related injuries.

Table 157: Number of injuries on duty

Number of injuries on duty				
Type of injury	Injury taken Days	Employees taking leave No.	Proportion employees using injury leave %	Average injury leave per employee Days
Required basic medical attention only	71	18	2.4%	3.9
Temporary total disablement	0	0	0	0
Permanent disablement	0	0	0	0
Fatal	0	0	0	0
Total	71	18	2.4%	3.9

Table 158: Injuries per department

Injuries per department			
Department	No. of injuries		
	2021-2022	2022-2023	2023-2024
Office of the Municipal Manager	0	0	0
Internal Audit	0	0	0
Corporate Services	1	1	0
Strategy & Social Development	0	0	0
Financial Services	0	2	1
Engineering Services	0	0	0
Civil Engineering Services	17	24	4
Electrical Engineering Services	11	4	6
Solid Waste Management	11	8	3

Injuries per department			
Department	No. of injuries		
	2021-2022	2022-2023	2023-2024
Project Management	0	0	0
Town Planning	0	0	0
Community Services	0	0	1
Community Facilities	3	0	0
Parks & Amenities	11	2	3
Fire Services	0	0	0
Housing Administration	0	0	0
Libraries	1	0	0
Total	61	42	18

Table 159: Injuries per occupational level

Injuries per occupational level			
Occupational level	No. of injuries		
	2021-2022	2022-2023	2023-2024
Unskilled	34	28	11
Semi-Skilled	5	11	5
Skilled	0	1	0
Professional	3	2	2
Senior Management	0	0	0
Total	42	42	18

4.3.2 Sick leave

Personnel records are maintained to track instances of sick leave. However, the unnecessary use of sick leave, often perceived as an inalienable right, continues to be a challenge.

4.3.3 Suspensions

Table 160: Number and period of suspensions

Number and period of suspensions				
Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken, or status of case and reasons why not finalised	Date finalised
Special Workman (Buildings)	Assault	7/09/2023	Dismissal	11/12/2023
Office Assistant	Gross Dishonesty (Misappropriation of money)	13/03/2024	Disciplinary Hearing is scheduled for 18 July 2024	In progress

4.3.4 Disciplinary action

Table 161: Disciplinary action taken on cases of financial misconduct

Disciplinary action taken on cases of financial misconduct			
Position	Nature of alleged misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date finalised
Office Assistant	Gross Dishonesty (Misappropriation of money) R 3 578,00	Disciplinary Hearing is scheduled for 18 July 2024	In progress

4.4 PERFORMANCE REWARDS

The performance evaluation for Section 57 Managers forms the basis for rewarding outstanding performance. Performance bonuses are paid in line with the suggested calculator and provisions of the Local Government Municipal Performance Regulations of 2006, for Municipal Managers and Managers, directly accountable to the Municipal Manager.

Table 162: Performance rewards by gender

Performance rewards by gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in the group	Number of beneficiaries	Expenditure on rewards 2023-2024 R' 000	The proportion of beneficiaries within the group %
MM and S57	Female	1	1	R 88 789.00	15%
	Male	5	5	R 506 948.00	85%
Total		6	6		
Has the statutory municipal calculator been used as part of the evaluation process?					Yes

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

The MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way. The following capacity building of the workforce is part of the HR Strategy.

4.5 SKILLS DEVELOPMENT AND TRAINING

Table 163: Capacity building

Capacity building	2022	2023	2024
Align Training & Skills Development Policy with HR Strategy and Vision of HR Dept. Include a section on Recognition of Prior Learning Policy.	x	x	x
Review T&S Development Policy annually (align with HR Strategy).	x	x	x
Personal Development Plan in place for all staff.	x	x	x
Monitor and assess the effectiveness of training.	x	x	x
Collaborate with other high-performing Municipalities and share information (benchmarking) on Training and Development statistics.	x	x	x
Integration between Performance Management and Training.	x	x	x
Review of Performance Management Policy.		x	
Awareness campaign/drive.	x	x	x
Regular reviews of performance and agreement on training and development needs.	x	x	x
Review of individual performance bi-annually.	x	x	x
Moderation and awarding of performance annually.	x	x	x

DEVELOPMENT AND TRAINING

Langeberg Municipality is committed to enhancing organisational capacity and fostering personal growth and career development by offering learnerships and bursaries to staff. Organisational and staff development remained a targeted focus in 2023-2024. Senior management is fully capacitated and complies with the minimum requirements set by the National Qualifications Framework. In compliance with the Skills Development Act No. 97 of 1998 and the Sector Education Training Authorities Grant Regulations, 2012, Langeberg Municipality submitted its Workplace Skills Plan for staff training and development on April 25, 2024. The Municipality also has a functional training committee.

During the year under review, Langeberg Municipality trained 142 employees, compared to 143 employees in 2022-2023. This included various skill development training programs. Additionally, the Municipality provided internal bursaries to 27 employees to support their career advancement.

The skills development expenditure for the financial year was R645,235.20, which equates to 99.00% of the allocated training budget.

Table 164: Training and Development

Training and development:	2022	2023	2024
Management and Leadership: Leadership Development, Middle Management Development Programme, People Management, Emotional Intelligence, Diversity Management, Mentoring & Coaching, Monitoring & Evaluation, Strategic Planning & Change Management, Women in Management, Negotiation Skills.	x	x	x
Financial Viability: Municipal Minimum Competency Levels (24-unit standards) / Municipal Financial Management Programme (15-unit standards, accredited training), Risk Management.	x	x	x
Community-Based Participation and Planning: Integrated Community Development Programme (ICDP), SMME Development, Local Economic Development, HIV/AIDS Management.		x	
Infrastructure and Service Delivery: Artisan / Apprenticeship Development (Bricklayer, Electrical and Plumber).	x		x
Adult Basic Education and Training (ABET): Adult Basic Education and Training – Pre-AET Level 4, National Certificate / Grade 12.	x	x	x
Conduct an annual training needs assessment to ensure training is designed to improve organisational and individual performance.	x	x	x
Develop a leadership succession plan, including a leadership gap analysis.		x	
Establish a leadership development programme for all supervisors, managers and executives to invest in the continuous development of leadership.		x	
Provide coaching and consultative support to management on leadership development and people management issues.			x

Langeberg Municipality applied and received financing for learnership from the LGSETA, for the financial year. An apprenticeship program also funded the training of employees to become Electricians. The municipal budget also makes provision for funds to offer training.

Table 165: Skills matrix at Langeberg Municipality as on 30 June 2024

Qualification	Total
Master's Degree (NQF9)	6
Postgraduate / Honours Degree (NQF8)	9
Degree (NQF7)	48
National Diploma / Diploma (NQF6)	44
Diploma / Certificate (NQF5)	32
Grade 12 (NQF4)	344
Lower than Grade 12	274
Total	757

Table 166: Skills development training provided as on 30 June 2024

Skills development training provided		
Sector priority	2023-2024	
	Skills areas	Learning programmes
Civil Engineering Services	First Aid	First Aid Level 2
	Water & Sewerage	Transport of Dangerous Goods
	Roads & Stormwater	Digger Loader Operator
	Water & Sewerage	Water & Wastewater Process Control (NQF3)
Electrical Engineering Services	First Aid	First Aid Level 2
	Safety	Chainsaw
	Driving	Mobile Aerial Platform Truck
	Driving	Truck Mounted Crane Refresher
Solid Waste Management	First Aid	First Aid Level 2
	Driving	Front-End Loader
	Cleansing	Waste Management Level 2
	Cleansing	Waste Management Level 1
	Material recovery	Forklift
Fire Services	First Aid	First Aid Level 3
Parks and Amenities	Parks Areas	Brush Cutter
Total	9	15

In terms of Section 83 (1) of the Municipal Finance Management Act (MFMA), 56 of 2003, the accounting officer, senior managers, chief financial officer, non-financial managers, and other financial officials of a municipality must meet the prescribed financial management competency levels that are important for the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493, dated 15 June 2007.

All Government Gazette 29967 targeted officials have successfully attained the prescribed minimum competencies.

Table 167: Financial competency development: Progress Report.

Financial competency development: Progress report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated : Total of A and B	Consolidated : Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated : Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	3	0	3	3	3	3
Any other financial officials	3	0	3	3	3	3
Supply Chain Management Officials						
Heads of Supply Chain: Management Units	1	0	1	1	1	1
Supply Chain Management: Senior Managers	0	0	0	0	0	0
Total	9	0	9	9	9	9
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

Table 168: Skills development expenditure

Skills development expenditure			
Financial Year	2023-2024		
	Allocated budget	Actual expenditure	% Expenditure
Training Vote	R 660 004	R 645 235	97.8%
External Bursaries	R 200 000	R 200 000	100%
Internal Bursaries	R 488 917	R 488 917	100%
Professional Bodies Affiliation and Annual Membership	0	0	0
Total	R 1 148 921	R1 134 152	98.9%

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE

Langeberg Municipality ensures that before posts get advertised on the municipal website and in the local media, the posts are approved on the structure and budgeted for. The staff establishment gets reviewed regularly to ensure that the workforce can provide service delivery to the communities.

Langeberg Municipality's workforce expenditure of R283 million accounts for 28% of the total actual operating expenditure of R1 billion for the 2023-2024 financial year. Twenty-four (24) internal candidates were appointed to promotional positions after their applications and interview process were successful.

Table 169: Number of employees whose salaries were increased due to their positions being upgraded.

Number of employees whose salaries were increased due to their positions being upgraded

Beneficiaries	Gender	Total
Lower Skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly Skilled Production (Levels 6-8)	Female	2
	Male	0
Highly Skilled Supervision (Levels 9-12)	Female	5
	Male	0
Senior Management (Levels 13-16)	Female	0
	Male	1
MM and S 57	Female	0
	Male	0
Total		8

TASK has been implemented for all job positions.

Table 170: Employees whose salary levels exceed the grade determined by Job Evaluations

Employees whose salary levels exceed the grade determined by Job Evaluations				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Personal Assistant	2	T7	189936-246468	Personal to incumbent
Snr Clerk	11	T6	157032-203868	Personal to incumbent
Security Officer	13	T5	133716-172728	Personal to incumbent
Labour Relations Officer	1	T10	270996-351720	Personal to incumbent
Team Leader	1	T6	157032-203868	Personal to incumbent
Superintendent	2	T10	270996-351720	Personal to incumbent
IDP Co-ordinator	1	T10	270996-351720	Personal to incumbent
Community Development Officer	1	T10	270996-351720	Personal to incumbent
Storeman	1	T5	133716-172728	Personal to incumbent
Principal Clerk	2	T7	189936-246468	Personal to incumbent
Chief Clerk	1	T8	213792-277500	Personal to incumbent
Cashier	3	T5	133716-172728	Personal to incumbent
Clerk	2	T5	133716-172728	Personal to incumbent
Supervisor	5	T7	189936-246468	Personal to incumbent
General Assistant	2	T3	118800-140280	Personal to incumbent
Superintendent	2	T11	319872-415236	Personal to incumbent
Artisan: Electrician	1	T10	270996-351720	Personal to incumbent
Operator Compactor	1	T4	121668-153432	Personal to incumbent
Library Assistant	1	T6	157032-172728	Personal to incumbent
Driver Operator	3	T5	133716-172728	Personal to incumbent
Snr Supervisor	1	T8	213792-277500	Personal to incumbent

4.6.1 Employees appointed to posts not approved.

There were no employees appointed in posts that were not approved.

4.7 DISCLOSURES OF FINANCIAL INTEREST

Langeberg Municipality ensures that all employees and Councilors declare their financial interests once a year as required by Municipal Performance Regulations 805 of 2006. The disclosures are listed in Appendix J. No transgressions due to financial interest occurred.

APPENDIX J:

Table 171: Disclosure of Financial Interest

Disclosures of Financial Interests Period 1 July 2023 to 30 June 2024		
Position	Name	Description of Financial Interests*
(Executive) Mayor	SW van Eeden	Ordinary shares in different Companies
Member of MayCo / Exco	JG Steenkamp	Johhny Steenkamp Family Trust Bauhaus Property Consulting CC
	P Hess	Robertson Small Scale Farmers
	JCJ Coetzee	Nil
	C Steyn	Nil
	RC Henn	Nil
	DAT Felix	Nil
Councillor	C Baartman	Nil
	TVE Coetzee	B&B, Thymeless Architectural Design
	M Gertse	Nil
	CJ Grootboom	Nil
	L Gxowa	Nil
	DB Janse	Nil
	JJJS Januarie	Nil
	LL Kahla	Nil
	JS Mafilika	Nil
	A Ndongeni	Nil
	MG Oostendorf -Kraukamp	Nil
	CG Pokwas	Jacqui Take Away
	LJ Prince	Shaloti General Trading
	SE Rensenburg	Shares
	DJ September	Langeberg Children Group
	Y Siegel	Nil
	OC Simpson	Nil
Municipal Manager	DP Lubbe	Nil
Chief Financial Officer	M Shude	The Toure Guide, Shumane Global Management, Mzondi Industries
Deputy MM and (Executive) Directors	None	
Other S57 Officials	AWJ Everson	Nil
	M Mgajo	Phutuma Nathi
	CO Matthys	Nil

* Financial interests are to be disclosed even if they incurred for only part of the year. See MBRR SA34A



CHAPTER 5



**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2024**

LANGEBERG LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Index

The reports and statements set out below comprise the Annual Financial Statements presented to the council:

Index

General Information	3-4
Approval of Annual Financial Statements	5-6
Report of the Auditor General	7
Statement of Financial Position	8
Statement of Financial Performance	9
Statement of Changes In Net Assets	10
Cash Flow Statement	11
Statement of Comparison of Budget and Actual Amounts	12 - 16
Accounting Policies	17 - 40
Notes to the Annual Financial Statements	41 - 105

LANGEBERG LOCAL MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

General Information

MEMBERS OF THE EXECUTIVE MAYORAL COMMITTEE AS AT 30 JUNE 2024

SW van Eeden	Executive Mayor
Cllr C Steyn	Corporate Services
Cllr JG Steenkamp	Strategy & Social Development
Cllr DAT Felix	Financial Services
Cllr JCJ Coetzee	Engineering Services
Cllr RC Henn	Community Services

AUDITORS

Auditor-General of South Africa
19 Park Lane, Milnerton, Cape Town, 7441
Western Cape

BANKERS

ABSA
180 Commissioner Street, Johannesburg, 2001

REGISTERED OFFICE

28 Main Road
Ashton, Western Cape, 6715

REGISTRATION NUMBER

WC026

MUNICIPAL MANAGER

DP Lubbe

CHIEF FINANCIAL OFFICER

M Shude

LANGEBERG LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

General Information (Continued)

LEGAL FORM

Category B Municipality which operates in accordance with Chapter 7 of the Constitution of South Africa.

The Objects of Local Government are:

to provide democratic and accountable government for local communities;
to ensure the provision of services to communities in a sustainable manner;
to promote social and economic development;
to promote a safe and healthy environment; and
to encourage the involvement of communities and community organisations in the matters of local government above.

JURISDICTION

Greater Langeberg area which includes:

Ashton
Bonnievale
McGregor
Montagu
Robertson

LEGISLATION GOVERNING THE MUNICIPALITY'S OPERATIONS

Basic Conditions of Employment Act (Act no 75 of 1997)
Collective Agreements (Act no 66 of 1995)
Disaster Management Act (Act no 57 of 2002)
Division of Revenue Act (Act no 1 of 2005)
Electricity Act (Act no 41 of 1987)
Employment Equity Act (Act no 55 of 1998)
Housing Act (Act no 107 of 1997)
Municipal Budget and Reporting Regulations, 2009
Municipal Finance Management Act (Act no 56 of 2003)
Municipal Planning and Performance Management Regulations, 2006
Municipal Property Rates Act (Act no 6 of 2004)
Municipal Regulations on Standard Chart of Accounts
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Systems Amendment Act (Act no 7 of 2011)
SALGBC Leave Regulations, 2019
Skills Development Levies Act (Act no 9 of 1999)
Supply Chain Management Regulations, 2005
Income Tax Act (Act 58 of 1962)
Unemployment Insurance Act (Act no 30 of 1966)
Value Added Tax Act (Act no 89 of 1991)
Water Services Act (Act no 108 of 1997)
Protection of Personal Information Act (Act no 4 of 2013)

LANGEBERG LOCAL MUNICIPALITY **ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

Approval of Annual Financial Statements

MEMBERS OF THE LANGEBERG LOCAL MUNICIPALITY

Executive Mayor	Ald SW van Eeden
Deputy Executive Mayor	Cllr JG Steenkamp
Speaker	Cllr P Hess

Ward	Councillor
1	Cllr C Steyn
2	Cllr L Gxowa
3	Cllr P Hess
4	Cllr JJS January
5	Cllr MG Oostendorff-Kraukamp
6	Cllr DB Janse
7	Cllr DAT Felix
8	Ald SW Van Eeden
9	Cllr Y Siegel
10	Cllr A Ndongeni
11	Cllr JCJ Coetzee
12	Cllr CJ Pokwas

Proportional	Cllr OC Simpson	From 01 July 2023 to 22 January 2024
Proportional	Cllr JS Mafilika	
Proportional	Cllr LL Kahla	
Proportional	Cllr LJ Prince	
Proportional	Cllr JG Steenkamp	
Proportional	Cllr RC Henn	
Proportional	Cllr TV Coetzee	
Proportional	Cllr NJ Beginzel	From 01 July 2023 to 07 September 2023
Proportional	Cllr CJ Grootboom	
Proportional	Cllr D September	
Proportional	Cllr M Gertse	
Proportional	Cllr C Baartman	From 23 February 2024
Proportional	Cllr SE Rensburg	From 12 September 2023

LANGEBERG LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Approval of Annual Financial Statements

The Accounting Officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements were prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) as well as relevant interpretations, guidelines and directives issued by the Accounting Standards Board. The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

I, as the Accounting Officer acknowledge that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I have set standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is of identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

I have reviewed the municipality's cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has access to adequate resources to continue in operational existence for the foreseeable future. The annual financial statements are prepared on the basis that the municipality is a going concern and that the Langeberg Local Municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

Although, I am primarily responsible for the financial affairs of the municipality, this is supported by the municipality's external auditors. I would like to bring to your attention the following material matters to your attention :

I certify that the salaries, allowances and benefits of councillors as disclosed in note 36 to these annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government's determination in accordance with the Act.

The external auditor, being the Auditor General of South Africa, is responsible for independently reviewing and reporting on the municipality annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 7.

The annual financial statements for the year ended 30 June 2024, which have been prepared on the going concern basis, were approved on 31 August 2024.

DP Lubbe
Accounting Officer

31 August 2024
Date

LANGEBERG LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Report of the Auditor General

- Insert Audit Report -

LANGEBERG LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

	Note	2024 R	2023 Restated R
ASSETS			
Current Assets		405 914 005	448 338 187
Inventories	2.	17 420 255	13 043 832
Receivables from Exchange Transactions	3.	57 457 353	42 496 094
Statutory Receivables from Exchange Transactions	4.	3 223 423	8 147 056
Receivables from Non-exchange Transactions	5.	21 404 505	11 180 463
Statutory Receivables from Non-Exchange Transactions	6.	9 225 513	8 357 483
Cash and Cash Equivalents	7.	297 094 598	365 039 040
Lease Receivables	14.	88 358	74 219
Non-Current Assets		1 052 743 278	926 631 647
Property, Plant and Equipment	8.	1 019 107 354	896 403 005
Intangible Assets	9.	3 936 484	1 320 657
Investment Property	10.	27 971 530	28 034 849
Heritage Assets	11.	275 448	275 448
Non-current Investments	13.	154 537	137 205
Long-term Receivables	15.	1 297 925	460 483
Total Assets		1 458 657 283	1 374 969 834
LIABILITIES			
Current Liabilities		227 955 799	191 656 605
Consumer Deposits	16.	18 862 576	17 524 750
Payables from Exchange Transactions	17.	130 232 047	99 764 331
Unspent Conditional Grants and Receipts	18.	17 698 711	14 287 574
Lease Payables	19.	3 705 405	3 470 409
Borrowings	20.	2 365 325	4 079 506
Employee Benefit Liabilities	21.	20 965 343	20 102 829
Provisions	22.	34 126 392	32 427 206
Non-Current Liabilities		166 356 799	168 452 366
Lease Payables	19.	9 879 052	13 572 532
Borrowings	20.	21 000 000	27 977 974
Employee Benefit Liabilities	21.	62 648 930	56 520 000
Provisions	22.	72 828 817	70 381 860
Total Liabilities		394 312 598	360 108 971
Total Assets and Liabilities		1 064 344 685	1 014 860 864
NET ASSETS		1 064 344 685	1 014 860 864
Reserves	23.	62 920 999	62 920 999
Accumulated Surplus / (Deficit)	24.	1 001 423 686	951 939 865
Total Net Assets		1 064 344 685	1 014 860 864

LANGEBERG LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

		Actual	
	Note	2024 R	2023 Restated R
REVENUE			
Revenue from Non-exchange Transactions		312 169 965	273 612 380
Property Rates	25.	101 162 835	96 635 339
Fines, Penalties and Forfeits	26.	11 385 899	11 573 886
Transfers and Subsidies	28.	192 475 649	160 151 985
Availability Charges	29.	5 106 076	3 670 443
Finance Income	33.	2 039 506	1 580 727
Revenue from Exchange Transactions		754 057 331	667 906 908
Licences and Permits	27.	2 237 886	2 162 084
Service Charges	29.	678 553 735	600 410 508
Sales of Goods and Rendering of Services	30.	5 378 888	3 696 667
Income from Agency Services	31.	15 120 431	14 623 618
Rental from Fixed Assets	32.	3 786 580	3 768 636
Finance Income	33.	36 974 555	32 678 712
Operational Revenue	34.	12 005 256	10 566 683
Total Revenue		1 066 227 296	941 519 288
EXPENDITURE		1 016 356 166	882 636 959
Employee Related Costs	35.	271 389 576	235 183 863
Remuneration of Councillors	36.	11 830 452	10 817 391
Depreciation and Amortisation	37.	52 354 750	46 992 129
Bad Debt Written Off	38.	13 849 530	16 948 478
Impairment Losses	39.	16 079 953	12 299 245
Finance Cost	41.	21 936 957	20 343 985
Bulk Purchases	42.	486 280 892	407 015 377
Contracted Services	43.	47 149 530	37 027 788
Inventory Consumed	44.	49 512 196	59 751 352
Transfers and Subsidies Paid	45.	3 334 826	2 230 418
Operating Leases	46.	38 616	46 892
Operational Costs	47.	42 598 888	33 980 041
Total Expenditure		1 016 356 166	882 636 959
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR		49 871 130	58 882 329
OTHER REVENUE / EXPENDITURE INCURRED			
Other Operations:			
Inventory Gains/(Losses)	40.	(281 368)	(75 047)
Gains on Other Fair Value Adjustments	48.	17 332	-
Losses on Fair Value Adjustment	48.	-	-
Gains/(Losses) in Disposal of Capital Assets	49.	(120 375)	1 123 225
TOTAL OTHER REVENUE / EXPENDITURE INCURRED		(384 411)	1 048 178
SURPLUS / (DEFICIT) FOR THE YEAR		49 486 719	59 930 507

LANGEBERG LOCAL MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

	Total Funds & Reserves	Accumulated Surplus/ (Deficit)	Total Net Assets
	R	R	R
2023			
Balance at 30 June 2022	62 920 999	895 799 637	958 720 636
Restated Balance	62 920 999	895 799 637	958 720 636
Surplus / (Deficit) for the year	-	59 930 507	59 930 507
Correction of error		(3 793 177)	(3)
Balance at 30 June 2023	62 920 999	951 936 967	1 018 651 140
2024			
Restated Balance at 30 June 2023	62 920 999	951 936 967	1 014 857 967
Surplus / (Deficit) for the year	-	49 486 719	49 486 719
Balance at 30 June 2024	62 920 999	1 001 423 686	1 064 344 686

LANGEBERG LOCAL MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 R	Actual 2023 Restated R
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Taxation		100 294 805	96 467 287
Service Charges		629 265 279	590 343 738
Sale of goods and services		42 611 142	37 776 525
Grants		195 886 786	145 945 547
Finance Income		39 014 061	34 259 439
Payments			
Employees		(283 425 584)	(261 777 935)
Transfer and grants		(3 334 826)	(2 230 418)
Suppliers Paid		(588 979 593)	(525 491 782)
Finance Costs		(4 624 689)	(3 833 685)
NET CASH FLOWS FROM OPERATING ACTIVITIES	51.	126 707 381	111 458 716
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property , plant and equipment		(181 812 038)	(119 836 832)
Proceeds from sale of property,plant and equipment		1 426 296	1 149 420
Purchase of other intangible assets		(2 615 827)	(283 693)
Proceeds from investments		-	-
Decrease/(increase) in long term receivables		(837 442)	(60 196)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(183 839 010)	(119 035 995)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in consumer deposits		1 337 826	1 741 542
Increase/Repayment of borrowings		(8 692 155)	(3 917 685)
Finance lease receipts/(payments)		(3 458 484)	16 402 633
NET CASH FLOWS FROM FINANCING ACTIVITIES		(10 812 813)	14 226 490
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(67 944 442)	6 649 211
Cash and Cash Equivalents at Beginning of Period		365 039 040	358 389 829
Cash and Cash Equivalents at End of Period	7.	297 094 598	365 039 040

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2023 TO 30 JUNE 2024

30 June 2024

Reasons have been provided for all variance above +-10%

Description	Original Budget	Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Original Budget	Reasons for variances
	R	R	R	R	R	%	
FINANCIAL POSITION							
Current Assets							
Cash and cash equivalents	354 563 154,00	31 650 274	386 213 428	297 094 598	(89 118 830)	-23%	The variance is caused by the planned loan for roads infrastructure which never materialised due to a change in the interest rate. The Municipality then had to utilise its own cash resources to fund the project.
Trade and other receivables from exchange transactions	56 897 114	808 165	57 705 279	57 457 353	(247 926)	0%	Variance is insignificant
Receivables from non-exchange transactions	9 936 497	1 405 928	11 342 425	21 404 505	10 062 080	89%	The variance is caused by a portion of the equitable share that Treasury must still pay to the Municipality
Current portion of non-current receivables	589 036	-	589 036	-	(589 036)	-100%	Due to stricter credit control and debt collection measures implemented by the Municipality, some clients renegotiated their payment agreements to more affordable ones and remained as non current receivables.
Inventory	27 322 847	-	27 322 847	17 420 255	(9 902 592)	-36%	More stock issues were made consequent to damages caused by flooding that occurred in September 2023 and increase in cable theft.
VAT	8 520 236	-	8 520 236	3 223 423	(5 296 813)	-62%	Variance is due to underspending on capital projects resulting in less Input Tax.
Other current assets	7 245 177	(80 281)	7 164 896	9 313 871	2 148 975	30%	There was an increase in statutory receivables from non exchange transactions due to an increase in the property rates revenue
Non-Current Assets							
Investments	137 205	-	137 205	154 537	17 332	13%	This is due to an increase in the share price of the Sanlam shares
Investment property	28 183 133	-	28 183 133	27 971 530	(211 603)	-1%	Variance is insignificant.
Property, plant and equipment	892 737 888	88 264 354	981 002 242	1 019 107 354	38 105 112	4%	Variance is insignificant.
Heritage assets	275 448	-	275 448	275 448	-	0%	Variance is insignificant.
Intangible assets	7 036 964	(3 384 172)	3 652 792	3 936 484	283 692	8%	Variance is insignificant.
Non-current Trade and other receivables from exchange transactions	1 999 815	-	1 999 815	410 161	(1 589 654)	-79%	The variance is caused by stricter credit control and debt collection measures that were implemented by the Municipality.
Non-current receivables from non-exchange transactions	(2 844 157)	-	(2 844 157)	887 764	3 731 921	131%	The was a human error on the budget which also resulted in the amount being included as a negative value.
Total Assets	1 392 600 357	118 664 268	1 511 264 625	1 458 657 282	(52 607 343)		

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2023 TO 30 JUNE 2024

Description	Original Budget	Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Original Budget	Reasons for variances
	R	R	R	R	R	%	
Current Liabilities							
Financial liabilities	4 257 423	121 218	4 378 641	6 070 730	1 692 089	39%	Variance is caused by the transfer of the current portion of non-current lease payables to current lease payable.
Consumer deposits	15 783 209	-	15 783 209	18 862 576	3 079 367	20%	This is due to new municipal accounts that were opened during the FY.
Trade and other payables from exchange transactions	91 557 157	-	91 557 157	130 232 047	38 674 890	42%	This is due to recently completed projects where the Municipality is still holding the retention fees of the projects.
Trade and other payables from non-exchange transaction	28 591 427	(97 416)	28 494 011	17 698 711	(10 795 300)	-38%	The variance is caused by lesser unspent grants than anticipated, because a portion of the disaster grant was spent although not the full amount.
Provision	53 113 978	(2 773 000)	50 340 978	34 126 392	(16 214 586)	-32%	This is due to the diminishing useful life of the Ashton landfill site.
VAT	5 933 984	106 925 693	112 859 677	-	(112 859 677)	-100%	This is due to the fact that the Municipality has a VAT receivable at year end.
Other current liabilities	-	2 773 000	2 773 000	20 965 343	18 192 343	656%	liability.
Non-Current Liabilities							
Financial liabilities	71 016 960	(25 551 039)	45 465 921	30 879 052	(14 586 869)	-32%	This is due to loan for roads infrastructure which never materialised.
Provision	75 492 944	48 518 000	124 010 944	72 828 817	(51 182 127)	-41%	This is due to the diminishing useful life of the Ashton landfill site.
Other non-current liabilities	48 518 000	(48 518 000)	-	62 648 930	62 648 930	100%	No provision for the non current portion of employee benefits made
Total Liabilities	394 265 082	81 398 456	475 663 538	394 312 598	(81 350 940)		
Total Assets and Liabilities	998 335 275	37 265 812	1 035 601 087	1 064 344 684	28 743 597		
Net Assets (Equity)							
	-		-				
Accumulated Surplus/(Deficit)	935 414 276	37 265 812	972 680 088	1 001 423 686	28 743 598	3%	Variance is insignificant.
Reserves and funds	62 920 999	-	62 920 999	62 920 999	-	0%	Variance is insignificant.
Other							
Total Net Assets	998 335 275	37 265 812	1 035 601 087	1 064 344 685	28 743 598		

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2023 TO 30 JUNE 2024

30 June 2024

Description	Original Budget	Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Original Budget	Reasons for variances
	R	R	R	R	R	%	
FINANCIAL PERFORMANCE							
Revenue							
Exchange Revenue							
Service charges - Electricity	651 024 646	- 50 000 001	601 024 645	561 442 898	- 39 581 747	-7%	Variance is insignificant.
Service charges - Water	61 476 556	- 8 898 579	52 577 977	58 764 244	6 186 267	12%	This is due to more new water connections done in the financial year than anticipated.
Service charges - Waste Water Management	35 796 453	- 3 391 717	32 404 736	32 213 124	- 191 612	-1%	Variance is insignificant.
Service charges - Waste Management	33 378 488	- 2 156 323	31 222 165	31 239 545	17 380	0%	Variance is insignificant.
Sale of Goods and Rendering of Services	4 121 245	- 21 132	4 100 113	5 378 888	1 278 775	31%	This is caused by an increase in the sale of scrap .
Agency services	6 516 073	233 379	6 749 452	15 120 431	8 370 979	124%	Variance is due to Library grant that has been reclassified from Non-exchange revenue to exchange. The approved budget is on non-exchange transactions under transfers and subsidies.
Interest earned from Receivables	2 881 504	876 780	3 758 284	4 170 410	412 126	11%	This is caused by more outstanding consumer debtor accounts than anticipated.
Interest earned from Current and Non Current Assets	22 460 979	11 388 085	33 849 064	32 804 145	- 1 044 919	-3%	Variance is insignificant.
Rental from Fixed Assets	2 820 781	1 045 066	3 865 847	3 786 580	- 79 267	-2%	Variance is insignificant.
Licence and permits	860 365	- 188 171	672 194	2 237 886	1 565 692	233%	traders.
Operational Revenue	2 203 522	5 645 631	7 849 153	12 005 256	4 156 103	53%	This is due to the increase in development charges.
Non-Exchange Revenue							
Property rates	93 030 405	7 642 140	100 672 545	101 162 835	490 290	0%	Variance is insignificant.
Fines, penalties and forfeits	4 797 373	- 3 610 000	1 187 373	11 385 899	10 198 526	859%	At mid year the fines issued were low and during the mid year assessment Council resolved to reduce the provision not anticipating that the fines would increase.
Transfer and subsidies - Operational	142 696 000	18 048 424	160 744 424	149 864 562	- 10 879 862	-7%	Variance is insignificant.
Transfer and subsidies - Capital	35 265 000	27 227 841	62 492 841	42 611 087	- 19 881 754	-32%	This is due to underspending in capital projects as revenue is recognised when expenditure has been incurred.
Interest	802 865	1 109 794	1 912 659	2 039 506	126 847	7%	Variance is insignificant.
Operational Revenue	-	-	-	-	-	-	
Gains on disposal of Assets	-	-	-	-	-	-	
Other Gains	-	-	-	-	-	-	
Total Revenue	1 100 132 255	4 951 217	1 105 083 472	1 066 227 296	- 38 856 176		

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2023 TO 30 JUNE 2024

	Original Budget	Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Original Budget	Reasons for variances
	R	R	R	R	R	%	
Expenditure							
Employee related costs	270 342 976	10 004 800	280 347 776	271 389 576	(8 958 200)	-3%	Variance is insignificant.
Remuneration of councillors	12 564 972	370 396	12 935 368	11 830 452	(1 104 916)	-9%	Variance is insignificant.
Bulk purchases - electricity	495 377 577	(36 079 604)	459 297 973	486 280 892	26 982 919	6%	Variance is insignificant.
Inventory consumed	51 580 339	3 699 576	55 279 915	49 512 196	(5 767 719)	-10%	This is due to inventory items that are linked to unfinished capital projects.
							This is due to an increase in the indigent threshold which allows more clients to qualify as indigents. This then cause the impairment for receivables from exchange transactions to increase.
Debt impairment	-	-	-	15 622 645	15 622 645	100%	done.
Depreciation & asset impairment	44 908 979	(20 413)	44 888 566	52 812 058	7 923 492	18%	This is due to the unwinding of the provision for landfill sites and increase in employee benefits.
Interest	11 674 296	(1 800 131)	9 874 165	21 936 957	12 062 792	122%	This is linked to the capital projects that were not completed as at year end as it is professional fees for those projects.
Contracted services	73 188 396	22 580 334	95 768 730	47 149 530	(48 619 200)	-51%	This is determined by the applications received in terms of section 67 of the MFMA.
Transfers and subsidies	4 061 679	127 403	4 189 082	3 334 826	(854 256)	-20%	The variance is due to the write off of indigent clients' debt after approval as per new indigent policy approved by council.
Irrecoverable debts written off	33 433 096	(27 702 051)	5 731 045	13 849 530	8 118 485	142%	The budget was based on the ERP costs being incurred in one year, but the agreement indicates that the costs will be incurred over 5 years
Operational costs	73 787 799	(3 476 283)	70 311 516	42 598 888	(27 712 628)	-39%	The Municipality did not plan for a loss on the disposal of the assets. The assets are sold in a public auction.
Losses on disposal of Assets	-	-	-	-	-	100%	Amount is budgeted for under finance leases but in terms of GRAP meets the operating leases definition.
Other expenditure	-	-	-	38 616	38 616	100%	
Total Expenditure	1 070 920 109	- 32 295 973,00	1 038 624 136	1 016 356 166	(22 267 970)		
Surplus/(Deficit) for the Year	29 212 146	37 247 190	66 459 336	49 871 130	(16 588 206)		

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2023 TO 30 JUNE 2024

30 June 2024

Description	Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Original Budget	Reasons for variances
	R	R	R	R	R	%	
CASH FLOW							
Cash Flows from/(used in) Operating Activities							
Receipts							
Property Rates	92 273 230	6 187 332	98 460 562	100 294 805	1 834 243	2%	Variance is insignificant.
Service Charges	894 540 398	(35 276 103)	859 264 295	629 265 279	(229 999 016)	-27%	The previous years collection rate was 99% and this line item was based on that, but the actual collection rate was 95% as at year end.
Other revenue	21 633 635	(4 949 947)	16 683 688	42 611 142	25 927 454	155%	Other revenue was reduced by council in the mid year adjustments budget because at that point the revenue was low and expectation was that it would remain low.
Transfers and Subsidies - Operational	98 629 597	21 633 658	120 263 255	132 337 786	12 074 531	10%	This is caused by the new allocation of the Informal Settlements Upgrading Partnership Grant.
Transfers and Subsidies - Capital	35 265 000	27 227 841	62 492 841	63 549 000	1 056 159	2%	Variance is insignificant.
Interest	12 008 632	6 189 149	18 197 781	39 014 061	20 816 280	114%	This is due to interest hikes on investments.
Payments							
Suppliers and employees	(973 981 929)	2 678 065	(971 303 864)	(872 405 177)	98 898 687	10%	purchases.
Finance charges	(11 674 296)	1 800 131	(9 874 165)	(4 624 689)	5 249 476	53%	This is due to a loan that was planned for that did not materialise due to a change in the interest rate.
Transfers and Subsidies	(4 023 679)	4 023 679	-	(3 334 826)	(3 334 826)	-100%	error.
NET CASH FROM/(USED) OPERATING ACTIVITIES	164 670 588	29 513 805	194 184 393	126 707 381	(67 477 012)		
Cash Flows from/(used in) Investing Activities							
Receipts							
Proceeds on disposal of PPE	-	-	-	1 426 296	1 426 296	100%	The auction was initially not anticipated during the budget period, but when the centralised stores got full of redundant items an auction had to be scheduled.
Decrease (increase) in non-current receivables	3 017 851	-	-	(837 442)	(837 442)	-100%	Due to the stricter credit and debt collection measures implemented, some clients entered into payment arrangements with the municipality.
Decrease (increase) in non-current investments							
Payments							
Capital assets	(119 474 427)	(84 548 399)	(204 022 826)	(184 427 864)	19 594 962	-10%	This variance is caused by projects which were not yet complete as at year end, of which payments could not be done and projects had to be rolled over to the 24/25 financial year.
NET CASH FROM/(USED) INVESTING ACTIVITIES	(116 456 576)	(84 548 399)	(204 022 826)	(183 839 010)	20 183 816		
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
Borrowing long term/refinancing	47 800 000	(30 000 000)	17 800 000	-	(17 800 000)	-100%	No loan was taken in the financial year and the one which was planned did not materialise due to a change in the interest rate
Increase (decrease) in consumer deposits	-	-	-	1 337 826	1 337 826	100%	This is due to additional Municipal accounts that were opened during the year.
Payments							
Repayment of borrowings	-	(4 504 144)	(4 504 144)	(12 150 639)	(7 646 495)	170%	This is due to a settlement of a DBSA loan.
NET CASH FROM/(USED) FINANCING ACTIVITIES	47 800 000	(34 504 144)	13 295 856	(10 812 813)	(24 108 669)		
Cash and Cash Equivalents at Beginning of the Year	358 569 116	(13 444)	358 555 672	365 039 040	6 483 368		
Cash and Cash Equivalents at End of the Year	454 583 128	(92 570 033)	362 013 095	297 094 598	(64 918 497)		

1. BASIS OF PRESENTATION

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP), as approved by the Minister of Finance, including any interpretations, guidelines and directives issued by the Accounting Standards Board and in accordance with the requirements of Section 122(3) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

The Statement of Financial Performance has been prepared to classify expenses by nature, whilst revenue is classified in a manner appropriate to the municipality's operations. The Cash Flow Statement has been prepared using the Direct Method.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Presentation Currency

Amounts reflected in the financial statements are in South African Rand (which is the functional currency of the municipality) and at actual values. Financial values are rounded to the nearest Rand. No foreign exchange transactions are included in the statements.

1.2 Critical Judgements, Estimations and Assumptions

In the application of the municipality's Accounting Policies, which are described below, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in Annual Financial Statements:

1.2.1 Revenue Recognition

Accounting Policy on Revenue from Non-Exchange Transactions and Accounting Policy on Revenue from Exchange Transactions describes the conditions under which revenue will be recognised by management of the municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and GRAP 23: Revenue from Non-Exchange Transactions. Specifically, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been performed. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

1.2.2 Provision for Landfill Sites

The provision for rehabilitation of the landfill site is recognised as and when the environmental liability arises. The provision is calculated by a qualified environmental engineer. The provision represents the best estimate or net present value of the expected future cash flows to rehabilitate the landfill site at year-end. To the extent that the obligations relate to an asset, it is capitalised as part of the cost of those assets. Any subsequent changes to an obligation that did not relate to the initial related asset are charged to the Statement of Financial Performance.

a) Professional engineers were utilised to determine the cost of rehabilitation of landfill sites as well as the remaining useful life of each specific landfill site.

b) Interest rates (investment rate) linked to prime was used to calculate the effect of time value of money.

1.2.3 Provision for Staff Leave

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year-end and also on the total remuneration package of the employee.

Accumulated leave is carried forward and can be used in future periods if the current period's entitlement is not used in full. All unused leave will be paid out to the specific employee at the end of that employee's employment term.

Accumulated leave is vesting.

1.2.4 Impairment of Statutory Receivables

Accounting Policy 5.3 on Impairment of Statutory Receivables describes the process followed to determine the value at which Statutory Receivables should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management of the municipality is satisfied that impairment of Statutory Receivables recorded during the year is appropriate.

The impairment loss is measured as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk-free rate and any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable are revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

1.2.5 Provision for Performance Bonuses

The provision for performance bonuses represents the best estimate of the obligation at year-end and is based on historic patterns of payment of performance bonuses. Performance bonuses are subject to an evaluation by Council.

1.2.6 Useful lives of Property, Plant and Equipment, Intangible Assets and Investment Property

Property, Plant and Equipment

The useful lives of property, plant and equipment are based on management's estimation. Infrastructure's useful lives are based on technical estimates of the practical useful lives for the different infrastructure types, given engineering technical knowledge of the infrastructure types and service requirements. For other assets and buildings, management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

Management referred to the following when making assumptions regarding useful lives and residual values of property, plant and equipment:

- The useful life of movable assets was determined using the age of similar assets available for sale in the active market. Discussions with people within the specific industry were also held to determine useful lives.
- Local Government Industry Guides was used to assist with the deemed cost and useful life of infrastructure assets. The municipality referred to buildings in other municipal areas to determine the useful life of buildings. The municipality also consulted with engineers to support the useful life of buildings, with specific reference to the structural design of buildings.

For deemed cost applied to other assets as per adoption of Directive 7, management used the depreciated replacement cost method which was based on assumptions about the remaining duration of the assets.

The cost for depreciated replacement cost was determined by using either one of the following:

- Cost of items with a similar nature currently in the municipality's asset register.
- Cost of items with a similar nature in other municipalities' asset registers, given that the other municipality has the same geographical setting as the municipality and that the other municipality's asset register is considered to be accurate.
- Cost as supplied by suppliers.

For deemed cost applied to land and buildings as per adoption of Directive 7, management made use of an independent valuator. The valuator's valuation was based on assumptions about the market's buying and selling trends and the remaining duration of the assets.

Intangible Assets

The useful lives of intangible assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate.

Reference was made to intangible assets used within the municipality and other municipalities to determine the useful life of the assets.

For deemed cost applied to intangible assets as per adoption of Directive 7, management used the depreciation cost method which was based on assumptions about the remaining duration of the assets.

Investment Property

The useful lives of investment property are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their economic lives, and in what condition they will be at that time.

Management referred to the following when making assumptions regarding useful lives and valuation of investment property:

- The municipality referred to buildings in other municipal areas to determine the useful life of buildings.
- The municipality also consulted with professional engineers and qualified valuers to support the useful life of buildings.

For deemed cost applied to Investment Property as per adoption of Directive 7, management made use of an independent valuer. The valuer's valuation was based on assumptions about the market's buying and selling trends and the remaining duration of the assets.

1.2.7 Pre-paid Electricity Estimation

Pre-paid electricity is only recognised as income once the electricity is consumed. The prepaid electricity balance (included under payables) represents the best estimate of electricity sold at year-end, which is still unused. The average pre-paid electricity sold per day during the year under review is used and the estimate is calculated using between 5 and 10 days' worth of unused electricity.

1.2.8 Post-retirement medical obligations, long service awards and ex gratia gratuities

The cost of post-retirement medical obligations, long service awards and ex-gratia gratuities are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Major assumptions used are disclosed in note 23 of the Annual Financial Statements. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

1.2.9 Provisions and Contingent Liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the time value effect is material.

1.2.10 Componentisation of Infrastructure Assets

The municipality assesses whether it is a party to any principal-agent arrangements by considering the principles contained in GRAP 109. When the municipality is a party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1.2.11 Impairment of Loans and Receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

The impairment for loans and receivables is considered first for individually significant loans and receivables and then calculated on a portfolio basis for the remaining balance, including those individually significant loans and receivables for which no indicators of impairment were found. For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

On loans and receivables, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the loan's or receivable carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition (if practically determinable). Where the effective interest rate at initial recognition is not practically determinable, the government bond rate is used as the risk-free rate and adjusted for any risks specific to the loans and receivables.

1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Conceptual Framework for General Purpose Financial Reporting states that users are assumed to have a reasonable knowledge of the municipality's activities and the environment in which it operates, to be able and prepared to read annual financial statements and to review and analyse the information presented with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

Materiality is determined as 1% of total operating expenditure. This materiality is from management's perspective and does not correlate with the auditor's materiality.

1.4 Going Concern Assumption

The Annual Financial Statements have been prepared on a going concern assumption.

1.5 COMPARATIVE INFORMATION

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification are disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

The Municipal Regulations on Standard Chart of Accounts (mSCOA) came into effect on 1 July 2017. The mSCOA Charts are updated annually by National Treasury. The municipality has realigned items in the financial statements with the Item Segment of mSCOA Version 6.7, on which the municipality was required to transact for periods after 1 July 2020. The result of this process was a reclassification and naming of items in the annual financial statements.

2. BUDGET INFORMATION

The presentation of budget information is prepared in accordance with GRAP 24, and are consistent with the Accounting Policies adopted by the Council for the preparation of these Annual Financial Statements. The comparison of budget and actual amounts are disclosed as a separate statement, namely Statements of Comparison of Budget and Actual amounts.

Budget information is presented on the accrual basis by nature classification. Explanatory comment is provided in the Statement of Comparison of Budget and Actual Amounts giving reasons for overall growth or decline in the budget and motivations for over-or under spending on line items. These figures are those approved by the Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan.

The approved budget covers the period from 1 July 2023 to 30 June 2024.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

3. INVENTORIES

3.1 Recognition and Initial Measurement

Inventories comprise current assets held-for-sale, current assets for consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the Inventories to their current location and condition. Where Inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Water inventory is measured by multiplying the cost per kilolitre of purified water by the amount of water in storage.

Where Inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

Direct costs relating to properties that will be sold as Inventory are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

3.2 Subsequent Measurement

Inventories, consisting of consumable stores, finished goods, housing stock, land, materials and supplies, water and work-in-progress, are measured at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed unless that cost qualifies for capitalisation to the cost of another asset.

In general, the basis of allocating cost to inventory items is the weighted average method or first-in-first-out method. The first-in-out-method is applied to maintenance material inventory items. The weighted average method is applied to compost, low-cost housing, water for distribution and the remaining inventory items which are not maintenance related.

Water inventory is measured annually at the reporting date by way of dip readings and the calculated volume in the distribution network.

4. FINANCIAL INSTRUMENTS

The municipality has various types of Financial Instruments and these can be broadly categorised as Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement.

Initial Recognition

Financial Assets and Financial Liabilities are recognised when it becomes party to the contractual provisions of the instrument.

The municipality does not offset a Financial Asset and a Financial Liability unless a legally enforceable right to set off the recognised amounts currently exist and the municipality intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.1 Financial Assets – Classification

The municipality has the following types of Financial Assets:

Type of Financial Asset	Classification in terms of GRAP 104
Investments – Listed Shares	Financial Assets at Fair Value
Investments – Unlisted Shares	Financial Assets at Amortised Cost
Long-term Receivables	Financial Assets at Amortised Cost
Receivables from Exchange Transactions	Financial Assets at Amortised Cost
Receivables from Non-exchange Transactions	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Fixed Deposits	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Call Deposits	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Cash	Financial Assets at Amortised Cost

Trade and Other Receivables exclude Value Added Taxation, Prepayments and Operating Lease Receivables are classified as Financial Assets at Amortised Cost.

Cash includes cash-on-hand (including petty cash) and cash with banks (including call deposits). For the purposes of the Cash Flow Statement, Cash and Cash Equivalents comprise cash-on-hand and deposits held on call with banks, net of bank overdrafts.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.2 Financial Liabilities – Classification

The municipality has the following types of Financial Liabilities:

Type of Financial Liability	Classification in terms of GRAP 104
Borrowings	Financial Liabilities at Amortised Cost
Payables from Exchange Transactions	Financial Liabilities at Amortised Cost
Payables from Non-exchange Transactions	Financial Liabilities at Amortised Cost
Unspent Conditional Grants	Financial Liabilities at Amortised Cost
Bank Overdraft	Financial Liabilities at Amortised Cost

Bank Overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

4.3 Initial and Subsequent Measurement

4.3.1 Financial Assets:

Financial Assets measured at Amortised Cost

Financial Assets at Amortised Cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the Financial Asset. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an Effective Yield Basis.

Financial Assets measured at Cost

Financial Assets at Cost are initially measured at the transaction amount and transaction costs that are directly attributable to the acquisition or issue of the Financial Asset. Subsequently, these assets are measured at cost less any impairment.

Financial Assets measured at Fair Value

Financial Assets at Fair Value are initially measured at fair value, excluding directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in Surplus or Deficit.

4.3.2 Financial Liabilities:

Financial Liabilities measured at Fair Value

Financial Liabilities at Fair Value are stated at fair value, with any resulted gain or loss recognised in Surplus or Deficit.

Financial Liabilities held at Amortised Cost

Any other Financial Liabilities are classified as Other Financial Liabilities (All Payables, Loans and Borrowings are classified as Other Liabilities) and are initially measured at fair value, net of transaction costs. Trade and Other Payables, Interest-bearing Debt including Finance Lease Liabilities, Non-interest-bearing Debt and Bank Borrowings are subsequently measured at amortised cost using the Effective Interest Rate Method. Interest expense is recognised in Surplus or Deficit by applying the effective interest rate.

Bank Borrowings, consisting of interest-bearing short-term bank loans, repayable on demand and overdrafts are recorded at the proceeds received. Finance costs are accounted for using the Accrual Basis and are added to the carrying amount of the bank borrowing to the extent that they are not settled in the period that they arise.

Prepayments are carried at cost less any accumulated impairment losses.

4.4 Impairment of Financial Assets

Financial Assets, other than those at fair value, are assessed for indicators of impairment at the end of each reporting period. Financial Assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised through the use of an allowance account.

4.4.1 Financial Assets at Amortised Cost

A provision for impairment of Accounts Receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The provision is made whereby the recoverability of accounts receivable is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. The amount of the provision is the difference between the Financial Asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Future cash flows in a group of Financial Assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Cash flows relating to short-term receivables are not discounted where the effect of discounting is immaterial.

4.4.2 Financial Assets at Cost

If there is objective evidence that an impairment loss has been incurred on an investment in a Residual Interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the Financial Asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

4.5 Derecognition of Financial Assets

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expires or it transfers the Financial Asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred Financial Asset, the municipality continues to recognise the Financial Asset and also recognises a collateralised borrowing for the proceeds received.

4.6 Derecognition of Financial Liabilities

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

The municipality recognises the difference between the carrying amount of the Financial Liability (or part of a Financial Liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, in Surplus or Deficit.

5. STATUTORY RECEIVABLES

Statutory Receivables are receivables that arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset.

Statutory receivables arise from the following legislation:

- Property Rates - Municipal Property Rates Act (6 of 2004)
- Fines - Criminal procedures Act (51 of 1977)
- VAT Receivable - Value Added Tax Act (89 of 1991)

5.1 Recognition and Initial Measurement

The municipality recognises statutory receivables as follows:

- a) If the transaction is an exchange transaction, using the policy on revenue from exchange transactions.
- b) If the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers)
- c) If the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

The municipality recognises Statutory Receivables when they arise.

Statutory Receivables are initially measured at their transaction amount. The transaction amount would be the amount that is determined on initial measurement in accordance with the relevant Standard of GRAP.

The transaction amounts of the Statutory Receivables of the municipality are determined as follows:

- Assessment Rates are levied in terms of the stipulations contained in the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) at rates determined each year by Council.
- Fines - Criminal procedures Act (51 of 1977)
- VAT Receivable - Value Added Tax Act (89 of 1991)

5.2 Subsequent Measurement

Statutory Receivables are measured after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- Interest or other charges that may have accrued on the receivable, where applicable;
- Impairment losses; and
- Amounts derecognised.

LANGE BERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

5.3 Impairment

The municipality assesses at each reporting date whether there is any indication that a statutory receivable may be impaired. In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial reorganisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable is reduced, through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance. In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk-free rate and any risks specific to the statutory receivable for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows. Any previously recognised impairment loss is adjusted by adjusting the allowance account. The amount of any adjustment is recognised in the Statement of Financial Performance.

5.4 Derecognition

The municipality derecognises a statutory receivable when:

- a) The rights to the cash flows from the receivable are settled, expire or are waived.
- b) The municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable.
- c) The municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

In this case, the municipality:

- d) derecognises the receivable; and
- e) recognises separately any rights and obligations created or retained in the transfer.

6. CONSTRUCTION CONTRACTS

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by either the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs or surveys of work done or completion of a physical proportion of the contract work.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

7. PROPERTY, PLANT AND EQUIPMENT

7.1 Initial Recognition and Measurement

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and the cost or fair value of the item can be measured reliably.

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the assets acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Where an asset is acquired through a non-exchange transaction, any transaction cost incurred is recognised as part of the cost of the asset.

7.2 Subsequent Measurement - Cost Model

Property, Plant and Equipment, excluding Buildings and Land

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

7.3 Depreciation and Impairment

Depreciation on assets other than land is calculated on cost, using the Straight-line Method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation rates are based on the following estimated useful lives:

	Asset Class	Years		Asset Class	Years
	Buildings			Community	
	Improvements	1 - 105		Community Facilities	5 - 50
				Recreational Facilities	7 - 100
	Infrastructure			Security	5
	Electricity	1 - 80		Halls	1 - 105
	Roads and Paving	1 - 100		Libraries	1 - 100
	Sewerage / Solid Waste	1 - 100		Parks and gardens	1 - 100
	Water	1 - 125		Other assets	7 - 100
	Housing	1 - 105			
				Other	
				Computer Equipment	2 - 20
				Specialised vehicles	10 - 20
				Furniture and Fittings	1 - 100
				Transport Assets	4 - 45
				Office Equipment	2 - 22
				Plant and Equipment	1 - 40
				Other Assets	2 - 22
				Quarries	25
				Landfill sites	1-15

Changes to the useful life of assets are reviewed if there is an indication that a change may have occurred in the estimated useful life. If the expectation differs from the previous estimates, the change is accounted for in accordance with GRAP 3 either prospectively as a change in the accounting estimate or retrospectively as a prior period error depending on the specific circumstances.

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable service amount is estimated. The impairment charged to the Statement of Financial Performance is the difference between the carrying value and the recoverable service amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

7.4 Land

Land is stated at historical cost and is not depreciated as it is deemed to have an indefinite useful life.

7.5 Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance. Gains are not classified as Revenue.

8. INTANGIBLE ASSETS

8.1 Initial Recognition and Measurement

Identifiable non-monetary assets without physical substance are classified and recognised as Intangible Assets.

Intangible Assets are initially recognised at cost.

Where an Intangible Asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an Intangible Asset acquired in exchange for non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets, is measured at the fair value of the asset given up, unless the fair value of the asset received is more clearly evident. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up. If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

8.2 Subsequent Measurement, Amortisation and Impairment

After initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is charged on a Straight-line Method over the Intangible Assets' useful lives. The residual value of Intangible Assets with finite useful lives is zero, unless an active market exists. Where Intangible Assets are deemed to have indefinite useful lives, such Intangible Assets are not amortised. However, such Intangible Assets are subject to an annual impairment test.

The amortisation rates are based on the following estimated useful lives:

	Asset Class	Years		Asset Class	Years
	Computer Software Purchased	Indefinite		Servitudes	Indefinite

Changes to the useful life of assets are reviewed if there is an indication that a change may have occurred in the estimated useful life. If the expectation differs from the previous estimates, the change is accounted for in accordance with GRAP 3 either prospectively as a change in the accounting estimate or retrospectively as a prior period error depending on the specific circumstances.

8.3 Derecognition

Intangible assets are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance. Gains are not classified as Revenue.

9. INVESTMENT PROPERTY

9.1 Initial Recognition and Measurement

Investment property is recognised as an asset when and only when:

- It is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality and
- The cost or fair value of the investment property can be measured reliably.

Investment property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations. Property with a currently undetermined use is also classified as investment property.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition. The cost of self-constructed investment property is measured at cost. Where an asset is acquired through a non-exchange transaction, any transaction cost incurred are recognised as part of the cost of the asset.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

9.2 Subsequent Measurement - Cost Model

Subsequent to initial recognition, items of investment property are measured at cost less accumulated depreciation and accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life. Depreciation is calculated on cost, using the Straight-line Method over the useful life of the property, which is estimated at 1 - 100 years. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The gain or loss arising on the disposal of an Investment Property is recognised in Surplus or Deficit.

9.3 Derecognition

Investment property is derecognised when it is disposed or when there are no further economic benefits expected from the use of the investment property. The gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The annual depreciation rates are based on the following estimated useful lives:

Asset Class	Years	Asset Class	Years
Buildings	1-100	Land	Indefinite

10. HERITAGE ASSETS

Heritage Assets are not depreciated owing to uncertainty regarding to their estimated useful lives. The municipality assess at each reporting date if there is an indication of impairment.

10.1 Initial Recognition

Heritage Assets are initially recognised at cost.

A heritage asset is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

A heritage asset that qualifies for recognition as an asset is measured at its cost. Where a heritage asset is acquired through a non-exchange transaction, its cost is deemed to be its fair value as at the date of acquisition.

10.2 Subsequent Measurement

Subsequently all Heritage Assets are measured at cost, less accumulated impairment losses.

Heritage assets are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's or recoverable service amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value or recoverable service amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

10.3 Derecognition

Heritage assets are derecognised when it is disposed or when there are no further economic benefits expected from the use of the heritage asset. The gain or loss arising on the disposal or retirement of a heritage asset is determined as the difference between the sales proceeds and the carrying value of the heritage asset and is recognised in the Statement of Financial Performance.

11. LIVING AND NON-LIVING RESOURCES

Living Resources are defined as living organisms such as animals and plants that are used or held for the delivery or provision of goods and services, research, conservation, recreation, agricultural activities, education and training and rehabilitation or breeding processes.

Agricultural Assets are excluded from the scope of this Standard and are accounted for by the municipality in accordance with GRAP 27 (Agricultural Assets).

Living Resources are assets that undergo biological transformation and are those organisms that can grow, reproduce and degenerate. These assets include fruit trees, cattle and seed-bearing plants.

Non-living Resources are those resources, other than living resources, that occur naturally and have not been extracted from their source. These assets includes minerals, oils, etc.

Agricultural Assets are assets that are produced from living resources through agricultural activity and biological transformation through growth, degeneration and procreation. These assets are fruit from fruit-bearing plants, eggs from feathered animals and seeds from seed-bearing plants.

11.1 Initial Recognition and Measurement

A Living Resource shall be recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and when the cost or fair value of the asset can be measured reliably.

A Living Resource that qualifies for recognition as an asset shall be recognised at its cost.

Where a Living Resource is acquired through a non-exchange transaction, its cost shall be recognised at its fair value as at the date of the acquisition.

12. IMPAIRMENT OF ASSETS

The municipality classifies all assets held with the primary objective of generating a commercial return as Cash Generating Assets. All other assets are classified as Non-cash Generating Assets.

12.1 Impairment of Cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

An impairment loss is recognised for cash generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

12.2 Impairment of Non-cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the non-cash generating unit to which the asset belongs is determined. An impairment loss is recognised immediately in surplus or deficit.

The recoverable service amount of a non-cash generating asset is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

13. CONSUMER DEPOSITS

Consumer deposits are partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months of consumption of electricity and water services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits.

14. PROVISIONS

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate of future outflows of resources. Where the effect is material, non-current provisions are discounted to their present value using a pre-tax discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

- The municipality has a detailed formal plan for the restructuring identifying at least:
 - the business or
 - the principal
 - the location,
 - the expenditures
 - when the plan
- The municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date.

If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision is derecognised.

15. LEASES

15.1 The Municipality as Lessee

15.1.1 Finance Leases

Property, plant and equipment or intangible assets subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Corresponding liabilities are recognised at equal amounts. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments to the fair value of the asset, plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant and equipment, investment property or intangibles assets. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables.

15.1.2 Operating Leases

The municipality recognises operating lease rentals as an expense in Surplus or Deficit on a Straight-line Basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. Any lease incentives are included as part of the net consideration agreed.

15.2 The Municipality as Lessor

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on a straight-line basis over the term of the relevant lease. The difference between the straight-lined revenue and actual payments received will give rise to an asset or liability. The municipality recognises the aggregate cost of incentives as a reduction of rental revenue over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern over which the benefit of the leased asset is diminished.

16. BORROWING COSTS

All borrowing costs are treated as an expense in the period in which they are incurred.

17. EMPLOYEE BENEFIT LIABILITIES

17.1 Short-term Employee Benefits

When an employee has rendered service to the municipality during a reporting period, the municipality recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- As a liability (accrued expense), after deducting any amount already paid.
If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
- As an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

17.1.1 Provision for Staff Leave

Staff leave is accrued to employees according to collective agreements. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave or when employment is terminated.

17.1.2 Staff Bonuses Accrued

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year-end is based on bonus accrued at year-end for each employee.

17.1.3 Provision for Performance Bonuses

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrues to Section 57 employees. The performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

17.1.4 Paid Absences

The municipality pays employees for absence for various reasons including holidays, sickness and short-term disability, and maternity or paternity. The expected cost of short-term employee benefits in the form of paid absences for accumulating paid absences is recognised when the employees render service that increases their entitlement to future paid absences. The expected cost of non-accumulating paid absences is recognised when the absences occur.

17.2 Post-employment Benefits

The municipality provides retirement benefits for its employees and councillors, and has both defined benefit and defined contribution post-employment plans.

17.2.1 Defined Contribution Plans

In measuring its defined benefit liability, the municipality recognises past service cost as an expense in the reporting period in which the plan is amended. For defined contribution plans, the municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

17.2.2 Defined Benefit Plans

Defined Benefit Cost is made up of the following components:

- (a) Service Cost, comprising:
 - Current Service Cost
 - Settlements
 - Past Service Cost, comprising:
 - (1) Plan Amendments
 - (2) Curtailments
- (b) Net Interest Revenue / Expense
- (c) Remeasurements, comprising:
 - Actuarial Gains and Losses
 - Return on Plan Assets, excluding amounts included in net interest on the net defined benefit liability (asset)
 - Any change in the Effect of the Asset Ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Post-retirement Health Care Benefits

The municipality provides post-retirement medical benefits by subsidising the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 60% as a contribution and the remaining 40% is paid by the members. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The present value of the defined benefit liability is actuarially determined in accordance with GRAP 25 Employee benefits (using a discount rate applicable to high-quality government bonds). The plan is unfunded.

These contributions are charged to the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The interest cost of the defined benefit obligation is recognised as finance cost in the Statement of Financial Performance, as it meets the definition of Interest Cost in GRAP 25. The liability was calculated by means of the projected unit credit actuarial valuation method.

The liability in respect of current pensioners is regarded as fully accrued and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation. Payments made by the municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

Past-service costs are recognised immediately in Surplus or Deficit.

Long-service Allowance

Long service awards are provided to employees who achieve certain predetermined milestones of service within the municipality. The municipality's obligation under these plans is valued by independent qualified actuaries periodically and the corresponding liability is raised.

Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as finance cost upon valuation, as it meets the definition of interest cost in GRAP 25.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

Ex-Gratia Pension Benefits

Ex-gratia gratuities are provided to employees that were not previously members of a pension fund. The municipality's obligation under these plans is valued by independent qualified actuaries and the corresponding liability is raised. Payments made by the municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as financial cost upon valuation as it meets the definition of interest cost in GRAP 25.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

17.3 Termination Benefits

The municipality provides termination benefits for its employees in terms of the municipality's Employee Benefit Plan.

Termination Benefits to employees is recognised as an expense in the Statement of Financial Performance and as a liability in the Statement of

18. NET ASSETS

Included in the Net Assets of the municipality are the following items that are maintained in terms of specific requirements:

18.1 Accumulated Surplus

Included in the Accumulated Surplus of the municipality are the following Reserves that are maintained in terms of specific requirements.

18.1.1 Capital Replacement Reserve (CRR)

In order to finance the provision of Infrastructure and other items of Property, Plant and Equipment from internal sources, amounts are transferred from the Accumulated Surplus/(Deficit) to the CRR in terms of delegated powers.

The following provisions are set for the creation and utilisation of the CRR:

- The cash funds that back up the CRR are invested until utilised. The cash may only be invested in accordance with the Investment Policy of the municipality.
- The CRR may only be utilised for the purpose of purchasing items of Property, Plant and Equipment and may not be used for the maintenance of these items.
- Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR and the Accumulated Surplus/(Deficit) is credited by a corresponding amount.
- If a profit is made on the sale of assets other than land, the profit on these assets is reflected in Surplus or Deficit and is then transferred, via the Statement of Changes in Net Assets, to the CRR, provided that it is cash backed. Profit on the sale of land is not transferred to the CRR as it is regarded as revenue.

19. REVENUE RECOGNITION

19.1 Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Revenue from property rates is recognised when the legal entitlement to this revenue arises. At the time of initial recognition, the full amount of revenue is recognised. If the municipality does not enforce its obligation to collect the revenue, this would be considered as a subsequent event. Collection charges are recognised when such amounts are legally enforceable. Rebates and discounts are offset against the related revenue, in terms of IGRAP 1, as there is no intention of collecting this revenue.

Fine Revenue constitutes both spot fines and summonses. Fine revenue is recognised when the spot fine or summons is issued. In cases where fines and summonses are issued by another government institute, revenue will only be recognised by the municipality when the receivable meets the definition of an asset. All unpaid receivables relating to traffic fines as at 30 June 2023 was written off in the 2023/2024 financial year.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment when such items of property, plant and equipment qualify for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, it is recognised as an unspent public contribution (liability).

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualify for recognition and become available for use by the municipality.

All unclaimed deposits are initially recognised as a liability until 36 months expires when all unclaimed deposits into the municipality's bank account will be treated as revenue. This policy is in line with the prescribed debt principle as enforced by the law.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the MFMA (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Revenue is measured at the fair value of the consideration received or receivable.

When, as a result of a non-exchange transaction, a municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability.

Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the present obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue.

When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability will be recognised as revenue.

Services in-kind that are significant to the municipality's operations are recognised as assets and the related revenue when:

- It is probable that the future economic benefits or service potential will flow to the Municipality and
- The fair value of the assets can be measured reliably.

If the services in-kind are not significant to the municipality's operations or does not satisfy the above-mentioned criteria, the municipality only discloses the nature and type of services in-kind received during the reporting period. When the criteria for recognition is satisfied, services in-kind are measured on initial recognition at their fair value as at the date of acquisition. Services in-kind include services provided by individuals to the municipality and the right to use assets in a non-exchange transaction. These services meet the definition of an asset because the municipality controls the resource from which future economic benefits or service potential is expected to flow to the municipality. The assets are immediately consumed and a transaction of equal value is also recognised to reflect the consumption of these services in-kind, resulting in a decrease of the asset and an increase in an expense. The municipality therefore recognises an expense and related revenue for the consumption of services in-kind.

19.1.1 Rates and Taxes

Revenue from property rates is recognised when the legal entitlement to this revenue arises. At the time of initial recognition, the full amount of revenue is recognised. If the municipality does not enforce its obligation to collect the revenue, this would be considered as a subsequent event. Collection charges are recognised when such amounts are legally enforceable. Rebates and discounts are offset against the related revenue, in terms of IGRAP 1, as there is no intention of collecting this revenue.

19.1.2 Fines

Fine Revenue constitutes both spot fines and summonses. Fine revenue is recognised when the spot fine or summons is issued. In cases where fines and summonses are issued by another government institute, revenue will only be recognised by the municipality when the receivable meets the definition of an asset.

19.1.3 Government Grants and Receipts

Equitable share allocations are recognised in revenue at the start of the financial year if no time-based restrictions exist.

Conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised in Surplus or Deficit in the period in which they become receivable.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest, it is recognised as interest earned in Surplus or Deficit.

19.1.4 Public Contributions

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment when such items of property, plant and equipment qualify for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, it is recognised as an unspent public contribution (liability).

19.1.5 Other Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are available for use.

19.1.6 Rentals Received

Revenue from the rental of facilities and equipment is recognised on a Straight-line Basis over the term of the lease agreement.

19.1.7 Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

19.2 Revenue from Exchange Transactions

19.2.1 Service Charges

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

At the time of initial recognition, the full amount of revenue is recognised where the municipality has an enforceable legal obligation to collect, unless the individual collectability is considered to be improbable. If the municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Service charges relating to electricity and water are based on consumption and a basic charge as per Council resolution. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. It is estimated that pre-paid electricity is consumed within 5 to 7 days after the date of purchase. The pre-paid electricity sold, but not consumed yet at year-end is disclosed under Payables from Exchange Transactions in the Statement of Financial Position.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the recorded number of refuse points per property.

Service charges relating to sanitation (sewerage) are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage. In the case of residential property, a fixed monthly tariff is levied and in the case of commercial property, a tariff is levied based on the number of sewerage connection on the property. Service charges based on a basic charge as per Council resolution.

Interest revenue is recognised using the effective interest rate method.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Dividends are recognised on the date that the municipality becomes entitled to receive the dividend.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

The amount of revenue arising on a transaction is usually determined by agreement between the municipality and the purchaser or user of the asset or service. It is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the municipality.

In most cases, the consideration is in the form of cash or cash equivalents and the amount of revenue is the amount of cash or cash equivalents received or receivable. However, when the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is the more clearly determinable of either:

- The prevailing rate for a similar instrument of an issuer with a similar credit rating or
- A rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

19.2.2 Prepaid Electricity

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. It is estimated that pre-paid electricity is consumed within 5 to 7 days after the date of purchase. The pre-paid electricity sold, but not consumed yet at year-end is disclosed under Payables from Exchange Transactions in the Statement of Financial Position.

19.2.3 Rentals Received

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

19.2.4 Interest Earned

Interest revenue is recognised using the effective interest rate method.

Interest earned on the following investments is not recognised in Surplus or Deficit:

- Interest earned on Trust Funds is allocated directly to the fund.
- Interest earned on unutilised Conditional Grants is allocated directly to the Creditor: Unutilised Conditional Grants, if the grant conditions indicate that interest is payable to the funder.

19.2.5 Dividends

Dividends are recognised on the date that the municipality becomes entitled to receive the dividend in accordance with the substance of the relevant agreement, where applicable.

19.2.6 Royalties

Royalties are recognised on an Accrual Basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognised on a Straight-line Basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

19.2.7 Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

20. GRANTS-IN-AID

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

- (a) Receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- (b) Expect to be repaid in future; or
- (c) Expect a financial return, as would be expected from an investment.

These transfers are recognised in Surplus or Deficit as expenses in the period that the events giving rise to the transfer occurred.

21. ACCOUNTING BY PRINCIPALS AND AGENTS

21.1 Identifying whether an entity is a principal or an agent

When the municipality is a party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether the municipality is the principal or the agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or its own benefit.

21.2 Binding arrangement

The municipality assesses whether it is the agent or the principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as the principal or the agent.

Assessing which entity benefits from the transactions with third parties

The municipality is the agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The municipality is an agent for the following departments:

- Western Cape Provincial Department – 12% commission.
- Department of Cultural Affairs and Sport (DCAS) – 100% commission.

21.3 Recognition

The municipality, as the agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

22. SEGMENT REPORTING

A segment is an activity of a municipality:

- a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- c) for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

22.1 Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the municipality's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management.

Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the municipality's financial statements.

23. UNAUTHORISED EXPENDITURE

Unauthorised Expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state, and expenditure in the form of grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003).

All expenditure relating to Unauthorised Expenditure is accounted for as an expense in Surplus or Deficit in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in Surplus or Deficit.

24. IRREGULAR EXPENDITURE

Irregular Expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No 56 of 2003), the Municipal Systems Act (Act No 32 of 2000), the Public Office Bearers Act (Act No 20 of 1998), or is in contravention of the Municipality or Municipal Entities' Supply Chain Management Policies. Irregular Expenditure excludes Unauthorised Expenditure.

Irregular Expenditure is accounted for as an expense in Surplus or Deficit in the period it occurred and where recovered, it is subsequently accounted for as revenue in Surplus or Deficit.

25. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and Wasteful Expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to Fruitless and wasteful expenditure is accounted for as expenditure in Surplus or Deficit in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in Surplus or Deficit.

26. COMMITMENTS

- Items are classified as capital commitments when the municipality has committed itself to future transactions that will normally result in the outflow of cash.
 - Disclosures are required in respect of unrecognised contractual future capital commitments relating to property, plant and equipment, investment property, intangible assets and heritage assets, as applicable. Refer to note - Commitments.
 - Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements if both the following criteria are met:
 - Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services).
 - Contracts should relate to something other than the routine, steady, state business of the municipality – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.
- Capital commitments disclosed in the financial statements represent the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

27. RELATED PARTIES

The objective of this Standard is to ensure that a reporting entity's annual financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

An entity that prepares and presents annual financial statements under the accrual basis of accounting (in this Standard referred to as the reporting entity) shall apply this Standard in:

- a) Identifying related party relationships and transactions;
- b) Identifying outstanding balances, including commitments, between an entity and its related parties;
- c) Identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
- d) Determining the disclosures to be made about those items

This Standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the reporting entity in accordance with the Standard of GRAP on Consolidated and Separate Financial Statements. This Standard also applies to individual annual financial statements.

Disclosure of related party transactions, outstanding balances, including commitments, and relationships with related parties may affect users' assessments of the financial position and performance of the reporting entity and its ability to deliver agreed services, including assessments of the risks and opportunities facing the entity. This disclosure also ensures that the reporting entity is transparent about its dealings with related parties.

The Standard states that a related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

A person or a close member of that person's family is related to the reporting entity if that person:

- a) has control or joint control over the reporting entity;
- b) has significant influence over the reporting entity is a member of the management of the entity or its controlling entity.
- c) is a member of the management of the entity or its controlling entity.

An entity is related to the reporting entity if any of the following conditions apply:

- a) the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);

One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);

- a) both entities are joint ventures of the same third party;
- b) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- c) the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity

Related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;

- a) the entity is controlled or jointly controlled by a person identified in (a); and
- b) a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

LANGEBERG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The Standard furthermore states that related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

28. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality. A contingent liability could also be a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the probability of an outflow of resources embodying economic benefits or service potential is remote. A contingent asset is disclosed where the inflow of economic benefits or service potential is probable.

29. EVENTS AFTER THE REPORTING DATE

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

The events after the reporting date that are classified as Non-adjusting Events after the Reporting Date have been disclosed in Notes to the Annual Financial Statements.

- Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date).
- Those are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If non-adjusting events after the reporting date are material, the municipality discloses the nature and an estimate of the financial effect.

30. VALUE ADDED TAX

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

31. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Standard	Nature of Changes	Impact	Effective Date	Planned date of application by the Municipality
GRAP 1 - Presentation	Revised requirements on the	Enhances clarity in financial	Not yet determined	Not yet determined
GRAP 103 - Heritage	Revised guidance on accounting for	Promotes consistent and	Not yet determined	Not yet determined
GRAP 104 - Financial	Updates the classification,	Changes in classification	2025/04/01	2025/04/01
GRAP 105, 106, 107 -	Provides guidance on accounting for	Affects the recognition,	Not yet determined	Not yet determined
IGRAP 22 - Foreign	Clarifies accounting for foreign	This standard impacts how	2025/04/01	2025/04/01
Improvements to	Minor amendments made to align	Aims to improve consistency	Not yet determined	Not yet determined

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
1. GENERAL INFORMATION		
Langeberg Local Municipality is a local government institution in Ashton, Western Cape, and is one of five local municipalities under the jurisdiction of the Cape Winelands District Municipality. The address of its registered office and principal place of business are disclosed under "General Information" included in the Annual Financial Statements and in the introduction of the Annual Report. The principal activities of the municipality are disclosed in the Annual Report and are prescribed by the Municipal Finance Management Act (MFMA, Act no 56 of 2003).		
2. INVENTORIES		
Consumables	5 263 345	3 693 325
Finished Goods	161 718	996 785
Land	2 281 444	2 660 696
Materials and Supplies	9 455 522	5 479 628
Water - At Cost	258 226	213 398
Total Inventories	17 420 255	13 043 832

The cost of Inventories recognised as an expense amounted to R49 512 196 (2023: R59 751 352)

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2024			
Service Debtors:	103 372 699	49 542 986	53 829 713
Electricity	42 336 682	6 163 697	36 172 985
Refuse	15 110 952	10 761 062	4 349 890
Sewerage	19 084 319	14 451 667	4 632 652
Merchandising, Jobbing and Contracts	4 412	-	4 412
Other Service Charges	3 401 193	2 925 449	475 744
Water	23 435 141	15 241 111	8 194 030
Other Receivables	1 514 537	399 270	1 115 267
Other Debtors	18 667	-	18 667
Prepayments and Advances	2 493 706	-	2 493 706
Control, Clearing and Interface Accounts	-	-	-
Total Receivables from Exchange Transactions	107 399 609	49 942 256	57 457 353
As at 30 June 2023			
Service Debtors:	71 411 088	30 982 932	40 428 156
Electricity	27 010 726	2 698 061	24 312 665
Refuse	11 495 546	6 863 150	4 632 396
Sewerage	14 044 575	9 288 822	4 755 753
Merchandising, Jobbing and Contracts	4 412	-	4 412
Other Service Charges	2 729 042	2 504 493	224 549
Water	16 126 787	9 628 406	6 498 381
Other Receivables	1 153 216	459 577	693 639
Other Debtors	18 667	-	18 667
Prepayments and Advances	1 355 632	-	1 355 632
Total Receivables from Exchange Transactions	73 938 603	31 442 509	42 496 094

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

3.1 Ageing of Receivables from Exchange Transactions

As at 30 June 2024

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Electricity:					
Gross Balances	30 985 697	5 035 285	1 632 953	4 682 746	42 336 682
Less: Provision for Impairment	-	-	-	6 163 697	6 163 697
Net Balances	30 985 697	5 035 285	1 632 953	(1 480 951)	36 172 985
Refuse:					
Gross Balances	2 437 438	1 801 907	710 558	10 161 049	15 110 952
Less: Provision for Impairment	-	-	-	10 761 062	10 761 062
Net Balances	2 437 438	1 801 907	710 558	(600 013)	4 349 890
Sewerage:					
Gross Balances	2 552 974	2 016 877	799 516	13 714 952	19 084 319
Less: Provision for Impairment	-	-	-	14 451 667	14 451 667
Net Balances	2 552 974	2 016 877	799 516	(736 715)	4 632 652
Merchandising, Jobbing and					
Gross Balances	4 412	-	-	-	4 412
Less: Provision for Impairment	-	-	-	-	-
Net Balances	4 412	-	-	-	4 412
Other Service Charges:					
Gross Balances	206 714	215 464	119 669	2 859 347	3 401 193
Less: Provision for Impairment	-	-	-	2 925 449	2 925 449
Net Balances	206 714	215 464	119 669	(66 102)	475 744
Water:					
Gross Balances	5 335 858	2 779 811	976 423	14 343 049	23 435 141
Less: Provision for Impairment	-	-	-	15 241 111	15 241 111
Net Balances	5 335 858	2 779 811	976 423	(898 062)	8 194 030
Other Receivables:					
Gross Balances	268 193	60 827	22 769	1 162 749	1 514 538
Less: Provision for Impairment	-	-	-	399 270	399 270
Net Balances	268 193	60 827	22 769	763 479	1 115 268
Other Debtors:					
Gross Balances	-	-	-	18 667	18 667
Less: Provision for Impairment	-	-	-	-	-
Net Balances	-	-	-	18 667	18 667
Prepayments and Advances:					
Gross Balances	2 493 706	-	-	-	2 493 706
Less: Provision for Impairment	-	-	-	-	-
Net Balances	2 493 706	-	-	-	2 493 706
Control, Clearing and Interface					
Gross Balances	-	-	-	-	-
Less: Provision for Impairment	-	-	-	-	-
Net Balances	-	-	-	-	-

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:					
Gross Balances	44 284 992	11 910 171	4 261 888	46 942 558	107 399 609
Less: Provision for Impairment	-	-	-	49 942 256	49 942 256
Net Balances	44 284 992	11 910 171	4 261 888	(2 999 698)	57 457 353

As at 30 June 2023

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Electricity:					
Gross Balances	22 424 671	1 516 312	246 899	2 822 844	27 010 726
Less: Provision for Impairment	-	-	-	2 698 061	2 698 061
Net Balances	22 424 671	1 516 312	246 899	124 783	24 312 665

Refuse:

Gross Balances	2 152 305	1 496 043	626 957	7 220 241	11 495 546
Less: Provision for Impairment	-	-	-	6 863 150	6 863 150
Net Balances	2 152 305	1 496 043	626 957	357 091	4 632 396

Sewerage:

Gross Balances	2 313 132	1 693 979	717 127	9 320 337	14 044 575
Less: Provision for Impairment	-	-	-	9 288 822	9 288 822
Net Balances	2 313 132	1 693 979	717 127	31 515	4 755 752

Merchandising, Jobbing and Contracts:

Gross Balances	4 412	-	-	-	4 412
Less: Provision for Impairment	-	-	-	-	-
Net Balances	4 412	-	-	-	4 412

Other Service Charges:

Gross Balances	121 670	72 878	72 950	2 461 544	2 729 042
Less: Provision for Impairment	-	-	-	2 504 493	2 504 493
Net Balances	121 670	72 878	72 950	(42 949)	224 548

Water:

Gross Balances	3 705 162	2 061 818	778 530	9 581 277	16 126 787
Less: Provision for Impairment	-	-	-	9 628 406	9 628 406
Net Balances	3 705 162	2 061 818	778 530	(47 129)	6 498 381

Other Receivables:

Gross Balances	99 336	62 531	31 262	960 087	1 153 216
Less: Provision for Impairment	-	-	-	346 293	346 293
Net Balances	99 336	62 531	31 262	613 794	806 922

Other Debtors:

Gross Balances	18 667	-	-	-	18 667
Less: Provision for Impairment	-	-	-	-	-
Net Balances	18 667	-	-	-	18 667

Prepayments and Advances:

Gross Balances	1 355 632	-	-	-	1 355 632
Less: Provision for Impairment	-	-	-	-	-
Net Balances	1 355 632	-	-	-	1 355 632

Control, Clearing and Interface

Gross Balances	-	-	-	-	-
Less: Provision for Impairment	-	-	-	-	-
Net Balances	-	-	-	-	-

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:					
Gross Balances	32 194 987	6 903 561	2 473 725	32 366 330	73 938 603
Less: Provision for Impairment	-	-	-	31 329 225	31 329 225
Net Balances	32 194 987	6 903 561	2 473 725	1 037 105	42 609 373

In determining the recoverability of Receivables, the municipality has placed strong emphasis on verifying the indigent status of consumers. Provision for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over 12 months per service type. No further credit provision is required in excess of the Provision for Impairment.

No provision has been made in respect of government debt as these amounts are considered to be fully recoverable. The municipality holds collateral over these balances in the form of Consumer Deposits / Guarantees, which are not covering the total outstanding debt and vacant property respectively.

4. STATUTORY RECEIVABLES FROM EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2024			
VAT accrual (input) receivable accounts	13 650 262	-	13 650 262
VAT accrual (output) payable	(13 055 364)	-	(13 055 364)
VAT due to/by Rec of Revenue	2 628 525	-	2 628 525
Total Statutory Receivables from Exchange Transactions	3 223 423	-	3 223 423
	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2023			
VAT accrual (input) receivable accounts	11 380 817	-	11 380 817
VAT accrual (output) payable	(5 801 146)	-	(5 801 146)
VAT due to/by Rec of Revenue	2 567 385	-	2 567 385
Total Statutory Receivables from Exchange Transactions	8 147 056	-	8 147 056

VAT is claimable on the payment basis.

5. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2024			
Accrued Income	3 341	-	3 341
Administration Cost	97 605	-	97 605
Availability Charges	10 368 415	9 188 215	1 180 200
Other	11 964 848	-	11 964 848
Security Deposits	8 158 511	-	8 158 511
Provincial Government Housing Loans - at amortised cost	0	-	-
Staff Bursaries and Other Advances - at amortised cost	0	-	-
Total Receivables from Non-exchange Transactions	30 592 720	9 188 215	21 404 505

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2023			
Accrued Income	3 341	-	3 341
Administration Cost	91 382	-	91 382
Availability Charges	9 044 476	8 404 031	640 445
Other	1 364 099	-	1 364 099
Security Deposits	8 158 511	-	8 158 511
Provincial Government Housing Loans - at amortised cost	716 640	-	716 640
Staff Bursaries and Other Advances - at amortised cost	206 043	-	206 043
Total Receivables from Non-exchange Transactions	19 584 494	8 404 031	11 180 463

5.1 Ageing of Receivables from Non-exchange Transactions

As at 30 June 2024

	Current 0 - 30 days	Past Due 31 - 60 Days	61 - 90 Days	+ 90 Days	Total
Other Receivables:					
Gross Balances	12 049 042	433 184	194 142	9 754 500	22 430 868
Less: Provision for Impairment				9 188 215	9 188 215
Net Balances	12 049 042	433 184	194 142	566 285	13 242 653

Accrued Income:

Gross Balances	3 341	-	-	-	3 341
Less: Provision for Impairment	-	-	-	-	-
Net Balances	3 341	-	-	-	3 341

Security Deposits:

Gross Balances	8 158 511	-	-	-	8 158 511
Less: Provision for Impairment	-	-	-	-	-
Net Balances	8 158 511	-	-	-	8 158 511

	Current 0 - 30 days	Past Due 31 - 60 Days	61 - 90 Days	+ 90 Days	Total
All Receivables:					
Gross Balances	20 210 894	433 184	194 142	9 754 500	30 592 720
Less: Provision for Impairment	-	-	-	9 188 215	9 188 215
Net Balances	20 210 894	433 184	194 142	566 285	21 404 505

As at 30 June 2023

	Current 0 - 30 days	Past Due 31 - 60 Days	61 - 90 Days	+ 90 Days	Total
Other Receivables:					
Gross Balances	2 603 843	270 008	122 602	8 426 189	11 422 642
Less: Provision for Impairment				8 404 031	8 404 031
Net Balances	2 603 843	270 008	122 602	22 158	3 018 611

Accrued Income:

Gross Balances	3 341	-	-	-	3 341
Less: Provision for Impairment	-	-	-	-	-
Net Balances	3 341	-	-	-	3 341

Security Deposits:

Gross Balances	8 158 511	-	-	-	8 158 511
Less: Provision for Impairment	-	-	-	-	-
Net Balances	8 158 511	-	-	-	8 158 511

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:					
Gross Balances	10 765 695	270 008	122 602	8 426 189	19 584 494
Less: Provision for Impairment	-	-	-	8 404 031	8 404 031
Net Balances	10 765 695	270 008	122 602	22 158	11 180 463

The Provision for Impairment on Receivables exists predominantly due to the possibility that these debts will not be recovered. The Provision for Impairment was calculated after grouping all the financial assets of similar nature and risk ratings and assessing the recoverability.

No Provision for Impairment has been made in respect of government debt as these amounts are considered to be fully recoverable. The municipality holds collateral over these balances in the form of Rates Assessment Deposits / Guarantees, which are not covering the total outstanding debt and vacant property respectively.

6. STATUTORY RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2024			
Property Rates	37 260 497	29 285 237	7 975 260
Fines	9 800 512	8 550 259	1 250 253
Total Statutory Receivables from Non-Exchange Transactions	47 061 009	37 835 496	9 225 513
	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2023			
Property Rates	28 851 716	21 664 385	7 187 331
Fines	10 510 564	9 340 412	1 170 152
Total Statutory Receivables from Non-Exchange Transactions	39 362 280	31 004 797	8 357 483

6.1 Ageing of Statutory Receivables from Non-Exchange Transactions

As at 30 June 2024

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	

Property Rates:

Gross Balances	4 672 908	2 369 310	652 705	29 565 574	37 260 497
Less: Provision for Impairment	0	-	-	29 285 237	29 285 237
Net Balances	4 672 908	2 369 310	652 705	280 337	7 975 260

Fines:

Gross Balances	9 800 512	-	-	-	9 800 512
Less: Provision for Impairment	8 550 259	-	-	-	8 550 259
Net Balances	1 250 253	-	-	-	1 250 253

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	

All Receivables:

Gross Balances	14 473 420	2 369 310	652 705	29 565 574	47 061 009
Less: Provision for Impairment	8 550 259	-	-	29 285 237	37 835 496
Net Balances	5 923 161	2 369 310	652 705	280 337	9 225 513

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

As at 30 June 2023

	Current 0 - 30 days	Past Due			Total
		31 - 60 Days	61 - 90 Days	+ 90 Days	
Property Rates:					
Gross Balances	9 812 696	738 812	646 639	17 653 568	28 851 716
Less: Provision for Impairment	4 908 041	-	-	16 756 344	21 664 385
Net Balances	4 904 655	738 812	646 639	897 224	7 187 331

Fines:

Gross Balances	10 510 564	-	-	-	10 510 564
Less: Provision for Impairment	9 340 412	-	-	-	9 340 412
Net Balances	1 170 152	-	-	-	1 170 152

	Current 0 - 30 days	Past Due			Total
		31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:					
Gross Balances	20 323 260	738 812	646 639	17 653 568	39 362 280
Less: Provision for Impairment	14 248 453	-	-	16 756 344	31 004 797
Net Balances	6 074 807	738 812	646 639	897 224	8 357 483

2024
R

2023
R

7. CASH AND CASH EQUIVALENTS

Current Investments	187 200 669	186 908 950
Bank Accounts	109 884 979	178 120 890
Cash on Hand	8 950	9 200
Total Bank, Cash and Cash	297 094 598	365 039 040

For the purposes of the Statement of Financial Position and the Cash Flow Statement, Cash and Cash Equivalents include Cash-on-Hand, Cash in Banks and Investments in Money Market Instruments.

7.1 Current Investment Deposits

Call Deposits	187 200 669	186 908 950
Total Current Investment Deposits	187 200 669	186 908 950

Call Deposits are investments with a maturity period of less than 3 months. The average interest rate for the year was 7.37% (2023:4.28 %).

7.2 Bank Accounts

Cash in Bank	109 884 979	178 120 890
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The Municipality has the following operational bank accounts:

Primary Bank Account

Cash book balance at beginning of year	178 120 890	91 795 579
Cash book balance at end of year	109 884 979	178 120 890

7.3 Cash and Cash Equivalents

Cash Floats and Advances	8 950	9 200
Total Cash on hand in Cash Floats, Advances and Equivalents	8 950	9 200

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT

30 June 2024

Reconciliation of Carrying Value Description	Land and Buildings	Infrastructure	Community	Other	Transport Assets	Leased Assets	Total
	R	R	R	R	R	R	R
Carrying values at 01 July 2023	100 288 887	658 740 561	63 990 016	25 474 387	30 513 959	17 395 196	896 403 005
Cost	111 966 540	973 578 213	100 201 435	63 558 220	61 626 396	20 322 058	1 331 252 861
Accumulated Impairment Losses	(511 737)	(13 209 026)	(4 242)	(144 830)	(13 102)	-	(13 882 937)
Accumulated Depreciation	(11 165 916)	(301 628 626)	(36 207 177)	(37 939 003)	(31 099 335)	(2 926 862)	(420 966 919)
Acquisition of Assets	429 815	152 129 943	16 448 409	6 504 569	305 000	-	175 817 735
- Capital Under Construction	-	-	1 986 667	-	-	-	1 986 667
Depreciation	(743 400)	(36 738 334)	(3 524 414)	(5 374 415)	(3 298 751)	(2 611 247)	(52 290 562)
Carrying value of Disposals:		(909 547)	-	(267 141)	(348 069)	(21 914)	(1 546 671)
- Cost	-	(1 379 318)	(42 011)	(2 673 120)	(1 993 870)	(552 038)	(6 640 357)
- Accumulated Impairment Losses	-	-	-	42 809	-	-	42 809
- Accumulated Depreciation	-	469 771	42 011	2 363 170	1 645 801	530 124	5 050 877
Impairment Losses	-	-	-	(457 308)	-	-	(457 308)
Other Movements	108 683	(5 290 461)	(373 719)	4 281 735	468 250	18 855	(805 512)
- Cost	108 683	(5 290 461)	(373 719)	4 262 880	468 250	18 855	(805 513)
- Transfers Received	554 535	59 010 489	19 977 118	11 775 046	773 250	18 855	92 109 292
- Transfers Made	(445 852)	(64 300 950)	(20 350 837)	(7 512 166)	(305 000)	-	(92 914 805)
- Accumulated Depreciation		-	-	-	-	-	-
Carrying values at 30 June 2024	100 083 985	767 932 162	78 526 958	30 142 970	27 640 389	14 780 890	1 019 107 354
Cost	112 505 038	1 119 038 377	118 220 780	71 652 548	60 405 776	19 788 875	1 501 611 394
Accumulated Impairment Losses	(511 737)	(13 209 026)	(4 242)	(559 329)	(13 102)	-	(14 297 436)
Accumulated Depreciation	(11 909 316)	(337 897 189)	(39 689 580)	(40 950 249)	(32 752 285)	(5 007 985)	(468 206 604)

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT

30 June 2023

Reconciliation of Carrying Value Description	Land and Buildings	Infrastructure	Community	Other	Transport Assets	Leased Assets	Total
	R	R	R	R	R	R	R
Carrying values at 01 July 2022	98 949 490	617 414 839	58 922 681	20 938 590	26 155 294	684 347	823 065 240
Cost	109 971 336	897 583 736	92 056 790	54 709 514	54 368 425	2 585 641	1 211 275 441
Accumulated Impairment Losses	(511 737)	(13 209 026)	(4 242)	(144 830)	(13 102)	-	(13 882 937)
Accumulated Depreciation	(10 510 109)	(266 959 871)	(33 129 867)	(33 626 094)	(28 200 029)	(1 901 294)	(374 327 264)
Acquisition of Assets	3 813 788	80 094 298	6 038 348	9 491 726	20 532 466	-	119 970 626
- Capital Under Construction	-	-	137 814	103 945	972 779	-	1 214 538
Depreciation	(655 807)	(34 689 785)	(3 269 534)	(4 328 293)	(2 959 007)	(1 025 568)	(46 927 994)
Carrying value of Disposals:		-	-	(15 796)	(9 399)	-	(25 195)
- Cost		-	-	(31 180)	(69 100)	-	(100 280)
- Accumulated Impairment Losses	-	-	-	-	-	-	-
- Accumulated Depreciation	-	-	-	15 384	59 701	-	75 085
Impairment Losses	-	-	-	-	-	-	-
- Cost	(1 818 584)	(4 099 821)	1 968 483	(715 785)	(14 178 174)	17 736 417	(1 107 464)
- Transfers Received	6 134 511	104 421 989	7 420 253	10 620 441	39 325 060	17 736 417	185 658 671
- Transfers Made	(7 953 095)	(108 521 810)	(5 451 770)	(11 336 226)	(53 503 234)	-	(186 766 135)
- Accumulated Depreciation	-	21 030	192 224	-	-	-	213 254
	-						
Carrying values at 30 June 2023	100 288 887	658 740 561	63 990 016	25 474 387	30 513 959	17 395 196	896 403 005
Cost	111 966 540	973 578 213	100 201 435	63 558 220	61 626 396	20 322 058	1 331 252 861
Accumulated Impairment Losses	(511 737)	(13 209 026)	(4 242)	(144 830)	(13 102)	-	(13 882 937)
Accumulated Depreciation	(11 165 916)	(301 628 626)	(36 207 177)	(37 939 003)	(31 099 335)	(2 926 862)	(420 966 919)

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R		
8. PROPERTY, PLANT AND EQUIPMENT (Continued)				
8.1 Assets pledged as security				
Leased Assets are pledged as security for the finance liability.				
8.2 Impairment of Property, Plant and Equipment				
Impairment Losses on Property, Plant and Equipment to the amount of R457 308 (2023:R0) has been recognised in operating surplus and are included in Impairment Losses in the Statement of Financial Performance as indicated in Note 39				
Other Assets	457 308	-		
Transport Assets	-	-		
Total Impairment of Property, Plant and Equipment	457 308	-		
8.3 Work-in-Progress				
The municipality has incurred expenditure on capital projects which were not completed at year-end. The details of the carrying amounts of expenditure included in each class of assets are listed below:				
June 2024	Infrastructure	Community	Land and Building	Total
Opening Balance	37 410 484	2 837 815	459 032	40 707 331
Additions	138 666 082	16 498 378	0	155 164 460
Completed Assets	(34 411 899)	(15 751 061)	(372 488)	(50 535 448)
Closing Balance	141 664 667	3 585 132	86 544	145 336 343
June 2023	Infrastructure	Community	Land and Building	Total
Opening Balance	47 812 668	803 700	1 720 246	50 336 614
Additions	51 265 354	2 034 115	7 590 523	60 889 992
Completed Assets	(61 667 538)	0	(8 851 737)	(70 519 275)
Closing Balance	37 410 484	2 837 815	459 032	40 707 331
8.4 Delayed Projects				
Project Details (Unspent Balance)	2024		2023	
Infrastructure Assets	46 585 971		43 936 096	
2024: Due to grant funding received for flood damage repairs. Funds were received in March 2024 four months before the end of the financial year and the procurement process commenced shortly thereafter.				
2023: Due to capital loan of R30 million for the rehabilitation of roads has not yet been received by the municipality and thus the municipality can not spend funds that are not yet available and not in the Municipality's bank account.				
Community Asset	7 810 995		3 462 643	
2024: Due to grant funding received for flood damage repairs. Funds were received in March 2024 four months before the end of the financial year and the procurement process commenced shortly thereafter.				
2023: Due to delay caused by conflict between the main contractor and sub-contractor.				
Other Assets	4 461 739		1 640 203	
2024: Due to delay in delivery of equipment.				
2023: Due to delay in delivery of equipment.				
Total balance at year end	58 858 705		49 038 942	

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
8.5 Expenditure incurred for Repairs and Maintenance		
The following specific costs included in the amount of repairs and maintenance were incurred by municipality during the reporting period:		
Electrical Infrastructure	3 152 966	2 601 994
- Contracted Services	384 821	533 202
- Inventory Consumed	2 768 145	2 068 792
Information and Communication	131 176	153 620
- Contracted Services	127 110	149 761
- Inventory Consumed	4 066	3 859
Roads Infrastructure	9 006 707	3 806 014
- Contracted Services	2 344 201	1 373 016
- Inventory Consumed	6 662 506	2 432 998
Sanitation Infrastructure	3 848 142	2 655 898
- Contracted Services	2 963 755	2 345 712
- Inventory Consumed	884 387	310 186
Solid Waste Disposal	165 279	40 455
- Contracted Services	136 971	27 693
- Inventory Consumed	28 308	12 762
Stormwater Infrastructure	904 291	493 292
- Contracted Services	743 797	361 673
- Inventory Consumed	160 494	131 619
Water Supply Infrastructure	11 316 466	9 824 423
- Contracted Services	10 055 090	8 402 324
- Inventory Consumed	1 261 376	1 422 099
Community Assets	2 683 764	2 559 379
- Contracted Services	1 369 375	1 457 543
- Inventory Consumed	1 314 389	1 101 836
Computer Equipment	125 563	13 149
- Contracted Services	110 529	968
- Inventory Consumed	15 034	12 181
Furniture and Office Equipment	696 389	1 020 539
- Contracted Services	481 203	741 002
- Inventory Consumed	215 186	279 537
Machinery and Equipment	382 459	332 674
- Contracted Services	287 355	218 237
- Inventory Consumed	95 104	114 437
Other Assets - Buildings	694 896	793 608
- Contracted Services	494 948	595 210
- Inventory Consumed	199 948	198 398
Transport Assets	8 637 508	5 514 418
- Contracted Services	3 128 190	3 358 898
- Inventory Consumed	5 509 318	2 155 520
- Other Operational Costs	-	-
Total Expenditure related to Repairs and Maintenance Projects	41 745 606	29 809 463

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

9. INTANGIBLE ASSETS

	2024 R	2023 R
At Cost	<u>3 936 484</u>	<u>1 320 657</u>

The movement in Intangible Assets is reconciled as follows:

Intangible Assets

Carrying values at 01 July 2023	1 320 657	1 036 964
Opening Balance - Computer Software	1 267 657	983 964
Opening Balance - Servitudes	53 000	53 000
Acquisitions:	2 615 827	791 000
Purchased	2 615 827	791 000
Disposals:	-	(507 307)
At Cost	-	(507 307)
Carrying values at 30 June 2024	3 936 484	1 320 657
Closing Balance - Computer Software	3 883 484	1 267 657
Closing Balance - Servitudes	53 000	53 000

9.1 Significant Intangible Assets

Material intangible assets included in the carrying value:

Omron Scada software - vehicle testing	3 018	3 018
Other intangible assets	218 454	218 454
Servitude Bonnievale	53 000	53 000
Software Bytes NBD	100	100
Website costs	235 246	235 246
Sonicwall - Analytics	19 839	19 839
Internal audit and risk management software - BarnOwl	791 000	791 000
Enterprise Resource Planning System	2 615 827	-
	<u>3 936 484</u>	<u>1 320 657</u>

9.2 Intangible Assets with Indefinite Useful Lives

The municipality regards all of its Intangible Assets as having indefinite useful lives.

The useful lives of the Intangible Assets remain unchanged from the previous year.

10. INVESTMENT PROPERTY

	2024 R	2023 R
At Cost less Accumulated Depreciation	<u>27 971 532</u>	<u>28 034 849</u>

The movement in Investment Property is reconciled as follows:

Carrying values at 1 July 2023	28 034 849	28 183 133
Cost	30 128 400	30 261 705
Accumulated Depreciation	(2 093 551)	(2 078 572)
Acquisitions during the Year	-	-
Cost	-	4 695
Depreciation during the Year	(63 318)	(64 213)
Disposals during the Year:	-	(1 000)
Transfers during the Year:	-	(87 765)
At Cost	-	(137 000)
At Accumulated Depreciation	-	49 235
Carrying values at 30 June 2024	27 971 530	28 034 849
Cost	30 128 399	30 128 399
Accumulated Depreciation	(2 156 869)	(2 093 550)

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

11. HERITAGE ASSETS

30 June 2024

Reconciliation of Carrying Value

Description	Significant Land and Buildings	Total
	R	R
Carrying values at 01 July 2023	275 448	275 448
Cost	664 448	664 448
Accumulated Impairment Losses	(389 000)	(389 000)
Acquisitions	-	-
Carrying values at 30 June 2024	275 448	275 448
Cost	664 448	664 448
Accumulated Impairment Losses	(389 000)	(389 000)

11. HERITAGE ASSETS

30 June 2023

Reconciliation of Carrying Value

Description	Significant Land and Buildings	Total
	R	R
Carrying values at 01 July 2022	275 448	275 448
Cost	664 448	664 448
Accumulated Impairment Losses	(389 000)	(389 000)
Acquisitions	-	-
Carrying values at 30 June 2023	275 448	275 448
Cost	664 448	664 448
Accumulated Impairment Losses	(389 000)	(389 000)

Assets declared as heritage assets:

According to the South African Heritage Resources Agency, the following assets are declared as heritage sites. However, Langeberg Municipality classifies such assets as follows based on their use:

- a) Montagu Municipal Offices - Administrative Use - Property, plant and equipment
- b) Hofmeyer Hall - Community Hall - Property, Plant and equipment
- c) McGregor Municipal Offices - Mixed Use - Investment property
- d) Robertsons Old Library - Administrative Use - Property, Plant and equipment

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

12. LIVING AND NON-LIVING RESOURCES

The Municipality extracts the water from the following non-living resources:

NON-LIVING RESOURCES

DAM

As at 30 June 2024

TOWN	OWNER	VOLUME % 30 June 2024	VOLUME m³	LOCATION - (S)	LOCATION - (E)
Groter Brandvlei	Department of Water Services	78%	355 333 333	Worcester	
Dassieshoekdam	Langeberg Mun	82%	684 700	33°45'26"	19°52'37"
Kooskokdam	Langeberg Mun	65%	67 405	33°45'00"	19°53'36"
Montagu Bo-Dam	Langeberg Mun	27%	69 660	33°48'00"	20°07'57"
Montagu Onderdam	Langeberg Mun	78%	265 902	33°47'45"	20°07'45"
McGregor Vaaldam	Langeberg Mun	93%	137 656	33°57'13"	19°49'06"
McGregor Rooidam	Langeberg Mun	79%	56 759	33°57'18"	19°49'17"
McGregor Drinkwaterdam	Langeberg Mun	84%	69 132	33°57'24"	19°49'13"
Ashton Stoordam	Langeberg Mun	70%	77 000	33°50'05"	20°01'59"

As at 30 June 2023

DAM

TOWN	OWNER	VOLUME % 30 June 2023	VOLUME m³	LOCATION - (S)	LOCATION - (E)
Groter Brandvlei	Department of Water Services	71%	303 940 000	Worcester	
Dassieshoekdam	Langeberg Mun	100%	835000	33°45'26"	19°52'37"
Kooskokdam	Langeberg Mun	100%	103700	33°45'00"	19°53'36"
Montagu Bo-Dam	Langeberg Mun	4%	9000	33°48'00"	20°07'57"
Montagu Onderdam	Langeberg Mun	58%	197700	33°47'45"	20°07'45"
McGregor Vaaldam	Langeberg Mun	86%	96586	33°57'13"	19°49'06"
McGregor Rooidam	Langeberg Mun	82%	58651	33°57'18"	19°49'17"
McGregor Drinkwaterdam	Langeberg Mun	86%	71200	33°57'24"	19°49'13"
Ashton Stoordam	Langeberg Mun	65%	71500	33°50'05"	20°01'59"

As at 30 June 2024

BOREHOLES

TOWN	BOREHOLE NUMBER	OWNER	YIELD/YEAR m³	LOCATION - (S)	LOCATION - (E)
Montagu	Old Borehole 1	Langeberg Mun	0	33°46'47"	20°06'45"
Montagu	New Borehole 1	Langeberg Mun	0	33°46'45"	20°06'36"
Montagu	Old Borehole 3	Langeberg Mun	0	33°46'46"	20°06'37"
Montagu	Old Borehole 4	Langeberg Mun	0	33°46'46"	20°06'33"
Montagu	New Borehole 5	Langeberg Mun	0	33°46'38"	20°07'53"

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

As at 30 June 2023

BOREHOLES

TOWN	BOREHOLE NUMBER	OWNER	YIELD/YEAR m ³	LOCATION - (S)	LOCATION - (E)
Montagu	Old Borehole 1	Langeberg Mun	0	33°46'47"	20°06'45"
Montagu	New Borehole 1	Langeberg Mun	0	33°46'45"	20°06'36"
Montagu	Old Borehole 3	Langeberg Mun	0	33°46'46"	20°06'37"
Montagu	Old Borehole 4	Langeberg Mun	0	33°46'46"	20°06'33"
Montagu	New Borehole 5	Langeberg Mun	0	33°46'38"	20°07'53"

RIVER ABSTRACTION

NAME	LOCATION S	LOCATION E
Ashton Breede River Pump Station	33°52'08"	19°59'13"
Bonnievale Breede River Pump Station	33°56'27"	20°04'22"

The municipality adheres to the National Water Act with regards to the dams that the municipality is a custodian of.

	2024 R	2023 R
13. INVESTMENTS		
Non-current Investments	154 537	137 205
Total Investments	154 537	137 205
13.1 Non-current Investments		
Listed		
Listed Shares	154 537	137 205
Total Non-current Portion of	154 537	137 205
Total Investments		
Non-current Portion	154 537	137 205
Total Investments	154 537	137 205

Financial assets are recognised at the following hierarchy:

Level 1 - represents those assets which are measured using unadjusted quoted prices in active markets for identical assets.

Listed shares are held in public companies. No specific maturity dates and interest rates are applicable to those shares.

Listed investments represent 270 Sanlam shares, 685 Distell shares.

The market value per share at year end: Sanlam shares R82.67 (2023: R58.35).

The market value per share at year end: Distell shares R180.5 (2023: R180)

Unlisted Investments comprise the following:

(i) Unlisted investments comprise 1309 Hosken Passenger Logistics & Retail Ltd shares held at fair value, available for sale.

Valuations of investments supplied by council are:

The market value per share at year end: Hosken Passenger Logistics & Retail Ltd R6.55 (2023: R5.00).

The share prices are publicly available and are not appended on valuations.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

14. LEASE RECEIVABLES

Current Lease Receivables	88 358	74 219
Total Lease Receivables	88 358	74 219

14.1.1 Leasing Arrangements

The Municipality as Lessor:

All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

14.1.2 Amounts receivable under Operating Leases

At the Reporting Date the following minimum lease payments were receivable under non-cancellable Operating Leases for Property, Plant and Equipment, which are receivable as follows:

Up to 1 year	575 071	573 918
2 to 5 years	1 114 852	547 991
More than 5 years	180 193	64 516
Total Operating Lease Arrangements	1 870 116	1 186 426

15. LONG-TERM RECEIVABLES

Non-Current Portion of Long Term Receivables	1 297 925	460 483
Receivable from exchange transactions	410 161	234 909
Receivable from non-exchange transactions	887 764	225 574
	1 297 925	460 483

15.1 Non-Current Portion of Long Term Receivables

Gross amount	1 297 925	1 723 143
Provision for impairment	-	(1 262 660)
Net amount	1 297 925	460 483

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
16. CONSUMER DEPOSITS		
Electricity	6 837 799	6 322 470
Water	8 355 109	8 191 656
Other Deposits:-	3 669 668	3 010 624
- Land Sales	1 847 820	1 941 492
- Posters	46 090	42 222
- Refuse	417 764	335 434
- Rental Properties	893 223	320 412
- Sewer	464 771	371 064
Total Consumer Deposits	18 862 576	17 524 750

17. PAYABLES FROM EXCHANGE TRANSACTIONS		
Other Payables	14 294 302	10 193 451
Retentions	29 746 495	7 643 499
Salary Related Payables	-	-
Trade Creditors	77 901 767	68 831 770
Deposits	8 289 483	13 095 611
Total Payables from Exchange Transactions	130 232 047	99 764 331

18. UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
Total Unspent Conditional Grants and Receipts	17 698 711	14 287 574

The Unspent Conditional Grants and Receipts are invested in investment accounts until utilised.

Unspent conditional grants and receipts comprises of:

	2024	2023
Unspent conditional grants and receipts		
Municipal Infrastructure Grant	-	873 800
Local Government Financial Management Grant	-	679 620
Neighbourhood Development Partnership Grant	1 744 418	9 463 727
Water Services Infrastructure Grant	-	1 448 984
Expanded Public Works Programme	-	95 189
Municipal Disaster Response Grant	14 210 716	-
Western Cape Financial Management Capability Grant: Financial Management	-	130 111
Western Cape Financial Management Capability Grant: Bursaries	-	157 000
Municipal Load shedding Relief Grant	-	350 000
Municipal Service Delivery and Capacity Building Grant	1 000 000	-
Municipal Maintenance and construction of Transport	3 865	-
Bakery Project Grant	168 875	168 875
CWDM - Community Safety	566 353	566 353
CDWM - EPWP Projects	4 484	4 484
Local Government Public Employment Support Grant	-	349 431
	17 698 711	14 287 573

See Note 28 for the reconciliation of Grants from Government and other sources.
The municipality complied with the conditions attached to all grants received to the extent of revenue recognised.
No grants were withheld.

19. LEASE PAYABLES		
Current Lease Payables	3 705 405	3 470 409
Non-current Lease Payables	9 879 052	13 572 532
Total Lease Payables	13 584 457	17 042 941

19.1 Finance Lease Payables

Finance Lease Liability	13 584 457	17 042 941
Total Non-current Lease Payables	13 584 457	17 042 941
Less: Current Portion transferred to Current Lease Payables:-	(3 705 405)	(3 470 409)
Finance Lease Liability	(3 705 405)	(3 470 409)
Non-Current Portion of Finance Lease Payables	9 879 052	13 572 532

19.1.1 Obligations under Leases

The Municipality as Lessee:

The obligations under Finance Leases are as follows:

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Amounts payable under Finance leases:

	2024		
	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	4 850 427	1 145 022	3 705 405
Payable within two to five years	11 358 347	1 479 295	9 879 052
Payable after five years	-	-	-
	16 208 774	2 624 317	13 584 457

	2023		
	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	4 982 294	1 485 661	3 470 409
Payable within two to five years	16 194 985	2 622 452	13 572 532
Payable after five years	-	-	-
	21 177 279	4 108 113	17 042 941

The above finance leases have no escalation over the period of the lease. After the initial period the finance leases will continue indefinite until terminated by either party with a 30 day notice period with the exception of finance lease on vehicles. Hire purchases and leases are secured by property, plant and equipment. Leased assets are equipment which lease term that is approximately 1 to 36 months and vehicles with a lease terms of 60 months. Vehicles are pledge as security against the finance lease.

Defaults and breaches: No finance leases were in default during the financial year.
There are no finance leases which are subject to any restrictions.

20. BORROWINGS

Long-Term Borrowings

Annuity and Bullet Loans	23 365 325	32 057 480
	23 365 325	32 057 480
Less: Current Portion transferred to Current Borrowings:-	(2 365 325)	(4 079 506)
Current Annuity Loans	(2 365 325)	(4 079 506)
Non-Current Portion of Borrowings	21 000 000	27 977 974

20.1 Summary of Arrangements

The municipality have the following annuity loans:

- a) DBSA @ 10.99% average interest rate redeemable on 31 December 2024
- b) DBSA @ 9.96% average interest rate redeemable on 31 May 2024
- c) Standard Bank @ 10.52% redeemable on 30 June 2034

Average interest rate for 2024: 10.48% (2023 : 9.81%) for DBSA loans. The Standard bank loan has a fixed interest rate.

Amounts payable under annuity loans

	2024		
	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	4 773 907	2 408 582	2 365 325
Payable within two to five years	16 453 884	7 120 551	9 333 333
Payable after five years	15 048 390	3 381 724	11 666 666
Present value of annuity loans obligations	36 276 181	12 910 857	23 365 324

	2023		
	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	7 136 948	3 057 442	4 079 506
Payable within two to five years	22 909 466	8 931 492	13 977 974
Payable after five years	18 789 290	4 789 290	14 000 000
Present value of annuity loans obligations	48 835 704	16 778 224	32 057 480

Assets pledged as security:

Leased Assets are pledged as security for the finance liability.

20.2 Obligations under Borrowings

Non - Current Annuity Loans	21 000 000	27 977 974
Current Portion transferred to Current Liabilities:	2 365 325	4 079 506
Total Borrowings	23 365 325	32 057 480

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

21. EMPLOYEE BENEFIT LIABILITIES

Employee Benefit Liabilities	83 614 273	76 622 829
Post-retirement Health Care Benefits Liability	51 740 696	47 846 000
Long Service Awards Liability	16 061 913	13 397 000
Staff Bonus	7 811 005	7 585 026
Staff Leave	8 000 659	7 794 803
Less: Current Portion of Employee Benefit Liabilities	20 965 343	20 102 829
Post-retirement Health Care Benefits Liability	3 134 402	2 848 000
Long Service Awards Liability	2 019 277	1 875 000
Staff Bonus	7 811 005	7 585 026
Staff Leave	8 000 659	7 794 803
Non-Current Portion of Employee Benefit Liabilities	62 648 930	56 520 000

21.1 Current Portion of Employee Benefit Liabilities

The movement in Current Portion of Employee Benefit Liabilities is reconciled as follows:

	Post-retirement Health Care Benefits Liability	Long-term Service
30 June 2024		
Balance at end of year	3 134 402	2 019 277
30 June 2023		
Balance at end of year	2 848 000	1 875 000
Staff Bonus:		
Opening Balance	7 585 026	6 845 214
Increases	12 755 145	12 215 219
Payments made	(12 529 166)	(11 475 406)
Balance at end of year	7 811 005	7 585 027
Leave Provision		
Opening Balance	7 794 803	12 924 296
Increases	5 600 989	8 308 480
Payments Made	(5 395 133)	(13 437 973)
Balance at end of year	8 000 659	7 794 803

21.2 Post-retirement Health Care Benefits Liability

Present Value of the Defined Benefit Obligations

Current Liabilities	3 134 402	2 848 000
Non-current Liabilities	48 606 294	44 998 000
	51 740 696	47 846 000
Fair value of Plan Assets	-	-
Defined Benefit Liability recognised in Statement of Financial Position (wholly unfunded)	51 740 696	47 846 000

The municipality does not provide any other post-retirement or long service benefits beyond these.

Post-retirement Health Care Benefits Liability

Opening Balance	47 846 000	51 366 000
Net Interest Expense	5 748 000	5 863 000
Service Cost	1 751 000	1 793 000
Medical Aid subsidies paid to pensioners	(3 013 906)	(2 688 436)
Remeasurements over financial year	(590 398)	(8 487 564)
Balance at end of Year	51 740 696	47 846 000
Transfer to Current Provisions	3 134 402	2 848 000
Non-Current Portion Post-retirement Health Care Benefits Liability	48 606 294	44 998 000

Characteristics of the Defined Benefit Plan

Risks of the Defined Benefit Plan

Investment Risk: The plan's assets are subject to fluctuations in the financial markets. Significant declines in market values can affect the funding status of the plan and may require increased contributions from the municipality.

Longevity Risk: There is a risk that participants live longer than expected, potentially increasing the liability of the plan.

Interest Rate Risk: Changes in interest rates affect the discount rate used to calculate the plan's liabilities. A decrease in interest rates increases the present value of future benefit obligations.

The municipality employs several strategies to manage the risks associated with the assets and liabilities of its defined benefit health care plan. These strategies are designed to ensure that the plan's assets align with its obligations, particularly in terms of timing and amount, thereby securing the plan's financial health and sustainability.

Longevity Risk

The municipality has purchased annuities to transfer a portion of the pension obligations to an insurance company. This helps in managing cash flow requirements and mitigates longevity risk.

The municipality engages in longevity swaps to exchange fixed payments for payments that vary based on actual retiree longevity, reducing the financial impact if beneficiaries live longer than expected.

Interest Rate Risk

Investments in bonds are selected to match the duration of the plan's liabilities, minimising the value mismatch due to interest rate fluctuations.

Market Risk

The health care fund's investments are spread across equities, bonds, and real estate to reduce the risk of significant losses and stabilise returns.

The investment committee regularly reviews and rebalances the investment portfolio to ensure it remains aligned with the liability profile, adjusting for market conditions and demographic changes to mitigate all foreseeable risks.

The members of the Post-employment Health Care Benefit Plan are made up as follows:

In-service Active Members (Employees)	751	741
Continuation Members (Retirees, widowers and orphans)	70	67
Total Members	821	808

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

In-service Members	14 574 343	13 634 000
In-service Non-members	6 618 388	5 911 000
Continuation Members	30 547 966	28 301 000
Total Liability	51 740 696	47 846 000

The municipality makes monthly contributions for health care arrangements to the following Medical Aid Schemes:

- Bonitas
- Keyhealth
- LA Health
- Samwumed
- Sizwe-Hosmed

The Current-Service Cost for the year ending 30 June 2024 is estimated at R1 751 000. It is estimated to be R1 956194 for the ensuing year.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate - In-service Members	12,15%	12,37%
Discount Rate - In-service Non-members		
Discount Rate - Continuation Members		
Health Care Cost Inflation Rate - In-service Members	7,68%	7,97%
Health Care Cost Inflation Rate - In-service Non-members		
Health Care Cost Inflation Rate - Continuation Members		
Net Effective Discount Rate - In-service Non-members	4,15%	4,08%
Net Effective Discount Rate - Continuation Members		
Expected Rate of Salary Increase		
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

LANEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Movements in the present value of the Defined Benefit Obligation were as follows:

Opening Balance		47 846 000	51 291 000
Service Cost:			
Current Service Cost	Refer note 35	1 751 000	1 793 000
Settlement Cost	Refer note 35		
Past-service Costs	Refer note 35		
Interest Cost	Refer note 41	5 748 000	5 863 000
Contributions to the Defined Benefit:			
By the Employer			
By Defined Benefit Participants			
Payments from the Defined Benefit:			
Payment of Benefits		(3 013 906)	(2 773 000)
Other Payments			
Remeasurement of Defined Benefit:			
Return on Defined Benefit Assets			
Actuarial Gains / (Losses) from Changes in Demographic Assumptions			
Actuarial Gains / (Losses) from Changes in Financial Assumptions	Refer note 35	(590 398)	(8 328 000)
The effect of Changes in Foreign Exchange Rates			
The effect of Transfer of Functions, Mergers and Disposals			
Changes in the effect of limiting the Net Defined Benefit Asset to the Asset Ceiling			
Total Recognised Benefit Liability		51 740 696	47 846 000

Tables below summarises the results of the sensitivity analysis

Sensitivity Analysis

Healthcare Cost Inflation and Discount Rate

Sensitivity as at 30 June 2024

	Percentage Change	1% decrease	Valuation basis	1% increase	Percentage Change
			Healthcare Cost Inflation Rate		
Active Employee Liability	-12,73%	17 057 000	19 545 000	21 608 000	10,56%
Continuation Members	-5,89%	26 635 000	28 301 000	29 822 000	5,37%
Opening Accrued Liability	-8,68%	43 692 000	47 846 000	51 430 000	7,49%
Service Cost	-13,31%	1 518 000	1 751 000	1 933 000	10,39%
Net Interest Expense	-8,94%	5 234 000	5 748 000	6 190 000	7,69%
			Discount Rate		
Active Employee Liability	19,35%	23 327 000	19 545 000	16 552 000	-15,31%
Continuation Members	8,17%	30 613 000	28 301 000	26 295 000	-7,09%
Opening Accrued Liability	12,74%	53 940 000	47 846 000	42 847 000	-10,45%
Service Cost	20,33%	2 107 000	1 751 000	1 471 000	-15,99%
Net Interest Expense	3,95%	5 975 000	5 748 000	5 544 000	-3,55%

Sensitivity as at 30 June 2025

	Percentage Change	1% decrease	Valuation basis	1% increase	Percentage Change
			Healthcare Cost Inflation Rate		
Active Employee Liability					
(Medical Aid Members)	-15,51%	12 815 414	15 167 077	18 088 139	19,26%
Active Employee Liability					
(Medical Aid Non-Members)	-15,66%	5 082 173	6 025 654	7 193 739	19,39%
Continuation Members	-5,99%	28 718 973	30 547 966	34 578 215	13,19%
Opening Accrued Liability	-9,90%	46 616 560	51 740 696	59 860 093	15,69%
Service Cost	-22,40%	1 518 000	1 956 194	1 933 000	-1,19%
Net Interest Expense	-14,22%	5 234 000	6 101 982	6 190 000	1,44%
			Discount Rate		
Active Employee Liability					
(Medical Aid Members)	18,55%	17 980 562	151 670 777	12 921 951	-14,80%
Active Employee Liability					
(Medical Aid Non-Members)	18,67%	7 150 799	6 025 654	5 124 959	-14,95%
Continuation Members	7,38%	32 803 253	30 547 966	28 562 422	-6,50%
Opening Accrued Liability	11,97%	57 934 614	51 740 696	46 609 332	-9,92%
Service Cost	7,71%	2 107 000	1 956 194	1 471 000	-24,80%
Net Interest Expense	-2,08%	5 975 000	6 101 982	5 544 000	-9,14%

Post-retirement mortality

Sensitivity as at 30 June 2024

	Percentage Change	(PA)-2	Valuation basis	(PA)	Percentage Change
Active Employee Liability	2,13%	19 961 000	19 545 000	19 115 000	-2,20%
Continuation Members	3,15%	29 192 000	28 301 000	27 408 000	-3,16%
Opening Accrued Liability	2,73%	49 153 000	47 846 000	46 523 000	-2,77%
Service Cost	2,00%	1 786 000	1 751 000	1 714 000	-2,11%
Net Interest Expense	2,80%	5 909 000	5 748 000	5 584 000	-2,85%

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Sensitivity as at 30 June 2025

	Percentage Change	(PA)-2	Valuation basis	(PA)	Percentage Change
Active Employee Liability (Medical Aid Members)	2,40%	15 530 372	15 167 077	14 798 875	-2,43%
Active Employee Liability (Medical Aid Non-Members)	2,43%	6 172 173	6 025 654	5 877 340	-2,46%
Continuation Members	3,74%	31 691 546	30 547 966	29 415 729	-3,71%
Opening Accrued Liability	1,21%	53 394 091	51 740 969	50 091 944	-1,20%
Service Cost	2,37%	2 002 651	1 956 194	1 909 115	-2,41%
Net Interest Expense	3,92%	6 341 070	6 101 982	5 915 232	-3,06%

Fully Accrued Retirement Age

Sensitivity as at 30 June 2024

	Percentage Change	-1 year	Valuation basis
Active Employee Liability	10,60%	21 616 000	19 545 000
Continuation Members	0,00%	23 301 000	28 301 000
Opening Accrued Liability	4,33%	44 917 000	47 846 000
Service Cost	8,91%	1 907 000	1 751 000
Net Interest Expense	4,45%	6 004 000	5 748 000

Sensitivity as at 30 June 2025

	Percentage Change	-1 year	Valuation basis	+1 year	Percentage Change
Active Employee Liability (Medical Aid Members)	11,88%	16 968 863	15 167 077	13 461 219	-11,25%
Active Employee Liability (Medical Aid Non-Members)	12,11%	6 755 122	6 025 654	5 369 828	-10,88%
Continuation Members	0,00%	30 547 966	30 547 966	30 547 966	0,00%
Opening Accrued Liability	4,89%	54 271 951	51 740 697	49 379 013	-4,56%
Service Cost	14,25%	2 234 910	1 956 194	1 725 279	-11,80%
Net Interest Expense	5,04%	6 409 608	6 101 982	5 814 964	-4,70%

Continued Percentages

Sensitivity as at 30 June 2024

	Percentage Change	-10	Valuation basis
Active Employee Liability	-12,64%	17 075 000	19 545 000
Continuation Members	0,00%	28 301 000	28 301 000
Opening Accrued Liability	-5,16%	43 376 000	47 846 000
Service Cost	-12,39%	1 534 000	1 751 000
Net Interest Expense	-5,32%	5 422 000	5 748 000

Sensitivity as at 30 June 2025

	Percentage Change	-1 0	Valuation basis	+1 0	Percentage Change
Healthcare Cost Inflation Rate					
Active Employee Liability	-13,33%	13 144 800	15 167 077	17 189 354	13,33%
Active Employee Liability	-13,33%	5 222 233	6 025 654	6 829 074	13,33%
Continuation Members	0,00%	30 547 966	30 547 966	30 547 966	0,00%
Opening Accrued Liability	-5,46%	48 919 999	51 740 696	54 566 394	5,46%
Service Cost	-13,33%	1 695 368	1 956 194	2 217 020	13,33%
Net Interest Expense	-5,63%	5 758 572	6 101 982	6 445 393	5,63%

The adjustment in the sensitivity range of the discount rate from $\pm 0.25\%$ last year to $\pm 0.50\%$ this year was made to reflect increased volatility in the economic environment, providing a more robust view of potential impacts on the plan's liabilities. No other significant changes in the methods or assumptions used in the sensitivity analyses were made during the reporting period.

The sensitivity analyses was prepared using the projected unit credit method, which is consistent with the method used to value the DBO in the annual financial statements. The analyses assume a parallel shift in the respective actuarial assumptions while holding all other assumptions constant. It is important to recognise that the use of this method does not imply that the impact of changes in actuarial assumptions is linear or follows any predictable pattern.

The analyses does not account for any potential changes in other factors such as mortality rates and withdrawal rates. The interdependence between assumptions is not reflected, e.g. a change in discount rate may also affect future salary increases.

The municipality expects to make a contribution of R3,395,000 (2023: R3,744,000) to the Defined Benefit Plans during the next financial year.

Refer to Note 56., "Multi-employer Retirement Benefit Information", to the Annual Financial Statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

Characteristics of the Defined Benefit Plan

The municipality provides certain post - retirement pension benefits to certain retired employees of the municipality. According to the rules of the pension fund, with which the municipality is associated, a member (which is on the current Conditions of Service) on retirement, is entitled to certain pension benefits in which case the municipality is liable for pension payments to retired members for the remainder of their lives.

Risks of the Defined Benefit Plan

Investment Risk: The plan's assets are subject to fluctuations in the financial markets. Significant declines in market values can affect the funding status of the plan and may require increased contributions from the municipality.

Longevity Risk: There is a risk that participants live longer than expected, potentially increasing the liability of the plan.

Interest Rate Risk: Changes in interest rates affect the discount rate used to calculate the plan's liabilities. A decrease in interest rates increases the present value of future benefit obligations.

The municipality employs several strategies to manage the risks associated with the assets and liabilities of its defined benefit health care plan. These strategies are designed to ensure that the plan's assets align with its obligations, particularly in terms of timing and amount, thereby securing the plan's financial health and sustainability.

Longevity Risk

The municipality has purchased annuities to transfer a portion of the pension obligations to an insurance company. This helps in managing cash flow requirements and mitigates longevity risk.

The municipality engages in longevity swaps to exchange fixed payments for payments that vary based on actual retiree longevity, reducing the financial impact if beneficiaries live longer than expected.

Interest Rate Risk

Investments in bonds are selected to match the duration of the plan's liabilities, minimising the value mismatch due to interest rate fluctuations.

Market Risk

The health care fund's investments are spread across equities, bonds, and real estate to reduce the risk of significant losses and stabilise returns.

The investment committee regularly reviews and rebalances the investment portfolio to ensure it remains aligned with the liability profile, adjusting for market conditions and demographic changes to mitigate all foreseeable risks.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2024 One Pangaea Expertise and Solutions a fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

During the current year, the municipality adjusted its estimates to account for an increased percentage of in-service non-members who might be able to afford medical aid in the future. This change reflects an acknowledgment that some employees, previously unable to afford medical aid, might now be able to do so.

The municipality anticipates that 10% of these employees, consistent with the previous year's estimate, might join a medical aid scheme before retirement. This projected joining rate of 10% was established by examining the municipality's historical data in combination with national statistics, as analysed by actuaries.

Maturity Profile

The defined benefit obligation of the municipality's health care plan has a weighted average duration of approximately 12

The following is a maturity analysis of the benefit payments expected to be made under the plan:

Within 1 year	3 063 156	3 134 402
2 to 5 years	12 165 081	12 197 663
6 to 10 years	3 022 611	6 053 185
More than 10 years	-	-
Total Benefit Payments	18 250 848	21 385 250

The benefits payments are scheduled based on the expected retirement ages of current employees and the provisions of

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	12,15%	12,37%
Consumer price inflation	6,18%	6,47%
Health Care Cost Inflation Rate	7,68%	7,97%
Net Effective Discount Rate	4,15%	4,08%
Maximum subsidy inflation rate	5,14%	5,60%
Expected Rate of Salary Increase		
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

General:

It is assumed that the municipality's health care arrangements and subsidy policy would remain as outlined in the accounting policy, and that the level of benefits

Discount Rate:

Assumption: 6,50%

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the post-employment liabilities.

However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Consequently, the nominal and real zero curves as at 30 June 2023 supplied by the JSE to determine our discount rates and CPI assumptions at each relevant time period was used. In the event that the valuation is performed prior to the effective valuation date, the prevailing yield at the time of performing the calculations was used.

Salary Growth Rate

Assumption: 4,00%

This rate reflects the municipality's expectations of annual salary increases due to inflation, seniority, and other relevant factors.

Inflation Rate

Assumption: 4,00%

Inflation is considered in the projection of salary increases and the adjustment of retirement benefits.

Mortality Rate

Assumption: MP2021 (Municipality Pensions 2021 Mortality Table)

This mortality table is used to estimate the life expectancy of plan participants, based on current trends and historical data within the sector.

Employee Turnover Rate

Assumption: 3,00% per annum

The turnover rate assumption is based on historical data and the municipality's expectations regarding future employment stability.

Continuation of Membership:

This valuation assumes 100% continuation of membership at retirement.

Family Profile:

It has been assumed that the marital status of members who are currently married will remain the same up to retirement. It was also assumed that 90% of all single employees would be married at retirement with no dependent children. Where necessary it was assumed that female spouses would be five years younger than their male spouses at retirement and vice versa.

21.3 Long Service Awards Liability

Opening Balance	13 397 000	13 991 000
Service Cost	1 221 000	1 273 000
Net Interest Expense	1 449 000	1 485 000
Remeasurements over the financial year	1 765 564	(1 795 922)
Benefit Payments	(1 715 733)	(1 195 078)
Balance at end of Year	16 061 913	13 397 000
Transfer to Current Provisions	2 019 277	1 875 000
Total Non-Current Long Service Awards Liability	14 042 636	11 522 000

Characteristics of the Defined Benefit Plan

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a Long-service Award is payable after 10 years of continuous service, and every 5 years of continuous service thereafter to 45 years, to employees. The provision is an estimate of the long-service based on historical staff turnover. No other long-service benefits are provided to employees.

Risks of the Defined Benefit Plan

Investment Risk: The plan's assets are subject to fluctuations in the financial markets. Significant declines in market values can affect the funding status of the plan and may require increased contributions from the municipality.

Longevity Risk: There is a risk that participants live longer than expected, potentially increasing the liability of the plan.

Interest Rate Risk: Changes in interest rates affect the discount rate used to calculate the plan's liabilities. A decrease in interest rates increases the present value of future benefit obligations.

The municipality employs several strategies to manage the risks associated with the assets and liabilities of its defined benefit health care plan. These strategies are designed to ensure that the plan's assets align with its obligations, particularly in terms of timing and amount, thereby securing the plan's financial health and sustainability.

Longevity Risk

The municipality has purchased annuities to transfer a portion of the pension obligations to an insurance company. This helps in managing cash flow requirements and mitigates longevity risk.

The municipality engages in longevity swaps to exchange fixed payments for payments that vary based on actual retiree longevity, reducing the financial impact if beneficiaries live longer than expected.

Interest Rate Risk

Investments in bonds are selected to match the duration of the plan's liabilities, minimising the value mismatch due to interest rate fluctuations.

Market Risk

The health care fund's investments are spread across equities, bonds, and real estate to reduce the risk of significant losses and stabilise returns.

The investment committee regularly reviews and rebalances the investment portfolio to ensure it remains aligned with the liability profile, adjusting for market conditions and demographic changes to mitigate all foreseeable risks.

The Service Cost for the year ending 30 June 2024 is R 1,221,000. The Current-Service Cost for the ensuing year has been estimated to be R 1,331,038.

Maturity Profile

The defined benefit obligation of the municipality's health care plan has a weighted average duration of approximately 12 years. This duration reflects the estimated time period over which the accrued benefits are expected to be settled.

The following is a maturity analysis of the benefit payments expected to be made under the plan:

Within 1 year	1 868 247	2 019 277
2 to 5 years	8 974 659	8 506 557
6 to 10 years	13 380 373	13 684 225
More than 10 years	-	2 032 497
Total Benefit Payments	24 223 279	26 242 556

The benefits payments are scheduled based on the expected retirement ages of current employees and the provisions of the plan that determine the timing of benefits payments. The distribution of these payments is subject to changes in demographic factors such as retirements, mortality rates, and changes in employment within the municipality.

The Current-service Cost for the year ending 30 June 2024 is estimated to be R1 221 000, whereas the cost for the ensuing year is estimated to be R1 331 038 (30 June 2023: R1 273 000 and R1 221 000 respectively).

Long Service Award - The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	10,53%	11,60%
General salary inflation	5,94%	6,81%
Net Effective Discount Rate	4,33%	4,49%
Expected Rate of Salary Increase	6,20%	7,00%
(Plus Additional 0.5% for employees who earn a basic salary of R 9000 or less)		
(Three-year salary and wage collective agreement ends on 30 June 2024)		
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

General:

It is assumed that the Municipality's long service arrangements and subsidy policy would remain as outlined in the accounting policy, and that the level of benefits would remain unchanged, with the exception of inflationary adjustments.

Discount Rate:

Assumption: 6,50%

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the employee benefit liabilities. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

Consequently, a discount rate of 11.26% per annum has been used. The corresponding liability-weighted index-linked yield is 4.94%. These rates do not reflect any adjustment for taxation, and were deduced from the interest rate data obtained from the JSE after the market close on 30 June 2023. These yields were obtained by calculating the duration of the total liability and then taking the fixed-interest and index-linked yields from the respective yield curves at that duration using an iterative process. The duration of the total liability was estimated to be 9 years.

Salary Growth Rate

Assumption: 4,00%

This rate reflects the municipality's expectations of annual salary increases due to inflation, seniority, and other relevant

Inflation Rate

Assumption: 4,00%

Inflation is considered in the projection of salary increases and the adjustment of retirement benefits.

Mortality Rate

Assumption: MP2021 (Municipality Pensions 2021 Mortality Table)

This mortality table is used to estimate the life expectancy of plan participants, based on current trends and historical data within the sector.

Employee Turnover Rate

Assumption: 3,00% per annum

The turnover rate assumption is based on historical data and the municipality's expectations regarding future employment

Impact of COVID-19:

It is difficult to estimate what impact the pandemic is likely to have on the Municipality's liability at this stage. There is still much uncertainty as to how it will affect mortality in the medium to long term, and what effect treatments and/or vaccines will have. The sensitivities may be used to understand the potential impacts on the liability (and expenses) of, for example, an increase in the expected general earnings inflation rate, or an increase in the discount rate, or an increase in the withdrawal rates.

Once any long-term impacts of COVID-19 on the various valuation parameters becomes more evident, appropriate adjustments to the parameters will be feasible. In the meanwhile, any short-term impacts of actual experience being different to the current long-term assumptions will contribute to actuarial gain/loss items.

The possible effects of COVID-19 have not been included in the report's main figures.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Tables below summarises the results of the sensitivity

Salary Increase and Discount Rate

Sensitivity as at 30 June 2024

	Percentage Change	1% decrease	Valuation basis	1% increase	Percentage Change
			Salary Inflation Rate		
Opening Accrued Liability	-5,49%	12 661 000	13 397 000	14 209 000	6,06%
Service Cost	-7,45%	1 130 000	1 221 000	1 324 000	8,44%
Net Interest Expense	6,49%	1 543 000	1 449 000	1 363 000	-5,94%
			Discount Rate		
Opening Accrued Liability	6,27%	14 237 000	13 397 000	12 647 000	-5,60%
Service Cost	7,62%	1 314 000	1 221 000	1 140 000	-6,63%
Net Interest Expense	-2,48%	1 413 000	1 449 000	1 479 000	2,07%

Sensitivity as at 30 June 2025

	Percentage Change	1% decrease	Valuation basis	1% increase	Percentage Change
			Salary Inflation Rate		
Opening Accrued Liability	-5,92%	14 237 000	13 397 000	12 647 000	-5,60%
Service Cost	-7,43%	1 314 000	1 221 000	1 140 000	-6,63%
Net Interest Expense	-6,29%	1 413 000	1 449 000	1 479 000	2,07%
			Discount Rate		
Opening Accrued Liability	6,31%	17 074 735	16 061 913	15 156 274	-5,64%
Service Cost	8,08%	1 438 548	1 331 038	1 236 782	-7,08%
Net Interest Expense	-3,43%	1 530 304	1 584 709	1 634 287	2,94%

Withdrawal Decrement

Sensitivity as at 30 June 2024

	Percentage Change	50% decrease	Valuation basis	200% increase	Percentage Change
Opening Accrued Liability	12,67%	15 094 000	13 397 000	10 938 000	-18,35%
Service Cost	21,46%	1 483 000	1 221 000	880 000	-27,93%
Net Interest Expense	13,60%	1 646 000	1 449 000	1 163 000	-19,74%

Sensitivity as at 30 June 2025

	Percentage Change	50% decrease	Valuation basis	200% increase	Percentage Change
Opening Accrued Liability	-18,06%	13 161 280	16 061 913	18 042 960	12,33%
Service Cost	-25,85%	987 001	1 331 038	1 588 450	19,34%
Net Interest Expense	-19,19%	1 280 651	1 584 709	1 792 613	13,12%

22. PROVISIONS

Current Provisions	34 126 392	32 427 206
Non-current Provisions	72 828 817	70 381 860
Total Provisions	106 955 209	102 809 066

22.1 Current Provisions

Current Portion of Non-Current Provisions:	34 126 392	32 427 206
Decommissioning, Restoration and Similar Liabilities: Landfill Sites	34 126 392	32 427 206
Total Provisions	34 126 392	32 427 206

Decommissioning of Landfill Sites

R

30 June 2024

Opening Balance	32 427 206
Increases	1 699 186
Balance at end of year	34 126 392

Decommissioning of Landfill Sites

R

30 June 2023

Opening Balance	29 057 468
Increases	3 369 738
Balance at end of year	32 427 206

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

22.2 Non-current Provisions

Decommissioning, Restoration and Similar Liabilities: Landfill Sites	72 828 817	70 381 860
Total Non-current Provisions	<u>72 828 817</u>	<u>70 381 860</u>

Decommissioning of Landfill Sites:

Opening Balance	69 262 550	64 135 254
Increase/Decrease in Asset	(4 812 278)	454 044
Reversals	(1 699 186)	(3 369 738)
Increases (Passage of Time/Discounted Rate)	10 077 730	9 162 300
	<u>72 828 816</u>	<u>70 381 860</u>

LANDFILL SITES - USEFUL LIFE

Remaining Useful Life 30 June 2024

Montagu	Bonnievale	McGregor	Ashton
Landfill Site	Landfill Site	Transfer Station	Transfer Station
0	14,67	0	0

	Montagu	Bonnievale	McGregor	Ashton
Area (m)	17 190	28 890	35 752	49 673
Actual estimated closure date	2015	2039	2015	2024
Estimated decommission date	2041	2034	2030	2024
CPI	5,24%	5,24%	5,24%	5,24%
Discount Rate	9,54%	11,85%	9,54%	9,54%

The landfill rehabilitation is created for the rehabilitation of the current operational sites which are evaluated at each year-end to reflect the best estimate at reporting date. The sites under consideration are the Montagu, Bonnievale, McGregor and Ashton landfill sites.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
23. RESERVES		
Capital Replacement Reserve	62 920 999	62 920 999
Total Reserves	<u><u>62 920 999</u></u>	<u><u>62 920 999</u></u>
Reconciliation of the Capital Replacement Reserve:		
Opening Balance	62 920 999	62 920 999
Balance at end of year	<u><u>62 920 999</u></u>	<u><u>62 920 999</u></u>
24. ACCUMULATED SURPLUS		
Accumulated Surplus / (Deficit) due to the results of Operations	1 001 423 686	951 936 967
Accumulated Surplus / (Deficit)	951 936 970	892 006 463
Accumulated Surplus as per Financial Performance	49 486 719	59 930 507
Rounding Difference as per Trial Balance	(3)	(3)
Total Accumulated Surplus	<u><u>1 001 423 686</u></u>	<u><u>951 936 967</u></u>

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
25. PROPERTY RATES		
Total Property Rates	101 162 835	96 635 339
The above property rates includes rebates for the different services. The rebate amounts to R11,536,980 (2023: R10,939,467). Property Rates are levied on the value of land and improvements, which valuation is performed every five years. The last valuation came into effect on 1 July 2021. Approval in terms of Section 32(2) (b) (ii) of the Municipal Property Rates Act, 2004, (no 6 of 2004) was granted for the extension of the current valuation roll of Langeberg Municipality to six (6) financial years. The implementation of the valuation roll of Langeberg Municipality will be 1 July 2021.		
Valuations		
Rateable Land and Building		
Business and Commercial Property	1 879 011 160	1 846 508 160
Municipal Properties	702 028 598	675 129 501
Residential Properties	9 008 931 793	8 611 500 493
State-owned Properties	315 742 700	367 717 700
Agricultural Properties	7 433 948 650	7 499 961 650
Other Categories	905 887 581	984 490 581
Total Value	20 245 550 482	19 985 308 085
Interim valuations are processed on a continuous basis to take into account changes in individual property values due to alterations and subdivisions.		
Tariffs	2024	2023
Residential	0.0071c	0.0070c
Commercial, Industrial & Government	0.0042c	0.0040c
Public Benefit Organisation	0.0018c	0.0018c
Agriculture	0.0018c	0.0018c
Rebates were granted on land with buildings used solely for dwellings purposes as follows: In terms of the Rates Policy of the municipality the first R80 000.00 of the market value of a property is exempted from paying rates. The first R15 000 on the valuation is exempted in terms section 17(1)(h) of the Municipal Property Rates Act, the subsequent R65 000 is a discretionary rebate. Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been foregone by way of rebate or remission.		
26. FINES, PENALTIES AND FORFEITS		
Traffic Fines	11 353 550	11 471 800
Other Fines	32 349	102 086
Total Fines, Penalties and Forfeits	11 385 899	11 573 886
27. LICENCES AND PERMITS		
Hiking Trails	151 959	188 315
Road and Transport	2 077 092	1 970 669
Trading	8 835	3 100
Total Licences and Permits	2 237 886	2 162 084
28. TRANSFERS AND SUBSIDIES		
Capital Grants	42 611 087	37 406 670
Monetary Allocations	42 611 087	37 406 670
Operational Grants	149 864 562	122 745 315
Monetary Allocations	149 864 562	122 745 315
Total Transfers and Subsidies Received	192 475 649	160 151 985

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
28.1 Summary of Grants:		
28.1.1 Capital Grants		
	Monetary Allocations	
	2024	2023
Total Capital Grants Received	42 611 087	37 406 670
28.1.2 Operational Grants		
	Monetary Allocations	
	2024	2023
Total Operational Grants Received	149 864 562	122 745 314
28.2 Detailed Summaries		
Operating Grants		
Equitable Share	106 264 520	97 528 000
Expanded Public Works Programme	3 174 000	2 551 811
Local Government Financial	1 550 000	870 380
Municipal Infrastructure Grant	3 451 409	3 094 330
Integrated National Electrification Grant	60 000	-
Neighbourhood Development Partnership Grant	981 605	722 123
Water Services Infrastructure Grant	-	1 127 042
Municipal Disaster Response Grant	1 713 565	-
Municipal Library Support Fund	-	545 304
Municipal Maintenance and construction of Transport Infrastructure	126 135	-
Human Settlements Development Grant - Beneficiaries	414 515	14 210 452
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	31 457 315	-
Western Cape Financial Management Capability Grant: Bursaries	200 000	205 000
Western Cape Financial Management Capability Grant: Financial Management	130 111	369 889
Community Development Workers Grant	38 000	38 000
LG SETA	303 387	511 140
Western Cape Financial Management Support Grant	-	550 000
Local Government Public Employment Support Grant	-	406 597
CWDM: EPWP Projects	-	15 246
	149 864 562	122 745 315
Capital Grants		
Municipal Infrastructure Grant	23 009 391	20 628 869
Integrated National Electrification Programme Grant	400 000	-
Neighbourhood Development Partnership Grant	6 545 977	4 814 150
Water Services Infrastructure Grant	-	7 565 313
Development of sport and recreation	-	800 000
Fire Service Capacity Building Grant	-	821 000
SMME Booster Fund	-	2 777 337
Municipal Disaster Response Grant	9 805 718	-
Municipal Loadshedding Relief Grant	350 000	-
Provincial Contribution towards the Acceleration of Housing	2 500 000	-
	42 611 087	37 406 670
Total Receipts for Government Grants	192 475 649	160 151 985
28.2.1 Equitable Share		
Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	106 264 520	97 528 000
Transferred to Revenue: Operating	(106 264 520)	(97 528 000)
Unspent Balance at the End of the Year	-	-

In terms of the Constitution, the grant is used to subsidise the provision of basic services to indigent community members. This grant is unconditional.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
28.2.2 National: Expanded Public Works Programme Grant		
Unspent Balance at the Beginning of the Year	95 189	-
Current Year Receipts	3 174 000	2 647 000
Conditions Met - Transferred to Revenue: Operating	(3 174 000)	(2 551 811)
Repayment	(95 189)	-
Unspent Balance at the End of the Year	-	95 189

The Expanded Public Works Programme Grant is used to be an incentive to the expand work creation efforts through the use of the labour intensive delivery methods.

28.2.3 National: Financial Management Grant

Unspent Balance at the Beginning of the Year	679 620	-
Current Year Receipts	1 550 000	1 550 000
Conditions Met - Transferred to Revenue: Operating	(1 550 000)	(870 380)
Repayment	(679 620)	-
Unspent Balance at the End of the Year	-	679 620

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial management reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (eg. salary cost of the Financial Management Interns).

28.2.4 National: Municipal Infrastructure Grant

Unspent Balance at the Beginning of the Year	873 800	196 824
Current Year Receipts	25 587 000	24 597 000
Conditions Met - Transferred to Revenue - Operating	(3 451 409)	(3 094 330)
Conditions Met - Transferred to Revenue - Capital	(23 009 391)	(20 628 869)
Repayment	-	(196 824)
Unspent Balance at the End of the Year	-	873 800

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

28.2.5 National: Integrated National Electrification Grant

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	460 000	-
Conditions Met - Transferred to Revenue - Operating	(60 000)	-
Conditions Met - Transferred to Revenue - Capital	(400 000)	-
Repayment	-	-
Unspent Balance at the End of the	-	-

Then National Electrification Grant is used to address the electrification backlog of all existing and planned residential dwellings (including the upgrading informal settlements, new and normalisation of existing dwellings) and the installation of relevant bulk infrastructure.

28.2.6 National: Neighbourhood Development Partnership Grant

Balance unspent at the beginning of the year	9 463 727	10 000 000
Current-year receipts	9 272 000	5 000 000
Conditions met - Transferred to revenue: Operating	(981 605)	(722 123)
Conditions met - Transferred to revenue: Capital	(6 545 977)	(4 814 150)
Repayment	(9 463 727)	-
Unspent Balance at the End of the Year	1 744 418	9 463 727

28.2.7 National: Water Services Infrastructure Grant

Balance unspent at the beginning of the year	1 448 984	10 141 338
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	(1 127 042)
Conditions met - Transferred to revenue: Capital	-	(7 565 313)
Repayment	(1 448 984)	-
Unspent Balance at the End of the Year	-	1 448 984

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
28.2.8 National: Municipal Disaster Response Grant		
Balance unspent at the beginning of the year	-	-
Current year receipts	25 730 000	-
Conditions Met - Transferred to Revenue - Operating	(1 713 565)	-
Conditions Met - Transferred to Revenue - Capital	(9 805 718)	-
Unspent Balance at the End of the Year	14 210 716	-
28.2.9 Provincial: Development of sport and recreation facilities		
Balance unspent at the beginning of the year	-	1 295 420
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Capital	-	(800 000)
Repayment	-	(495 420)
Unspent Balance at the End of the Year	-	-
28.2.10 Provincial: Fire Service Capacity Building		
Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	-	821 000
Conditions Met - Transferred to Revenue	-	(821 000)
Unspent Balance at the End of the Year	-	-
28.2.11 Provincial: SMME Booster Fund 2021		
Balance unspent at the beginning of the year	-	556 337
Current year receipts	-	2 221 000
Conditions Met - Transferred to Revenue - Capital	-	(2 777 337)
Unspent Balance at the End of the Year	-	-
28.2.12 Provincial: Municipal Loadshedding Relief Grant		
Balance unspent at the beginning of the year	350 000	350 000
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Capital	(350 000)	-
Unspent Balance at the End of the Year	-	350 000
28.2.13 Provincial: Provincial Contribution towards the Acceleration of Housing		
Balance unspent at the beginning of the year	-	-
Current year receipts	2 500 000	-
Conditions Met - Transferred to Revenue - Capital	(2 500 000)	-
Unspent Balance at the End of the Year	-	-
28.2.14 Provincial: Municipal Library Support Fund		
Unspent Balance at the Beginning of the Year	-	545 304
Current Year Receipts	-	-
Conditions Met - Transferred to Revenue	-	(545 304)
Unspent Balance at the End of the	-	-
28.2.15 Provincial: Municipal Maintenance and construction of Transport Infrastructure		
Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	130 000	-
Conditions Met - Transferred to Revenue	(126 135)	-
Unspent Balance at the End of the	3 865	-
28.2.16 Provincial: Department Human Settlement (Beneficiaries)		
Balance unspent at the beginning of the year	-	-
Current year receipts	414 515	14 210 452
Conditions Met - Transferred to Revenue - Operating	(414 515)	(14 210 452)
Repayment	-	-
Unspent Balance at the End of the Year	-	-

This grant is for the building of low cost housing. The municipality is only the agent of the department of Human Settlement for the construction of low cost houses. No funds have been withheld. The municipality received more than what was appropriated in the extraordinary Gazette 8531 dated 15 December 2021. Approval was granted by the transferring department to spend the allocation of 2022/23 in the 2021/22 financial year.


 AUDITOR GENERAL
 SOUTH AFRICA
 working to build public confidence
 30 November 2024

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
28.2.17 Provincial: Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		
Balance unspent at the beginning of the year	-	-
Current year receipts	31 457 315	-
Conditions Met - Transferred to Revenue - Operating	(31 457 315)	-
Repayment	-	-
Unspent Balance at the End of the Year	<u>-</u>	<u>-</u>
28.2.18 Provincial: Department Human Settlement (Title Deed Restoration)		
Balance unspent at the beginning of the year	-	3 208 411
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	-
Repaid to Treasury Revenue Fund	-	(3 208 411)
Unspent Balance at the End of the	<u>-</u>	<u>-</u>
28.2.19 Provincial: Western Cape Financial Management Capability Grant: Bursaries		
Unspent Balance at the Beginning of the Year	157 000	62 000
Current Year Receipts	200 000	300 000
Conditions Met - Transferred to Revenue - Operating	(200 000)	(205 000)
Repaid to Treasury Revenue Fund	(157 000)	-
Unspent Balance at the End of the	<u>-</u>	<u>157 000</u>
Provincial: Western Cape Financial Management Capability Grant: Bursaries was previously known as the Provincial: Western Cape Financial Management Capacity Building Grant.		
28.2.20 Provincial: Western Cape Financial Management Capability Grant: Financial Management		
Unspent Balance at the Beginning of the Year	130 111	-
Current Year Receipts	-	500 000
Conditions Met - Transferred to Revenue - Operating	(130 111)	(369 889)
Repaid to Treasury Revenue Fund	-	-
Unspent Balance at the End of the	<u>-</u>	<u>130 111</u>
28.2.21 Provincial: Community Development Workers Grant		
Balance unspent at the beginning of the year	-	-
Current year receipts	38 000	38 000
Conditions Met - Transferred to Revenue - Operating	(38 000)	(38 000)
Unspent Balance at the End of the	<u>-</u>	<u>-</u>
28.2.22 Provincial: Municipal Electrical Masterplan Grant		
Balance unspent at the beginning of the year	-	427 391
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	-
Repaid to Treasury Revenue Fund	-	(427 391)
Unspent Balance at the End of the Year	<u>-</u>	<u>-</u>
28.2.23 Provincial: Western Cape Financial Management Support Grant		
Balance unspent at the beginning of the year	-	550 000
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	(550 000)
Unspent Balance at the End of the Year	<u>-</u>	<u>-</u>
Western Cape Financial Management Support Grant is used to provide financial assistance to municipalities to improve the overall financial governance within municipalities inclusive of optimising and administration of revenue, improving credibility and responsiveness of municipal budgets, improving of municipal audit outcomes and addressing institutional challenges.		
28.2.24 Provincial: Local Government Public Employment Support Grant		
Balance unspent at the beginning of the year	349 431	756 028
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	(406 597)
Unspent Balance at the End of the Year	<u>(349 431)</u>	<u>349 431</u>

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
28.2.25 Bakery Project		
Balance unspent at the beginning of the year	168 875	168 875
Current-year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	-
Conditions met - Transferred to revenue: Capital	-	-
Unspent Balance at the End of the Year	168 875	168 875

28.2.26 Community Safety		
Balance unspent at the beginning of the year	566 353	566 353
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	-
Unspent Balance at the End of the Year	566 353	566 353

The grant was used to repair the water pipelines and to detect the water pipelines by CCTV cameras.

28.2.27 CDWM: EPWP Projects		
Unspent Balance at the Beginning of the Year	4 484	19 730
Current Year Receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	(15 246)
Unspent Balance at the End of the Year	4 484	4 484

28.2.28 SETA Grant		
Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	303 387	511 140
Conditions Met - Transferred to Revenue - Operating	(303 387)	(511 140)
Unspent Balance at the End of the Year	-	-

29. SERVICE CHARGES

Availability Charges From Non-Exchange Transactions

Electricity Availability Charges	1 657 527	1 411 196
Water Availability Charges	1 201 482	1 216 047
Sewerage and Sanitation Availability Charges	2 247 067	1 043 199
Total Non-Exchange Service Charges	5 106 076	3 670 443

Service Charges From Exchange Transactions

Sale of Electricity	559 785 371	485 530 933
Sale of Water	57 562 762	52 768 144
Refuse Removal	31 239 545	32 745 352
Sewerage and Sanitation Charges	29 966 057	29 366 080
Total Exchange Service Charges	678 553 735	600 410 508
Total Service Charges	683 659 811	604 080 951

The above service charges includes free basic services and revenue foregone for the different services. The revenue foregone amounts to R24 016 420 (2023 : R 26 123 195).

The amounts disclosed above for revenue from Service Charges are in respect of services rendered which are billed to the consumers

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
30. SALES OF GOODS AND RENDERING OF SERVICES		
Advertisements	18 261	11 922
Building Plan Approval	1 160 568	881 803
Cemetery and Burial	383 124	432 796
Cleaning and Removal	19 122	50 040
Encroachment Fees	54 727	69 642
Entrance Fees	352 450	257 632
Fire Services	166 147	97 230
Photocopies and Faxes	63 997	71 433
Removal of Restrictions	637	-
Sale of Goods	1 156 974	977 491
Scrap, Waste & Other Goods	1 640 907	133 752
Town Planning and Servitudes	-	400 702
Traffic Control	21 500	27 389
Valuation Services	340 474	284 835

Total Sales of Goods and Rendering of Services

5 378 888

3 696 667

31. INCOME FROM AGENCY SERVICES

Commission on Vehicle Registration	5 435 214	5 341 009
Commission on Library Services	9 685 217	9 282 609

Total Income from Agency Services

15 120 431

14 623 618

Vehicle Registration:

The municipality is party to a principal / agent agreement.

The municipality is an agent on behalf of the Western Cape Mobility Department in collecting motor vehicle licences at an agency fee of 12%, VAT inclusive.

There were no significant changes in the agreement which occurred during the reporting period.

No material risks were identified on the agreement for the municipality.

The municipality does not incur any expenses on behalf of the principal.

R979 774 (2023: R461 738), Revenue due to the Principal not paid over at year end is included in Payables from Exchange transactions.

Library Services:

The Municipality is acting as an agent for the Department of Cultural Affairs and Sport (DCAS).

In this arrangement, the Municipality renders Library services on behalf of DCAS at an agency fee of 100% inclusive of VAT.

The Municipality does not incur any expenses on behalf of the principle.

Amount of revenue retained by the municipality

Income from Agency Fees	5 435 214	5 341 009
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Amount of revenue received on behalf of the principle during the reporting period

Motor vehicle licence fees	27 313 738	27 347 726
RTMC transaction fees	2 057 472	2 065 536

32. RENTAL FROM FIXED ASSETS

Straight-lined Operating Lease

Other Fixed Assets:	3 693 234	3 659 804
Property Plant and Equipment	3 693 234	3 659 804

Ad-hoc Rental Income from Other Fixed	93 346	108 832
Property Plant and Equipment	93 346	108 832

Total Rental of Facilities and

3 786 580

3 768 636

Rental income generated are at market related premiums. All rental income recognised is therefore market related.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
33. FINANCE INCOME		
Non-exchange Receivables:		
Outstanding Billing Debtors	2 039 506	1 580 727
Total Non-exchange Finance Income	2 039 506	1 580 727
External Investments:		
Bank Account	18 288 549	13 003 044
Investments	14 515 596	15 804 529
	32 804 145	28 807 573
Outstanding Exchange Receivables:		
Long-term Debtors	11 286	18 396
Housing & Housing Selling Schemes	11 286	18 396
Outstanding Billing Debtors	4 159 124	3 852 743
Electricity	810 148	1 079 902
Property Rental Debtors	48 737	31 625
Service Charges	141 284	131 226
Waste Management	885 465	746 508
Waste Water Management	1 122 217	906 633
Water	1 151 273	956 849
	4 170 410	3 871 139
Total Exchange Finance Income	36 974 555	32 678 712
Total Finance Income	39 014 061	34 259 439
34. OPERATIONAL REVENUE		
Administrative Handling Fees	-	19 261
Commission	352 901	331 102
Development Charges	3 418 204	-
Incidental Cash Surpluses	781	1 432
Insurance Refund	627 781	1 225 371
Merchandising, Jobbing and Contracts	77 479	60 853
Registration Fees	225 433	265 645
Request for Information	7 661	5 566
Staff Recoveries	5 357	7 362
Contribution to Provision	7 289 659	8 650 091
Total Operational Revenue	12 005 256	10 566 683

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
35. EMPLOYEE RELATED COSTS		
Salaries and Wages:		
Basic	172 980 562	155 795 287
Long Service Awards	1 300 263	1 352 544
Bonuses	775 299	702 666
Leave Payments	6 089 475	9 240 276
Overtime	18 594 653	14 931 989
Allowances:		
Acting and Post Related Allowances	117 470	175 060
Bonus Allowance	12 665 469	12 176 811
Cellular and Telephone	986 134	870 494
Fire Brigade	761 368	666 373
Housing Benefits	836 770	790 863
Standby Allowance	6 579 656	5 154 923
Travel or Motor Vehicle	7 536 038	6 185 821
Social Contributions:		
Bargaining Council	108 453	97 033
Group Life Insurance	171 287	176 306
Medical	9 087 901	8 004 104
Pension	27 900 999	25 760 587
Unemployment Insurance	1 882 254	1 454 689
Post-retirement Benefits:		
Service Cost:	1 751 000	1 856 522
Service Cost	1 751 000	1 856 522
Remeasurement:		
Remeasurements over the financial year	1 264 525	(10 208 485)
Total Employee Related	271 389 576	235 183 863
35.1 Remuneration of Section 56 & 57 Employees:		
Remuneration of the Municipal Manager: DP Lubbe		
Annual Remuneration	1 080 174	305 754
Performance Bonus	75 074	-
Car and Other Allowances	581 632	164 637
Cell Phone Allowance	58 909	19 636
Company Contributions to UIF and Pension Funds	20 340	6 780
Payments in lieu of leave	-	-
Total	1 816 129	496 807
Remuneration of the Municipal Manager: ASA de Klerk		
Annual Remuneration	-	198 673
Performance Bonus	-	218 663
Car and Other Allowances	-	-
Cell Phone Allowance	-	-
Company Contributions to UIF and Pension Funds	-	20 340
Payments in lieu of leave	-	-
Total	-	437 677
Remuneration of the Chief Financial Officer: M Shude		
Annual Remuneration	1 085 652	1 063 100
Performance Bonus	184 109	178 747
Car and Other Allowances	272 810	270 834
Cell Phone Allowance	44 746	44 746
Company Contributions to UIF and Pension Funds	20 340	40 680
Payments in lieu of leave	126 449	97 342
Total	1 734 106	1 695 448

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
Remuneration of the Director: Corporate Services - AWJ Everson		
Annual Remuneration	1 465 034	1 437 011
Performance Bonus	88 642	86 060
Car and Other Allowances	102 603	102 603
Cell Phone Allowance	44 746	44 746
Company Contributions to UIF and Pension Funds	284 046	299 342
Payments in lieu of leave	68 186	65 222
Total	2 053 257	2 034 984
Remuneration of Director: Infrastructure and Engineering - M Johnson (Retired on the 31 March 2023)		
Annual Remuneration	-	225 910
Cell Phone Allowance	-	10 670
Medical Aid contributions	-	13 277
Car and Other Allowances	-	680 509
Company Contributions to UIF and Pension Funds	-	62 415
Performance Bonus	-	140 444
Payments in lieu of leave	-	106 437
Total	-	1 239 662
Remuneration of Director: Community Services - M Mgajo		
Annual Remuneration	1 171 111	1 133 406
Performance Bonus	159 123	126 507
Medical Aid Allowance	63 329	60 084
Car and Other Allowances	49 068	82 646
Cell Phone Allowance	44 746	44 746
Company Contributions to UIF and Pension Funds	231 140	244 693
Total	1 718 517	1 692 082
Remuneration of Director: Strategy and Social Development - CO Matthys		
Annual Remuneration	1 469 807	1 441 738
Performance Bonus	88 789	68 962
Car and Other Allowances	100 000	100 000
Cell Phone Allowance	44 746	44 746
Company Contributions to UIF, Medical and Pension Funds	284 905	300 193
Payments in lieu of leave	68 299	65 330
Total	2 056 546	2 020 968
Summary of Remuneration of Section 56 & 57 Employees:		
All Directors	9 378 555	9 120 821
Total Remuneration of Section 56 & 57 Employees	9 378 555	9 120 821

36. REMUNERATION OF COUNCILLORS

Executive Mayor	1 043 854	961 456
Deputy Executive Mayor	845 714	777 330
Speaker	845 714	777 330
Mayoral Committee Members	3 183 505	2 926 432
Total for All Other Councillors	5 911 666	5 374 843
Total Councillors' Remuneration	11 830 452	10 817 391

Remuneration of Councillors:

30 June 2024	Basic salary	Travel allowance	Other allowances	Pension and	Total
Executive mayor	748 290	96 440	53 208	145 916	1 043 854
Deputy executive mayor	672 506	120 000	53 208	0	845 714
Speaker	587 871	90 000	53 208	114 635	845 714
Executive mayoral committee members	2 511 465	393 500	212 832	65 708	3 183 505
Section 79 committee chairperson	402 324	-	53 208	-	455 532
Councillors	4 122 409	109 530	792 824	431 371	5 456 134
	9 044 865	809 470	1 218 488	757 630	11 830 452

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

30 June 2023	Basic salary	Travel allowance	Other allowances	2024 R Pension and	2023 R Total
Executive mayor	689 721	96 440	40 800	134 496	961 456
Deputy executive mayor	616 530	120 000	40 800	-	777 330
Speaker	541 029	90 000	40 800	105 501	777 330
Executive mayoral committee members	2 355 036	360 000	163 200	48 196	2 926 432
Section 79 committee chairperson	373 908	-	40 800	-	414 708
Councillors	3 848 625	68 809	612 362	430 339	4 960 135
	8 424 849	735 248	938 762	718 531	10 817 391

Initial(s) and Surname - Council Members	Designation 2024	Designation 2023	2024 Total	2023 Total
Ald SW van Eeden	Mayor	Mayor	1 043 854	961 456
Cllr D Joubert	Deputy Mayor	Deputy Mayor	-	166 078
Cllr DB Janse		Member of Mayoral Committee	366 708	332 156
NJ Beginsel	Member of Council	Member of Council	82 216	332 156
Cllr P Hess	Speaker	Speaker	845 714	777 330
Cllr CJ Grootboom	Member of Council	Member of Council	366 708	332 156
Cllr JJS Januarie	Member of Council	Member of Council	366 708	332 156
Cllr JS Mafilika	Member of Council	Member of Council	366 708	332 156
Cllr LJ Prince		Member of Council and Section 79	357 002	145 678
Cllr OC Simpson	Member of Council	Member of Council	212 996	332 156
Cllr L Gxowa	Member of Council	-	366 708	332 156
Cllr A Ndongeni	Member of Council	-	366 708	329 728
Cllr LL Kahla	Member of Council	-	366 708	332 778
Cllr C Steyn	Mayco Member	-	795 876	731 608
Cllr MG Oostendorff	Member of Council	-	366 708	332 156
Cllr DAT Felix	Mayco Member	-	795 876	731 608
Cllr Y Siegel	Member of Council	-	366 708	332 156
Cllr JCJ Coetzee	Mayco Member	-	795 876	731 608
Cllr CJ Pokwas	Member of council	-	366 708	332 156
Cllr JG Steenkamp	Deputy Mayor	-	845 714	777 330
Cllr RC Henn	Speaker	-	795 876	731 608
Cllr TV Coetzee	Member of Council	-	366 708	332 156
Cllr D September	Section 79 MPAC	-	455 532	414 708
Cllr M Gertse	Member of Council	-	366 708	332 156
Cllr C Baartman	Member of Council	-	123 160	-
Cllr SE Rensburg	Member of Council	-	280 264	-
			11 830 452	10 817 391

In-kind Benefits

The Executive Mayor, Speaker and all the Mayoral committee members are full-time. The Mayor is provided with secretarial support and an office at the cost of the municipality.

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
37. DEPRECIATION AND AMORTISATION		
Depreciation: Property, Plant and Equipment	52 291 432	46 927 916
Depreciation: Investment Property	63 318	64 213
Total Depreciation and Amortisation	52 354 750	46 992 129
38. BAD DEBT WRITTEN OFF		
Bad Debts Written Off	13 849 530	16 948 478
Total Bad Debts Written Off	13 849 530	16 948 478
Implementation of new indigent cycle, resulting in increased debt impairment or debt write-off		
39. IMPAIRMENT LOSSES		
Property, Plant and Equipment	457 308	-
Receivables from Exchange Transactions	18 140 182	4 456 227
Receivables from Non-Exchange Transactions	(2 517 537)	7 704 300
Reversal of Impairment	-	138 718
Total Impairment Losses	16 079 953	12 299 245
40. INVENTORY LOSSES		
Inventory Gains\ (Losses)	(281 368)	(75 047)
Total Inventory Gains\ (Losses)	(281 368)	(75 047)
41. Finance Cost		
Interest Paid:	21 936 957	20 343 985
Borrowings	3 137 094	3 468 765
Finance Leases	1 487 595	364 920
Interest costs Non-Current Provisions	10 115 268	9 162 300
Net Interest Expense	7 197 000	7 348 000
	Refer note 21.2	
Total Finance Cost	21 936 957	20 343 985
42. BULK PURCHASES		
Electricity	478 957 439	401 064 972
Water	7 323 453	5 950 405
Total Bulk Purchases	486 280 892	407 015 377
43. CONTRACTED SERVICES		
Outsourced Services	3 525 994	2 174 068
Consultants and Professional Services	11 658 097	8 058 619
Contractors	31 965 439	26 795 101
Total Contracted Services	47 149 530	37 027 788
43.1 Outsourced Services		
Burial Services	194 809	256 087
Business and Advisory	1 712 490	896 230
Connection/Dis-connection	292 116	108 620
Personnel and Labour	239 452	154 094
Security Services	884 198	545 865
Translators, Scribes and Editors	34 055	2 284
Transport Services	168 874	210 888
	3 525 994	2 174 068

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
43.2 Consultants and Professional Services		
Business and Advisory	3 836 095	3 416 445
Infrastructure and Planning	5 566 479	2 156 260
Laboratory Services	678 480	422 204
Legal Cost	1 577 043	2 063 710
	11 658 097	8 058 619
43.3 Contractors		
Artists and Performers	109 200	106 039
Catering Services	15 549	561
Chipping	1 367 680	629 610
Electrical	2 861 882	3 293 355
Event Promoters	54 782	83 985
Fire Protection	19 320	16 560
Inspection Fees	-	5 178
Maintenance of Buildings and Facilities	1 357 030	1 532 156
Maintenance of Equipment	487 084	482 076
Maintenance of Computer Software	17 467 964	13 729 025
Management of Informal Settlements	2 138 610	2 033 200
Medical Services	67 011	135 498
Pest Control and Fumigation	6 200	-
Plants, Flowers and Other Decorations	1 456	-
Prepaid Electricity Vendors	5 527 576	4 716 688
Safeguard and Security	25 774	24 104
Sewerage Services	411 596	-
Sports and Recreation	42 225	1 703
Stage and Sound Crew	4 500	5 363
	31 965 439	26 795 101
44. INVENTORY CONSUMED		
Consumables	20 807 082	19 438 903
Housing Stock	414 515	21 613 876
Materials and Supplies	28 290 599	18 698 573
Total Inventory Consumed	49 512 196	59 751 352
45. TRANSFERS AND SUBSIDIES PAID		
Operational Grants	3 334 826	2 230 418
Allocations In-kind	146 558	101 984
Monetary Allocations	3 188 268	2 128 434
Total Transfers and Subsidies Paid	3 334 826	2 230 418
46. OPERATING LEASES		
Other Assets	38 616	46 892
Total Operating Leases	38 616	46 892

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024 R	2023 R
47. OPERATIONAL COSTS		
Included in Operational Expenses are the following:		
Advertising, Publicity and Marketing	874 859	1 043 636
Bank Charges, Facility and Card Fees	1 149 620	964 312
Bursaries (Employees)	314 096	138 926
Commission	188 092	193 889
Communication	2 042 985	2 311 794
Courier and Delivery Services	1 751	2 086
Drivers Licences and Permits	20 880	17 830
External Audit Fees	5 107 771	4 912 169
External Computer Service	14 224 637	7 652 741
Full Time Union Representative	128 083	133 388
Hire Charges	1 357 306	990 670
Insurance Underwriting	4 835 210	4 747 127
Land Alienation Costs	183 253	150 448
Licences	726 760	630 386
Municipal Services	3 400	-
Printing, Publications and Books	666 774	673 929
Professional Bodies, Membership and Subscription	2 903 388	2 726 889
Registration Fees	163 298	94 243
Remuneration to Ward Committees	675 030	661 525
Resettlement Cost	63 384	48 504
Roadworthy Test	5 800	6 317
Skills Development Fund Levy	2 366 878	2 169 199
System Access and Information Fees	97 174	92 373
Toll Gate Fees	25 426	6 848
Travel and Subsistence	616 309	414 891
Uniform and Protective Clothing	1 853 178	1 809 177
Workmen's Compensation Fund	2 003 546	1 386 744
Total Operational Costs	42 598 888	33 980 041
No other extraordinary expenses were incurred.		
48. GAINS AND LOSSES ON OTHER OPERATIONS		
Fair Value Gains on Investments	17 332	-
Total Gains on Other Operations	17 332	-
Fair Value Losses on Actuarial Assessments	-	-
Fair Value Losses on Investments	-	-
Total Losses on Other Operations	-	-
49. GAINS / LOSSES ON DISPOSAL OF CAPITAL ASSETS		
Intangible Assets	-	(507 307)
Investment Property	-	(1 000)
Property, Plant and Equipment	(120 375)	1 631 532
Total Gains / (Losses) on Disposal of Capital Assets	(120 375)	1 123 225

50. CORRECTION OF ANNUAL FINANCIAL STATEMENTS

50.1 Correction of Accumulated Surplus

The figures of the opening balance of Accumulated Surplus has been restated to correctly disclose the monies held by the municipality in terms of the disclosure notes indicated below.

The effect of the changes are as follows:

	Accumulated Surplus
Accumulated Surplus published as at 30 June 2022	895 799 637
Correction of error :	
Adjustment of Community Library Services Grant	(3 793 174)
Restated Accumulated Surplus published as at 30 June 2022	892 006 463
Transactions incurred for the Year 2022/23	61 322 898
Correction of Error:-	
Adjustment of Community Library Services Grant	(1 392 391)
	-
Restated Balances as at 30 June 2023	951 936 970

50.2 Reclassification and Correction Error - Revenue

The prior year figures of Revenue Classes have been restated to correctly classify the nature of Revenue of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2022/23 Audited	Reclassification of Revenue	Correction of Error	Restated Amount 2022/2023
Property Rates	96 635 339	-	-	96 635 339
Fines, Penalties and Forfeits	11 573 886	-	-	11 573 886
Availability Charges	3 670 443	-	-	3 670 443
Transfers and Subsidies	170 826 985	-	(10 675 000)	160 151 985
Finance Cost - Non- Exchange	1 580 727	-	-	1 580 727
Licences and Permits - Exchange	2 162 084	-	-	2 162 084
Service Charges	600 410 508	-	-	600 410 508
Sales of Goods and Rendering of Services	3 696 667	-	-	3 696 667
Income from Agency Services	5 341 009	-	9 282 609	14 623 618
Rental from Fixed Assets	3 768 636	-	-	3 768 636
Finance Cost - Exchange	32 678 712	-	-	32 678 712
Operational Revenue	10 566 683	-	-	10 566 683
Gains on Disposal of PPE	1 631 532	-	-	1 631 532
	944 543 211	-	(1 392 391)	943 150 820

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

50.3 Reclassification and Correction of Error - Expenditure

The prior year figures of Expenditure Classes have been restated to correctly classify the nature of Expenditure of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2022/23 Audited	Reclassification of Expenditure	Correction of Error	Restated Amount 2022/23
Employee Related Costs	235 183 863	-	-	235 183 863
Remuneration of Councillors	10 817 391	-	-	10 817 391
Depreciation and Amortisation	46 992 129	-	-	46 992 129
Inventory losses	(75 047)	-	-	(75 047)
Bad Debt Written Off	16 948 478	-	-	16 948 478
Impairment Losses	12 299 245	-	-	12 299 245
Finance Cost	20 343 985	-	-	20 343 985
Bulk Purchases	407 015 377	-	-	407 015 377
Contracted Services	37 027 788	-	-	37 027 788
Inventory Consumed	56 135 137	-	3 616 215	59 751 352
Transfers and Subsidies Paid	2 230 418	-	-	2 230 418
Operating Leases	46 892	-	-	46 892
Operational Costs	37 596 256	-	(3 616 215)	33 980 041
Loss on Disposal of PPE	508 307	-	-	508 307
	883 070 219	-	-	883 070 219

50.4 Reclassification of Statement of Financial Position

The prior year figures of Classes in the Statement of Financial Position have been restated to correctly classify the nature of Assets, Liabilities and Net Assets of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2022/23 Audited	Reclassification of Financial Position	Correction of Error	Restated Amount 2022/23
Current Assets				
Inventories	13 043 832	-	-	13 043 832
Receivables from Exchange Transactions	42 496 094	-	-	42 496 094
Statutory Receivables from Exchange Transactions	8 147 056	-	-	8 147 056
Receivables from Non-exchange Transactions	11 180 463	-	-	11 180 463
Statutory Receivables from Non-exchange Transactions	8 357 483	-	-	8 357 483
Cash and Cash Equivalents	365 039 040	-	-	365 039 040
Lease Receivables	74 219	-	-	74 219
Non-Current Assets				
Property, Plant and Equipment (Note 1)	896 403 006	-	(1)	896 403 005
Intangible Assets	1 320 657	-	-	1 320 657
Investment Property	28 034 849	-	-	28 034 849
Heritage Assets	275 448	-	-	275 448
Investments	137 205	-	-	137 205
Long-term Receivables	460 483	-	-	460 483
Current Liabilities				
Consumer Deposits	17 524 750	-	-	17 524 750
Payables from Exchange Transactions	94 578 766	-	5 185 565	99 764 331
Unspent Conditional Grants and Receipts (Note 4)	14 287 574	-	-	14 287 574
Borrowings	4 079 506	-	-	4 079 506
Employee Benefit Liabilities	20 102 829	-	-	20 102 829
Provisions	32 427 206	-	-	32 427 206
Lease Payables	3 470 409	-	-	3 470 409
Non-Current Liabilities				
Lease Payables (Note 2)	13 572 532	-	-	13 572 532
Borrowings	27 977 974	-	-	27 977 974
Employee Benefit Liabilities	56 520 000	-	-	56 520 000
Provisions (Note 1)	70 381 860	-	-	70 381 860
Net Assets				
Reserves	62 920 999	-	-	62 920 999
Accumulated Surplus / (Deficit) (Note 3)	957 125 430	-	(5 185 565)	951 939 865
	-	-	1	1

50.5 Reclassification of Revenue

Prior year amounts of items in **Revenue** included in the Statement of Financial Performance have been restated as indicated below:

	Transfers and Subsidies
Balance previously reported	170 826 985
Correction of Errors:- Adjustment of Community Library Services Grant	(10 675 000)
Restated Balance now reported	160 151 985

Transfers and Subsidies:

The **prior year amounts** for *Transfers & Subsidies* have been restated to correctly disclose the revenue for library books donated from Provincial Public Library Services, previously recognised in error.

	Income from Agency Services
Balance previously reported	5 341 009
Correction of Errors:- Adjustment of Community Library Services Grant	9 282 609
Restated Balance now reported	14 623 618

Income from Agency Services:

The prior year amounts for Income from Agency Services have been restated to correctly disclose the revenue for the Community Library Services Grant, from Transfers and subsidies, previously recognised in error and to correctly disclose the Revenue to exclude the VAT

	Inventory Consumed	Operational Costs
Balance previously reported	56 135 137	37 596 256
Correction of Errors:- Correction of Inventory Consumed	3 616 215	(3 616 215)
Restated Balance now reported	59 751 352	33 980 041

Inventory Consumed & Operational Costs

The prior year amounts for *Inventory Consumed and Operational cost* have been restated to correctly disclose the expenditure for Wet fuel.

50.6 Reclassification of Statement of Financial Position

Opening Balances and Prior Year Amounts of items in the Statement of Financial Position have been restated as indicated below:

	Payables from Exchange Transactions
Balances previously published per AFS as at 30 June 2022	(92 291 577)
Correction of Errors:- Adjustment of Community Library Services Grant	(3 793 174)
Balances now published per AFS as at 30 June 2022	(96 084 751)
Transactions incurred for the Year 2022/23	(2 287 189)
Correction of Errors:- Adjustment of Community Library Services Grant	(1 392 391)
Balances now published per AFS as at 30 June 2023	(99 764 331)

Payables from Exchange Transactions:

The **opening balances** of *Payables from Exchange Transactions* have been restated to correctly disclose the liability for the VAT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

50.7 Correction of Cash Flow Statement

The effect of the Correction of Error is as follows:

	Prior Year 2022/23 Audited	Change in Accounting Policy	Correction of Error	Restated Amount 2022/23
Receipts				
Taxation	96 467 287	-	-	96 467 287
Service Charges	590 343 738	-	-	590 343 738
Sale of goods and services	28 493 916	-	9 282 609	37 776 525
Dividends	-	-	-	-
Grants	156 620 547	-	(10 675 000)	145 945 547
Finance Income	34 259 439	-	-	34 259 439
Payments				
Employees	(261 777 935)	-	-	(261 777 935)
Transfer and grants	(2 230 418)	-	-	(2 230 418)
Suppliers Paid	(526 884 173)	-	1 392 391	(525 491 782)
Finance Costs	(3 833 685)	-	-	(3 833 685)
NET CASH FLOWS FROM OPERATING ACTIVITIES	111 458 716	-	(0)	111 458 716
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property , plant and equipment	(119 836 832)	-	-	(119 836 832)
Purchase of investment property	(4 694)	-	-	(4 694)
Proceeds from sale of property,plant and equipment	1 149 420	-	-	1 149 420
Proceeds for investment property	-	-	-	-
Purchase of other intangible assets	(283 693)	-	-	(283 693)
Purchase of heritage assets	-	-	-	-
Proceeds from investments	-	-	-	-
Decrease/(increase) in long term receivables	(60 196)	-	-	(60 196)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(119 035 995)	-	-	(119 035 995)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase/(decrease) in consumer deposits	1 741 542	-	-	1 741 542
Increase/Repayment of borrowings	(3 917 685)	-	-	(3 917 685)
Finance lease receipts/(payments)	16 402 633	-	-	16 402 633
NET CASH FLOWS FROM FINANCING ACTIVITIES	14 226 490	-	-	14 226 490
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	6 649 211	-	-	6 649 211
Cash and Cash Equivalents at Beginning of Period	358 389 829	-	-	358 389 829
Cash and Cash Equivalents at End of Period	365 039 040	-	-	365 039 040

Prior Year Amounts of Items in the Cash Flow Statement have been restated as indicated below:

Cash Flows from Operating Activities - Receipts:

	Sale of goods and services	Grants
Balance previously reported	28 493 916	156 620 547
<i>Correction of Errors:-</i>		
Adjustment of Community Library Services Grant	9 282 609	(10 675 000)
Restated Balance now reported	37 776 525	145 945 547

Sales of Goods and Services & Grants

The **prior year amounts** for *Sale of goods and Services & Grants* have been corrected for adjustments made to the Agency Services and Transfer and Subsidies respectively.

Cash Flows from Operating Activities - Payments:

	Suppliers Paid
Balance previously reported	(526 884 173)
<i>Correction of Errors:-</i>	
Adjustment of Community Library Services Grant	1 392 391
Restated Balance now reported	(525 491 782)

Suppliers Paid:

The **prior year amounts** for *Suppliers Paid* have been corrected for the adjustment made of the VAT on revenue to be recorded as a Liability

51. CASH GENERATED BY OPERATIONS

	2024 R	2023 R
Surplus	49 486 719	59 930 507
Adjustments for:		
Depreciation and amortisation	52 354 750	46 992 129
(Gain)/loss on sale of assets and liabilities	120 375	(1 123 225)
Fair value adjustments	(17 332)	-
PPE - Impairment loss	457 308	-
Debtors Impairment	15 622 645	12 211 480
Bad debts written off	13 849 530	16 948 478
Movements in retirement benefit assets and liabilities	29 700 300	20 654 213
Movements in provisions	2 825 609	512 209
Impairment of movement of Investment Property	-	87 765
Other - Movements	1	(3)
Operating lease income accrued	(14 139)	35 042
Inventories losses	281 368	75 047
Accumulated Surplus - Opening Balance adjustment	(2 898)	2 895
Changes in working capital:		
Decrease/(Increase) in Inventories	(4 657 791)	5 955 402
Decrease/(Increase) in Receivables from exchange transactions	(46 950 971)	(7 138 705)
Decrease/(Increase) in Receivables from non-exchange transactions	(7 706 505)	(6 996 005)
Decrease/(Increase) in Statutory receivables from non-exchange transactions	(868 030)	(168 052)
Decrease/(Increase) in Payables from exchange transactions	30 467 716	3 679 580
Decrease/(Increase) in VAT statutory receivables	4 923 633	(5 560 800)
Decrease/(Increase) in Unspent conditional grants and receipts	3 411 137	(14 206 438)
Decrease/(Increase) in Movement in employee benefit liability	(22 708 856)	(29 082 894)
Decrease/(Increase) in Movement in provisions	6 132 812	8 650 091
OPERATING ACTIVITIES	126 707 382	111 458 716

52. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

52.1 Unauthorised Expenditure

Reconciliation of Unauthorised Expenditure:

Opening Balance:	-	-
Unauthorised Expenditure Current Year:	-	-
Written-off by Council:	-	-
Unauthorised Expenditure awaiting authorisation	-	-

Unauthorised expenditure can be summarised as follows:

Incident

No unauthorised expenditure was incurred during the 2023/2024 financial year.

52.2 Fruitless and Wasteful Expenditure

	2024 R	2023 R
Reconciliation of Fruitless and Wasteful Expenditure:		
Opening Balance as restated:	-	-
Fruitless and Wasteful Expenditure Incurred	5 424	37 311
Transfers to Receivables for recovery	(5 424)	(37 311)
Closing Balance	-	-

52.3 Irregular Expenditure

Reconciliation of Irregular Expenditure:

Opening Balance as restated:	-	-
- As previously stated	-	-
Irregular Expenditure Incurred	-	-
- Identified in the current year relating to Current Year	-	-
- Identified in the current year relating to Prior Year	-	-
Written-off by Council:	-	-
- Current Year	-	-
- Prior Year	-	-
Closing Balance	-	-

53. ADDITIONAL DISCLOSURES IN TERMS OF APPLICABLE LEGISLATION

53.1 MUNICIPAL FINANCE MANAGEMENT ACT

53.1.1 Contributions to Organised Local Government - SALGA

	2024 R	2023 R
Opening Balance	-	-
Council Subscriptions	2 889 966	2 706 388
Amount Paid - current year	(2 889 966)	(2 706 388)

Balance Unpaid (included in Creditors)

-	-
---	---

53.1.2 Pension and Medical Aid Deductions

Opening Balance	-	-
Current Year Contributions	37 749 841	34 291 800
Amount Paid - current year	(37 749 841)	(34 291 800)

Balance Unpaid (included in Creditors)

-	-
---	---

53.1.3 Audit Fees

Opening Balance	-	696 386
Current year Audit Fees	5 873 937	5 648 994
Amount Paid - current year	(5 873 937)	(6 345 380)

Balance Unpaid (included in Creditors)

-	-
---	---

53.1.4 PAYE, Skills Development Levy and UIF

Opening Balance	-	15 816
Current year Payroll Deductions	37 759 718	32 379 091
Amount Paid - current year	(37 759 718)	(32 394 907)

Balance Unpaid (included in Creditors)

-	-
---	---

53.1.5 VAT

The net of VAT input receivables and VAT output payables are shown in Note 4. All VAT returns have been submitted by the due date throughout the year.

53.1.6 Councillor's arrear Consumer Accounts

No Councillor had arrear account outstanding for more than 90 days as at 30 June 2024:

30 June 2024	Total	Outstanding up to 90 days	Outstanding more than 90 days
AP Hess	954	954	-
CS Steyn	478	478	-
DB Janse	1 411	1 411	-
SW Van Eeden	1 658	1 658	-
TVE Coetzee	8 295	8 295	-
Total Councillor Arrear Consumer Accounts	12 795	12 795	-

During the financial year under review one Councillor was in arrears for more than 90 days, however the property is let out to a tenant who has not paid the municipal account. No other Councillor (present or past) was in arrear with the settlement of their municipal accounts for more than 90 days.

30 June 2023	Total	Outstanding up to 90 days	Outstanding more than 90 days
L Prince	3 159	3 159	-
G Visagie	29 559	1 315	28 244
CS Steyn	451	451	-
SM Jansen	1 174	1 174	-
SW Van Eeden	1 366	1 366	-
Total Councillor Arrear Consumer Accounts	35 709	7 465	28 244

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

53.1.7 Deviation from, and ratification of minor breaches of, the Procurement Processes

In terms of section 36(1) of the Municipal Supply Chain Management Policy approved by the Council, any deviation from the Supply Chain Management Policy needs to be approved / condoned by the Municipal Manager, noted by Council and bids where the formal procurement processes could not be followed must be noted in the Annual Financial Statements.

The following deviations from the tender stipulations in terms of the municipality's Supply Chain Management Policy were ratified by the Municipal Manager and reported to Council:

30 June 2024

Months
July
August
September
October
November
December
January
February
March
April
May
June

Single Supplier	Impractical	Emergency	Amount
1	15	1	1 615 215
4	28	11	10 866 605
2	16	9	1 051 172
6	21	33	5 131 790
2	21	8	2 009 013
4	18	19	5 535 491
1	16	11	2 596 822
2	18	14	7 479 568
6	35	7	3 005 224
1	18	9	3 141 770
3	18	24	16 402 966
1	9	13	1 912 416
33	233	159	60 748 052

30 June 2023

Months
July
August
September
October
November
December
January
February
March
April
May
June

Single Supplier	Impractical	Emergency	Amount
3	10	2	1 017 811
6	45	11	3 071 803
9	9	8	1 897 417
6	12	7	5 242 219
7	25	12	2 810 700
3	16	6	2 474 462
4	10	6	918 143
2	18	5	856 213
3	12	4	1 177 046
5	21	7	3 160 375
4	21	8	1 408 806
2	37	12	4 428 270
54	236	88	28 463 265

53.1.8)(d)(i) of the MFMA

Material Electricity and Water Losses were as follows and are not recoverable:

Electricity:

	Lost Units	Tariff	Value
30 June 2024	16 011 097	2,4631	39 437 574
30 June 2023	10 595 405	2,1400	22 674 167

Electricity Losses occur due to *inter alia*, technical and non-technical losses (Technical losses - inherent resistance of conductors, transformers and other electrical equipment; Non-technical losses - the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal electricity connections). The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters are replaced as soon as they are reported.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
Volumes in kWh/year:		
System Input Volume	278 167 053	269 505 816
Billed Consumption	262 155 956	258 910 411
Unaccounted	16 011 097	10 595 405
Normal distribution losses - 8% of electricity purchases	<u>16 011 097</u>	<u>10 595 405</u>
Percentage Distribution Loss	5,76%	3,93%

Water:

	Lost Units	Tariff	Value
30 June 2024	<u>1 438 540</u>	<u>8,5760</u>	<u>12 336 977</u>
30 June 2023	<u>1 019 320</u>	<u>8,0300</u>	<u>8 185 140</u>

Water Losses occur due to *inter alia*, leakages, the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal water connections. The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters and leakages are replaced/repared as soon as they are reported.

	2024	2023
Volumes in Kl/year:		
System Input Volume	7 692 720	7 547 120
Billed Consumption	(6 254 180)	(6 527 800)
Distribution Loss	<u>1 438 540</u>	<u>1 019 320</u>
Percentage Distribution Loss	18,70%	13,51%

53.2 BROAD-BASED BLACK ECONOMIC EMPOWERMENT ACT

Information on compliance with the B-BBEE Act is included in the Annual Report under the section titled B-BBEE Compliance Performance Information.

54. COMMITMENTS FOR EXPENDITURE

54.1 Capital Commitments

- Already Contracted for but not provided (Incl VAT)

Property, Plant and Equipment
Community
Other

165 383 154	197 174 308
98 247 959	173 996 194
4 906 233	17 206 205
62 228 963	5 971 909

- Already Contracted for but not provided (Exl VAT)

Property, Plant and Equipment
Community Assets
Other Assets

143 811 438	171 455 920
85 433 007	151 301 038
4 266 289	14 961 917
54 112 142	5 192 965

55. FINANCIAL INSTRUMENTS

55.1 Classification

FINANCIAL ASSETS:

In accordance with GRAP 104.13 the Financial Assets of the municipality are classified as follows:

Financial Assets at Amortised Cost:

Non-current Long-term Receivables	Housing Selling Schemes	183 187	-
Non-current Long-term Receivables	Trading Service Debtors	1 297 925	460 483
Receivables from Exchange Transactions	Electricity	36 172 985	24 312 665
Receivables from Exchange Transactions	Refuse	4 349 890	4 632 396
Receivables from Exchange Transactions	Sewerage	4 632 652	4 755 753
Receivables from Exchange Transactions	Merchandising, Jobbing and Contracts	4 412	4 412
Receivables from Exchange Transactions	Other Service Charges	475 744	224 549
Receivables from Exchange Transactions	Water	8 194 030	6 498 381
Receivables from Exchange Transactions	Affiliated/Related Parties/Associated	-	-
Receivables from Exchange Transactions	Property Rental Debtors	1 009 958	693 639
Receivables from Exchange Transactions	Housing Selling Scheme	105 309	-
Receivables from Exchange Transactions	Other Debtors	18 667	18 667
Receivables from Exchange Transactions	Control, Clearing and Interface Accounts	-	-
Receivables from Non-exchange Transactions	Insurance Claims	-	-
Receivables from Non-exchange Transactions	Unauthorised, Irregular, Fruitless and	(58 191)	(32 907)
Receivables from Non-exchange Transactions	Other Receivables	13 300 844	3 051 518
Receivables from Non-exchange Transactions	Accrued Income	3 341	3 341
Receivables from Non-exchange Transactions	Deposits	8 158 511	8 158 511
Cash and Cash Equivalents	Call Deposits	187 200 669	186 908 950
Cash and Cash Equivalents	Bank Balances	109 884 979	178 120 890
Cash and Cash Equivalents	Cash Floats and Advances	8 950	9 200
Current Long-term Receivables	Bursary Obligations	271 923	-
Current Long-term Receivables	Housing Selling Schemes	432 654	-
Investments	Listed Shares	154 537	137 205
Total Financial Assets		375 802 976	417 957 653

FINANCIAL LIABILITIES:

In accordance with GRAP 104.13 the Financial Liabilities of the municipality are classified as follows:

Financial Liabilities at Amortised Cost:

Non-current Finance Lease Obligations	Non-current Finance Lease Obligations	9 879 052	13 572 532
Non-current Borrowings	Development Bank of South Africa	21 000 000	27 977 974
Consumer Deposits	Electricity	6 837 799	6 322 470
Consumer Deposits	Water	8 355 109	8 191 656
Consumer Deposits	Other Deposits	3 669 668	3 010 624
Payables from Exchange Transactions	Other Payables	14 294 302	10 193 451
Payables from Exchange Transactions	Retentions	29 746 495	7 643 499
Payables from Exchange Transactions	Trade Creditors	77 901 767	68 831 770
Unspent Conditional Grants and Receipts		17 698 711	14 287 574
Current Finance Lease Obligations	Current Finance Lease Obligations	3 705 405	3 470 409
Current Borrowings	Development Bank of South Africa	2 365 325	4 079 506
Total Financial Liabilities		195 453 633	167 581 465

No Financial Instruments of the municipality have been reclassified during the year.

55.2 Capital Risk Management

The capital structure of the municipality consists of debt, which includes Cash and Cash Equivalents and Equity, comprising Funds, Reserves and Accumulated Surplus as disclosed in Note 24. and the Statement of Changes in Net Assets.

Gearing Ratio

	2024 R	2023 R
The gearing ratio at the year-end was as follows:		
Debt	36 949 782	49 100 421
Cash and Cash Equivalents	(297 094 598)	(365 039 040)
Net Debt	<u>(260 144 816)</u>	<u>(315 938 619)</u>
Equity	<u>1 064 344 685</u>	<u>1 014 860 864</u>
Net debt to equity ratio	<u>24,44%</u>	<u>31,13%</u>

Debt is defined as Long-term Liabilities, together with its Short-term Portion.

Equity includes all Funds and Reserves of the municipality, disclosed as Net Assets in the Statement of Financial Performance and Net Debt as described above.

55.3 Financial Risk Management Objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Further quantitative disclosures are included throughout these Annual Financial Statements.

55.4 Significant Risks

It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality has exposure to the following risks from its operations in Financial Instruments:

- Credit Risk;
- Liquidity Risk; and
- Market Risk.

Risks and exposures are disclosed as follows:

Market Risk

Market Risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the municipality's income or the value of its holdings in Financial Instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Credit Risk

Credit Risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities.

Liquidity Risk

Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

A maturity analysis for Financial Liabilities (where applicable) that shows the remaining undiscounted contractual maturities is disclosed in Note 55.8 to the Annual Financial Statements.

55.5 Market Risk

The municipality's activities expose it primarily to the financial risks of changes in interest rates (see Note 55.7 below). No formal policy exists to hedge volatilities in the interest rate market.

There has been no change to the municipality's exposure to market risks or the manner in which it manages and measures the risk.

55.5.1 Foreign Currency Risk Management

The municipality's activities do not expose it to the financial risks of foreign currency and therefore has no formal policy to hedge volatilities in the interest rate market.

55.5.2 Interest Rate Risk Management

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with Absa Bank, First National Bank, Nedbank, Investec and Standard Bank. No investments with a tenure exceeding twelve months are made.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to credit interest rate risk as the municipality has no borrowings.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

Interest Rate Sensitivity Analysis

The sensitivity analysis has been determined based on the exposure to interest rates at the Statement of Financial Position date. The analysis is prepared by averaging the amount of the investment at the beginning of the financial year and the amount of the investment at the end of the financial year. A 25 basis point increase or decrease was used, which represents management's assessment of the reasonably possible change in interest rates. The short and long-term financial instruments at year-end with variable interest rates are set out in Note 55.8 below:

Cash and Cash Equivalents:

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the municipality's:

- Surplus for the year ended 30 June 2024 would have increased / decreased by R827 644 (30 June 2023: R904 263). This is mainly attributable to the municipality's exposure to interest rates on its variable rate investments.

55.6 Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored

Potential concentrations of credit rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

Investments/Bank, Cash and Cash Equivalents

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Trade and Other Receivables

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The municipality has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographical area.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

Long-term Receivables and Other Debtors are individually evaluated annually at reporting date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

The table below shows the balance of the 5 major counterparties at the balance sheet date. Management is of the opinion that, although these parties are the 5 counterparties with highest outstanding balances, no significant credit risk exposure exists based on the payment history of the parties, except for Northern Province Academy of Sport and Department of Water and Forestry Affairs for which there is uncertainty about the collectivity. They have been included in the Provision for Impairment of Consumer Debtors.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	R	R
The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follows:		
Investments	154 537	137 205
Long-term Receivables	1 297 925	460 483
Receivables from Exchange Transactions	57 457 353	42 496 094
Receivables from Non-exchange Transactions	21 404 505	11 180 463
Bank, Cash and Cash Equivalents	297 094 598	365 039 040

Maximum Credit and Interest Risk Exposure	377 408 918	419 313 285
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The major concentrations of credit risk that arise from the municipality's receivables in relation to customer classification are as follows:

	%	%
Exchange Debtors:		
- Service Debtors	74,91%	76,36%
- Other Receivables	1,10%	1,23%
- Other Debtors	0,01%	0,02%
- Prepayments and Advances	1,81%	1,45%
Non-Exchange Debtors:		
- Other not Classified	22,21%	20,94%

Total Credit Risk	100,04%	100,00%
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Bank and Cash Balances

ABSA Bank Ltd - Primary Bank Account	109 884 979	178 120 890
Depositor Plus	25 327 072	25 161 718
ABSA - Limited Call Account - 2081025675	-	40 732 329
ABSA - Limited Call Account - 2081090888	-	40 376 460
ABSA - Limited Call Account - 2081094573	-	40 331 047
Nedbank - Call Account- 03/7881034971/000060	-	40 307 397
ABSA - Limited Call Account - 2081590503	40 541 839	-
ABSA - Limited Call Account- 2081025675	40 531 210	-
Standard Bank - 288476905 - 024	40 410 301	-
Standard Bank - 288476905 - 025	40 390 247	-
Cash Equivalents	8 950	9 200

Total Bank and Cash Balances	297 094 598	365 039 041
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Credit quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Total Receivables from Non-exchange Transactions	20 210 894	10 765 695
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Credit quality Groupings:

High - High certainty of timely payment. Liquidity factors are strong and the risk of non-payment is small.

Medium - Reasonable certainty of timely payment. Liquidity factors are sound, although ongoing funding needs may enlarge financing requirement. The risk of non-payment is small.

Low - Satisfactory liquidity factors and other factors which qualify the entity as investment grade. However, the risk factors of non-payment are larger.

None of the financial assets that are fully performing, have been renegotiated in the last year.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

55. FINANCIAL INSTRUMENTS (Continued)

55.1 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and

Liquidity and Interest Risk Tables

The municipality ensures that it has sufficient cash on demand or access to facilities to meet expected operational expenses through the use of cash flow forecasts.

The following tables detail the municipality's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the municipality can be required to pay.

Description	Note ref in AFS	Average effective Interest Rate	Total	6 Months or less	6 - 12 Months	1 - 2 Years	2 - 5 Years	More than 5 Years
30 June 2024		%	R	R	R	R		R
Non-interest Bearing		-	158 503 851	158 503 851	-	-	-	-
Semi Floating Interest Rate Instruments		6,17%	36 949 782	36 949 782	-	-	-	-
			195 453 633	195 453 633	-	-	-	-
30 June 2023								
Non-interest Bearing		-	118 481 044	118 481 044	-	-	-	-
Semi Floating Interest Rate Instruments		6,17%	49 100 421	49 100 421	-	-	-	-
			167 581 465	167 581 465	-	-	-	-

The following table details the municipality's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the municipality anticipates that the cash flow will occur in a

Description	Note ref in AFS	Average effective Interest Rate	Total	6 Months or less	6 - 12 Months	1 - 2 Years	2 - 5 Years	More than 5 Years
30 June 2024		%	R	R	R	R		R
Non-interest Bearing		- %	78 562 791	78 562 791	-	-	-	-
Variable Interest Rate Instruments		9,91%	297 240 185	297 240 185	-	-	-	-
			375 802 976	375 802 976	-	-	-	-
30 June 2023								
Non-interest Bearing		-%	52 790 608	52 783 608	3 000	3 000	1 000	-
Variable Interest Rate Instruments		7,96%	365 167 045	365 167 045	-	-	-	-
			417 957 653	417 950 653	3 000	3 000	1 000	-

The municipality does not have any financing facilities and expects to meet its obligations from operating cash flows and proceeds of maturing financial assets and to maintain current debt to equity ratio.

55.2 Other Price Risks

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

56. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Pension and Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the Pension and Retirement Funds are not split per participating employer. Therefore, the Municipality is unable to determine the value of the plan assets as defined in GRAP 25.

As part of the Municipality's process to value the defined benefit liabilities, the Municipality requested pensioner data from the fund administrator. The fund administrator claims that the pensioner data is confidential and was not willing to share the information with the Municipality. Without detailed pensioner data the Municipality was unable to calculate a reliable estimate of the accrued liability in respect of pensioners who qualify for a defined benefit pension.

The municipality makes provision for post-retirement benefits to eligible councillors and employees, who belong to different pension schemes. All councillors belong to the Pension Fund for Municipal Councillors, whilst employees belong to a variety of approved Pension and Provident Funds as described below.

56.1 DEFINED BENEFIT SCHEMES

LA Retirement Fund (Previously Cape Joint Pension Fund):

	Last actuarial valuation	Total assets	Total liabilities	Contributing members		
LA Retirement Fund	June 2023	1 338 791,00	1 095 867,00	1		
					2024	2023
					R	R
Contributions paid recognised in the statement of financial performance						
LA Retirement Fund					55 044,36	52 225,56

The contribution rate payable is 9%, by the members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2023 revealed that the fund has a funding level of 120,3% (30 June 2022: 111,6%).

The contribution rate payable is under the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2023 disclosed an actuarial valuation amounting to R1,338,791, 000 (30 June 2022: R1, 391,841, 000), with a nett accumulated surplus of R226,285,000 (2022: R144,158,000), with a funding level of 120.3% (30 June 2022: 111.6%).

It is to be noted that :

- (i) The value of assets is the fair value of the net assets of the Fund after deduction of current liabilities and any liabilities arising from the pledging, hypothecation or other encumbering of the assets of the Fund. The actuarial value of the assets is equal to the fair value of the assets.
- (ii) Pensioner liabilities include DB deferred member liabilities and a provision for future expenses related to these categories of membership.
- (iii) The funding level is determined by dividing the value of the assets of the pensioner account by the sum of the pensioner liabilities and the Solvency Reserve
- (v) The processing error reserve account held a negative balance of R10.199 million as at 30 June 2023 representing 0.9% of the DC section liabilities. The Trustees may allocate the balance of the processing error reserve account to members' shares and living annuitants' accounts

The nature of the assets is suitable for the fund, except that the proportion of direct property underlying the pensioner liabilities may represent an over-concentration of assets in this class. The assets are appropriately matched relative to the term and nature of the active member liabilities. The Fund's investment strategy is suitable. Finally the risk benefits are partially re-insured and this is appropriate for the size and nature of the Fund.

The contribution rate payable is 9%, by the members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2023 revealed that the fund has a funding level of 111,6% (30 June 2022 - 104,9%).

Cape Retirement Fund:

	Last actuarial valuation	Total assets	Total liabilities	Contributing members		
Cape Retirement Fund	June 2023	633 281	460 127	776		
					2024	2023
					R	R
Contributions paid recognised in the statement of financial performance						
Cape Retirement Fund					25 825 764	23 683 607

The contribution rate payable is 9% by members and 18% by Council.

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

56.2 DEFINED CONTRIBUTION SCHEMES

Council contribute to the Government Employees Pension Fund, Municipal Council Pension Fund, IMATU Retirement Fund and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

Contributions paid recognised in the statement of financial performance				2024 R	2023 R
SALA Pension Fund				619 091	649 468
SAMWU National Provident Fund				2 155 618	-
	Last actuarial valuation	Total assets	Total liabilities	Contributing members	
South African Local Authorities Pension Fund	July 2018	14 298 600	14 899 800	18	
Municipal Workers Retirement fund (previously SAMWU National Provident Fund)	July 2015	7 720 948	7 569 557	55	
		<u>22 019 548</u>	<u>22 469 357</u>		

57. RELATED PARTY TRANSACTIONS

All Related Party Transactions are conducted at arm's length, unless stated otherwise.

57.1 Compensation of Related Parties

Compensation of Close Family Members of Councillors and/or Key Management.
Refer to note 35 and 36 for key management and councillors

	2024 R	2023 R
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57.2 Purchases from Related Parties

The municipality bought goods from the following companies, which are considered to be Related Parties:

Company	Related	Employer and	Nature of Relationship	Purchases	Purchases
Name	Person	Capacity of person	To Member of Company	for the Year	for the Year
Advocate Ettienne Vermaak	JMC Vermaak	Pharmacist - Karl Bremmer	Hc Spouse to Owner	-	341 049
Annadale Motors BK	E Wagner	PA - Langeberg Municipality	Spouse to Director	134 974	111 494
Bar Vallie Herstel & Ing. Werke	G van Loggerenberg	Teacher - Bonnievale High Sch	Child to Owner	324 350	935 238
Berry Bright	CC Buirman	Police Officer - SAPS	Spouse to Owner	-	-
Capital Security Services	JE Saayman	Ward 6 Community Member - Worcester	Spouse to Shareholder	-	8 860
Ludify	T Williams	Teacher - WCED	Mother to Owner	389 613	556 286
Lumber & Lawn	J van Zyl	Teacher - WCED	Spouse to Director	48 556	89 993
Rob Auto Electric	AWJ Everson	Director Corporate Service Lanç	Father-in-law to Owner	184 273	189 068
Robertson Toyota	ZG Schreder	Teacher - WCED	Spouse to Director	108 570	138 531
Van Niekerk & Linde Attorneys	S Rossow	Teacher - WCED	Spouse to Owner	125 177	122 354
Red Ants Security Services	N Lesiela	Practitioner - Mogale Municipality	Spouse to Director	188 008	2 351 767
Geraldine Suppliers	Bridget Cloete	Soldier SA Army - Pretoria	Father to Owner	69 906	5 736
Greenro Solutions	N Thabeng	Forensic Analyst	Spouse to Director	5 275 490	474 963
1 X ENGINEERS (PTY) LTD	RJ MAashegana	Nurse - Department of Health Department of Rural Development and Land reform	Spouse to Director	1 822 596	199 278
Ducharme Consulting	L Mbekweni		Spouse to Director	483 125	1 124 789
IJM Civil and Construction	IJM Civil and Construction	Langeberg Municipality - Labour Relations officer	Spouse to Director	-	29 440
FELICITY DENISE AFRICA	Clint Africa	Police officer - SAPS	Son to Owner	10 000	245 764
Actom Electrical Pro	Tanya Lubbe	Teacher - Gauteng Education Department	Spouse to Director	2 986 534	-
Total Purchases				<u>12 151 173</u>	<u>6 924 610</u>

The transactions were concluded in full compliance with the municipality's Supply Chain Management Policy and the transactions are considered to be at arm's length.

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

58. CONTINGENT LIABILITIES

Contingent Liability arose due to various claims brought against the Municipality. The attorneys suggested that the matters will be defended, due to the circumstances of each.

The likelihood of successfully defending the claims, as well as the timing and possible costs thereof, cannot be determined at this time.

a) Langeberg Municipality/ Springfield Marketing – Worcester Regional Court Case 253/2017 Claim against the municipality for overpaid rates (REF LAN26/0200).	-	269 912
b) P Kleintjies - Water pipe burst causing damage to property	25 000	25 000
c) Reality Dynamix 104 (PTY) LTD - Alleged loss of income due to sale of erven being cancelled	15 800 000	15 800 000
d) Japie Oosthuizen, Onverwacht Flora - Veld Fire McGregor - Loss of Income	2 725 037	2 725 037
e) Jaco Oosthuizen, Dwarswater - Veld Fire McGregor - Damage to Fencing / Plants	317 511	317 511
f) Deon Mouries (Wade Mouries) - A minor child fell in a manhole and drowned in Main Road Ashton on 20 June 2022 (High Court Case no 7541/23)	7 480 000	7 480 000
g) Jan Loots - Pothole Claim (notice received intention legal proceedings)	5 850	5 850
h) ACM Vermeulen // Gerrit Johnson CBR6932	-	5 465
i) C De Vries // Octavia Liemens CBR2344	-	7 789
j) Susan Fourie - claims for injuries sustained falling on side walk in front of Ackermans Robertson	90 000	-
k) CBR14573 Toyota Hilux / with TP Tybault Jaramba CAA116089	49 000	-
	26 492 398	26 636 564

59. CONTINGENT ASSETS

59.1 Court Proceedings:

	2 891 226	2 891 226
a) Case Langeberg Municipality/Breede Valley Construction and third Parties. Claim against Breede Valley Construction and third Parties due to losses suffered by the municipality as a result of the collapse of the museum on 26 August 2014.	2 100 000	2 100 000
b) Langeberg Municipality vs WCB Holdings(PTY) LTD due to a calculation error on the bill of quantities.	791 226	791 226

60. IN-KIND DONATIONS AND ASSISTANCE

The municipality did not receive in-kind donations and assistance during the 2023/2024 financial year.

61. ANALYSIS OF AGENCY ACCOUNTING

Prepaid Electricity Vendor	5 527 576	4 716 688
Third Party Vendor	188 092	193 889
Fees as compensation to agents (Vendors)	5 715 668	4 910 577

No resources were held by the agents on behalf of the municipality.

Terminations process will be followed per contract agreement due to non adherences of contract agreement requirements

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

62. EVENTS AFTER THE REPORTING DATE

Determination of Upper Limits of Salaries, Allowances, and Benefits of Municipal Councillors

On 17 October 2024, the Minister of Cooperative Governance and Traditional Affairs (COGTA) published Government Gazette 51407, Volume 712, detailing the Determination of Upper Limits of Salaries, Allowances and Benefits for various members of municipal councils. This determination approved new upper limits that apply retrospectively from 1 July 2023.

The approved adjustments impact the remuneration for Langeberg Municipality councillors for the 2023/24 financial year, resulting in a net increase in salaries and allowances totalling **R288,652.75**. The financial impact by member is as follows:

Councillors with an increase in Remuneration

Portfolio	Name	Amount
Executive Mayor	S W van Eeden	28 669
Speaker	P Hess	22 936
Deputy Mayor	J G Steenkamp	22 936
Mayco Members	C Steyn	21 833
Mayco Members	D A T Felix	21 833
Mayco Members	J C J Coetzee	21 833
Mayco Members	R S Henn tot	21 833
MPAC Chairperson (Section 79)	D J September	11 645
Ordinary Councillors	C J Grootboom	9 073
Ordinary Councillors	C J Pokwas	9 073
Ordinary Councillors	J Mafilika	9 073
Ordinary Councillors	JJS Januarie	9 073
Ordinary Councillors	L Gxowa	9 073
Ordinary Councillors	A Ndongeni	9 073
Ordinary Councillors	L L Kahla	9 073
Ordinary Councillors	M G Oostenberg-Kraukamp	9 073
Ordinary Councillors	D B Janse	9 073
Ordinary Councillors	Y Siegel	9 073
Ordinary Councillors	T van Eeden Coetzee	9 073
Ordinary Councillors	M Gertse	9 073
Ordinary Councillors	L J Prince	9 073
Councillors with a Decrease in Remuneration	S E Rensenburg	(1 954)
Councillors with a Decrease in Remuneration	C Baartman	(860)
Total Financial Impact:		288 653

Since this event was authorized and published after the reporting date, it is classified as a non-adjusting event per International Public Sector Accounting Standards (IPSAS) guidelines. Consequently, no adjustments are made in the financial statements for the year ended 30 June 2024. However, the increase will be implemented in the following financial period as per the guidance provided in the government gazette.

63. GOING CONCERN ASSESSMENT

Langeberg Municipality continued to generate accounting and operating surpluses in 2024 annual financial year.

Based on the long-term liquidity forecasts and projections, management believe that there is a reasonable basis to conclude that the municipality will be able to continue with its service delivery operations and to meet its financial commitments in the medium and long term.

The municipality also obtains significant amounts of government grants annually to finance operating and capital expenditure.

Taking the aforementioned into account, management has prepared the Annual Financial Statements on the Going Concern Basis.

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

64. SEGMENT REPORTING

For management purposes the municipality is broadly organised into business units based on the nature of operations and the services they provide. The municipality has five primary reportable segments:

- The segment for Community Services:-

This segment consists of all services for community & social development and and sport & recreation.

- The segment for Road Transport:-

This segment consists of all services for the providing of road transport to the community

- The segment for Trading Services:-

This segment consists of the following infrastructure services delivered to the community.

- - Energy Sources:-

This segment consists of all services for energy supply to the community.

- - Waste Management:-

This segment consists of all services for the management of solid waste in the municipal area.

- - Wastewater Management:-

This segment consists of all services for the management of waste water, including sewage, in the municipal area.

- - Water Management:-

This segment consists of all services for water supply to the community.

- The segment for Other Services:-

This segment consists of other variance services rendered in the municipal jurisdiction area.

No individually material operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on non-financial metrics and the segment's operating surplus or deficit, measured consistently with the accounting policies applied in the Annual Financial Statements. However, the municipality's financing (including finance costs and finance income) and revenue from taxes are managed on a group. Inter-business unit services are not valued and are deemed to have been supplied for no consideration, and are therefore not eliminated. However, the quality of services provided internally is monitored as part of the non-financial service performance information.

The municipality operates within the following geographical areas:

WARD	AREA
Ward 1	Robertson
Ward 2	Robertson Nkqubela
Ward 3	Robertson
Ward 4	Bonnievale (Happy Valley)
Ward 5	McGregor
Ward 6	Robertson
Ward 7	Montagu
Ward 8	Bonnievale
Ward 9	Ashton
Ward 10	Ashton Zolani
Ward 11	Ashton Rural
Ward 12	Montagu

The municipality does however not monitor operating results for these geographical segments, and operational results are only monitored within the business units as previously disclosed.

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

64.1 Segmental Analysis of Financial Performance

Year Ended 30 June 2024

Description	Community and Social Services	Road Transport	Energy Sources	Waste Management	Wastewater Management	Water Management	Other	Total for Municipality
	R	R	R	R	R	R		
REVENUE								
Revenue from Non-exchange Transactions								
Property Rates	-	-	-	-	-	-	101 162 835	101 162 835
Fines, Penalties and Forfeits	26 349	-	6 000	-	-	-	11 353 550	11 385 899
Service Charges	-	-	1 657 527	-	2 247 067	1 201 482	-	5 106 076
Transfers and Subsidies	-	34 114 518	8 931 917	13 042 737	14 670 753	8 279 830	113 435 894	192 475 649
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	2 039 506	2 039 506
Revenue from Exchange Transactions								
Licences and Permits	151 959	-	7 985	-	-	-	2 077 942	2 237 886
Service Charges	-	-	561 442 898	31 239 545	32 213 124	58 764 244	(5 106 076)	678 553 735
Sales of Goods and Rendering of Services	466 001	-	637	1 640 907	-	-	3 271 343	5 378 888
Income from Agency Services	-	-	-	-	-	-	15 120 431	15 120 431
Rental from Fixed Assets	820 075	63	-	-	-	-	2 966 442	3 786 580
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	36 974 555	36 974 555
Operational Revenue	-	61 305	3 418 204	-	-	6 529	8 519 218	12 005 256
Gains on Other Operations	-	-	-	-	-	-	17 332	17 332
Gains on Disposal of Property, Plant and Equipment	(95 163)	(14 471)	(329 037)	(495)	(7)	(24 061)	463 234	-
Gains on Disposal of Capital Assets	-	-	-	-	-	-	-	(120 375)
Inventory Losses	-	-	-	-	-	-	(281 368)	(281 368)
Total Revenue	1 369 221	34 161 415	575 136 131	45 922 694	49 130 937	68 228 024	292 014 838	1 065 842 885
EXPENDITURE								
Employee Related Costs	39 424 625	10 387 436	23 209 429	27 615 052	16 736 987	19 233 661	134 782 386	271 389 576
Remuneration of Councillors	-	-	-	-	-	-	11 830 452	11 830 452
Depreciation and Amortisation	3 591 994	9 507 224	6 463 157	3 598 841	5 011 394	8 608 030	15 574 110	52 354 750
Impairment Losses	-	-	3 496 993	4 905 671	6 422 778	7 160 353	-	-
- Total Losses, Including PPE	32 584	46 301	3 670 725	3 898 218	5 620 481	5 619 223	(2 807 579)	16 079 953
- Bad Debts Written Off	-	-	31 357	1 007 759	802 626	1 546 564	10 461 224	13 849 530
Interest, Dividends and Rent on Land	-	-	2 631 537	10 115 268	399 436	106 122	8 684 594	21 936 957
Bulk Purchases	-	-	486 280 892	-	-	-	-	486 280 892
Contracted Services	2 063 695	2 722 145	3 433 429	3 619 035	8 131 069	9 560 653	17 619 504	47 149 530
Inventory Consumed	3 093 559	9 164 251	6 050 899	6 613 135	7 052 599	7 927 010	9 610 743	49 512 196
Transfers and Subsidies Paid	408 576	-	-	-	-	-	2 926 250	3 334 826
Operating Leases	-	-	-	-	-	-	38 616	38 616
Operational Costs	1 093 471	811 048	1 423 285	(4 338 914)	903 259	779 924	41 926 815	42 598 888
Loss on Disposal of Property, Plant and Equipment	32 584	46 301	205 089	306	329	5 434	(290 043)	-
Total Expenditure	49 741 088	32 684 706	533 399 799	52 128 700	44 658 180	53 386 621	250 357 072	1 016 356 166
Surplus/(Deficit) for the Year	(48 371 867)	1 476 709	41 736 332	(6 206 006)	4 472 757	14 841 402,76	41 657 766	49 486 719

LANGEBERG LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024
LANGEBERG LOCAL MUNICIPALITY
SEGMENTAL ANALYSIS OF FINANCIAL PERFORMANCE (Continued)

Year Ended 30 June 2023

Description	Community and Social Services	Road Transport	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Total for Municipality
REVENUE		R	R	R	R	R		
Revenue from Non-exchange Transactions								
Property Rates	-	-	-	-	-	-	96 635 339	96 635 339
Fines, Penalties and Forfeits	26 471	-	74 606	-	-	-	11 472 809	11 573 886
Service Charges	-	-	1 411 196	-	1 043 199	1 216 047	-	3 670 443
Transfers and Subsidies	1 360 550	32 205 317	785 693	15 502 662	18 242 293	13 772 169	78 283 301	160 151 985
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	1 580 727	1 580 727
Revenue from Exchange Transactions	-	-	-	-	-	-	-	-
Licences and Permits	188 315	2 280	7 871	-	-	-	1 963 618	2 162 084
Service Charges	-	-	486 942 129	32 745 352	30 409 279	53 984 191	(3 670 443)	600 410 508
Sales of Goods and Rendering of Services	554 068	-	329 299	133 752	-	-	2 679 549	3 696 667
Income from Agency Services	-	-	-	-	-	-	14 623 618	14 623 618
Rental from Fixed Assets	800 143	63	-	-	-	-	2 968 430	3 768 636
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	32 678 712	32 678 712
Operational Revenue	-	33 348	-	-	-	15 399	10 517 936	10 566 683
Gains on Disposal of Property, Plant and Equipment	-	-	-	-	-	-	1 631 532	1 631 532
Inventory Losses	-	-	-	-	-	-	(75 047)	(75 047)
Total Revenue	2 929 547	32 241 008	489 550 794	48 381 766	49 694 771	68 987 806	251 290 081	943 075 773
EXPENDITURE								
Employee Related Costs	37 916 931	9 153 112	21 142 227	22 582 059	15 497 013	16 355 797	112 536 724	235 183 863
Remuneration of Councillors	-	-	-	-	-	-	10 817 391	10 817 391
Depreciation and Amortisation	3 325 078	9 288 365	5 677 282	2 400 134	4 888 934	8 098 422	13 313 915	-
Impairment Losses	-	-	(223 383)	3 236 961	4 437 425	5 633 289	-	-
- Total Losses, Including PPE	-	-	(1 384 564)	1 124 987	1 782 215	3 081 780	7 694 827	12 299 245
- Bad Debts Written Off	-	-	1 170 653	2 111 974	2 655 210	2 551 509	8 459 133	16 948 479
Interest, Dividends and Rent on Land	-	-	2 884 401	9 162 300	460 080	124 284	7 712 920	20 343 985
Bulk Purchases	-	-	401 064 972	-	-	5 950 405	-	407 015 377
Contracted Services	2 199 444	1 747 952	974 216	2 320 040	6 365 517	6 499 095	16 921 525	37 027 789
Inventory Consumed	6 546 742	4 565 407	3 957 541	6 336 290	4 206 253	7 265 178	26 873 941	59 751 352
Transfers and Subsidies Paid	60 000	-	-	-	-	-	2 170 418	2 230 418
Operating Leases	-	-	-	-	-	-	46 892	46 892
Operational Costs	1 142 329	(1 108 227)	1 244 551	(6 188 491)	1 411 981	1 277 496	36 200 402	33 980 041
Loss on Disposal of Property, Plant and Equipment	-	-	9 472	-	-	-	498 835	508 307
Total Expenditure	47 865 446	22 935 802	436 272 988	39 695 373	36 694 524	49 148 014	237 492 060	883 145 268
Surplus/(Deficit) for the Year	(44 935 899)	9 305 206	53 277 806	8 686 393	13 000 247	19 839 792,00	13 798 021,00	59 930 505

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

64.2 Segmental Analysis of Capital Expenditure

2024Description	Budget Amounts	Actual Outcome
CAPITAL EXPENDITURE PER FUNCTION		
Community and Social Services	1 259 000	417 203
Road Transport	87 107 405	61 701 250
Energy Sources	21 482 246	10 730 942
Waste Management	8 316 829	7 771 156
Waste Water Management	38 372 779	35 428 629
Water Management	8 627 495	3 537 897
Other	38 857 072	28 055 304
Total Capital Expenditure	204 022 826	147 642 381

2023Description	Budget Amounts	Actual Outcome
CAPITAL EXPENDITURE PER FUNCTION	R	R
Community and Social Services	2 143 514	2 543 499
Road Transport	47 639 505	9 636 717
Energy Sources	12 335 596	11 589 025
Waste Management	22 162 415	20 709 209
Waste Water Management	23 190 249	20 649 934
Water Management	15 380 679	15 233 437
Other	30 678 378	23 573 066
Total Capital Expenditure	153 530 336	103 934 886

64.3 Segmental Analysis of Financial Position

The main components of the Financial Position that is currently considered, and management, within the defined municipal segments have been determined as follows:

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

64.3.1 Receivables from Exchange and Non-Exchange Transactions

2024	Community and Social Services	Road Transport	Energy Sources	Waste Management	Wastewater Management	Water Management	Other
Description							
Receivables from Exchange Transactions							
Electricity	-	-	36 172 985	-	-	-	-
Refuse	-	-	-	4 349 890	-	-	-
Sewerage	-	-	-	-	4 632 652	-	-
Water	-	-	-	-	-	8 194 030	-
Other							7 331 219
Receivables from Non-Exchange Transactions							
Property Rates	-	-	-	-	-	-	7 975 260
Other							22 654 758
Total Receivables from Exchange and Non-	-	-	36 172 985	4 349 890	4 632 652	8 194 030	37 961 237

2023	Community and Social Services	Road Transport	Energy Sources	Waste Management	Waste Water Management	Water Management	Other
Description							
Receivables from Exchange Transactions							
Electricity			24 312 665	-	-	-	-
Refuse	-	-	-	4 632 396	-	-	-
Sewerage	-	-	-	-	4 755 753	-	-
Water	-	-	-	-	-	6 498 381	-
Other							10 443 955
Receivables from Non-Exchange Transactions							
Property Rates	-	-	-	-	-	-	7 187 331
Other							12 350 615
Total Receivables from Exchange and Non-	-	-	24 312 665	4 632 396	4 755 753	6 498 381	29 981 901

LANGEBERG LOCAL MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

64.3.2 Property, Plant and Equipment

2024 Description	Community and Social	Road Transport	Energy Sources	Waste Management	Wastewater Management	Water Management	Other	Total for Municipality
Property, Plant and Equipment	76 478 619	214 567 680	148 713 755	49 419 438	130 777 398	184 425 427	214 725 037	1 019 107 354

2023	Community	Road	Energy	Waste	Wastewater	Water	Other	Total for
Property, Plant and Equipment	63 899 281	167 613 939	144 018 835	49 581 468	108 334 226	154 839 696	208 115 560	896 403 005



 AUDITOR GENERAL

 Auditing to build public confidence

 30 November 2024



CHAPTER 6

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Langeberg Municipality set out on pages 8 to 105, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year that ended on 30 June 2024, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Langeberg Municipality as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

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

Emphasis of matters

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

Material impairments

7. As disclosed in note 3 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions amounting to R49,9 million (2022-23: R31,4 million).

8. As disclosed in notes 5 and 6 to the financial statements, the municipality provided for the impairment of receivables from non-exchange transactions amounting to R47,0 million (2022-23: R39,4 million).

Material losses – receivables

9. As disclosed in note 38 to the financial statements, the municipality incurred a material loss of R13,8 million (2022-23: R16,9 million) as a result of debt impairment or debts written off.

Contingent liabilities

10. As disclosed in note 58 to the financial statements, the municipality is a defendant in various claims and the municipality is opposing these claims. The ultimate outcome of the matters could not be determined and no provision for any liability could be made in the financial statements.

Other matter

11. I draw attention to the matter below. My opinion is not modified with respect to this matter.

Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance

but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 312 forms part of our auditor's report.

Report on the audit of the annual performance report

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected strategic objectives presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
18. I selected the following strategic objectives presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected strategic objectives that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Strategic objective	Page numbers	Purpose
Strategic objective 2 – provide infrastructure for sustainable and affordable basic services	172; 173; 175–177	Provide and maintain infrastructure for sustainable and affordable basic services.
Strategic objective 4 – promote and facilitate investment and local economic development	180	Create an enabling environment for economic growth and employment.

19. I evaluated the reported performance information for the selected strategic objectives against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
20. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives

- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

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

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

25. The tables that follow provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 173 and 180.

SO2 – provide infrastructure for sustainable and affordable basic services

<i>Targets achieved: 90%</i> <i>Budget spent: 99,03%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
TL 18 – 80% of effluent samples comply with permit values on a monthly basis	80,00%	63,02%

SO4 – promote and facilitate investment and local economic development

<i>Targets achieved: 50%</i> <i>Budget spent: 91,05%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
TL 53 – Complete the upgrade of the informal trading areas in Robertson by 30 June 2024	1	0

Material misstatement

26. I identified a material misstatement in the annual performance report submitted for auditing. This material misstatement was in the reported performance information for SO2 – provide infrastructure for sustainable and affordable basic services. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Report on compliance with legislation

27. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
28. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
29. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently

detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

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

Other information in the annual report

31. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.
32. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
33. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report or my knowledge obtained in the audit or otherwise appears to be materially misstated.
34. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

Internal control deficiencies

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
36. I did not identify any significant deficiencies in internal control.

Other reports

37. I draw attention to the following engagement conducted by the Directorate for Priority Crime Investigation (Hawks). This report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
38. The Hawks is investigating allegations of fraud and corruption by former employees of the Langeberg Municipality as well as public persons for the period 2005 to 2018. These proceedings were still in progress at the date of this auditor's report.

Auditor - General

Cape Town

30 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	Sections 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii) Sections 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f) Sections 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a) Sections 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e) Regulations 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i) Regulations 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Division of Revenue Act 5 of 2023	Sections 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section 3(1)

Legislation	Sections or regulations
Municipal Systems Act 32 of 2000 (MSA)	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2) Sections 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations 7(1), 31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2) Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

Fully Addressed
Partially addressed & not due
Not fully addressed & overdue
Not started

Comaf Ref:	Audit finding title	Recommendation	Management comments	Responsible Person	Proposed date when COMAF will be addressed	Action taken/Progress to date/Additional comments, if any
1	Availability of information	Management should put control measures in place to ensure that requested information is submitted within two (2) working days as per agreed timelines in the engagement letter to prevent a limitation that could result in a disagreement misstatement w.r.t. the audited area.	Management agrees with the finding.	CFO	30-Nov-24	Information has been submitted.
2	AcPO – Service delivery to informal settlements	Management should include indicators in the municipality's IDP and SDBIP to measure basic services delivery to the informal settlements. Management should ensure that the action plans address the root causes of findings to ensure that the reoccurrence of similar findings in future is prevented. Management should further indicate which basic services are delivered to these informal settlements.	Management disagrees with the finding.	Director: Community Services	31-Mar-25	Management will consider the relevant KPIs for informal settlements during the proces of developing the SDBIP for 2025/26 financial year depending on funding.
3.1	Finding One - Classification of library grant revenue	Management should consider adjusting the financial statements to correct the above amounts disclosed. Prior periods should also be taken into account when doing the amndments. Management should ensure that for each grant received they assess individually the terms and conditions sufficiently and identify the relevant standard that is applicable to each and not apply a blanket approach. The review of the financial statements by assurance providers should be enhanced to ensure that non-compliance to GRAP requirements are identified and addressed before the submission of the financial statements for audit purposes.	Management disagrees with the finding.	CFO	30-Jun-24	Management corrected the AFS in line with the AG's recommendation on 30 November 2024. Management will assess the impact of the AG recommendation on all applicable grants received.
3.2	Finding Two - Output tax treatment of library funding	Management should: 1.Consider amending the AFS, to correct the issues identified above and provide the auditors with the proposed adjustments along with the management responses to this communication. 2.Consider the VAT implications on all funding received and should ensure compliance with the VAT Act and apply the principles contained in the VAT 419 Guide for Municipalities. 3.Include the output VAT payable to SARS in the Business plan provided to DCAS. 4.Continue to recognise revenue and the related expenditure. 5.Consider implications on prior years during the disclosure of the amendments.	Management disagrees with the finding.	CFO	30-Jun-24	Management corrected the AFS in line with the AG's recommendation on 30 November 2024. Management will assess the impact of the AG recommendation on all applicable grants received.
4	Supply Chain Management (SCM): Quotation Process where 3 quotes were not obtained	Management should ensure that the reasons for not obtaining three written price quotations are recorded and approved by the CFO or designated official when an award is made through formal written price quotations and less than three quotations are obtained. The BAC report template must be updated to make provision for reasons where less than three quotes were received and it should make provision for the approval by the CFO.	Management disagrees with the audit finding. The above were advertised and the only reason is that less than three quotations were submitted by bidders and received by the Municipality because this is an open bid. This is documented on the BAC and is signed as approved by the CFO as he is the chair of the BAC. The Municipality can't contact suppliers in this case because it was an open bid and no particular suppliers were requested specifically, but the entire market was invited. Contacting specific suppliers would therefore be in contravention of the SCM regulations. The reasons are in the BAC report and are also signed of by the CFO as per regulations. The is no need to update the BAC report because it already has all	CFO	N/A	N/A
5	AFS high level review	Management should rigorously review the annual financial statements by reading each line in the statements to measure its relevance, accuracy and consistency. Management should ensure that all information is displayed when printing from the excel version to Adobe. The annual financial statements should be updated accordingly.	Management agrees with the finding.	CFO	30-Nov-24	Management corrected the AFS in line with the AG's recommendation on 30 November 2024.
6	SAGE system user profile amendment list not provided	The municipality should liaise with the system service provider to ensure that the tracking of profile amendments is enabled. The list of profile amendments should capture detailed information about profile amendments, such as: •Date and time of amendment •User whose profile was amended •User who made the amendment •The nature of the change (e.g. what was added, removed, or updated) •Any approvals related to the change, if applicable. Once the tracking has been enabled, the reports should be generated and reviewed on a quarterly basis as per the Langeberg Municipality Security Policy. Evidence of these system administrator reviews should be maintained for audit purposes.	Management agrees and the following actions will be taken: 1.The auditing/ tracking was enabled 2.The list of profile amendments will have the following details: •Date and time of amendment •User whose profile was amended •User who made the amendment •The nature of the change (e.g. what was added, removed, or updated) •Any approvals related to the change. 3.the reports will be generated and reviewed monthly by the Manager ICT and submitted to Internal Audit that will do quarterly review 4:Evidence of these system administrator reviews will be maintained for auditing purposes.	Director: Economic, Social and Integrated Development Services	Immediately	N/A
7	SCM: Wet fuel expenditure – SCM process not followed	Management should consider developing the systems in place to ensure / monitor that the SCM regulations are adhered to when it comes to its regular procurement needs, which may include pursuing the most efficient solution which still ensures compliance with legislation.	Management disagrees with the finding.	CFO	Immediately	Management disagreed with the audit finding due to impracticality but will follow the necessary and practical procurement process to ensure continuity of service delivery.
8	AcPO – Reliability: Differences between annual performance report and supporting listing	Management should enhance their controls to ensure that proper review processes occur during the compilation and finalisation of the performance report to ensure that the reported performance agrees to the supporting documentation used to prepare the APR. Management should consider correcting the performance reported in the APR for the above-mentioned indicators. If TL 18 is not corrected, this will result in a material finding being reported in the audit report. If corrected, the material correction will be reported in the audit report as an "other matter" that does not affect the audit outcome.	Management agrees with the finding.	Director: Economic, Social and Integrated Development Services	30-Nov-24	Management corrected the APR in line with the AG's recommendation on 30 November 2024.
9	Differences between the AFS and supporting listing for trade creditors	Management should make the appropriate adjustments to the AFS. Management should implement reconciliation and review controls to ensure that the amounts in the annual financial statements agree to the supporting documentation	Management agrees with the finding.	CFO	30-Nov-24	N/A
10	VAT accruals and statutory receivables	Management should improve their internal control processes around the preparation and review of financial statements to ensure that all relevant disclosures are disclosed on the annual financial statements. Management should also update note 4 - statutory receivables from exchange transactions accordingly.	Management agrees with the finding.	CFO	30-Nov-24	Management corrected the AFS in line with the AG's recommendation on 30 November 2024.
11	Difference between asset register and note 8 of AFS	Management should: 1.Review and amend Note 8 to address the issues identified above. The proposed adjustments, along with management's responses, should be provided to the auditors for review. 2.Update the Asset Register to reflect the necessary corrections and provide the auditors with the revised version for verification.	Management agrees with the finding.	CFO	30-Nov-24	Management corrected the AFS in line with the AG's recommendation on 30 November 2024.



Report of the Audit & Performance Committee (A&PC)

We are pleased to present our report for the financial year ended 30 June 2024

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Langeberg_Muni



Langeberg Municipality



Langeberg_Muni

1. Introduction

Section 166 of the Municipal Finance Management Act (MFMA) No. 56 of 2003, requires every municipality to establish and maintain an audit committee, as an independent advisory body.

The Audit- and Performance Audit Committee (A&PC) of the Langeberg Municipality (hereafter referred to as the A&PC) is well established and functioning as required. An approved committee charter is in place which was last reviewed during March 2024 and no material updates to the charter have been identified and made during this review process. The charter will be reviewed again during the 2024/25 financial year with the focus on the alignment with the new global internal standards becoming effective from January 2025.

2. Audit & Performance Committee Members and Attendance

The A&PC consists of the members listed hereunder and should meet at least four (4) times per annum as per its approved charter. During the 2023/24 financial year six (6) meetings were held, and attendance was as tabled.

Name of member	Appointment date	Contract End Date	Number of meetings attended for 2023/2024
Ms K Talmakkies: Independent Chairperson from 1 November 2022	01 March 2019	28 February 2025	6
Mr O Valley: Independent Member	01 March 2019	28 February 2025	6
Mr A Njeza: Independent Member	03 June 2019	31 May 2025	5
Mr S Maharaj: Independent Member	01 November 2022	30 October 2025	6

In addition, the A&PC chairperson attended an audit committee chairperson's training session on 19 March 2024 held by the Western Cape Provincial Treasury.

3. Executive Summary

Below is an executive summary of the performance of the applicable assurance areas:

Assurance Areas		
Governance	Performance Management	External Audit
Internal Financial Control	Performance Evaluation	Internal Audit
Financial Reporting & Information	Compliance	Risk Management
	Investigations	

Legend

	Provides Assurance
	Provides Limited / Some Assurance
	Provides No Assurance

Governance

The A&PC have adopted a formal term of reference in the A&PC charter in line with the requirements of Sections 166 of the MFMA and therefore report that we have conducted our affairs in compliance with this charter. The A&PC is also pleased that governance structures within the municipality are in place and functional.

Internal Financial Control

Internal controls are designed to provide effective assurance that assets are safeguarded, that liabilities and working capital are efficiently managed and that the municipality fulfills its mandate, in compliance with relevant statutory and governance duties and requirements.

Based on the assurance reports that were tabled to the A&PC, the A&PC is of the opinion that the system of internal control employed by the municipality is adequate, effective and transparent. Where applicable, the necessary recommendations were communicated to management for implementation. Mechanisms are in place to track the implementation of these recommendations.

Financial Reporting & Information

The A&PC have also:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the auditor-general, internal auditors and the accounting officer;
- Reviewed changes in accounting policies and practices;
- Reviewed the municipality's compliance with legal and regulatory provisions; and
- Reviewed significant adjustments and accepted the unadjusted audit differences as they were not material.

We have also reviewed the in-year monitoring reports submitted, and the A&PC is satisfied with the content and quality of reports prepared and submitted by management.

Performance Management

In terms of regulation 14(4)(a) of the performance management regulations, the A&PC 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.

The committee is satisfied that the municipality did utilise mechanisms, systems, and processes for auditing the results of performance measurement as part of its internal audit processes, including assessments of the functionality of the performance management system whether the system complied with the requirements of the Municipal Systems Act (MSA), and include assessments of the extent to which the performance measurements were reliable. To this effect, the A&PC has reviewed and accepted the quarterly internal audit reports on performance management at the municipality.

Performance Evaluation

The Municipal Systems Act requires the Langeberg Municipality to establish a performance management system that is commensurate with its resources, best suited to its circumstances and in line with the priorities, objectives, indicators, and targets contained in its Integrated Development Plan. For the purpose of evaluating the performance of employees, a performance management committee was established in terms of the performance agreements. The A&PC chairperson is also a member of the performance management committee. The performance management committee met two (2) times during the financial year which was as follows:

- 2022/23 Annual performance evaluations – 12 September 2023

- 2023/24 Mid-year performance evaluations – 20 February 2024

The performance evaluations were conducted in line with performance agreements.

Compliance

The internal audit activity (IAA) conducted compliance reviews as part of their risk management processes with regards to specific matters in key legislation relevant to the municipality. These reports were discussed by the Fraud & Risk Management Committee (FARMCO) of which the important aspects then filtered through to the A&PC via the quarterly FARMCO reports. The A&PC is pleased that there was no material findings identified on compliance with key legislation.

Investigations

Section 166 of the MFMA requires the A&PC to carry out such investigations into the financial affairs of the municipality as the council of the municipality may request. There were no investigations conducted by the A&PC into the financial affairs of the municipality during the 2023/24 financial year.

Auditor-General South Africa (AGSA)

The A&PC engaged with the AGSA on several occasions during the 2023/24 regulatory audit to discuss their engagement letter, audit strategy and audit report. The A&PC concur with and accepted the AGSA's report on the annual financial statements and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the AGSA. The municipality sustained a sixth consecutive unqualified audit opinion with no findings on compliance with laws and regulations as well as the reported performance information. The A&PC would like to congratulate the municipality on this achievement.

Internal Audit

We are satisfied that the IAA is operating effectively and that it has addressed the risks pertinent to the municipality in its audits. The IAA completed 2023/24 risk-based activities satisfactorily as approved by the A&PC. The A&PC have met with the Chief Audit Executive during the year to ensure that the function is executed effectively and objectively and is satisfied with the content and quality of internal audit reports presented by the IAA of the municipality during the year under review.

Risk Management

The A&PC has reviewed the risk management processes implemented by management during the financial year and is satisfied with the progress made with the implementation of risk management processes within the municipality. The risk profile of the municipality is monitored on a continuous basis and reported to the Fraud & Risk Management Committee and the A&PC for oversight. The FARMCO reports have also been tabled at Council on a quarterly basis throughout the financial year.

Conclusion

The accountability ecosystem within the municipality is strong and we commend the leadership and its management team for setting a tone at the top that trickles down to staff in order to ensure service delivery and good governance. Overall, the committee is pleased with the continuous effort made by the municipality in sustaining the governance, risk management and control environment of Langeberg Municipality.

On behalf of the Audit and Performance Audit Committee.



Ms Kirstie Talmakkies CA(SA)
Chairperson of the Audit & Performance Committee
29 November 2024

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