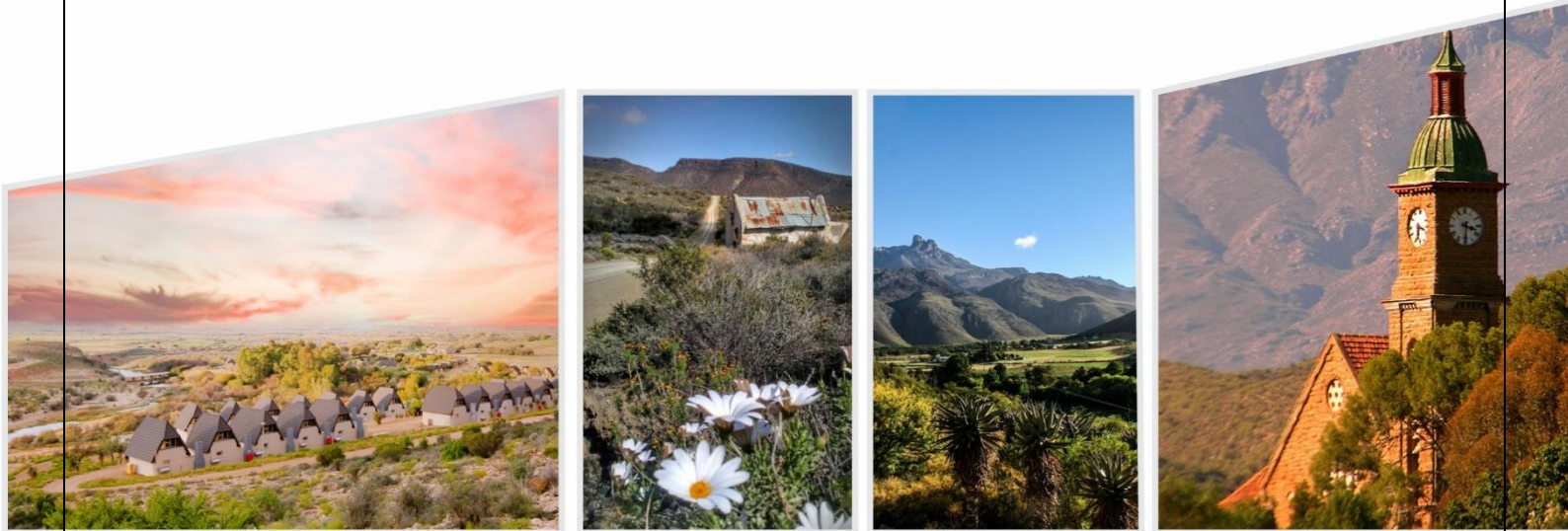




KANNALAND
MUNISIPALITEIT | MUNICIPALITY



2022/2023 FINAL ANNUAL REPORT



#Calitzdorp #Zoar #Ladismith #VanWyksdorp
#SwarbergMountains #Amalienstein #Seweweekspoort
#Maatjiesvlei #PortCapital #Kannaland #KleinKaroo

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- VOLUME II: ANNUAL FINANCIAL STATEMENTS
- VOLUME III: 2021/2022 ANNUAL PERFORMANCE REPORT
- VOLUME IV: 2021/2022 DRAFT AUDIT ACTION PLAN

INTRODUCTION: 2022/23 ANNUAL REPORT

This report offers an overview of the operations, financial, non-financial activities and the performance of Kannaland Municipality for the 2022/23 financial year. The annual report is prepared in terms of Section 127(3) and the process has been trailed as per section 127 (3) (a-c) stipulated in the Municipal Finance Management Act (MFMA).

The Annual Report comprises of six chapters and is aligned to the format as described and presented in the National Treasury MFMA Circular 63.

Chapter 1: 1.1 **Mayor's Foreword**

1.2 **Municipal Manager Foreword**

1.3 **Municipal Overview**

Chapter 2: Details about the governmental workings of the Municipality addressing the key aspects of good governance.

Chapter 3: Highlights the Municipality's performance for the year, focusing on the service delivery and the pre-determined objectives of the Council.

Chapter 4: Provides insight into the Human Resources and organizational management areas of the Municipality, focusing on organizational structure and legislation.

Chapter 5: An overview of the Municipality's financial performance, reflecting on the Municipality's financial position, assets, cash flow and intergovernmental grants received by the Municipality.

Chapter 6: An overview of the audit key findings per the Auditor-General –

APPENDICES - Additional appendices to be found in the draft annual report

VOLUMES

VOLUME I: 2022/2023 AUDIT REPORT

VOLUME II: AUDITED ANNUAL FINANCIAL STATEMENTS

VOLUME III: AUDITED 2022/2023 ANNUAL PERFORMANCE REPORT- CHAPTER 4

VOLUME IV: 2022/2023 DRAFT AUDIT ACTION PLAN

GLOSARY

COMPONENT A: EXECUTIVE MAYOR'S FOREWORD

The 2022/2023 Annual Report presented emanates from the developed and approved Integrated Development Plan that was consulted with the community and various stakeholders including government Sector departments. The process was to ensure that the municipal strategies are aligned with the National and Provincial strategies, Growth and Development Strategies.

It is with no doubt that performance targets that were set to be achieved during the financial year under review had its shortcomings due to vacancies at senior management level. Council will in 2023/2024 continue to strive to recruit the best and suitable candidates that will be able to implement the mandate of council in line with applicable legislative prescripts. Not only do we intend to improve the audit opinion but we want to better the lives of our communities by ensuring that we provide optimum basic service delivery.

Public participation in municipal process remains key to council to ensure continuous communication with the community in planning, implementation and reporting as part of good governance, transparency and accountability. In the next financial year, Council will establish an Integrated Development Plan Representative Forum as another mechanism of improving public participation. An Oversight Committee of council – Municipal Public Accounts Committee will continue to serve the people of Kannaland by ensuring that compliance matters and service delivery issues are closely monitored and reported as legislated.

Council is determined to improve service delivery during the 2023/2024 financial year amongst other factors by:

- Ensuring that senior manager positions are filled and attracting skilled and qualified personnel
- Improve on the intergovernmental relations at National and Provincial level including other government sector departments and working with our Local Economic Divers within Kannaland municipality.

JEFFREY DONSON
EXECUTIVE MAYOR

COMPONENT B: MUNICIPAL MANAGER'S OVERVIEW

2022/2023 Financial year had its shortcomings and great achievements in some aspects of the municipality. As head of administration, full responsibility in improved and continuous implementation of council mandate aligned to the Functions and Powers of the municipality in relation to Section 155/156 of the RSA Constitution and Chapter 3 of the Local Government Municipal Systems Act No. 32 of 2000 will be adhered to.

The 2022/2023 Disclaimer audit opinion presented in Chapter 6 of this report is a great concern to the office, as the successor in title statement on the previous financial year's audit opinion. It is imperative that assessments and/or analysis on the root cause of findings raised by AGSA be addressed to ensure improved audit opinion.

Kannaland municipality operated with an unfunded budget during the financial year under-review. The municipality's financial performance as at June 2023 was at a deficit. 2023/24 priority of the municipality is having internal control mechanisms in place to increase revenue of the municipality not only by focusing on revenue generated from rendering services but by:

- developing a revenue enhancement strategy;
- improving, maintaining and expanding provision of basic services (addressing ageing water and sanitation infrastructure, procurement of service delivery vehicles and tools of trade);
- improving the grant funding (timeous submission of business plans, spending and completion of projects); and
- mitigating strategic and operational risks identified;

The intergovernmental and interdependence of the three spheres of government, gives confidence to the municipality that more improved strategic and operational service will be achieved by the municipality through the 154-support plan during the 2023/24 and outer financial years.

As the municipal manager, I thank all staff for efforts put during the 2022/2023 financial year and that we ready ourselves for more work to be done by providing quality services efficiently, effectively and economically to our valuable.

MUNICIPAL MANAGER
ADV. DILILO SEREO

COMPONENT C: MUNICIPAL OVERVIEW

1.1. MUNICIPAL FUNCTIONS, POPULATION, ENVIRONMENTAL, SERVICE DELIVERY AND SECTORAL OVERVIEW

This report offers an overview of the financial and non-financial performance of Kannaland Municipality for the 2022/23 financial year.

Functions and Powers of the municipality are implemented in relation to Section 155/156 of the RSA Constitution and Chapter 3 of the Local Government Municipal Systems Act No. 32 of 2000

During 2022/2023 financial year, Kannaland Municipality was structured in four directorates namely:

1. Office of the Municipal Manager;
2. Financial Services;
3. Corporate and Community Services; and
4. Infrastructure Services.

1.1.1. POPULATION AND ENVIRONMENTAL OVERVIEW

Kannaland Municipality is situated in the Western Cape, 325 kilometers from Cape Town. The Municipality covers an area of 4,758 square kilometers in the Little Karoo, stretching from the Swartberg Mountain in the north to the Langeberg Mountain in the south, and from the Anysberg Mountain in the west to the Gamkaberg Mountain in the east.

The largest town and also the location of the municipal headquarters is Ladismith. Ladismith is situated at the foot of the picturesque Swartberg Mountains, as is Zoar and Calitzdorp to the east. Vanwyksdorp is further south in the valley of the Groot River.

According to the 2021 Socio-Economic analysis of the municipality has a population of 20 079 people in 7, 094 households. The 2011 Census reported that 84.6 per cent describe themselves as "Colored", 9.9 per cent as "White", and 4.7 per cent as "Black African". The first language of 95.4 per cent of the population is Afrikaans, while 2.5 per cent speak English.

The largest town and also the location of the municipal headquarters is Ladismith, which as of 2011 has a population of 7, 127. Ladismith is at the foot of the Swartberg Mountains, as is Zoar (population 4, 659) and Calitzdorp (population 4, 284) to the east. Vanwyksdorp (population 833) is further south in the valley of the Groot River.

Kannaland: At a Glance

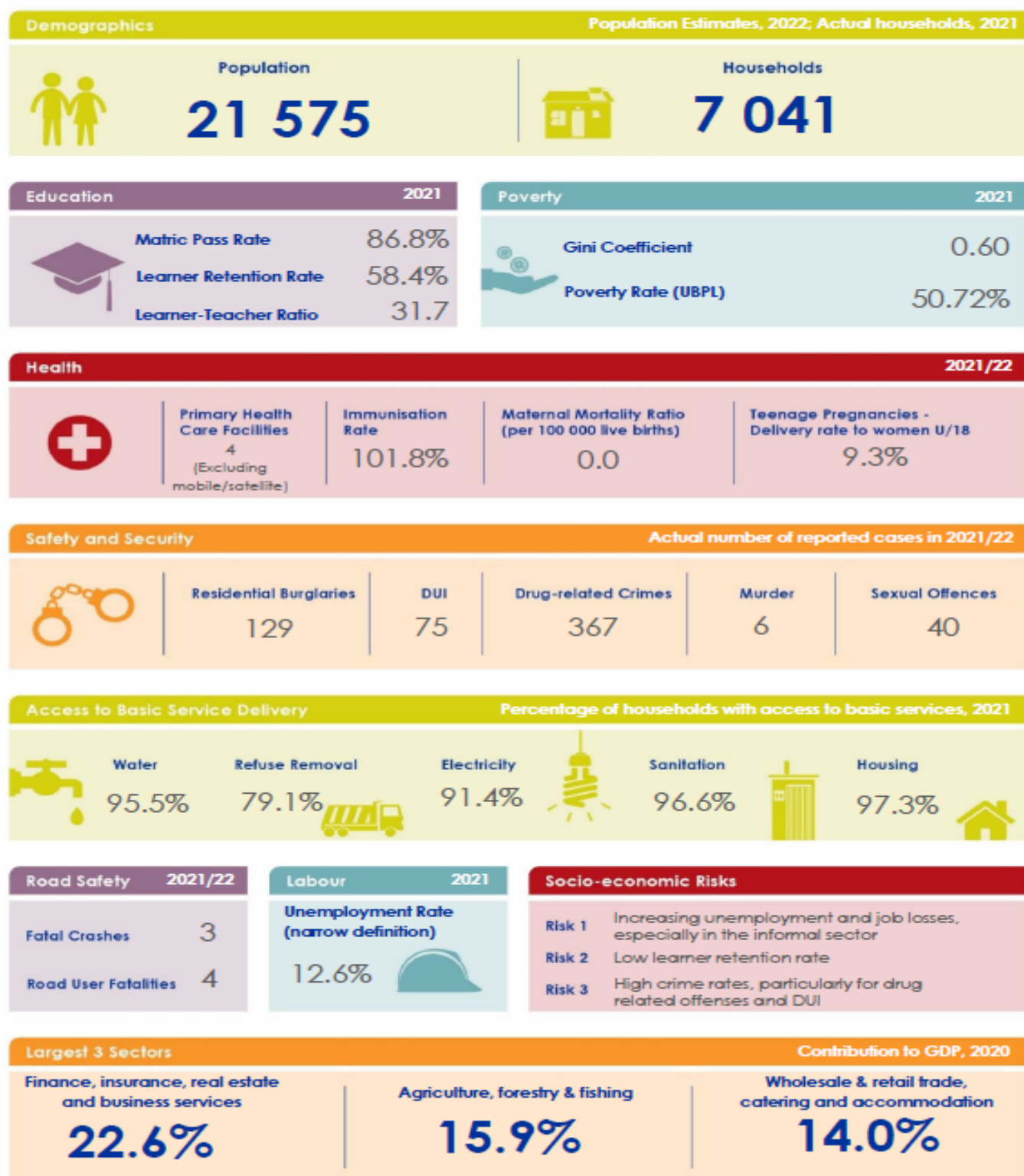


TABLE 1: POPULATION OF KANNALAND: WCPG SOCIO-ECONOMIC PROFILE 2022

Population

As of 2022, 3.4 per cent of the Garden Route's population resides in the Kannaland municipal area. The population of the municipal area totals 21 575 persons in 2022 and is estimated to decrease to 20 137 persons by 2026. This equates to an estimated average annual decline in the population of 1.7 per cent for the period. The estimated population growth in the Kannaland municipal area is significantly below the District growth rate of 1.0 per cent. This is an indication of outmigration.

Sex Ratio

The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that as of 2022, there are more females than males in the Kannaland municipal area with a ratio of 53.4 per cent (females) to 46.6 per cent (males). The sex ratio is therefore 87.3 meaning that for every 100 women there are 87 men. The ratio will remain relatively stagnant towards 2026 (87.0). The high percentage of females compared to the males reflects a potential outflow of working males from the municipal area or higher male mortality rates.

Age Cohorts

The infographic also depicts the population composition of the municipal area per age cohort. These groupings are expressed as a dependency ratio which indicates those who are part of the workforce (Age 15 – 64) and those who are dependent on them (children or senior citizens). Between 2022 and 2026, the largest average population decline per annum was recorded for the aged cohort (3.1 per cent) this is reflective of declining life expectancy or outmigration of aged as they retire in any other areas. The working age cohort is also estimated to be declining on an annual basis by 1.6 per cent on average, largely due to outmigration for work opportunities. Children (0 - 14 years) are also declining, albeit at a smaller rate of 1.5 per cent per annum. This is potentially the result of children migrating with their parents, as well as declining fertility rates. Due to the faster decline in the aged and child cohorts, the Kannaland dependency ratio is expected to decline towards 2026. The dependency ratio however remains high. A high dependency ratio implies greater pressure on social systems and the working aged population for financial support.

Household sizes

The average size of households are expected to remain constant at 4.1 from 2022 to 2025 and the decline slightly to 4.2 in 2026. The anticipated decline in household size can be related to declining fertility rates, outmigration of household members, and cultural changes in terms of intergenerational households. The declining population and declining household sizes may influence the demand for housing stock in the future.

Population density

Population density is the measurement of the number of people that make up a population in a defined area. Factors affecting population density include economic, social, connectivity/location and accessibility factors. These figures improve responsiveness and assists municipalities with planning and budgeting for effective service delivery and combatting environmental risks. In 2022, the population density of the Kannaland municipal area was the lowest at only 5 persons per square kilometre. The population densities of the various local municipal areas within the Garden Route District compare as follows:

● Kannaland	5 people/km ²
● Hessequa	9 people/km ²
● Oudtshoorn	25 people/km ²
● George	43 people/ km ²
● Mossel Bay	48 people/km ²
● Knysna	69 people/km ²
● Bitou	72 people/km ²

Poverty

GDPR Per Capita

An increase in GDPR per capita, i.e., GDPR per person, is experienced only if the economic growth rate exceeds the population growth rate. At R69 165 in 2021, Garden Route District's real GDPR per capita is below that of the Western Cape's figure of R81 650 for the same period. Kannaland has underperformed against both the District and the Province by recording a per capita income figure of only R42 186 in 2021.

This figure is the lowest recorded across the District in 2021 and has regressed moderately from 2015.

Income Inequality

Even though real GDPR per capita reflects changes in the overall well-being of the population, the money will not be equally distributed across the population. South Africa suffers among the highest levels of inequality in the world when measured by the commonly used Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities.

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality has increased in the Garden Route District between 2015 (0.6) and 2021 (0.63). These disparities in income are certain to worsen across the medium term given the potential aftereffects of the COVID-19 pandemic. Kannaland has displayed a similar trend to that of the District's trajectory with inequality levels worsening from 0.55 in 2015 to 0.60 in 2021. Along with the Oudtshoorn and Hessequa municipal areas, it has the lowest income inequality in the District.

Poverty Line

The Upper Bound Poverty Line (UBPL) head count ratio is the proportion of the population living below the UBPL i.e., that cannot afford to purchase adequate levels of food and non-food items. The UBPL in South Africa is R1 227 (in April 2019 prices) per person per month.

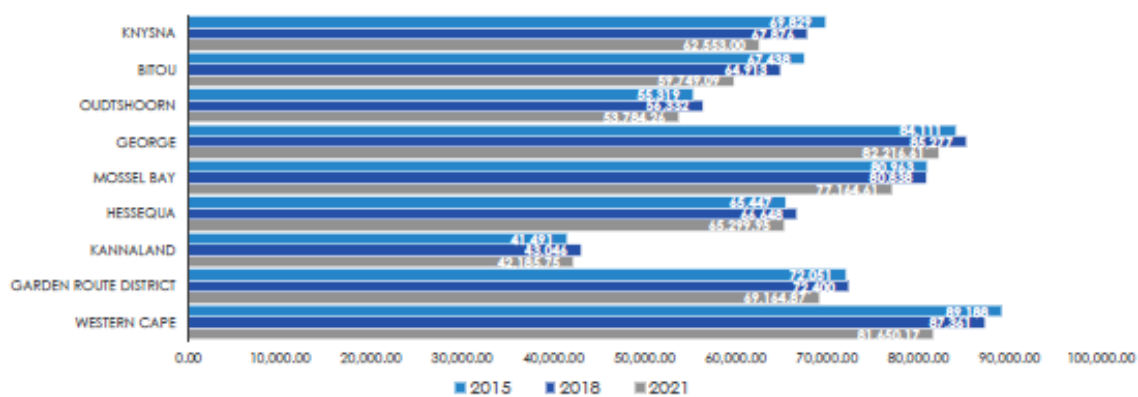
Poverty affects the social development of communities through lower life expectancy, malnutrition and food insecurity, higher exposure to crime and substance abuse, lower educational attainment and poor living conditions. The NDP aims to eliminate poverty by 2030.

In 2021, 50.7 per cent of Kannaland's population fell below the UBPL. This figure improved from the 59.2 per cent and 57.5 per cent recorded for 2015 and 2018, respectively. Kannaland's poverty rate is below the District (54.1 per cent) and the Western Cape (57.2 per cent) rate.

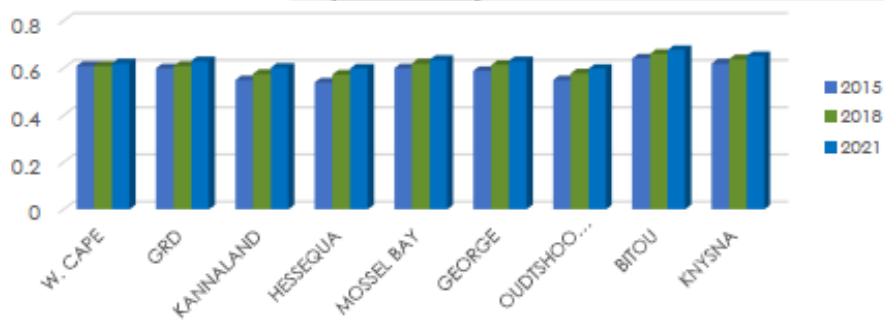
POVERTY



GDP per capita



Income inequality



Poverty Line

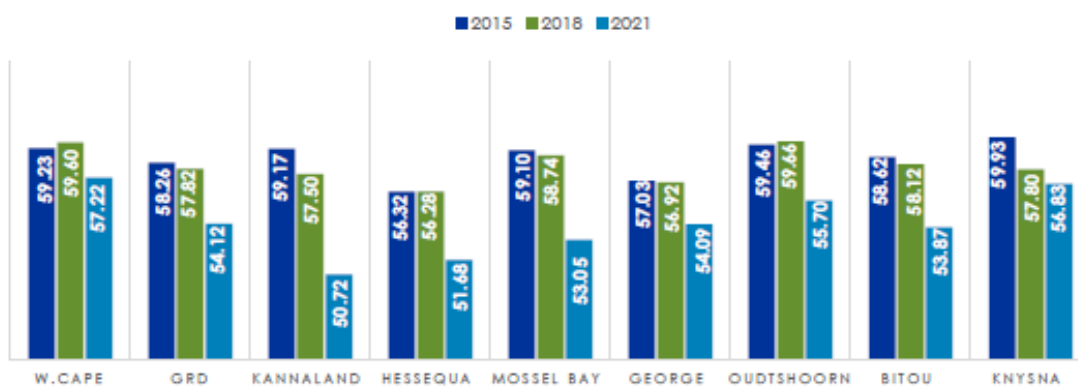


TABLE 4: POVERTY SOURCE 2022 WC MUNICIPAL ECONOMIC REVIEW OUTLOOK

BASIC SERVICE DELIVERY

Total number of households

7 041

Kannaland

176 706

Garden Route
District

Formal main dwelling

97.3%

6 849

Kannaland

149 079

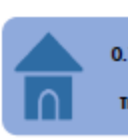
Garden Route
District

84.4%



95.7% Kannaland
76.6% Garden Route

House/brick structure
on separate stand/yard



0.0% Kannaland
0.1% Garden Route

Traditional dwelling



1.2% Kannaland
6.3% Garden Route
Flat/simplex/duplex/
triplex or room/flat
on shared property

0.3% Kannaland
0.6% Garden Route

Other/Unspecified



0.4% Kannaland
1.5% Garden Route
House/flat/room in
backyard



1.1% Kannaland
6.0% Garden Route
Informal dwelling in
backyard



1.3% Kannaland
8.9% Garden Route
Informal dwelling not
in backyard



Piped water inside
dwelling/yard or
communal/neighbour's tap

Kannaland 95.5%
Garden Route 97.7%

Free basic
water



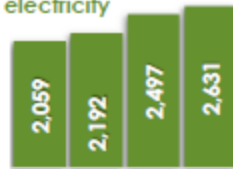
2017 2018 2019 2020



Electricity (incl. generator)
as primary source of
lighting

Kannaland 91.4%
Garden Route 94.5%

Free basic
electricity



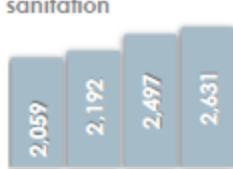
2017 2018 2019 2020



Flush/chemical toilet

Kannaland 96.6%
Garden Route 96.9%

Free basic
sanitation



2017 2018 2019 2020



Refuse removal at least
once a week

Kannaland 79.1%
Garden Route 88.5%

Free basic
refuse removal



2017 2018 2019 2020

Basic Service Delivery

The Constitution stipulates that every citizen has the right to access to adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Access to housing also includes access to services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living.

This section considers to what extent this has been achieved by reflecting on the latest available information from Quantec Research for 2021. The latest official statistics was collected by Statistics South Africa for the 2016 Community Survey; the 2021 Census will provide the updated official statistics. The information on free basic services is obtained from Statistics South Africa's Non-Financial Census of Municipalities survey findings.

Housing and Household Services

With a total of 7 041 households in the Kannaland municipal area, 97.3 per cent had access to formal housing. This is significantly higher than the Garden Route District average of 84.4 per cent. The area also had a lower proportion of informal dwellings at 2.4 per cent compared to 14.9 per cent in the District.

Service access levels for all services within the municipal area were lower than the access to formal housing, with access to piped water inside dwelling/yard or communal/neighbor's tap at 95.5 per cent, access to a flush or chemical toilet at 96.6 per cent, access to electricity (including a generator) for lighting at 91.4 per cent and the removal of refuse at least weekly by the local authority at 79.1 per cent of households. These access levels were also below the District figures for all services.

Free Basic Services

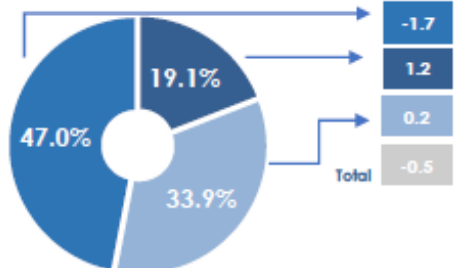
Municipalities also provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. The number of households receiving free basic services in the Kannaland municipal area has been on a steady increase since 2017. The stressed economic conditions is expected to continue exerting pressure on household income, which will likely further increase the demand for free basic services and in turn the number of indigent households.

LABOUR MARKET PERFORMANCE



Formal employment 2020

Skill Level Contribution 2020

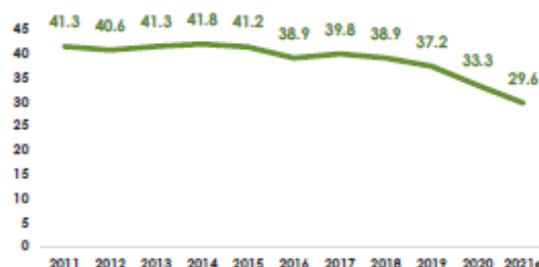


■ Skilled ■ Semi-skilled ■ Low-skilled

	Number of jobs 2020	Number of jobs 2021
Skilled	1 153	1 178
Semi-skilled	2 039	2 039
Low-skilled	2 829	2 841
Total	6 021	6 058

Informal employment

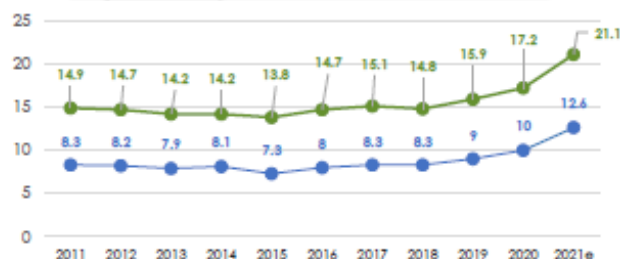
% of Total Employment



	2019	2020	2021e
Number of jobs	3 733	3 009	2 543

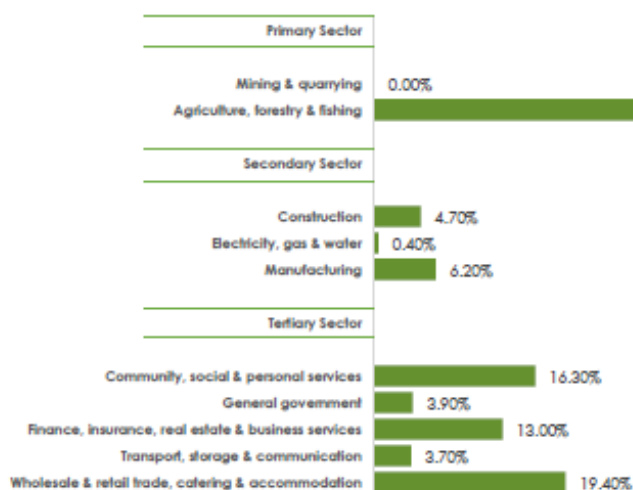


Unemployment rate 2011 - 2021



— Kannaland — Garden Route District

Sectoral employment contribution 2020



Employment

Average annual change 2016/2020	Number of jobs 2020	Net change 2021
-	0	-
-164	2 931	-108
-5	420	-37
-1	37	-2
-26	556	-47
-51	1 469	-30
-5	353	-
25	1 177	-34
-5	353	-
-34	1 755	-134
Total Kannaland	9 030	-429

Economy and Labour Market Performance

Formal and Informal Employment

It is estimated that Kannaland's total employed will in 2021 amount to 8 593 workers, of which 6 058 (70.5 per cent) are employed in the formal sector and 2 543 (29.6 per cent) are informally employed. Employment in the formal sector had an annual average decline of 0.5 per cent from 2016 to 2020 while the informal sector suffered an annual average decline of 6.5 per cent over this period. The informal economy was responsible for the majority of the job losses in 2021. This is a concern as the informal economy should be able to act as a buffer during times of economic recession.

Most of the formally employed consisted of low-skilled (47.0 per cent) and semi-skilled (33.9 per cent) workers. The skilled category only contributed 19.1 per cent to total formal employment. The skilled category grew at a pace of 1.2 per cent per annum from 2016 to 2020 notably outpacing low-skilled (-1.7 per cent) and semi-skilled employment (0.2 per cent). The growth in the skilled category reflects the increasing market demand for skilled labour and the need for skills development initiatives.

Unemployment

Kannaland (estimated at 12.6 per cent in 2021) had the second lowest unemployment rate in the Garden Route District and is above the District (21.1 per cent) and the Western Cape (25.1 per cent) unemployment rate. Unemployment has been on an upward trend from 2015 (7.3 per cent) to 2021 largely driven by the job losses as a result of the drought, loadshedding and economic recession over this period. The not economically active population has also increased from 2020 to 2021 as job losses and an insufficient supply of jobs have led to an increasing number of discouraged work-seekers. Unfortunately, most job losses affected low skilled and informal workers who are more vulnerable to living in poverty during times of economic decline.

Industries and activities in the various towns include:

TOWN	INDUSTRIES
Ladismith	Ladismith Cheese factory
	Parmalat Dairy factory
	<p>Tourism:</p> <p>Hiking trails amongst the Swartberg ranges, rock art, Stanly's Liggie as well as rock climbing to the well-known Towerkop peak.</p>
	Southern Cape Vineyards (also exports wine) Boplaas in Calitzdorp
	Scenic drives around the game reserves and natural water sources, streams, rivers and waterfalls
	The town boasts a unique Ladismith architectural style which is a combination of Victorian, neo-gothic, Edwardian, Cape Dutch Revival and Regency.
	The economy of the town is mainly centered on the agricultural industry, which includes the production of fruit (grapes, apricots, and plums), olives, milk, wine, flowers and lamb.
	Accommodation available in town as well as amongst picturesque winelands, abundant fruit farms and the magnificent Tower Kop Mountain.
	Historic scene – Otto Hager Church – tourist attraction and beautiful history
	Agritourism
Calitzdorp	Port wine capital of South Africa Wine exporting farms
	Calitzdorp can also be explored through its hot springs, back packers' facilities, hiking and biker trails as well camping sites with relaxing and mountain scenic accommodation.
	The general architecture of the central village area of Calitzdorp is English-derived and its beauty is that of severe simplicity in the so-called Karoo style.
	Calitzdorp falls within The Cape Floral Kingdom region which has been called the world's hottest spot for plant diversity and endemism. The flora is so diverse and unique that it warrants classification as one of the world's six principal floristic regions.

TOWN	INDUSTRIES
	<p>The town is known for its art and craft assembles:</p> <ul style="list-style-type: none"> ➤ Elnathan Food Stall and Solar Cookers ➤ Groenfontein Toy Project ➤ Hand Made Ceramic Tiles ➤ Homemade pickles and preserves ➤ Wemasi handmade dolls (doll project) ➤ Local art painters ➤ Art gallery ➤ Fruit production ➤ Wine production ➤ Guest houses ➤ Restaurants ➤ Local wire crafting ➤ Agritourism
Zoar	<ul style="list-style-type: none"> ➤ Started as a Lutheran missionary station ➤ Restored church building and historic grave yard and farmbuildings ➤ Historic scenic drive through Amalienstein Hiking-trails, mountain bike trails, through the Seweweekspoort Homestays, Guesthouses ➤ Tant Carolina/Tannie Poppie Homestay and Tannie Poppie Jams, GuesthouseFruit production ➤ Jam production Indigenous Tourism ➤ Towing Services
Van Wyksdorp	<ul style="list-style-type: none"> ➤ Popular for its rural character ➤ Van Wyksdorp Development Institute (non-profit organization aimed at socio-economic upliftment of poor rural communities) Learning campus to acquire skills and incubate entrepreneurial activities ➤ Fruit production Olive production ➤ Guest houses ➤ Agritourism ➤ Rooiberg private nature reserve
Hoeko Valley	<p>Birthplace of C J Langenhoven, famous South African writer (composer of the anthem "Die Stem")</p>

TABLE 2: KANNALAND INDUSTRIES AND ACTIVITIES



Media Release

Stellar Results For De Krans In 2022 SA Wine & Cellar Classifications

As one of South Africa's leading port producers, De Krans Wines' commitment to producing quality products has yet again been acknowledged by the South African Wine & Cellar Classifications, which saw De Krans being recognized as one of the Top 10 Cape Port producers over the past 10 years (2012 – 2021).

Two of De Krans' wines were included on this prestigious, namely the **Touriga Naçional** and **Tritonia Red**. In addition, the **Cape Vintage Reserve Port**, which stood out as one of the most successful South African wines over a 10-year period, was recognised with a place in the Classification's Top Wine SA Hall of Fame for 2022.

To be eligible for the Classification, which has been updated annually since 2004, wines of the Cape must have earned very good to excellent reviews from at least one of the top judging panels for at least three vintages during the 10-year period under review. The period reviewed falls between the years 2012 and 2021 (inclusive) for the 2022 Classification.

"To be acknowledged by this esteemed panel for your hard work and dedication is without a doubt a humbling experience," says co-owner Boets Nel, upon receiving this latest recognition.

For more information on De Krans and its superb range of premium ports and quality wines visit www.dekrans.co.za.

1.1.2. SERVICE DELIVERY AND SECTORAL OVERVIEW

Kannaland Municipality has entered into Memorandum of Agreement with Ladismith and Calitzdorp Tourism Bureaus. The Tourism Bureaus are active. The undermentioned has been achieved during 2022/2023.

LADISMITH TOURISM BUREAU

- Development of Tourism Bureau action plans and business plans;
- Repair to hiking trails
- Development of marketing materials;
- Tourism Information and marketing center services rendered
- Development of tourism marketing material
- Weekly Tourism Newsletter published and distributed
- Development of website and active face book page

CALITZDORP TOURISM BUREAU

The Calitzdorp Tourism Office was founded on the 25th of July 1995, therefore have celebrated their 26th anniversary during 2021.

CALITZDORP TOURISM MISSION STATEMENT

The Calitzdorp Tourism Office is committed to support and promote their stakeholders being the Kannaland Municipality and Members (paid up business members in Calitzdorp).

As such the mission is to support the plans and initiatives of the Kannaland Municipality and through various activities promote Calitzdorp as a tourism destination of choice, to promote the growth of current business's, encourage the initiation of new businesses with the goal of maximizing opportunities for employment.

CALITZDORP TOURISM BUREAU SPECIFIC OBJECTIVES

- Develop and implement a tourism strategy to attract more visitors and produce economic benefits for Calitzdorp community at large.
- Promote Calitzdorp as a “destination town” via tourism events and multi-media marketing and by ensuring continuation of the excellent coverage received from organizations such as M-NET (Kyknet, Fiesta), SABC, printed media and radio.
- Promote and enable local produce to be more accessible to tourists.
- Mobilize support from role-players and stakeholders to ensure a clean, safe and attractive town.

- Participate actively in tourism awareness campaigns to unlock and harness the tourism potential of the area, particularly indigenous knowledge and culture amongst local inhabitants and the unique flora (Succulents) of the area. Calitzdorp is targeted as the Succulent capital of the world.
- Mobilize the support of stakeholders and role-players to build a tourist-friendly region.
- Research and promote tourism opportunities that can benefit historically disadvantaged communities in the region.

CALITZDORP TOURISM BUREAU ACTION PLAN AND BUSINESS PLAN

- What to see and do brochure updated with latest activities
- Bank accounts opened for sub committees and their funding has been transferred from Calitzdorp Tourism Bureau's bank account
- Art on track revived
- Website renewed and updated
- In process of registering Calitzdorp Tourism as an NPO
- Tourism welcome campaign with SAPS Roadblock on 15 December 2021
- Developed new of Cycle Routes around Calitzdorp Brochure (Kevin Taylor)
- Cellphone contract for Tourism Office
- Public Liability Insurance for Tourism Office
- Photo competition on website – display of best photos on website
- Involved with town clean up campaigns
- Office space next to Tourism office entrance rented out to reflexologist
- MOA signed for 3 years with Kannaland Municipality with increase in funding from R40 000 to R50 000 per quarter
- Arendchia transferred to municipal offices and Erina moved to front desk
- Fee increases in admin services to public
- Membership fee increased
- Office staff trained in Mailchimp and canva

CALITZDORP TOURISM BUREAU EDUCATIONALS AND WORKSHOPS

- Africa Travel online
- Virtual Klein Karoo (marketing)
- Pet-friendly Calitzdorp introduction to journalist for Getaway Magazine
- Social Media Workshop (sponsored by Oudtshoorn Tourism)
- Crime Stop meeting with SAPS
- Representation on CPF

POLICY REVIEW: LED AND TOURISM STRATEGY

Kannaland Municipality adopted both the LED and Tourism Strategy on 30 June 2022. A workshop was held with council on 07 July 2022 on the strategies developed.

WEEKLY CALITZDORP NEWSLETTER

Calitzdorp Tourism Bureau produces, publishes and distributes a weekly tourism newsletter which provides tourists and visitors of upcoming events and places of interest throughout Kannaland and neighboring towns to promote and establish tourist corridors.

Forthcoming events in and around Calitzdorp 2022

ITEM	DATES TO BE ANNOUNCED	CONTACT
Hanepoot Grape Picking (R9.50/kg) De Krans Wine Cellar	2 – 27 February 2022	Bessie Swanepoel 044 213 3314/364 diekrans@mweb.co.za www.dekrans.co.za
Zoar Harvest Festival	April - To be confirmed	Clement Herandien - 082 764 9573
36ONE MTB & Trail Running (The 361 km long single-stage race)	13 – 16 May 2022	www.the36one.com Dryland Event Management +27 44 279 1013 / info@dryland.co.za
Redstone MTB & Trail Running weekend Calitzdorp	7 May 2022	Corne Botha 073 194 2984 / 0742602871 Jakhals.events@gmail.com
Gamka Heritage Challenge (MTB & trail run). Celebratio Pomegranate Guest Farm	28 May 2022	Corne Botha 073 194 2984 / 0742602871 Jakhals.events@gmail.com
Calitzdorp Uncorked Calitzdorp	17 – 19 June 2022	Erina Meiring - Tel: 044 213 3775 tourism@calitzdorp.org.za
Calitzdorp Uncorked Trail Run Challenge	18 June 2022	Jakhals Events 074 260 2871 / 084 089 4223
Art on Track	August - To be confirmed	Calitzdorp Tourism 044 213 3775 tourism@calitzdorp.org.za
Blossom Festival De Krans Wine Cellar Calitzdorp	September – To be confirmed	Bessie Swanepoel 044 213 3314 diekrans@mweb.co.za www.dekrans.co.za
Cape Pioneer Trek	4 – 10 September 2022	Dryland Events Management 044 279 1013 info@dryland.co.za www.dryland.co.za
Calitzdorp Succulent Festival The Station, Calitzdorp	16 - 18 September 2022	Buck Hemenway 076 298 7337
Zoar Heritage Festival	September – To be confirmed	Philippus Antonie 083 612 2704 antonie@kannaland.gov.za
Ladismith Cheese Seweweekspoort MTB & Trail Run Zoar/Ladismith	2 October 2022 MTB: 80km, 40km, 29km Trial run: 29km, 10km	Janine Chain Gang 083 662 2022 Juan Botes 071 678 7147
Apricot Picking (Bulida apricots) De Krans Wine Cellars	November – To be confirmed	Bessie Swanepoel 044 213 3314/364 diekrans@mweb.co.za www.dekrans.co.za
Apricot Jamboree & Christmas Market, Calitzdorp	26 November 2022	Erina Meiring - 044 213 3775 tourism@calitzdorp.org.za
Peach Picking (oom Sarel cling peaches) De Krans Wine Cellars	December – To be confirmed	Bessie Swanepoel 044 213 3314/364 diekrans@mweb.co.za www.dekrans.co.za

SERVICE DELIVERY OVERVIEW

Government policy places specific emphasis on the provision of basic services, which entail the provision of electricity, water, sanitation and waste collection. Chapter 3 provides more detailed information on basic service delivery as well as all other functions rendered by the Municipality during 2022/23.

During the 2022/23 financial year, the municipality made the following contributions:

SERVICE	HIGHLIGHT DESCRIPTION
WATER SECURITY AND PROVISION	Providing water for tanks to schools and some farm areas in dry summer months in Kannaland area with assistance from the GRDM and provincial government.
	Monthly laboratory results of water samples that comply with SANS 241 with regards to the quality of water
	Supply emergency water to hospitals and schools
	Refurbishment of the pipeline system at the borehole plant in Ladismith
	Refurbishment of boreholes as well a new borehole pump and pipeline at the Swartberg River in Ladismith
	Supply of water to informal settlements and farms
ELECTRICITY	Daily electrical work is being successfully completed within 24 hours from callout
	Staff morale has been improved which resulted in increased productivity
	Bulk, conventional and prepaid electrical meter audit was conducted.
	Maintain Eskom account by adhering to debt relief conditions
ROADS	This function remains a challenge, due to financial constraints. Repairs and maintenance should be throughout the entire municipal area.
PMU	Expenditure for MIG is not at 100% for the year under review
	EPWP programme still continues and implemented through grant allocated
GOOD GOVERNANCE	Functionality of Ward Committees Functional ward committees. Ward committees meet quarterly and are active.
	Stakeholder Public Participation Engagements Engagement with stakeholders internal and external on municipal affairs. Public participation meetings are active, regular and robust. Kannaland Municipality has an active citizenry who participate and are interested in the affairs of the municipality. Kannaland hosts bi annual stakeholder participations sessions when identifying community needs when drafting /reviewing/amending the IDP and budget which are scheduled around October and April of each year. District and Provincial PP Forums are active and the IDP Representatives attend a quarterly Garden Route IDP Rep Forum.
	Integrated Development Planning 2022/2023 IDP Process Plan and Time schedule submitted to council timeously during August 2022. Draft and Final 2022-2027 Predecessor IDP submitted timeously and adopted by council on 31 March 2022 and 31 May 2022 respectively. Publication of 2022-2027 documents onto website and municipal libraries. Distribution of documents timeously to NT, PT and DLG within stipulated timeframes. Communities actively involved in drafting the 2022-2027 Predecessor IDP with amendments. Policies updated inhouse
	Garden Route and Kannaland Skills MECCA Workshops Quarterly Skills Mecca Indabas are hosted and active community participation is experienced.
	Ward Committee Policy

SERVICE	HIGHLIGHT DESCRIPTION
	Ward Committee Policy developed with assistance of WCPG Public Participation unit.
	<i>Communication and dissemination of information</i> The website is used to disseminate and publish information. Much improvement is still required in order to ensure that the website remains updated. A vacancy in this position requires filling. Documents are also distributed to all municipal libraries and municipal offices throughout Kannaland.
	<i>CDWs</i> CDWs assist the IDP unit with loud hailing and the conduct of community surveys. A COVID 19 Impact survey on businesses throughout Kannaland was conducted using the CDWs and the information was filtered to the Skills Indaba as well as the LED and Tourism Strategies.
	<i>Thusong Centre</i> Thusong outreaches to enable the local community to do their personal affairs wrt government services.
DISASTER MANAGEMENT	A Disaster Management Plan was adopted with the assistance of the Garden Route District Municipality and is being implemented. This Disaster Management Plan is reviewed annually. Storm surges has been affecting the road infrastructure. Fires can also not be attended to within the stipulated timeframes due to the far distances between towns being serviced and due to the fact that financial constraints make it difficult to establish satellite fire stations in remote towns of Calitzdorp, Zoar and Van Wyksdorp. The Fire fighters are talented and motivated individuals with great potential and a positive work ethic and also go the extra mile to assist with distributing water to areas experiencing challenges with loadshedding and low reservoir levels.

TABLE 3: HIGHLIGHTS OF SERVICE ACTIVITIES DURING THE 2022/23 FINANCIAL YEAR

1.2. AUDITOR GENERAL REPORT

Report of the 2022/2023 Auditor-General to the Western Cape Provincial Parliament and the council of Kannaland Municipality.

The audit report is attached as Volume I

Financial Year	Outcome	Progress
2017/2018	Unqualified Audit with findings	Action Plan addressed
2018/2019	Unqualified Audit with findings(fewer)	Action Plan addressed
2019/20	Qualified Audit Findings with Findings	Action Plan addressed
2020/2021	Qualified Audit Findings	Action plan addressed
2021/2022	Disclaimer of Audit Opinion	Action Plan in Progress
2022/23	Disclaimer of Audit Opinion	Action Plan in Progress

TABLE 4: AUDIT OUTCOMES

1.3. STATUTORY ANNUAL REPORT PROCESS

The Municipal Finance Management Act (MFMA) requires that a Municipality prepared an Annual Report for each financial year. The Annual Report is a measure of ensuring that there is regular, impartial feedback to stakeholders and that accountability and thereby to strengthened transparency.

MFA Circular 63 issued by National Treasury indicated the new timelines of the submission of the Annual Financial Statements and the Annual Report.

Activity	Legislation and Guidance	Process Owner	Timeframes
The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(a) of the MFMA	Municipal Manager (Assisted by other s56 managers and CFO)	31 August 2023

Activity	Legislation and Guidance	Process Owner	Timeframes
The accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those statements relate, submit the statements to— the parent municipality of the entity; and the Auditor-General, for auditing.	Section 126(2) of the MFMA	Municipal Manager (Assisted by other 56 managers and CFO)	
Submission of AFS as per section 126 (1) of the MFMA. Additional step, a draft annual report is prepared. Annual performance report needs to be included as per section of the MSA	Section 127(1) of the MFMA	Municipal Manager and CFO	31 August 2023
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.	Section 127(2) of the MFMA	Municipal Manager and CFO	31 January 2024
The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council - has approved the annual report with or without reservations; has rejected the annual report; or has referred the annual report back for revision of those components that can be revised.	Section 129(1) of the MFMA	Municipal Manager and CFO	31 March 2024

TABLE 5: STATUTORY REPORTING TIMEFRAMES

CHAPTER 2: GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, sustainable, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the communities are heard in decision-making. It is also responsive to the present and future needs of society. Kannaland Municipality strives towards achieving the characteristics of good governance.

Highlights:

- Ward Committee Policy reviewed;
- Capacitation and Induction of Ward Committee members;
- Policy and Strategy review and updates
- Activity on our social media platforms and municipal website has improved.
- Social media platforms have grown significantly and now reaches a much larger, ever-growing audience;
- Improvement in performance reporting submissions;
- Calitzdorp and Ladismith Tourism Bureaus audited as going concerns;
- EPWP targets exceeded;
- Active and robust stakeholder participation in IDP and Budget processes;

Challenges:

- Financial constraints to fund own projects – Listed in IDP
- Continuity in senior management
- Grant funding not fully spent

COMPONENT A: GOVERNMENT STRUCTURES

Section 151(3) of the Constitution states that the council of a Municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation.

Political governance is the process of decision-making to formulate policy of a Municipality (by-laws), whereas administrative governance is the system of policy implementation.

2.1. POLITICAL GOVERNANCE

In terms of section 52(a) of the Local Government: Municipal Finance Management Act, Act 53 of 2003 (MFMA), the Executive Mayor provides general political guidance over the fiscal and financial affairs of the Municipality subject to applicable legislation and the delegations by Council. Council remains responsible for oversight and participatory roles.

The primary role of Councilors is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councilors are also actively involved in community work and the various social programmes in the municipal area.

The roles and responsibilities of council should always be carried out with a clear distinction between oversight and interference in administration, as defined in the Municipal Finance Management Act, sections 52(b) and 103 respectively, as well as in the Code of Conduct for Councilors (Schedule 1 to the Municipal Systems Act).

POLITICAL STRUCTURE

Kannaland Municipality has a Council consisting of 7 Councilors with an Executive System (4 ward Councilors and 3 proportionally representative Councilors).

The tables below categorize the councilors within their specific political parties and wards as from 2021/22 financial year. Local Government Elections and change in political coalitions resulted in the composition of the Mayoral Committee changing through the financial year:

COMPOSITION OF COUNCIL

19 January 2022 – 21 October 2022

Full Time/Part Time	Cllr Name and Surname	Position	Party	Ward
FT	R Albertus	Speaker	KIP	1
FT	N Valentyn	Executive Mayor	ANC	2
PT	L Stuurman	Deputy Mayor	ANC	4
PT	A Steenkamp	DC Rep	DA	4
PT	H Ruiters	MPAC Chair	ICOSA	3
PT	J Donson	Councillor	ICOSA	1

Full Time/Part Time	Cllr Name and Surname	Position	Party	Ward
PT	W Meshoa	Councillor	ANC	2

TABLE 6: COUNCIL COMMITTEE

06 May 2023

A Ewerts & B Benadus temporarily became Councillors with the legal issues pertaining N Valentyn & L Stuurman.

2023 – 29 July 2023

R Albertus removed as Councillor when he ceased to be a member of KIP (Kannaland Independent Party).

29 July 2022 – 21 October 2022

Full Time/Part Time	Cllr Name and Surname	Position	Party	Ward
FT	R Albertus	Speaker	KIP	1
FT	N Valentyn	Executive Mayor	ANC	2
PT	L Stuurman	Deputy Mayor	ANC	4
PT	A Steenkamp	DC Rep	DA	4
PT	H Ruiters	MPAC Chair	ICOSA	3
PT	J Donson	Councillor	ICOSA	1
PT	W Meshoa	Councillor	ANC	2

21 October 2022 - Present

Full Time/Part Time	Cllr Name and Surname	Position	Party	Ward
FT	PG Rooi	Speaker	KIP	1
FT	J Donson	Executive Mayor	ICOSA	2
PT	W Meshoa	Deputy Mayor	ICOSA	4
PT	A Steenkamp	DC Rep	DA	4
PT	H Ruiters	MPAC Chair	ICOSA	3
PT	L Stuurman	Councillor	ANC	1
PT	N Valentyn	Councillor	ANC	2

Neem kennis dit is slegs die speaker en die mayor wat voltydse raadslede is, die ander is deeltydse raadslede.

POLITICAL DECISION TAKING

The Executive Mayor of the Kannaland Municipality is assisted by the Mayoral Committee and advised by the Municipal Manager and senior managers. The Executive Mayor is at the center of the system of governance, since executive powers are vested in the Executive Mayor to manage the day-to-day affairs. This means that the Executive Mayor has an overarching strategic and political responsibility.

The key element of the executive model is that executive power is vested with the Executive Mayor, in terms of applicable legislation and a set of delegations approved by Council. Council appoints the Municipal Manager and Senior Managers and delegates powers through the approved set of delegations to provide for sufficient separation of powers. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Mayoral Committee.

Each member of the Mayoral Committee is responsible for the functions indicated below whilst remaining accountable to the Mayoral Committee and the Executive Mayor unless provided for otherwise by applicable legislation. Administration is in the process of compiling an electronic register to monitor, track and record the carrying-out of Council resolutions.

2022/23 SCHEDULE OF COUNCIL MEETINGS CONVENED

Spesiale Raadsvergadering	12 Januarie 2023
Spesiale Raadsvergadering	25 Januarie 2023
Spesiale Raadsvergadering	31 Januarie 2023
Spesiale Raadsvergadering	23 Februarie 2023
Spesiale Raadsvergadering	28 Februarie 2023
Spesiale Raadsvergadering	16 Maart 2023
Spesiale Raadsvergadering	31 Maart 2023
Spesiale Raadsvergadering	14 April 2023
Spesiale Raadsvergadering	18 April 2023
Spesiale Raadsvergadering	28 April 2023
Spesiale Raadsvergadering	17 Mei 2023
Spesiale Raadsvergadering	30 Mei 2023

Spesiale Raadsvergadering	01 Junie 2023
Spesiale Raadsvergadering	19 Junie 2023
Spesiale Raadsvergadering	30 Junie 2023
Spesiale Raadsvergadering	11 November 2022
Spesiale Raadsvergadering	21 November 2022
Spesiale raadsvergadering	07 Desember 2022

Totale raadsvergadering: 18

OVERSIGHT STRUCTURES

Council oversight is exercised through committees appointed by Council in terms of Section 79 of the Local Government: Municipal Structures Act, 1998. Oversight structures committees contribute towards assurance and makes recommendations for consideration and approval by Council:

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

Section 129(4) of the MFMA provides for the issuance of guidance on the manner in which municipal councils should consider annual reports and conduct public hearings as well as the functioning and composition of any public accounts or oversight committees established by the council. The Municipal Public Accounts Committee (MPAC) assists council to exercise oversight over the executive functionaries of Council, to ensure the efficient and effective use of municipal resources and to ensure good governance in the Municipality. By so doing, the MPAC will help to increase council and public awareness of the financial and performance issues within the Municipality.

MPAC focuses mainly on compliance in accordance with the Local Government: Municipal Finance Management Act. The terms of reference of the MPAC include the following:

- Investigate unforeseen and avoidable expenditure (Section 29 of MFMA);
- Investigate unauthorized, irregular or fruitless and wasteful expenditure (Section 32 of MFMA);
- Review the quarterly report of the Executive Mayor on the implementation of the budget and the state of affairs of the Municipality – SDBIP (Section 52 (d) of MFMA);
- Review monthly budget statements (Section 71 of MFMA);
- Review mid-year budget and performance assessment (Section 72 of MFMA);

- Ensure disclosure of Councilors, Directors and Officials (Section 124 of MFMA);
- Review Financial Statements before submission to the Auditor General (AG) (Section 126 of MFMA);
- Review and give recommendation on the submission of the Annual Report (Section 127 of MFMA);
- Present an oversight report on the Annual Report (Section 129 of MFMA);
- Ensure that issues raised by the Auditor-General are addressed (Section 131 of MFMA);
- Ensure that the functions of the Audit Committee are carried out (Section 166 of MFMA);
- Ensure that disciplinary action instituted against Councilors, the Municipal Manager and Senior Management is within the guidelines of the MFMA financial misconduct regulations (MFMA);
- Review the IDP (Section 25 of MFMA);
- Annual Review of the IDP (Section 34 of MFMA);
- Review the performance management plan (Section 39 of MFMA);
- Monitor that the Annual Budget is aligned with the IDP (Regulation 6 of the LG: Municipal Planning and Performance Regulations); and
- Monitor that all declaration of interest forms is completed by Councilors and relevant municipal staff (Section 54 – read with item 7 of schedule 1).

2022/23 MPAC MEETINGS

There has been an improvement in the activities undertaken by MPAC. MPAC has been revived and have met on the undermentioned dates during 2022/23.

26 Januarie 2023

01 Maart 2023

14 Maart 2023

28 April 2023

15 Junie 2023

AUDIT AND PERFORMANCE AUDIT COMMITTEE

Council approved the appointment of the APAC on 13 March 2022. Council has made positive strides in ensuring that the municipality is compliant in terms of section 66 of the MFMA in the new financial year.

The responsibilities of the Audit and Performance Audit Committee include:

Advising Council and management of the Municipality on matters relating to:

- internal financial control and internal audits;
- risk management;
- accounting policies;
- the adequacy, reliability and accuracy of financial reporting and information;
- performance management;
- effective governance;
- compliance with applicable legislation;
- performance evaluation; and
- any other issues referred to it by the Municipality.
- Overseeing internal controls, financial reporting and compliance with regulatory matters;
- Reviewing the effectiveness of the council's system of internal control and risk management;
- Reviewing financial reporting and financial statements;
- Reviewing the internal audit function;
- Reviewing the performance management system, policy framework and reports;
- Reviewing compliance with policies, regulations and procedures in terms of prescribed guidelines and applicable laws; and
- Responding to council on any issues raised by the Auditor-General in the audit report.

The Audit and Performance Audit Committee consists of the following members:

Name	Position	Email	Cell No
Macebo Ntsomi CA(SA)	Member	mm.ntsomi@gmail.com	083 459 8748 / 0736387314
Allewijn Dippenaar	Member (Chairperson with effect June 2023)	dyndev@mweb.co.za	082 457 5675
Johan Johnson	Member	Guidjohnson@icloud.com	083 792 7313
Johan De Wet	Chairperson of Audit Committee (Resigned during April 2023)	johandewet57@gmail.com	083 306 2484

TABLE 6: AUDIT AND PERFORMANCE AUDIT COMMITTEE

Audit And Performance Audit Committee Training

All Audit and Performance Audit Committee members received Induction training on 28 March 2023 which was presented with the assistance from the Western Cape Provincial Treasury.

2022/23 Audit and Performance Audit Committee Meetings

The Audit and Performance Audit Committee has subsequent to their appointment during December 2022, met on two occasions during the 2022/23 financial year, namely:

- 13 March 2023
- 30 June 2023.

Induction training has been undertaken with members and the committee has met twice during 2022/23. The Committee has also met and considered and reviewed the undermentioned strategic documents:

- The Internal Audit Methodology
- The Internal Audit and Audit Committee Charter
- Draft Annual Financial Statements

FINANCIAL DISCIPLINARY BOARD

Council established the Disciplinary Board.

The Disciplinary Board is an independent advisory body that assists the council with the investigation of allegations of financial misconduct by officials and provide recommendations on further actions in this regard. It is also to monitor the institution of disciplinary proceedings against alleged transgressors.

RISK COMMITTEE

The Risk Management Committee is responsible for assisting the Accounting Officer in addressing oversight requirements of risk management and evaluating and monitoring the institution's performance with regard to risk management.

Risk Assessment was undertaken in February 2023 from an Enterprise Risk Management perspective through Internal Audit. An IDP aligned draft Strategic risk register and as well as a draft Operational Risk register have been subsequently compiled, pending review by the Audit Committee along with the 3-year risk-based Strategic and Internal Audit Annual Operational Plan.

2.2. ADMINISTRATIVE GOVERNANCE

The Municipal Manager, as the Accounting Officer of the Municipality is the Head of the Administration, must provide guidance on compliance with legislation to political structures, political office bearers and officials and is primarily responsible for service delivery and implementation of political priorities.

The organizational structure provides for 3 Senior Executive Managers to report directly to the Municipal Manager. Those are:

Municipal Manager : Adv Dililo Serero

Chief Financial Officer : Ms. Roslyn Saptoe

Director Corporate and Community Services: Mr. Hendrik Barnard

Performance agreements that align to the Municipality's top layer SDBIP were in place for senior managers serving during the 2022/23 financial year. Although individual annual performance evaluations have not been performed yet. The mid-year performance assessment was done with the financial performance in January 2023, the annual performance assessments will be conducted

after the final audit outcome is received as well the final submission of the annual report for the year under review.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3. INTERGOVERNMENTAL RELATIONS

There has been an improvement in active participation by Kannaland Municipality on IGR structures. Intergovernmental Relations (IGR) is an important inter-governmental structure for compliance purposes but also provides the opportunity for Kannaland Municipality to progress issues of mutual interest with neighboring municipalities, Garden Route District Municipality, provincial and national government as well as the South African Local Government Association.

At these critical platforms the Municipality raises its experiences and challenges in order to obtain support from other government sectors and spheres or to address policy and practice matters. Attending meetings of these important IGR structures remain costly and directs funding away from other services delivery issues.

The value for money principle is applied in improving attendance of IGR meetings to ensure the most benefit for the Municipality at the least possible cost.

FORUM NAME	COMPOSITION	PURPOSE
District Coordinating Forum (DCF)	Executive Mayors in GRD	To identify and implement programs aimed at realizing one of the key objectives of local government, i.e., to deepen local democracy, promote joint planning and building capacity.
District Municipal Managers Forum (MMF)	Municipal Manager	To discuss matters of Municipal interests.
District Co-ordinating Forum	Executive Mayors	District driven agenda
SALGA Steering/Sub Committees	Municipal Manager and Council	All municipal support services
CFO Forum	Chief Financial Officer	All financial related topics
MIG forum	PMU Manager	Identified priorities / appraisals discussion

FORUM NAME	COMPOSITION	PURPOSE
GRDM Local Economic Development Forum	LED and Communication Coordinator	LED related topics
Water and Sanitation Forums	LED and Communication Coordinator	Water and sanitation related concerns and solutions discussions
Provincial Speakers Forum	Speaker	Provincial Local Government driven agenda
MINMAY Forum	Mayors and Municipal Managers	Provincial Local Government driven agenda
MINMAY Tech Forum	Municipal Managers and Directors	Provincial Local Government driven agenda
District IDP/PP Managers Forum	IDP officials	District and local planning alignment and support
Provincial IDP Managers Forum	IDP and relevant key personnel	IDP planning
Municipal Integrated Planning Engagement	MM, S57, CFO and IDP Manager	IDP Planning and JDMA
Technical Integrated Municipal Engagement	MM, S57, CFO and IDP Manager and Line Managers	Budget and IDP alignment To discuss future planning and budget related queries emanating from assessments from PT
Garden Route Kannaland Skills MECCA	Community; Human Resources; LED Manager	Community skills development

TABLE 7: INTER-GOVERNMENTAL STRUCTURES (IGR)

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4. PUBLIC MEETINGS

2.4.1. COMMUNICATION, PARTICIPATION AND FORUMS

Section 16 of the Municipal Systems Act (MSA) refers to the development of a culture of community participation within municipalities. It requires of the Municipality to develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose, it must encourage and create conditions for the local community to participate in the affairs of the Municipality throughout the year.

Such participation is required in terms of:

- the preparation, drafting, implementation and review/amendment of the IDP;
- establishment, implementation and review of the performance management system;
- performance monitoring and review;
- Preparation of the municipal budget; and
- Spatial Development Framework etc.

Public participation enables vigorous and constructive engagements with all stakeholders through their participation in ward committee meetings and community feedback sessions throughout the year on various issues including matters raised by members of the community. This is of particular importance, given the geographical size and nature of the municipal area within which community's needs vary from area to area.

The result of the municipal public participation processes is designed to allow Council and management to do better long-term planning and deliver, amongst other, a more credible IDP and Budget.

The complaints system is still being utilized to obtain the enquiries from the community.

2.4.2. WARD COMMITTEES

Since the inception of the ward participatory system in 2001, ward committees have emerged as a key institutional mechanism intended to bring about a people centered participatory and democratic system of government. Ward committees are, in most instances, deemed to be ineffective in representing the aspirations and interests of the needy, hence, the often destructive and violent service delivery protests. The ward participatory system (ward committees) has had challenges,

including the non-functionality which could be attributed to a whole range of factors, for example flawed ward committee establishment processes, lack of proper sector representation and accountability, political interference, lack of ward committee support by the municipal administration and the absence of a guiding policy framework.

At Local Government level the Local Government: Municipal Structures Act, 1998, requires, among others, that municipalities develop mechanisms to consult communities and community organizations in performing their functions and exercising its powers. These structures are commonly known as Ward Committees, and provide a vital link between Ward Councilors, the community and the municipality. They allow for members of communities to influence municipal planning in a manner which best addresses their needs.

ATTENDANCE OF MEETINGS

Public meetings are being held in all wards of the Municipality with the specific intention to determine community-based needs and opinions for purposes of the Integrated Development Plan and Annual Budget processes. These meetings inform and report on public needs, performance planning and reporting, integrated strategic planning and budgeting as well as determination of strategic objectives. Quarterly Ward Committee meetings are held with the Ward Councilor.

Ward Councilors conducts bi-annual report back meetings with their Ward Committees to discuss ward plans and service delivery shortcomings as well as to give feedback on the success/ failure of proposed projects.

Attendance of the public is determined by their personal interest in the matters for discussion at the specific the meeting, otherwise there is very little interest shown in such meetings. Attendance to the ward committee meetings has improved during 2021/2022. Municipal officials from all departments attend all public meetings to ensure that knowledgeable technical answers can be given on matters raised and for management to take note of matters to receive attention.

Transport to ward committee members is provided, where possible. Administrative capacity is provided to ward committee meetings by the Municipality.

5All ward committee members must attend the monthly meetings and submit a report as part of their participatory functions as ward committee members in their respective wards. A stipend of R 500 per month has been approved as per the ward committee policy (out of pocket expense) 2022.

2022 WARD COMMITTEE ESTABLISHMENT PLAN

The establishment of new ward committees within the legislated 120-day timeframe became an imperative following the Local Government Elections of 1 November 2021. Kannaland Municipality

developed and adopted a Ward Committee Establishment Plan which was successfully implemented and saw the election and induction of a new ward committee to serve for the period 2022-2027.

ELECTION TIMETABLE OF WARD COMMITTEES: 2022

Kannaland Municipality adopted a Ward Committee establishment plan and proceeded with ward committee elections as reflected in table 25 above.

Ward No.	Voting district, No/Area	Ward Councilor (Name)	Ward Committee elections	Nominees	Date of election	Support Staff assisting on election day
1.	Town Hall	Jeffrey Donson	1	0	22 February 2022 at 18h30	Officials of Kannaland Municipality and EPWP
2.	Town Hall	Werner Meshoa	1	1 3	24 February 2022	Officials of Kannaland Municipality and EPWP
3.	Maxi's Hall	Hyrin Ruiters	1	6	15 February 2022 at 18h00	Officials of Kannaland Municipality and EPWP
4.	Ladismith Town, Van Wyksdorp and surrounded farm areas	Aletta Steenkamp	6	9	Van Wyksdorp – 16 Feb 2022 at 18h00 Dankoord – 21 Feb 2022 at 18h00 Ladismith Dorp – 23 Feb 2022 at 18h00 Buffelsvlei – 17 Feb 2022 at 18h00 Algerynskraal – 28 Feb 2022 at 18h00 Hoeko – 1 Maart 2022 at 18h00	Officials of Kannaland Municipality and EPWP

WARD COMMITTEE INDUCTION TRAINING

Kannaland Municipality with the assistance and support received from the WCPG: Public Participation conducted an Induction Training Workshop for ward committees on 27 May 2022 at Parkside Guesthouse, Ladismith.

WARD COMMITTEE POLICY REVIEW

Kannaland Municipality adopted the revised Ward Committee Policy on 30 June 2022. A workshop was conducted with council on the Ward Committee Policy on 7 July 2022.

WARD COMMITTEE TRAINING NEEDS ANALYSIS

Training needs analysis was undertaken in collaboration with ward committee members. The Garden Route District Municipality is supporting Kannaland Municipality through the Skills Mecca Training initiative. The undermentioned ward committee training programmes have been identified to augment the functionality of the ward committee system, Business plan development; First aid; Conduct of community surveys; Basic office administration; Minute and report writing; Computer literacy/project proposal; Business plan writing; Petition workshop; Entrepreneurships

WARD COMMITTEE MEMBERS

The tables hereunder illustrate the details of the ward committee members serving Kannaland Municipality.

WARD 1 – WARD COMMITTEE MEMBERS (NISSENVILLE)

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
EXECUTIVE MAYOR JEFFREY DONSON	CHAIRPERSON JEFFREY DONSON	KANNALAND MUNICIPALITY	083 256 0874
DAWID	OPPERMAN	BUSINESS	084 647 3512
JAN	CEDERAS	COMMUNITY SAFETY FORUM	071 604 8351
HENRY	MOSES	SPORT AND CULTURE	078 149 7473
GILLION	BOSMAN	YOUTH	071 877 3307
PETRONELLA	JULIES	COMMUNITY BASED ORGANISATIONS	073 519 2010
CAROLINE	MGANGANE	WOMAN	084 456 0532
RACHEL	JANUARIE	SENIOR CITIZENS	073 312 1165
MELANIE	AYSLIE	RELIGIOUS GROUPING	073 570 4578
EVANDRE	JANSEN	DISABILITY	

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
PHILIP	RADEMEYER	HOUSING	082 547 3309

WARD 2 – WARD COMMITTEE MEMBERS

Calitzdorp, Bergsig, Warmbad, and Kruisrivier, Gamka– East and West

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
DEPUTY EXECUTIVE MAYOR WERNE MESHOA	MESHOA	KANNALAND MUNICIPALITY	060 582 4414
MARIA	HORN	COMMUNITY BASED ORGANISATIONS	062 046 1829
FRANSIENA	QUANTINI	COMMUNITY BASED ORGANISATIONS	083 821 7607
LEWONA	ANDRIES	COMMUNITY BASED ORGANISATIONS	076 669 3200
HANNA	KARELSE	HEALTH AND WELFARE	074 859 4862
EVA	KIEWIETS	SENIOR CITIZENS	074 385 8644
BETTIE	MCDILLON	RELIGIOUS GROUPS	078 565 6152
QUINTA	VALENTYN	BUSINESS	073 540 5145
MARSHELL	TARENTAAL	YOUTH	061 034 6086
SOPHIA	ROMAN	SENIOR CITIZENS	079 653 5642
FRADWILL	JAFTHA	BUSINESS	

WARD 3 – WARD COMMITTEE MEMBERS (ZOAR)

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
CLLR HYRIN RUITERS	RUITERS	KANNALAND MUNICIPALITY	083 922 8282
SHERILENE	PRINS	HEALTH AND WELFARE	073 191 9218
CEDRIC	JOHANNES	COMMUNITY BASED ORGANISATIONS	061 247 9773
JAKOB	NKOKOU	AGRI-CULTURE	073 739 6021
GLADWIN	GELANDT	BUSINESS	073 725 4446
ZAYLENE	DANIELS	COMMUNITY SAFETY FORUM	078 746 1010
SUDENE	ARNOLDUS	TOURISM	
BERISSA	DANIELS	HEALTH AND WELFARE	071 027 8423
CHARNELL	ARENDSE	SPORT AND CULTURE	078 366 3967
ALETTA	JOON	SENIOR CITIZENS	071 855 8886
JOHN	NOVEMBER	TRADITIONAL LEADERS	Geen kontak nommer op oomblik

WARD 4 – WARD COMMITTEE MEMBERS

Ladismith Town, Van Wyksdorp, Dankoord, Algernyskraal, Buffelsvlei, Hoeko

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
CLLR ALLETTA STEENKAMP	STEENKAMP	KANNALAND MUNICIPALITY	072 425 5991
DOROTHEA	VAN ROOYEN	SENIOR CITIZENS	073 613 7906
EDWARD	ADCOCK	HEALTH	061 604 2429
MARTIN	HENDRICKS	COMMUNITY BASED ORGANISATIONS	076 517 8399
ESMERELDA	VAN STADEN	HEALTH AND WELFARE	065 255 8722
VACANT			
PERCIVAL	APPOLLIS	RELIGIOUS GROUPS	074 711 3979
JAN-DIRK	BRAK	BUSINESS	082 806 7217
GEORGE	LAUBSCHER	RATEPAYERS	082 595 5376
NERINA	LOCHNER	COMMUNITY BASED ORGANISATIONS	063 312 2480

2.4.3. FUNCTIONALITY OF WARD COMMITTEES

Ward committee members are elected by the communities they serve. A ward committee may not have more than 10 members and women must be well represented. The ward councilor is the chairperson of the ward committee.

The main purpose of ward committees is to improve effective communication and participation of community members to inform council's decision-making on the opinion and needs of the communities, especially those affected by a decision. Ward committees have no formal powers, but they advise ward councilors who make specific submissions directly to the Administration/ Council and also assist the ward councilor with the following:

- consultation and report-back to the community;
- obtaining better participation from the community to inform council decisions, and
- playing an important role in the annual revision of the Integrated Development Plan of the area.

The WCPG has developed functionality indicators to ascertain, monitor and support ward committee in local municipalities.

The undermentioned indicators are applied and reported on each quarter:

- Scheduled quarterly ward committee meetings;
- Sector/Block meetings;
- Ward Committee policies adopted by council;
- Ward Councilor Report back meetings; and
- Ward Committee vacancies

Council adopted a Ward Committee Policy on 30 June 2022 to ensure effectiveness in ward committees' functions.


WCPG 2022/23 WARD COMMITTEE FUNCTIONALITY REPORT

Quarter 1 Ward Committee Functionality Report April - June 2023					
Kannaland Municipality	Wards	Yes/No	No of Meetings	Meeting dates	Physical/Virtual/Hybrid
1 Did all scheduled ward committee meetings take place during the quarter under review? If not, which wards did not meet and what were the reasons?	1	YES	2	8 May 2023 12 June 2023	Physical
	2	YES	2	11 May 2023 15 June 2023	Physical
	3	NO	0		Physical
	4	YES	2	9 May 2023 13 June 2023	Physical
Total no of meetings			4		
If no, please provide reasons	Reasons: Ward 3 ward Councilor was on sick leave.				
2 Did all sector/block meetings take place during the period under review?	Wards	Yes/No	No of Meetings	Meeting dates	Physical/Virtual/Hybrid
	1	YES	2	1 May 2023 5 June 2023	Physical
	2	YES	2	4 May 2023 8 June 2023	Physical
	3	YES	2	3 May 2023 07 June 2023	Physical
	4	YES	2	2 May 2023 06 June 2023	Physical
Total no of meetings			8		
If no, please provide reasons	Reasons:				
WARD COMMITTEE POLICIES					
3 What is the status of the Municipality's Ward Committee Policy (i.e. adopted, revised draft or outdated). Has the Municipality incorporated elements of the amended Municipal Structures Act into the policy, e.g. 120 day provision in respect of ward committee establishment, the role of the Speaker being the custodian of ward committees in terms of Section 37 of the amended Act? If not, when will these policy amendments be made?	Status of Policy: The final ward committee policy was tabled to Council on 10 November 2022 and was approved by Council.				
WARD COUNCILLOR COMMUNITY REPORT BACK MEETINGS					
4 Did all Ward Councillors convene their legislated Community Report Back meetings? If not, what were the reasons?	Wards	Yes/No	Date	All Community Report Back meetings did not occur for the quarter under review due to the following reasons:	
	1	Yes	18-Apr-23		
	2	Yes	12-Apr-23		
	3	Yes	23-Apr-23		
	4	Yes	20-Apr-23		
If not, which wards did not hold their meetings and what reasons?					
5 What other forms of public participation did the Municipality use during the quarter under review to strengthen community participation in process such as the IDP, budget etc?	Whatsapp Groups Facebook pages kannaland Customercare				
WARD COMMITTEE VACANCIES					
6 What is the status of ward committee vacancies? In cases where such exists, when will these be filled? Please kindly describe procedures and timeframes for the filling of vacant posts and indicate whether these procedures and timeframes are prescribed in the Municipality's Ward	Wards	Vacancies	Date (Month when vacancy/es occurred)	Description: Procedures & Timeframes for the filling of vacant posts as per Ward Committee Policy.	
	1	0			
	2	0			
	3	1	Will be filled by August 2023		
	4	2	Will be filled by August 2023		
IS THERE ANY SUPPORT REQUIRED FROM THE DEPARTMENT? Eg. Know your Ward Committee Campaign, Civic Education on Public Participation, Policies etc					
Support Required from Department of Local Government (DLG): Civic education on Public Participation					



PENNY COORSLAAR
Name and Surname of the Delegated Authority

MANAGER: ADMINISTRATION
Designation


Signature

2.5. IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Is the community involved in drafting the IDP, Budget and Performance Management Plan?	Yes
Does the municipality publish documents onto the municipal website and distribute these to the public for perusal at municipal offices and libraries?	Yes
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
Are the budget aligned directly to the KPIs in the strategic plan?	Yes
Are the IDP KPI's aligned to the Section 57 Managers	Yes
Are the IDP KPI's aligned to functional area KPIs as per the SDBIP?	Yes
Are the IDP KPI's aligned with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

PUBLIC NEEDS ANALYSIS

A public needs analysis was conducted to ascertain community needs, concerns and development requests. During the 5th generation 2022-2027 DP stakeholder engagements meetings and are reviewed annually during the IDP and Budget Public Participation Engagements held.

COMPONENT D: CORPORATE GOVERNANCE

The council and management subscribe to the principles reflected by the various King reports. The seven primary characteristics of good governance namely, discipline, transparency, independence, accountability, responsibility, fairness and social responsibility have been considered.

2.6. RISK MANAGEMENT

The direction and mandate of risk management for Kannaland Municipality is clearly set out in Section 62(1) of the MFMA that stipulates that the "Accounting Officer must take all reasonable steps to ensure that the Municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control" accompanied by the crucial motto of the public sector: "that the resources of the Municipality are used effectively, efficiently and economically".

Enterprise Risk Management (ERM) is an essential function that must be performed by the Municipality in terms of the applicable local government legislation. Auditor-General reports in recent years have highlighted risks for the Municipality and findings indicated that ERM must be prioritized as this function has been neglected for years.

BENEFITS OF RISK MANAGEMENT

Kannaland Municipality will implement and maintain an effective, efficient and transparent system of risk management and internal control. Risk management will assist the municipality to achieve, among other things, the following outcomes needed to underpin and enhance performance:

- more sustainable and reliable delivery of services;
- informed decisions underpinned by appropriate rigor and analysis;
- achievement of strategic goals as set out in the Integrated Development Plan;
- reduced waste;
- prevention of fraud and corruption and better value for money through more efficient use of resources; and
- better outputs and outcomes through improved project and program management.

RISKS OF KANNALAND MUNICIPALITY:

Although, the mitigation and management of the identified risks is the responsibility of management, Internal Audit has used the results of the risk assessment to develop its risk-based plan and accordingly focus its efforts on high-risk areas to determine whether actions taken by management to mitigate such risks has achieved the desired outcome.

The table below details the Top 20 High Residual Risks (Risks above the Risk Appetite), identified during the Risk Assessment process conducted during February 2023. (From Highest Inherent Risk Rating).

TOP 10 2023/2024 STRATEGIC AND OPERATIONAL RISKS:

No.	Risk Cause	Risk Description	Risk Consequences	Inherent Exposure	Inherent Rating	Section
1.	Inventory Shortages Wind Damage Tree Damage Ageing Infrastructure Lack of Load capacity No Alternative Energy Sources Staff Competency	Interrupted Power Supply	Delayed Service Delivery Damage to Equipment Unhappy Community Lost opportunities (ED) Injuries (OHS) Fire Risk	25	25	Electricity
2.	Outdated SDF Non-existence/outdated infrastructure master plans	Noncompliance to core components of IDP	Community unhappiness No long-term goals MEC interventions Unfocussed Service Delivery	25	25	IDP/SDBIP/ Performance
3.	Political Interference Management Override	Unfunded Budget	Unauthorised Expenditure Inability to pay creditors Fruitless and Wasteful Expenditure Reputational Damage AG Findings Funding Losses	25	20	Revenue & Expenditure
4.	Cash Flow shortages Unfunded/Unbalanced Budget Lack of Senior Direction (Constant Changes)	Unable to pay creditors	Inability to generate revenue Inability to collect debt	25	20	Revenue & Expenditure
5.	Underspending by PMU Lack of Commitment Low staff morale	Lost Revenue	Poor Cash Flow	25	20	Revenue & Expenditure
6.	Misaligned Budget / Over/Understated Budget	Budget inefficiencies	(Cash flow challenges, delays in service delivery)	25	20	BTO

No.	Risk Cause	Risk Description	Risk Consequences	Inherent Exposure	Inherent Rating	Section
7.	Poor Planning Delays in contractor appointments (SCM) / Delays in project start dates. Delays in approval of projects (Council) Insufficient Grant Funding Treasury allocation of funding Bid Committee processes	Inability to deliver on projects	Noncompliance with Dora Regulations (AG Findings) Not achieving expenditure Targets (Loss of grant funding, withholding retentions) Non implementation of projects (Service Delivery) Community unhappiness	25	20	Project Management Unit
8.	Blocked system (Dumping) Roads and Stormwater Connections Ageing Infrastructure System design problems (Nissenville) Broken Equipment (Honeysuckle)	Sewerage Spillages (Unlicensed Discharges)	Health Issues Non-Compliance to laws and regulations Regulatory Fines Budgetary impacts (Spillage cleaning) Rehabilitation Costs	25	20	Sewerage
9.	Shortage of Staff Degrading Road Signage	Lawlessness on Roads	Accidents Loss of Life	25	20	Protection Services
10.	Shortage of Staff Manual Processes Management Override (mismanagement)	Excessive Overtime Payments/ Duplicate Payments (Standby and Overtime)/Standby misuse	Financial Losses Regulatory issues AG Findings Shortage of Cash Flow	25	20	Overtime
11.	Lack of Opportunities Poverty Lack of Youth Centers	Increase in social ills (Mental Health issues)	Increased Suicides Increased Crime Migration Loss of tourism	25	12	LED
12.	Unstable council Changes in Priorities Public Participation meetings not taking place	Constant IDP adjustments/amendments	Non-Compliance (unapproved adjustments) Poor Public perception	20	20	IDP/SDBIP/Performance

No.	Risk Cause	Risk Description	Risk Consequences	Inherent Exposure	Inherent Rating	Section
			Community unhappiness Lost Projects			
13.	Financial System Limitations (Lack of system integration)	Inaccurate Financial Reports/ Incomplete Financial Data	Misstatements in AFS, Non-compliance	20	16	Reporting
14.	Incorrect budgeting methods (lack of ownership)	Unauthorized Expenditure	(Non-compliance, expenditure not aligned to approved votes, Audit Finding)	20	16	BTO
15.	Poor Planning	Unspent Grants	Revoked funds	20	16	BTO
16.	Unauthorised access	Loss/theft of IT Assets	Financial loss, delays in service delivery	20	16	ICT
17.	Poor planning Poor demand management Forced spending Ineffective CSD platform	Poor Quality Goods and Services Delays in Procurement Unauthorised Expenditure Disregard for market related prices(overpayment)	Poor service delivery Delays in service delivery; Non-compliance Financial loss	20	16	SCM/Procurement Stores/ Inventory
18.	No proper store access controls No maintenance planning Items not part of inventory Manual processes/ recorder levels	Inventory theft Obsolete Inventory Inaccurate inventory Inventory shortages	Financial loss Financial loss (Duplication, Audit Findings, Financial loss) Delays in service delivery	20	16	SCM/Procurement Stores/ Inventory

No.	Risk Cause	Risk Description	Risk Consequences	Inherent Exposure	Inherent Rating	Section
19.	Raw Water Capacity Plant Capacity Ageing Infrastructure Vandalism (Theft of fence) Pipe Bursts Leaking infrastructure	Intermittent Water Supply / Water Losses due to pipe bursts	Pressure Drops Poor Public Perception Negative Economic Development impact Monetary/Revenue Losses Loss of Life (Drowning) Insurance Claims - Pipe Bursts)	20	16	Water
20.	Deteriorating road conditions (Potholes)	Road Accidents	Insurance Claims Legal Proceedings (Civil Lawsuits) Loss of Life	20	16	Roads

2.7. ANTI-CORRUPTION AND FRAUD

The oversight roles are managed by the Municipal Public Accounts Committee (MPAC), Disciplinary Board and Audit and Performance Audit Committee as described under Oversight Structures at the beginning of this Chapter.

The Municipal Manager has overseen the implementation of this anti-fraud campaign during 2022/23 through:

- (i) workshops with staff on ethical reporting and professionalism;
- (ii) Capacity building workshops on the Annual Reporting through Ward Committee structures and IDP/Budget Public Participation Engagements;
- (iii) MPAC Capacitation and revival with regular meetings convened;
- (iv) Oversight by Audit and Performance Audit Committee through establishment, induction, revival and regular meetings conducted;

Further interventions to be undertaken by the Municipal Manager during 2023/24 include:

- (v) Review of Risk management and Anti-Fraud manuals;
- (vi) effectiveness of Disciplinary Committee;

2.8. INTERNAL AUDIT

An internal auditor was appointed in the 2021/22 financial year in July 2021, the position had to be re-advertised and an internal auditor was appointed effective October 2022. The Internal Audit Unit has been fully functional ever since, and will be throughout the 2022/23 financial year.

2.9. CONTRACT MANAGEMENT

In the absence of a proper functioning contract management function the municipality was unable to monitor, review and evaluate contracts that either came to an end or had to be reviewed for service delivery purposes.

The Auditor General South Africa (AGSA) has also pointed out the lack or weak management of contracts which does have a negative financial impact on the municipality. There were also a significant number of officials who did not have formal signed contracts that complied with the collective agreement and the basic conditions of employment.

Given the above, management has undertaken to do a full audit with regard to all Service Level Agreement between the municipality and parties in business with.

2.10. SUPPLY CHAIN MANAGEMENT

Supply Chain Management is guided by sections 110 – 119 of the MFMA; SCM Regulations 2005, and relevant MFMA circulars that set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption. The undermentioned initiatives were undertaken to improve performance in the unit.

- The Municipality established a functional SCM unit
- The SCM unit report Monthly on Deviations to Council.
- Quarterly to NT and PT on SCM.
- Quarterly to Council on the Supply Chain Management Policy.
- Regular meetings are being held to address issues relating to non- compliance.

2.11. BY-LAWS

Section 11 of the Municipal Systems Act gives a Municipal Council the executive and legislative authority to pass and implement by-laws and policies. A by-law is a legal document, which enables a local authority (Municipality) to implement certain powers vested in it by the Constitution. Kannaland Municipality has by-laws which give effect to its constitutional obligations.

Corporate Administration unit is responsible for the safekeeping and updating of By-Laws. Many of the By-Laws are outdated and require revision. Certain By-Laws could still be used and enforced. It is recommended that the existing By-Laws of Council be scrutinized to ascertain the status quo and to approach the WCPG for assistance in updating the outdated By-Laws. This process needs to be expedited as a matter of urgency in order to ensure that the appointed Law Enforcement Officers are able to fulfil their role and duty. Calitzdorp Street Children has been as issue raised and this emphasizes the importance of this process to be followed. Also informal trading by-laws and the enforcement thereof has been identified as a priority. Revenue gains can be made from this exercise. Illegal dumping is another concern and once again requires a By-Law for enforcement.

In a meeting chaired
by Executive Mayor
Jeffrey Donson and
Speaker
Peter-George Rooi,
Certificates were
presented to our Law
Enforcement
Officials.
11 APRIL 2023



The Municipality is in the process of revising by-laws to identify potential intervened introducing new by-laws for adoption by Council. No by-laws were adopted in the 2022/23 financial year. The public participation stipulated in the applicable legislation will be followed for the adoption of by-laws process.

CURRENT STATUS: 2022/2023

The WCPG has assisted in reviewing/developing By Laws in collaboration with Kannaland Municipality. Law Enforcement Officers have been capacitated and certified to fulfil their role of law enforcement.

The undermentioned By Laws have been developed and refined and shall be tabled to council during October 2023 whereafter a public participation process will be embarked upon.

- Traffic Roads Regulations
- Home Stores Regulations
- Electrical
- Keeping/Controlling Animals
- Community Fire Safety
- Water Services
- Street Trading
- Fines
- Dumping and Littering

2.12. WEBSITE AND ICT

The information pertaining the ICT function remains the same. Financial constraints are the critical area that needs attention to ensure the challenges are resolved.

The primary purpose of the Information Systems and Technology section is the provision of Information and Communication Technology (ICT) services which will enable an efficient and effective administration. An ICT assessment was done on current challenges as well to recommend possible solutions.

The ICT department is working towards full compliance in terms of section 75 of the MFMA regarding information that must be placed on the municipal website.

Municipal Website: Content and Currency of Material	
Documents published on the Municipality 's / Entity's Website	Yes / No
Current Annual and Adjustments Budgets and all Budget-Related Documents	YES
All current Budget-Related Policies	YES
The previous Annual Report	YES
The Annual Report	YES
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act) and resulting scorecards	YES
All Long-Term Borrowing Contracts	YES
All Supply Chain Management Contracts above a prescribed value (givevalue) for Year	YES
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4)	YES
Contracts agreed in year to which subsection (1) of section 33 apply, subject to subsection (3) of that section	YES
All Quarterly Reports tabled in the council in terms of section 52 (d) during year	YES

2.13. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Kannaland Municipality has a complaints management system and all possible measures are taken to ensure that complaints are attended to in the shortest possible time and that feedback is provided to the complainant. The Municipality has acquired the electronic Collaborator complaints system for improved monitoring of complaints. Members of the community are requested to log all their complaints to customercare@kannaland.gov.za or to call 061 6021095. There are dedicated municipal officials attending to the customer care helpline. The logged calls are filtered through to the responsible officials.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services. Please note that the municipality is in process of comparing the municipal statistics to MERO and LGSEP statistics to ensure proper alignment.

3.1. WATER PROVISION

The table below indicates the access to water from 2021/22 to 2022/23 financial years.

Water Service Delivery Levels		
Households		
Description	2021/22	2022/23
<u>Water: (above min level)</u>		
Piped water inside dwelling	4673	4690
Piped water inside yard (but not in dwelling) (backyard dwellers)		
Using public tap (within 200m from dwelling)		
Other water supply (within 200m)		
<i>Minimum Service Level and Above sub-total</i>		
<i>Minimum Service Level and Above Percentage</i>		
<u>Water: (below min level)</u>		
Using public tap (more than 200m from dwelling)	188	199
Other water supply (more than 200m from dwelling)		
No water supply		
<i>Below Minimum Service Level sub-total</i>		
<i>Below Minimum Service Level Percentage</i>		
Total number of households*	4863	4889

SOURCE: SAMRAS (MUNICIPAL STATISTICS)

LADISMITH

All households have access to basic water services which means that water is available within 200 meters from their dwellings/houses. All the houses in the urban areas of Kannaland Municipality are provided with individual water connections except for informal areas. Stand pipes are provided in the informal areas as a temporary emergency service.

The waterworks have been upgraded to provide better quality water. The Municipality received funding from Department of Local Government through the Drought Relief Grant to refurbish the existing borehole field and to drill and monitor for a deep borehole development.

The construction of a storage dam is urgently needed as the existing dams does not have the adequate storage capacity. The town has no water security for more than six months. Clean drinking water storage capacity is required therefore a new infrastructure network upgrade is required.

Due to budget constraints the Municipality applied for funding support to ensure water security projects could been enabled.

VAN WYKSDORP

An application was submitted to upgrade the Water Treatment Works for the 2022/23 financial year. Van Wyksdorp still faces problems during the summer and peak season. Raw water storage should be increased to add additional water in the system. New funding applications should be submitted for the storage capacity and the upgrading of the water networks within the town.

New boreholes need to be exploited to assist in addressing the shortcomings. The pipeline network for the boreholes should also be upgraded and funding for these upgrades should still be sourced

The current water losses are due to:

- Faulty and/or by-passed water meters
- Leakages on existing pipelines and reservoirs
- Unaccounted water losses

ZOAR

A new borehole was drilled and equip through MISA funding. This borehole is currently augmenting the water supply to the water treatment works, but we still face the challenge that we do not have enough raw water capacity. The challenges are the expansion of existing Tier Kloof Dam and development of new boreholes. Funds must be obtained from Province and National to minimize the challenges. Current situation is the lack of storage capacity for raw water and develop new boreholes to replenish raw water and then upgrade network along with build extra reservoirs for storage of treated water.

The Water treatment Works should also be upgraded further to ensure that water supply to the community is uninterrupted during peak seasons. Currently the water treatment works

cannot treat the demand efficiently and therefore funding should be sourced to upgrade the works.

The water losses for the year under review are 18.93% and below is the reasons and remedial actions to reduce the losses to the norm:

- Faulty and/or by-passed water meters
- Leakages on existing pipelines and reservoirs
- Unaccounted water losses

CALITZDORP

A deep borehole was drilled to augment the water supply for the town. This borehole showed significant yields, but due to timeframes and limited funding this borehole could not be equipped. An application was submitted through the WSIG programme from the Department of Water and Sanitation to complete the Calitzdorp deep borehole development project.

Challenges are the replenishment of raw water through the development of new boreholes. Current raw water source comes from Nelsdam which belongs to the irrigation board and which we have to pay dearly for the consumption. Upgrading of existing waterworks is necessary. Current situation is that if Nelsdam is low the municipality has no other sources of raw water. Boreholes must be developed to increase raw demand.

The water losses for the year under review mainly caused by:

- Faulty and/or by-passed water meters – this was rectified through the MIG project for 2021/22FY
- Leakages on existing pipelines and reservoirs
- Unaccounted water losses

Total Use of Water by Sector 2021/22 and 2022/23				
Years	Commercial	Industrial	Domestic	Unaccountable water losses (R)
2021/22	176 249 KL	524 939 KL	800 700 KL	451 572 KL
2022/23	156 985 KL	447 076 KL	766 655 KL	528 458 KL

SOURCE: SAMRAS (MUNICIPAL STATISTICS)

The table below indicated the capital expenditure for the year under review:

Capital Expenditure: 2022/23		R10 528 850	R1 714 203	-R1 920 000	R9 269 628.19	R1 053 425
Department		Budget	Adjustment Budget	Withheld Funds	Actual Expenditure	Variance from original budget
Water Services	Ladismith: Upgrade Water Treatment Works	R403 612			R396 354	R7 258
Water Services	Ladismith: New Waste Water Treatment Works	R441 713			R441 082	R631
Water Services	Van Wyksdorp: Upgrade Water treatment Works	R1 631 725			R1 466 716	R165 009
Public Works	Van Wyksdorp: Upgrade Sewerage Works	R1 823 450			R1 657 808	R165 642
Public Works	Zoar: Upgrade sewer Works	R4 308 350			R3 426 415	R881 935
Retention					R616 424	-R616 424
Libraries	Bergsig Library	R0	R33 203		R33 977	-R774
Technical	Blue Drop Green Drop- and Testing Kits	R0	R306 000		R226 786	R79 214
Information Technology	Microsoft Server	R0	R300 000		R0	R300 000
Electricity	Loadshedding Relief		R1 075 000		R1 004 065	R70 935

The table below indicates the water services policy objectives taken from the SDBIP:

Water Service Policy Objectives Taken From IDP					
Service Objectives	2021/2022			2022/2023	
	Outline				
	Service Targets	Target	Actual	Target	Actual
Number of formal residential properties Receives piped water Connected to the Municipal water infrastructure network as at 30 June 2022	Number of Residential properties which are Billed for water services as at 30 June 2022	4656	4673	4665	4690

SOURCE: SAMRAS (MUNICIPAL STATISTICS)

3.2. WASTE WATER (SANITATION) PROVISION



UPGRADING OF SEWAGE PLANT IN ZOAR.

15 MAY 2023



The majority of households are connected to waterborne sanitation systems in the Kannaland area. The Municipality is intending to replace all bucket systems with water borne system, however funding needs to be sourced to implement this project.

LADISMITH

Currently, sanitation gravitates to the WWTW which comprises a primary settling tank, bio- filter, and humus settling tank and sludge facilities (anaerobic digester and sludge drying beds).

The Waste Water Treatment Works was refurbished and upgraded through the MIG programme. The following items was upgraded and refurbished:

- The Grit channel walkway
- Cleaning of the Humus tank
- Cleaning of the maturation ponds
- Refurbishment of the primary settling tank
- Replacing the Biofilter with plastic media
- Refurbishment of the humus tank

Upgrading existing sewerage works is urgent as it is over its capacity. No new houses can be built. Challenges are also the flushing of main sewer lines that are full of sediment.

An application was submitted through the WSIG programme to complete the project. Provision of sanitation services at informal housing required.

ZOAR

The majority of households are connected to waterborne sanitation systems in the Kannaland area. Ten households in Zoar still use the bucket system. This project is listed for future intervention, but the challenge we face is that these houses are opposite the river.

Challenges are that extra staff must be appointed for maintenance of works.

Current situation is that the sewers at dams need to be upgraded and pump stations upgraded. An application was submitted through the MIG programme to refurbish and upgrade the Waste water treatment works and Sewer Pumpstation.

CALITZDORP

The municipality is also planning to replace the septic and conservancy tanks in the coming years by linking those households to the bulk infrastructure network throughout the Calitzdorp area. This project is listed for future intervention.

Normal maintenance work was completed throughout the year under review. No upgrades were implemented for the Waste Water Treatment Works in Calitzdorp.

VAN WYKSDORP

Ninety households in Van Wyksdorp Greenhills area are connected to a waterborne system which gravitates to a package plant for treatment. Provision of services at informal areas is still a challenge and remain a priority.

A new application was submitted through the MIG programme to upgrade the Waste Water Treatment Plant (Package Plant). No upgrades or refurbishments was done for the year under review except for normal maintenance and repairs throughout the year.

The table below indicates the sanitation service levels:

Sanitation Service Delivery Levels		
*Households		
Description	2021/22	2022/23
	Outcome	Outcome
	No.	No.
<u>Sanitation/sewerage: (above minimum level)</u>		
Flush toilet (connected to sewerage)	4067	4075
Flush toilet (with septic tank)	189	190
Chemical toilet	-	-
Pit toilet (ventilated)	-	-
Other toilet provisions (above mi. Service level)	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-
<i>Minimum Service Level and Above Percentage</i>	-	-
<u>Sanitation/sewerage: (below minimum level)</u>	-	-
Bucket toilet	-	-
Other toilet provisions (below mi. Service level)	-	-
No toilet provisions	-	-
<i>Below Minimum Service Level sub-total</i>	-	-
<i>Below Minimum Service Level Percentage</i>	-	-
Total households	4256	4265

SOURCE: SAMRAS (MUNICIPAL STATISTICS)

The table below indicates the capital expenditure for the year under review:

Capital Expenditure: 2022/23		R10 528 850	R1 714 203	-R1 920 000	R9 269 628.19	R1 053 425
Department		Budget	Adjustment Budget	Withheld Funds	Actual Expenditure	Variance from original budget
Water Services	Ladismith: Upgrade Water Treatment Works	R403 612			R396 354	R7 258
Water Services	Ladismith: New Waste Water Treatment Works	R441 713			R441 082	R631
Water Services	Van Wyksdorp: Upgrade Water treatment Works	R1 631 725			R1 466 716	R165 009
Public Works	Van Wyksdorp: Upgrade Sewerage Works	R1 823 450			R1 657 808	R165 642
Public Works	Zoar: Upgrade sewer Works	R4 308 350			R3 426 415	R881 935
Retention					R616 424	-R616 424
Libraries	Bergsig Library	R0	R33 203		R33 977	-R774
Technical	Blue Drop Green Drop- and Testing Kits	R0	R306 000		R226 786	R79 214
Information Technology	Microsoft Server	R0	R300 000		R0	R300 000
Electricity	Loadshedding Relief		R1 075 000		R1 004 065	R70 935

Below are the policy objectives taken from the IDP for the financial year under review:

Sanitation Service Policy Objectives Taken From IDP					
Service Objectives	Outline Service Targets	2021/22		2022/23	
		Target	Actual	Target	Actual
Provision of sanitation/sewerage services to formal residential account holders which are connected to the municipal waste water/sanitation/sewerage network and billed for services as at 30 June 2023	Number of formal residential properties which are billed for sewerage services in accordance with the SAMRAS financial system as at 30 June 2023	4247	4256	4250	4265

SANITATION SERVICE POLICY OBJECTIVES TAKEN FROM IDP/SDBIP

3.3. ELECTRICITY

Electricity is the main energy source of households. The Kannaland Municipality is responsible for the provision of electricity to Ladismith and Calitzdorp, whilst Zoar and Van Wyksdorp are supplied by ESKOM.

Kannaland infrastructure is outdated and in need of urgent upgrade. The Municipality has over the past four years invested in new infrastructure to ensure secured electricity distribution to businesses and the community. The current substation in Calitzdorp has an electricity usage capacity of 1.7 MVA and the availability of electricity is 1.2 MVA.

No major infrastructure projects were completed, it must be taken into account that the Municipality rendered services to the community of Kannaland.

It is imperative that the electricity infrastructure be maintained at all times in order to identify where upgrading on aged infrastructure is needed. Upgrading and refurbishment of infrastructure will result in a secure revenue stream as well as quality services delivered to the residents of Kannaland. The capital expenditure is a roll over project from the prior year.

The undermentioned close out report from the Manager: Electrical and Mechanical Services provides valuable information of progress made in relation to the unit before his resignation.

It is imperative that the electricity infrastructure be maintained at all times in order to identify where upgrading on aged infrastructure is needed. Upgrading and refurbishment of infrastructure will result in a secure revenue stream as well as quality services delivered to the residents of Kannaland.

Maintenance of switchgears for Ladismith and Calitzdorp to be prioritized.

The table below indicates all highlights, challenges and interventions incurred by the municipality:

HIGHLIGHTS	CHALLENGES	INTERVENTIONS
<p>Completion of the upgrade of the Ladismith electricity main sub station</p> <p>Appointment of qualified Manager: Electrical and Mechanical Services</p> <p>Training, Eskom mentoring and certification of staff</p>	<p>Significant financial constraints:</p> <p>Lack of and high staff turnover/ training</p> <p>Fleet, Tools, equipment and materials</p> <p>Safety and security</p> <p>Loas shedding</p> <p>Need for generating alternative energy supply</p> <p>Resignation of Manager: Electrical and Mechanical Services</p> <p>Lack of coordination of departments.</p> <p>No application form for commercial customer</p> <p>Vehicle shortages on electricity & Mechanical</p> <p>Staff shortage</p>	<p>Council to review tariff structure</p> <p>Council to look at wayleave by law for the municipality</p> <p>SSEG bylaw and tariff to be drafted.</p> <p>Appointment of securities at borehole sites</p> <p>Application submission for upgrade from 100kva to 200kva and the estimated quote is R265 810.</p> <p>WCPG to assist with review of Energy Master plan</p> <p>Commission a qualified Electrical Engineer to assess the Ladismith Power Network and to compile a Network Distribution Upgrade Plan to be completed in a 4-year timeframe.</p> <p>Upgrade the overhead electricity cables that dates from the 1970's to modern below ground cables and distribution transformers in line with current best practices and standards. (This trenching</p>

	<p>Collaborator to be modified to send out reference numbers to customers logging fault.</p> <p>Funding for infrastructure of Ladismith & Calitzdorp i- too old and unreliable.</p> <p>Faulty meters and availability of staff to issue tokens after hours.</p>	<p>can be done in conjunction with the laying of Fiber optic cables)</p> <p>Upgrade transformers for distribution.</p> <p>Implement 'n standardized maintenance plan to continuously upgrade and maintain the power network.</p> <p>Implement the Western Cape Provincial Government plan for small scale, grid tie, home electricity generation.</p> <p>Pilot alternative energy generation sources (Solar and nuclear power stations)</p>
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Despite the challenges listed, the municipality provide adequate services to their community and businesses.

Electricity Service Delivery Levels		
Households		
Description	2021/22	2022/23
	Actual	Actual
	No.	No.
Energy: (above minimum level)		
Electricity – Conventional	226	223
Electricity – prepaid	3485	3642
Minimum Service Level and Above sub-total	3711	3865
Minimum Service Level and Above Percentage		
Energy: (below minimum level)		
Electricity (< min. service level)		
Below Minimum Service Level sub-total		
Below Minimum Service Level Percentage		
Total number of households	3711	3865

SOURCE: SAMRAS (MUNICIPAL STATISTICS)

The table below indicates capital expenditure for the year under review:

Capital Expenditure: 2022/23		R10 528 850	R1 714 203	R9 269 628.19	76%
Department		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget
Electricity Services	INEP - maintenance of electricity network	R 556 787			

The table below indicates the policy objectives as extracted from the IDP and SDBIP.

Electricity Service Policy Objectives Taken From IDP					
Service Objectives	Outline Service Targets	2021/22		2022/23	
		Target	Actual	Target	Actual
Provision of electricity to formal residential account holders connected to the municipal electrical infrastructure network for both credit and prepaid electrical metering. Number of formal residential properties connected to the municipal electrical infrastructure network (excluding Eskom areas) as at 30 June 2022	Number of formal residential properties which are billed for electricity/have pre-paid electricity (excluding Eskom areas) as at 30 June 2022	3131	3711	3400	3865

SOURCE: THE IDP 2021/22 and 2022/23

3.4. WASTE MANAGEMENT

Kannaland Municipality operates four licensed landfill sites. Operational sites are situated in Ladismith and Zoar. The landfill site in Calitzdorp is licensed for closure and therefore only organic waste and building rubble is accepted at this site. Household and business waste from Ladismith, Calitzdorp and Zoar are collected on a weekly basis and disposed at the Ladismith and Zoar Landfill sites.

Household and business waste from Van wyksdorp is collected every week and disposed of at the Ladismith landfill site. Factories, namely Ladismith Kaas and Parmalat dispose their waste, mostly commercial and industrial waste at the Ladismith Landfill site at a daily base. The Municipality does not provide waste collection services to farms, but farmers are encouraged to drop off their waste at the various landfill sites.

Ladismith and Zoar has operational licenses in and Calitzdorp and Van Wyksdorp has been licensed for closure.

The following illustrates all licensed landfill sites:

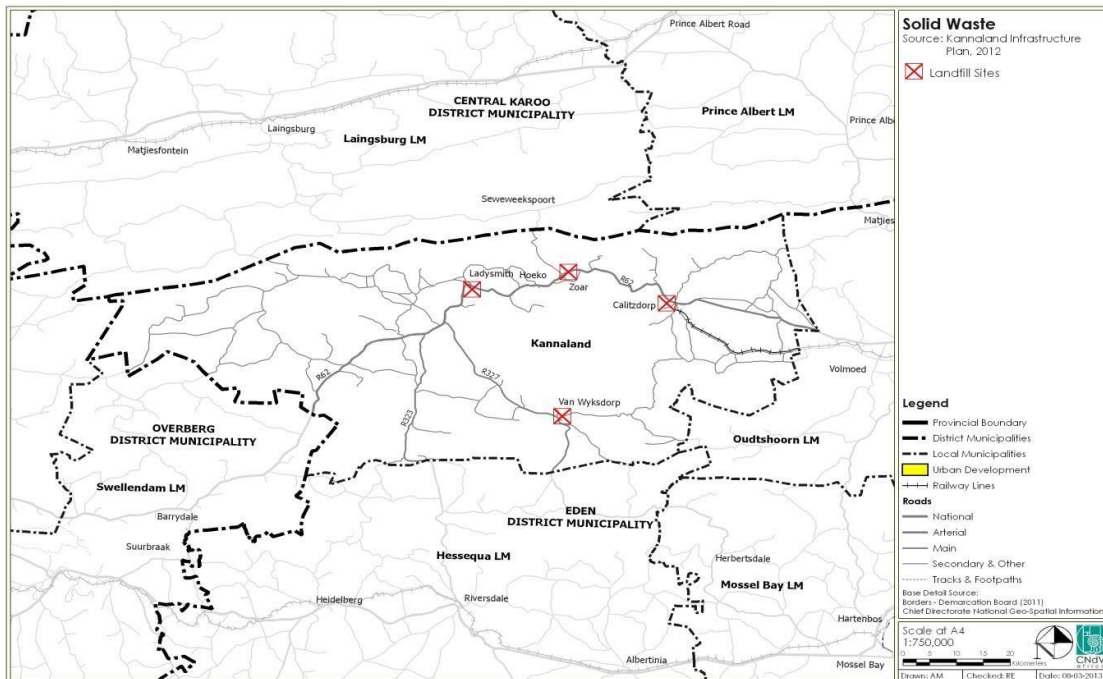


FIGURE 1: LANDFILL SITES – AS INDICATED IN SDF FIGURE 3.4.7.1

LANDFILL SITE: LADISMITH

The Ladismith landfill site is a licensed facility owned and operated by the KLM which only accepts general domestic, garden and construction and demolition (C&DW) waste. In September 2018 the KLM received a Waste Management Permit for the operation and further development of the Ladismith landfill site in terms of the Waste Act, 2008.



Figure 4: Satellite image of Ladismith landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

LANDFILL SITE: CALITZDORP

The Calitzdorp landfill site is a licensed facility owned and operated by the KLM which accepts garden and construction and demolition waste (C&DW). The site has been issued with a variation license for the operation and closure of the landfill for the period September 2018 to July 2020.



Figure 5: Satellite image of Calitzdorp landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

LANDFILL SITE: ZOAR

The Zoar landfill site is a licensed facility owned and operated by the KLM which accepts general domestic, garden and construction and demolition (C&DW) waste. In September 2018 the KLM received a Waste Management Permit for the operation and further development of the Zoar landfill site in terms of the Waste Act, 2008. The KLM can continue to use the Zoar landfill site until the airspace capacity is reached.



Figure 6: Satellite image of Zoar landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

LANDFILL SITE: VAN WYKSDORP

The Van Wyksdorp landfill site is a licensed facility owned and operated by the KLM. The site has been issued with a variation license for decommissioning and closure for the period July 2018 to September 2029. Closure activities have commenced.

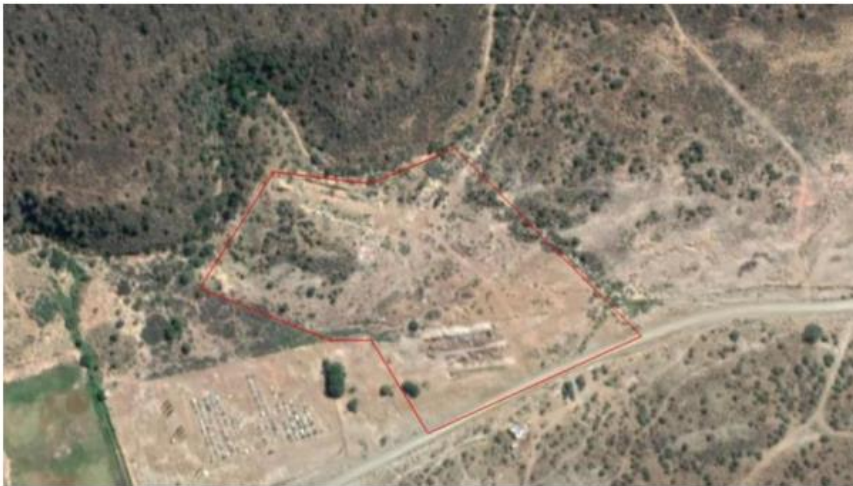


Figure 7: Satellite image of Van Wyksdorp landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

All formal residential erven are receiving a weekly door-to-door waste collection service. Most healthcare risk wastes are managed by private contractors

2022/2023 CLEANUP CAMPAIGN

BEFORE	AFTER
	
Illegal dumping awareness and clean-up with GRDM EHP in Vinkstreet, Ladismith – March 2023	

BEFORE	AFTER
	

Clean-up campaign at entrance of Sakkiesbaai, Ladismith April 2023

BEFORE	AFTER
	

Clean-up in Caravan Park May 2023

BEFORE	AFTER
	

Entrance of Sakkiesbaai June 2023

	
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Clean-up Bergsig, Calitzdorp June 2023



Clean-up January Street, Ladismith – June 2023



Clean-up in Stoffelstreet, Ladismith September 2022

BEFORE	AFTER
	
Clean-up in Jonathan Street, Ladismith September 2022	

CAPACITY BUILDING

- Noise Basic Training
- Health Risk and Impact Assessment Training
- Emission Management Training
- System for National Atmospheric Emission Licensing (SNAEL) Training
- Tank Emission Modeling
- National Dust Control Regulation Implementation Training
- Collaborator Training
- Introduction to Air Quality Management

POLICY DOCUMENTS WERE UPDATED/DEVELOPED:

- 3rd Generation Integrated Waste Management Plan adopted by Council and integrated in the IDP
- Organic Waste Diversion Plan, integrated in the IDP
- Waste Minimization Strategy adopted by Council and integrated in the IDP
- Air Quality Management Plan, adopted by Council and integrated in the IDP
- Awareness Material for Waste Management, Recycling, Illegal dumping and Pollution control were developed

No.	Action	Priority	Timeframe	Budget	Progress
1.1.1	KLLM to continue to report on the IPWIS system for Ladismith and Zoar landfill sites. Waste data to also be reported for Calitzdorp and Van Wyksdorp.	High	2019 -2024	Nil. To be undertaken internally	Ongoing
1.1.2	Gate controllers to be stationed at all municipal facilities to record incoming waste.	High	2019 - 2024	R100,000pp	2 controllers stationed at Ladismith landfill
1.1.3	All new gate controllers to undergo DEA&DP waste calculator training prior to commencing work, and all existing gate controllers to undergo refresher training.	High	2019 - 2024	Nil	Done
1.1.4	All municipal waste facilities are registered and reporting on the GRWMIS.	High	2019 - 2024	Nil. To be undertaken internally	Done

1.1.5	Domestic waste characterisations are undertaken once every 3 years. A representative sample is used from different suburbs across the municipality	Low	2022, 2025	Nil if undertaken internally	Done next study to be undertaken in 2022
1.1.6	KLLM to support the ongoing implementation of the GRWMIS.			Nil. To be undertaken internally	Ongoing
1.2.1	Undertake annual performance reviews of this IWMP, and send reports to GRDM and DEA&DP.	High	2019 - 2024	Nil. To be undertaken internally	Done Needs to be reviewed and sent to GRDM and DEA&DP
1.3.1	Develop an inventory of all internal waste related data sets.	High	2019 - 2024	Nil. To be undertaken internally	Done
1.3.2	Develop systems for effectively capturing and storing waste data sets identified in the above inventory, such that they are readily available.	High	2019 - 2024	Nil. To be undertaken internally	Done
2.1.1	Develop an annual waste awareness calendar (<i>to be developed at the beginning of each financial year</i>).	High	2019 - 2024	Nil. To be undertaken internally	Ongoing
2.1.2	Dedicated employees for waste education and awareness to be appointed, key performance indicators (KPIs) to be included in their formal job descriptions.	High	2019 - 2024	~R200,000 per annum (salary to be according to KLLM grading policy)	No progress YCOP does awareness in the
2.1.3	Waste awareness campaigns undertaken should be well documented and records regarding awareness campaigns should be stored in a central database.	High	2019 - 2024	Nil. To be undertaken internally	Ongoing
2.1.4	KLLM to make use of existing GRDM waste awareness materials, these may need to be	High	2019 - 2024	Nil. To be undertaken internally	Ongoing

	translated and made available in Afrikaans.				
2.1.5	The GRDM waste mascot is to be incorporated into future waste awareness materials.	High	2019 - 2024	Nil. If design of awareness materials can be undertaken internally	Ongoing
2.2.1	KLLM to support the GRDM with hazardous waste awareness programmes with business and industry. These programmes should focus on what constitute hazardous waste and how it should be managed.	Medium	2020/21	Nil. GRDM to fund the cost for advertising, venues and catering for meetings/ workshops	Ongoing
2.2.2	KLLM to undertake hazardous waste awareness programmes with the public with a focus on HHW.	Medium	2019 - 2024	Nil	Ongoing
2.2.3	KLLM to undertake in-house hazardous waste training and a clean-up of the depot.	High	2019 - 2024	Nil to be undertaken internally.	KLLM
2.2.4	KLLM should encourage registration of hazardous waste generators on the GRWMIS.	Medium	2019 - 2024	Nil. To be undertaken internally	KLLM
2.3.1	Waste awareness campaigns to be undertaken at all schools in the KLLM. School recycling competitions to be implemented.	High	2019 - 2024	No additional labour cost if the same resource listed under 2.1.2 fulfils this role. A travel budget for waste awareness staff	Ongoing
3.1.1	The cleansing services department's organogram is to be reviewed to determine if sufficient positions are listed to allow implementation of this IWMP. All key positions should be filled.	High	2020/21	Nil. The review of the organogram can be undertaken internally. Budget will be required	KLLM

				to fill vacancies	
3.1.2	Implementation of the IWMP to be added as KPIs to the Waste Manager or supervisors performance evaluation criteria.	High	2019 - 2024	Nil.	KLLM
3.1.3	Training schedule to be developed with training needs for employees at different levels identified.	High	2019 - 2024 (annually)	Nil. No budget will be required to identify training needs	KLLM
3.1.4	KLLM to implement the training needs of employees identified in 3.1.3.	High	2019 - 2024	The training costs will depend on identified course. An average budget of ~R10.000/ course/pers on should be allocated. Some courses e.g. DEA&DP courses will be free of charge	KLLM
3.1.5	KLLM WMO to attend quarterly GRDM WMO forum meetings and provincial forum meetings.	Medium	2019 - 2024	TBC – travel costs	KLLM
4.1.1	KLLM to develop and implement a vehicle maintenance and replacement plan.	High	2019 - 2024 (reviewed annually)	Nil. To be undertaken internally	KLLM
4.1.2	KLLM to purchase 1 new waste compactor truck per year	High	2020 - 2024	R1,500,000 per truck	KLLM
4.1.3	KLLM to ensure there is at least one backup truck for refuse collection.	High	2020	Nil. Old trucks to be kept as backups	KLLM
4.2.1	Waste specifications to be developed for all future municipal and private developments (e.g. road widths and provision for drop-off centres).	Medium	2019/20 (reviewed annually)	Nil. To be undertaken internally	KLLM

4.3.1	Waste disposal tariffs are informed by a full cost accounting exercise, tariffs are reviewed annually to determine if they are still accurate.	High	2019/20 (reviewed annually)	Nil. To be undertaken internally	KLLM
4.3.2	KLLM should develop a list of serviced and un-serviced areas and ensure that all areas serviced by the municipality are billed for the waste collection service they receive.	High	2019/20 (reviewed annually)	Nil. To be undertaken internally	Done by finance department
4.3.3	KLLM to ensure the indigent register is reviewed annually.	Medium	2019/20 (reviewed annually)	Nil. To be undertaken internally	Done by finance department
4.4.1	GRAP assessments of the landfill sites are undertaken on an annual basis and an annual contribution is made into a budget allocated for the closure and rehabilitation of the landfill sites. Funds set aside for the rehabilitation and closure of landfill sites should be ring-fenced.	High	2019 - 2024 (annually)	R 60,000 per annum per site. The cost will include a tachometric survey to determine remaining airspace	KLLM

4.5.1	KLLM to undertake surveys of remaining airspace at the Zoar and Ladismith landfill sites.	High	2019 - 2024 (annually)	Budget contained under 4.4.1	KLLM
4.5.2	The KLLM to undertake a phase 1 site selection study for a new regional site, extension of the Zoar and Ladismith sites should be considered.	Medium	2020/21	R 300,000	KLLM
4.5.3	The KLLM to secure funding for the appointment of consultants to assist with the site selection process (short term) and funds to construct the regional site (medium – long term).	Medium	2020/21	Nil. To be undertaken internally	KLLM
5.1.1	The KLLM should implement a pilot separation at source programme (2 bag system) in Ladismith.	High	2020	R 200,000 per annum	KLLM
5.1.2	The KLLM should implement pilot swop shops and buy back centre programmes.	Medium	2020	R 60,000 per annum to provide limited stock to the facilities	KLLM
5.1.3	Drop-off facilities for recyclables to be constructed in Ladismith (2021), Calitzdorp (2023), Zoar (2025), Van Wyksdorp (2027)	Low	2021 - 2027	R 3,000,000 per facility	KLLM
5.1.4	The KLLM should implement an in-house	Medium	2020	Nil if a recycling	KLLM

	recycling programme. Records of waste collected through this system to be reported separately by the service provider who collects the recyclables.			company can provide bins and collect free of charge	
5.2.1	Develop an organic waste diversion plan and submit to DEA&DP	Medium	2020/21	Nil. To be undertaken internally	Done
5.2.2	The KLLM should roll out a pilot home composting programme.	Medium	2020/21	R 40,000	Rolled out to 30 households in Zoar, hence the project was not successful
5.2.3	The KLLM should develop and submit an organic waste diversion plan to DEA&DP.	High	2019/2020	Nil. Done internally	Done
5.2.4	The KLLM should implement the organic waste diversion plan.	Medium	2020 - 2024	TBC	KLLM
5.2.5	The KLLM should develop small composting facilities (less than 10 tonnes/day) in Ladismith, Van Wyksdorp, Calitzdorp and Zoar.	Medium	2021/22	R 1 000,000	KLLM
5.2.6	The KLLM to provide drop-off facilities for garden waste at all existing and proposed waste management facilities.	Medium	2021/22	R 50,000 per facility to add garden waste drop-off facilities. The cost of establishing drop-off facilities is covered under 5.1.3.	KLLM
6.1.1	Review the Integrated Waste Management By-laws (2013) and make provision for a fines schedule.	Medium	2021	R 50,000	KLLM
6.1.2	Appoint a waste ranger and peace officers to enforce the by-laws.	Medium	2021 - 2024	R350,000/ annum	KLLM
6.1.3	Undertake clean-up campaigns in areas where litter and illegal dumping is prevalent. These can be undertaken in association with local schools, environmental	Medium	2020 - 2024	Nil.	Ongoing

	organisations or communities and used as waste awareness campaign.				
6.1.4	KLLM to undertake illegal dumping surveys to determine the location of illegal dump sites and composition of waste being dumped.	Medium	2020 - 2024 (biannually)	Nil. To be undertaken internally	Done in 2019
6.2.1	Ensure that the Ladismith and Zoar landfill sites are managed and operated according to their license conditions.	High	2019 - 2024	TBC	KLLM
6.2.2	Comply with closure license for the Van Wyksdorp and Calitzdorp landfill sites.	High	2019	TBC	KLLM
6.2.3	Investigate potential historic landfill sites and determine the way forward for the sites in consultation with DEA&DP.	Medium	2020/21	Nil. To be undertaken internally	KLLM
6.2.4	The KLLM should undertake internal audits of all waste facilities at the frequency specified in their waste management license or registration.	High	2020 - 2024	Nil. To be undertaken internally	Ongoing
6.2.5	All relevant KLLM employees to be trained on auditing principals to allow them to undertake internal audits.	Medium	2020/21	R6,000/pers on/ course	Ongoing
6.2.6	Annual external audits of all landfill sites.	High	2020 -2024	R30,000/ann um/landfill site excluding tachomateri c surveys, airspace determinati on and monitoring	Last external audits were conducted in 2019
6.3.1	Closure of Van Wyksdorp landfill site to be undertaken in accordance with the license	Medium	2019 – 2028	R4,300,000	KLLM
6.3.2	Closure of Calitzdorp landfill site to be	Medium	2020 - 2025	R17,000,000	KLLM

INTERGRATED WATSE MANAGEMENT IMPLEMENTATION PLAN

No capital expenditure was incurred on waste management services during 2022/2023

Capital Expenditure 2022/23: Waste Management Services					
Capital Projects	R' 000				
	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0		

SOURCE AFS

The table hereunder indicates the policy objectives for waste management services as extracted from the IDP and SDBIP.

Waste management Service Policy Objectives Taken From SDBIP/IDP					
Service Objectives	Outline Service Targets	2021/22		2022/23	
		Target	Actual	Target	Actual
Number of formal residential properties for which refuse is removed at least once per week and billed for the service as at 30 June 2022.	Number of formal residential properties which are billed for refuse removal services as at 30 June 2022	4546	4551	4550	4553

WASTE MANAGEMENT SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP

3.5. HOUSING

CHS Developments has been appointed as Implementing Agent for the development and construction of low-cost houses and associated infrastructure for the Municipality in terms of Regulation 32 of the Municipal Supply Chain Regulations with effect from November 2019 for a three-year period.

Applications were submitted during the course of 2019 to the Western Cape Provincial Department of Human Settlements for the following projects:

1. Parmalat site, Ladismith where 280 housing units will be developed;
2. Upgrading of Informal Settlement (UISP) in Zoar for 65 serviced site, where an informal settlement will be after completion of the project residents of the informal settlement will have access to basic services. At the moment residents of the informal settlement do not have access to basic services.
3. Zoar Maxi's site, where 100 housing units will be constructed.

Some of our less fortunate experiences were the fact that the Municipality could not deliver basic services to informal settlements to a certain extent. A challenge which we are facing is the fact that bulk services cannot be delivered in informal settlements because plots in these

areas which cannot be formalized. We currently have 328 informal dwellings spread over 12 informal settlements in the municipal area.

A constraint which hampers service delivery in the informal settlements is the absence of bulk basic services which cannot be delivered to some of these settlements. Environmental Impact Assessments have to be conducted to ascertain whether these areas occupied to erect informal settlements are conducive for occupancy. Applications to deliver bulk basic services in informal settlements were submitted to Municipal Infrastructure Grant (MIG) through Technical Services Department in March 2018. The application was however declined because the plots were not registered.

The provision of affordable housing is a high priority for the Municipality. Challenges do exist with regards to the capacity of bulk infrastructure services with specific reference to waste-water treatment works, water storage and waterworks. This has delayed the delivery of housing projects over the past few years which has resulted in the significant increase on the housing demand.

The Municipality developed a Human Settlement Allocation Policy which regulates the housing demand and the allocation of housing opportunities to the different categories on our Housing Demand Database. A Human Settlements Sector Plan was adopted by council on 23 August 2023. This plan is valid for a period of 3 years.

Asla started with the construction of 120 integrated reconstruction and development programme (IRDP) houses in Calitzdorp on 18 September 2023 and will complete the project by 31 May 2024. A total number of between 20 - 30 houses will be handed over to approved beneficiaries during December 2023. Thereafter batches of between 20 - 30 houses will be handed over approved beneficiaries until the end of the project. Kannaland Municipality appointed CHS Developments as Implementing Agent for the development and construction of low-cost houses and associated infrastructure for the Municipality in terms of Regulation 32 of the Municipal Supply Chain Regulations with effect from October 2019 for a three-year period.

3.6. FREE BASIC SERVICES AND INDIGENT SUPPORT

Free basic municipal services are rendered to all urban areas and some rural areas within the municipal boundaries. The objective of Kannaland Municipality is to ensure that the procedures and guidelines, regarding indigent household subsidies, are known to all.

This action is usually done through public participation meetings, ward committee meetings and councilor feedback meetings. Applications for a subsidy can be made with the assistance of a person in charge of permanent offices in the areas.

Special drives are also performed in the different wards where the community is invited to come and apply for a subsidy at a hall nearby or municipal offices and where they are also assisted with the completion of the applications.

The tables below indicate the households that received free basic services:

Free Basic Services to Low Income Households								
	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
	Access	%	Access	%	Access	%	Access	%
2020/21	2479	100%	2479	100%	2479	100%	2479	100%
2021/22	2279	89%	2279	89%	2279	89%	2279	89%
2022/23	2290	49%	2290	49%	2290	49%	2290	49%

SOURCE: SAMRAS (MUNICIPAL STATISTICS)

There has been a decline in the number of indigents registered from 2020/2021 to 2022/2023. Councilors are encouraged to conduct door to door visits to encourage registration of indigents.

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

3.7. ROADS AND STORM WATER

MUNICIPAL ROADS

The Municipality is responsible for the maintenance of roads within the four (4) towns (Ladismith, Calitzdorp, Zoar and Van Wyksdorp).

The Municipality is aware of the challenges with regard to road maintenance in Ladismith and is planning to upgrade all the streets and pavements in Ladismith in the next few financial years. The prior financial year, operational maintenance commenced and potholes were filled as a temporary measure. The repairs and maintenance are still ongoing during the 2022/23 financial year.

Storm water systems exist in most of the residential areas. In informal and low-cost housing areas. Daily maintenance consists of opening and cleaning catch pits, manholes, side drains and open channels.

No capital expenditure incurred for the year under review. Challenges in funding projects remain unchanged, however it should be taken into consideration that business plans be submitted to address the road and storm water backlogs as outlined in the IDP.



COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.8. PLANNING

INTEGRATED DEVELOPMENT PLANNING AND DEVELOPMENT

Both Political office bearers and administration have implemented the legislative requirements as guided by The Local Government System Act, No. 32 of 2000 read together with The Local Government Municipal Finance Management Act, No. 56 of 2003. Community engagement sessions with the stakeholders in the four wards

3.9. BUILDING CONTROL

The Municipality provides a full spectrum of town planning and building control services within the administrative area. The Division Town Planning and Building Control also includes a compliance component which is responsible for the enforcement of the regulations relating to municipal planning and building control, as well as environmental issues – this must be enforced by a bylaw which the Municipality does not consist of yet.

In terms of spatial planning, there is no capacity within the municipality to assist in running the process. The Department of Environmental Affairs and Planning assisted to start with the process of amending the SDF. The Municipality raised the challenges at the Back to Basics with regards to funding or sourcing expertise to support in this matter.

3.10. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM)

The LED and Tourism Strategy were updated during 2021/2022 and incorporated into the Predecessor 2022-2027 IDP with amendments.

A platform has been developed for continuous interaction between business sectors, political leadership, the administration and community to build a common understanding on Local Economic Development objectives and outcomes linked to the IDP. Kannaland Business Chambers are regularly engaged on developmental issues and their inputs into the process has been incorporated into the IDP which is reported on at the community stakeholder participation engagements bi annually.

The objective of the EPWP Phase 4 program is to provide work opportunities and income support to poor and unemployed people through labor intensive work. Various projects have been approved by Council for implementation and the Municipality managed to achieve the target as set out.

GARDEN ROUTE SKILLS MECCA

Kannaland Municipality actively participates in the Garden Route Skills Mecca Program which is aimed at accessing funding to initiate training programs throughout the district. Kannaland Municipality has identified youth from the community to successfully participate in training programs relating to Home Based Care and Law Enforcement during 2022/23. The training program includes a combination of theoretical learning and experiential training where learners are placed at various organizations (public or private) for practical experience.

It is important to note that in between quarterly Task Team and Forum meetings ongoing interactions will take place between the GRSM Team and the stakeholders in each local municipal area to assist with determining skills needs and the development of capacity to prepare proposals and implement – projects and programmes aligned to the GRDM Growth and Development Strategy.



**KANNALAND
TOGETHER WITH
GARDEN ROUTE
SKILLS MECCA
INDABA
01 MARCH 2023**



The tables below will show the jobs created through EPWP programmed during the year under review:

JOB CREATION

EPWP PROJECTS

EPWP Projects (2022/2023)	No of Jobs created
IG TRAFFIC CONTROL AND LAW ENFORCEMENT	8
ANTI BULLYING CAMPAIGN AT SCHOOLS	11
IG ADMIN IN SERVICE TRAINING	4
IG WATERWORKS AND SEWERAGE CLEANSING	35
IG CLEANING OF PARKS, TOWNS, RUGBY FIELDS AND WASTE SITES IN KANNALAND	63
IG CLEANING OF SIDEWALKS, STORMWATER CHANNELS, SEWERAGE AND WATERWORKS	36

JOBS CREATED THROUGH EPWP (2022/2023)

EPWP JOBS CREATED THROUGH OTHER GRANT FUNDED PROJECTS

Other grant funded projects	No. of Jobs Created
PEP CLEANING AND BEAUTIFICATION OF TOWNS	67
PEP STORMWATER AND ROADS MAINTENANCE	49
MIG VAN WYKSDORP WTW	6
MIG ZOAR WWTW	7

JOBS CREATED THROUGH OTHER GRANT FUNDED PROJECTS (2022/2023)

TOURISM

Kannaland Municipality has entered into a **three-year** (2022-2025) Memorandum of Agreement (MOA) with both the Calitzdorp and Ladismith Tourism Bureaus. The Kannaland Local Tourism Offices remains committed to support and promote their stakeholders being the Kannaland Municipality and Members (paid up business members in Kannaland). As such the mission is to support the plans and initiatives of the Kannaland Municipality and through various activities promote the municipal area as a tourism destination of choice, to promote the growth of current business's, encourage the initiation of new businesses with the goal of maximizing opportunities for employment.

Tourism Office Report

Erina Meiring

16 New members (1 July 2022 – 24 May 2023)

De Wawielhuis, Thys Huis Insika, Soul Work (Reflexology), The Calitz, Kruisrivier Gallery, Kruisrivier Gallery Apartment, Port Wine Guest House, TTT Cellars, Happy Days Cottage, Mountain River House, Rose Cottage, Du'SwaRoo Cottage, Tula Retreat, Karoowater Guest Farm, @ 19 Queen Street, Kraaldoring Gallery. Spitzkop Restaurant Klein Karoo Game Lodge: Food & Wine Pair (2 Aug 2023)

Visits were paid in August 2023.

Tourism Office

- Insurance and public liability added for office visitors
- Increase in office rent October 2022
- Office space rented to Soul Work Reflexology
- Kannaland signed a 3-year contract with Tourism office but lowered the funding after
- signing the contract – November 2022
- 3-year business plan and budget in place (to be updated)
- Welcomed matrices 1972 at Tourism Office during reunion
- Committee positions and roles planned
- Supported establishment of Calitzdorp Business Chamber for member benefit
- Supported regional art exhibition presented by SCAVA (South Cape Association for Visual Arts) affiliated with SANAVA including a special awards ceremony in the George Museum representing 15 areas in the Southern Cape and Klein Karoo in March 2023. Minister of Culture, Arts & Sports together with a delegation of departmental heads were invited.
- No events funding was received from Wesgro in 2023
- Reviewed Kannaland Tourism Strategy with Celeste Domingo.
- 9 – 10 June 2023 South Cape Magazine visit to Calitzdorp
- Garden Route Film Commission photographed Calitzdorp attractions for their website



Tourism Office *continued*

- 29 May 2023 (wine cellars, Redstone Hills, Nels River dam, donkey trail, museum, historic buildings, churches, heritage houses, restaurants, bars, biodiversity hotspots, town street and feel, private places, public spaces, Cape Nature, private houses, municipal land)
- SAT Europe presentation: European buyers from Team Europe (Amsterdam, Frankfurt, London and Paris) showed a lot of interest in the Garden Route & Klein Karoo region during the Indaba period, so GR & KK Tourism offered them PowerPoint presentations of each GR & KK town on 29 June 2023, featuring the highlights of each small town with a doable itinerary for their 23/24 travel media and trade hosting.
- Request form Provincial inputs on events and festivals (unsuccessful re-application for funding for Calitzdorp Expressed)
- In the process of registering Calitzdorp Tourism as an NPO.

RTLCL: (Tourism road sign applications)

- TTT Cellar road sign application (approved, but waiting on Kannaland for positioning of signs since September 2022)
- Scenic Route sign at Red Stone Hills turn-off has not been replaced by Province yet
- Wildehondekloof sign still at the wrong turn-off
- Warrants for applications have been updated, and accommodation facilities need to be graded now before they may apply for a road sign
- Sanral feedback on Tourism office signage application: Voortrekker & Van Riebeeck intersection is already at capacity. The next step would mean going to a Tourism sign stack comprising of symbols only relating to Police, Info, Wine Cellar
- & Accommodation symbols (maximum of 5 tourism symbols are allowed on a sign stack).
- Additional signs at this intersection cannot be accommodated until the status of the existing signs is established. The info signs should be placed at the location where the SAPS sign is (entrance to Tourism office).



Marketing

- The newsletter changed from weekly to monthly
- A new addition to the Newsletter: Plant Chat by John Burrows - also loaded under blogs.
- Additional Membership Benefits revised (A2 wall space, banners on the front page of the website, Facebook pins)
- The website has been updated
- New Facebook Page
- New town map/brochure designed and printed
- African Travel Crew made a YouTube video about Calitzdorp.
- 9 November 2022.
- Featuring interesting people and places to capture the soul of Calitzdorp to bring viewers to Calitzdorp – hosted by Kevin Taylor
- "Gys die Volstruis" Calitzdorp advert in children's marketing book Nov 22
- Kyknet Fiesta interview during Calitzdorp Expressed in June 2023
- Updated office brochures



Marketing Report

Esmé Brink

I joined the Calitzdorp Tourism Council in 2022 and aim to elevate the digital side of the marketing function. Actions included the following:

- Redesign member listings on the website including a more user-friendly layout of menu items.
- Installation of Google Analytics to track where traffic to the website is originating from.
- I am available to assist NPO Organisations with advice on how to set up their digital profiles online correctly.
- Search Engine Optimisation by including Meta Titles, Descriptions, and Keywords on the site. This is ongoing.
- I created an electronic newsletter for Tourism but the majority of the members opted to still receive the PDF format. This functionality is however available should a member want to send out an exclusive mailer.
- I have assisted the Tourism Office with some copywriting and have designed the Calitzdorp Expressed Festival Newsletter. I have started to write monthly blogs for the website on actual topics relevant to the area and syndicate these on social media.
- I also manage and assist the Tourism office with drafting member-related social media posts.
- From 2024 we plan to include digital campaigns on social media (budget dependent) to improve reach, engagement, and conversion.
- We are also looking at offering members exclusive banner rights on the homepage.



Treasurer's report

Annalize Basson

- No Expo's attended (no increase from Kannaland)
- Starting 2nd year of 3-year MOA with quarterly payments to Tourism Office. The first signed MOA with an increase was canceled and a second MOA was signed for the amount of R160 000 per year.
- Financial Statements still being set up by the auditors will soon be available for members to view.
- 10% Membership fee increase in 2023 – 2024 and 16 new members.
- 3-year Business Plan and budget to be revised.



Calitzdorp succulent society

Buck Hemenway

Annual Review of Activities June 30, 2023

The Calitzdorp Succulent Society had a good year. We held several outings to the veld and were able to see many of the wonderful succulent plants that grow in our area.

The unusual rainfall in the first half of 2023 has caused the plants to be extremely healthy. We have developed a nice relationship with the Cape Nature office in Oudtshoorn and they are most helpful in making restricted areas available to the club for organized outings. Dewald and Irma Welman are responsible for this relationship.

We held our 5th Vetplantfees in September 2022 and it was very successful. The theme of the festival was conservation and most of our Expert Speaker talks were based on conservation efforts that various forms of government are undertaking to try and slow the huge amount of plant poaching that has been going on since the beginning of the pandemic.

Our featured speaker at the final dinner was Captain Karel du Toit of the Springbok SAPS. He related the terrible facts surrounding the taking of plants from the veld. He also told us about the successes that SAPS is having in stopping many poaching efforts.

In all the Vetplantfees 2022 was a success and our vendors and customers from all over the Southern Cape were happy with the event. From a Tourism point of view, Vetplantfees continues to be an extremely strong contributor to tourist income to Calitzdorp. Nearly all accommodation in town that was for rent was full, and the restaurants were packed.



Environmental Safety /

SAPS

Captain Meyer

The past year we had an increase in house burglaries, but we managed to bring the number down.

The biggest problem is the minors. The children on the street are a big challenge as we cannot do anything except if they commit a crime. Places of safety are all full. Lots of criminals will be released from prison soon.

Guest Houses must be aware of fraud/reverse payments.

We call on the community to make cases and come to court, even though it may not look important to you, this helps us to do our job and it is the only way we can lock the criminals away.

SAPS is going to focus on liquor licenses. Domestic violence related to alcohol has increased. We have challenges with drug abuse. We have locked up two large drug dealers, but there are smaller ones trying to get into the market.

Please feel free to call me if you have any problems with any of the Calitzdorp SAPS members.



Home is where
the heart is

WWW.VISITCALITZDORP.CO.ZA

Calitzdorp

Calitzdorp Expressed

Michael Foster

16 to 18 June 2023

This year we experienced the Calitzdorp Expressed Festival for the third time in its current form. The overriding theme of this festival is to celebrate and share the diverse and amazing offerings of this small Klein Karoo dorpje.

The committee consists of a small group of fun-loving, hardworking, altruistic and dedicated Calitzdorpers who give generously of their time and expertise on a purely voluntary basis.

They are: Andri Dare, Erina Meiring, Gill Rayner, Deon Kriek, Kevin Taylor and myself, Michael Foster.

The theme of this year's Calitzdorp Expressed Committee was "Bigger and Better". With the benefit of time and hindsight, we believe we achieved that goal. One of our aims has always been to include as many and varied venues as possible to be a true reflection of what our dorp has to offer our guests during the festival.

We also saw the need to try and make the festival as self-sustainable as possible due to the scarcity of sponsorships out there. Our Passport system is something that has become invaluable in this regard. Besides the fact that it has become a very successful and valued part of the festival, it also generates some of the income necessary to run the festival without us being dependent on sponsorship for our survival. Our Passports, which we limited to 450, were sold out by the first day of the festival. We will continue to find ways to make the Passport even more valuable and of greater benefit to our visitors over that weekend.

As mentioned above we have had to limit our number of passports, due to the fact that we do not believe our town can meaningfully handle any more guests at this stage. In this regard, accommodation and eating venues are always a challenge and we are continually thinking of ways in which to improve on this.

Some of the highlights of the festival, as there were too many to mention, included:

- the NG Kerk 150-year celebrations,
- the Trail Run which is growing each year,
- the variety of musicians in town and the buzz of the activities at The Station.
- We were also pleased to have Wilfred Dickens on board with his venue "The Spot" in Bergsig.

The visit and filming of the Fiesta Crew from Kyknet - (this program was viewed nationally and convincingly portrayed our dorp as the Heart of the Klein Karoo) was perhaps the cherry on top.



Declaration of Loans and Grants made by the municipality: Year 2022/23					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2021/ 20222 R' 000	Value Year 2022/ 2023 R' 000	Total Amount committed 2023/2024
Calitzdorp Tourism Bureau	Promoting and marketing tourism in Calitzdorp	Business and action plan	R160 000	R160 000	R200 000
Ladismith Tourism Bureau	Promoting and marketing of Tourism in Ladismith	Business and action plans	R160 000	R160 000	R200 000
Zoar Tourism Bureau (New)	Promoting and marketing of Tourism in Zoar	Business and action plans	-	-	R200 000

DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.11. LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; THEATRES, ZOOS

LIBRARIES

The municipality renders the library service on an agency basis for the Provincial Government which is funded 100% through grants (Municipal Replacement fund and

Conditional Grant) The municipality views the libraries as key to developing the human capital, encouraging people to equip themselves with knowledge and skills in order to lead quality lives.

Ladismith Library Services

Removal of objects from stock take place due to various reasons, this can be due to stock losses or old and outdated items that are sent back to regional libraries. Objects are added to the stock on a quarterly basis but due to budget cuts only a few items are added per annum.

Ladismith Public Library is currently operating at its full capacity. An electronic lending system SLIMS has been introduced successfully since September 2011. The circulation with reference to the number of registered users remains high. The RLCP Program has been successfully introduced. The library still struggles to render a service which fills the void created by weak school libraries. Staff in the Ladismith Library attend to the information needs of learners. The library is in need of additional space for individual learners and those working in groups and transport the visit remote farm communities.

The library provides free internet access to users for which the demand is high and increasing due to the effective management of the service. Expansion is vital and is being addressed presently. Additional computers with internet access will be provided.

Calitzdorp Library

Calitzdorp Library is currently operating at its full capacity. The SLIMS electronic lending system has been introduced October 2017; the library has three computers with internet access for users.

Zoar Library

Zoar library is currently operating at its full capacity. The SLIMS electronic lending system has been introduced since March 2019 the library has two computers with internet access for users. With an upgrade of 4 new computers in 2020. The library has lots of outreach and literacy programs for young children. This includes a newly established reading club for young adults during the winter periods.

Van Wyksdorp Library

The operating hours were extended. Morning hours were minimized to five hours (8:00 – 13:00) Mondays to Fridays. Extension of the afternoon hours (13:30-16:00) to benefit learners and premises occupied presently are in the process of being reviewed. Van Wyksdorp Library is fully functioning on the SLIMS lending system for libraries and has three computers with internet access for the public and learners.

Hoeko Library

The Hoeko valley are located 13 KM outside of Ladismith with a population of round about 600 people living there and a well-known for its seasonal fruits. Kannaland Library Service has a long and fruit full history with the people of Hoeko out of this relationship were and by working closely with the Department of Education came this idea to light to open a satellite library for the people of Hoeko. A manual system is still used at the Hoeko Library.

The opening of the Hoeko library were on the 06th of March 2022.

Bergsig Library

The Bergsig Library are the 7th oldest Library in the Garden Route District. The library was closed in the early 2000. Since then, the community of Bergsig had been asking for the reopening of the Bergsig Library. In 2019 the municipality wrote a proposal to the provincial Department of Sport and Recreation for the repair and reopening of the old Bergsig Library. An amount of R650 000 were allocated for the upgrade of the Bergsig library in the 2020/2021 financial year. Additional funding was requested and were approved for the 2021/2022 financial year. The upgrade of the Bergsig library were completed in March of 2022.

Bergsig Library is fully functioning on the SLIMS lending system for libraries and has two computers with internet access for the public and learners

The opening of the Bergsig Library was on the 6th May 2022.

Library Outreach Programs and Displays

- Libraries must facilitate outreach programs and market library material and services available through the following programs.
 - School Holiday Programs
 - After school Programmes
 - Literacy Programmes
 - Book Clubs
 - Service to old age homes
 - National days
 - Library week programmes
 - Library orientation and book education (Grade R and new library patrons)
 - Educational Programmes for the community.
 - Arts and Craft workshops
 - Library Displays are used to market national day, library Collections and various community related matters.

Library outreach programs have been conducted to raise educational awareness amongst scholars and adult uses. Kannaland library service has been liaising with various stakeholders to ensure that outreach programs are successful and that it reaches the bulk of Kannaland communities.

KANNALAND LIBRARY SERVICE OUTREACH PROGRAMS

Kannaland Library Service Outreach Programs during 2022-2023 include:

- Nelson Mandela Day 18 July 2022
- Story Hour Van Wyksdorp Library (Local Pre School) (31 August 2022)
- International literacy Day (08 September 2022)
- Sept – Oct School Holiday (03-06-10-2022)
- Breast Cancer Awareness Month (Oct)
- World Diabetes Day (14 November 2022)
- 16 Days of Activism (GBV) (25 November -10 December 2022)
- December School Holiday Program
- Weekly Outreach Program first School Term (25 Jan -15 March 2023)
- School Visits (Besige Bytjies)
- Easter Weekend Outreach
- March- April School Holiday Program (03-07 April 2023)
- Mother's Day Outreach (Handmade Cards for you Mother) (12 May 2023)
- Africa Day Outreach Program 25 May 2023
- June July School Holiday Program 26-30 June 2023

KANNALAND LIBRARY SERVICE OUTREACH PROGRAMS 2022-2023

- Nelson Mandela Day 18 July 2022
- Story Hour Van Wyksdorp Library (Local Pre School) (31 August 2022)
- International literacy Day (08 September 2022)
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- Mother's Day Outreach (Handmade Cards for you Mother) (12 May 2023)
- Africa Day Outreach Program 25 May 2023
- June July School Holiday Program 26-30 June 2023

2022/23 KANNALAND MUNICIPALITY LIBRARY OUTREACH PROGRAMMES

**NELSON MANDELA DAY 18 JULY 2022
AUGUST 2022**

STORY HOUR 31



BERGSIG LIBRARY



VAN WYKSDORP LOCAL PRE SCHOOL



**INTERNATIONAL LITERACY DAY (8 SEPTEMBER 2022)
PROGRAMME (3 JUNE 2022)**

SCHOOL

HOLIDAY

BREAST CANCER AWARENESS MONTH OCTOBER 2022



WORLD DIABETES DAY (14 NOVEMBER 2022)



JOIN A LOCAL LIBRARY IN YOUR AREA



BREAST CANCER AWARENESS MONTH



16 DAYS OF ACTIVISM (GBV)(25 NOVEMBER -10 DECEMBER 2022



DECEMBER SCHOOL HOLIDAY PROGRAM



DECEMBER SCHOOL HOLIDAY PROGRAMME 2022



3.12. CEMETRIES and crematoriums

The Municipality has identified the need to develop new cemeteries due to capacity restrictions and the remaining utilization expectancy of the current cemeteries. Land for the new cemetery in Zoar has been identified and the re-zoning approved. The Environmental Impact Assessment was conducted.

The Ladismith cemetery has nearly reached its capacity but sufficient adjacent land is available to accommodate extension in terms of the Environmental Impact Assessment (EIA) Legislation. A formal process has been initiated to seek suitable alternative land.

The Bergsig and Calitzdorp town cemeteries have also reached full capacity. The Bloekomlaan cemetery will be utilized as an alternative cemetery site for the Bergsig and Calitzdorp town communities. This will be formally communicated through public participation processes. In addition, a further utilization expectancy study will be conducted.

The Van Wyksdorp cemetery has nearly reached its capacity and the consulting engineers have been instructed to seek suitable alternative land to establish a new cemetery for Van Wyksdorp. The Municipality is successful in maintaining the cemeteries to a high standard even though vandalism and theft of property are problematic and on the increase.

It should be noted that the planning for cemetery projects has been shifting to the outer financial years due to prioritization on water and sanitation projects.

COMPONENT E: ENVIRONMENTAL PROTECTION

3.13. POLLUTION CONTROL

Urban expansion and farming in marginal areas to meet the demand of an increasing population, are leading to a loss of land and productivity. Secondary pressures, such as climate change, desertification and alien plant invasion, are further contributing factors.

Humans influence land degradation in three principal ways:

- The use of land resources for productive purposes: for agriculture, the collection of wood for fuel and building materials, as well as water abstraction and mineral extraction.
- The use of land resources for space needs, for example, settlement, infrastructure and recreational purposes.
- A tertiary set of influences comprises the incidental and often remote impacts of economic activity on land resources: for example, pollution of

(sub) surface and atmospheric water resources by industry, alien plant invasion and climate change.

Agriculture has transformed much of Kannaland' natural landscape to cultivated lands. The Little Karoo, in general, which is under extensive agriculture, game farming and conservation land uses, falls within the category "Succulent Karoo /Spek boom/ Fynbos".

Land degradation manifests itself in the soil and in the veld. Sheet erosion is the most common form of soil degradation, with some rill and gully erosion in Kannaland. The Combined Land Degradation Index (CDI) indicates that the most degraded areas within.

Kannaland are situated around Ladismith and Calitzdorp because of overgrazing. The rest of Eden is only lightly affected by soil and veld degradation issues.

To monitor land degradation in Kannaland, the following indicators need to be identified:

- Area of land under formal conservation protection;
- Landscape change;
- Number of agricultural subdivisions; and
- Combined Land Degradation Index.

Six impact groups associated with land degradation drivers in Kannaland are:

- Farming in marginal areas, which leads to loss of ecosystem integrity, loss of natural habitats and which exerts stresses on the natural resource base, for instance on waterthrough irrigation of crops.
- Subdivision of agricultural land into uneconomically viable units and urban sprawl leadsto diminishing agricultural returns.
- Urban expansion triggered by population growth and a better standard of living leads to the loss of agriculturally productive land and other land conflicts (e.g., conservation vs. urban development).
- Alien plant invasions cause veld degradation, a reduction on the quality and quantity ofwater and hence the loss of biodiversity resources.
- Climate change (global warming) brings an increase in the frequency of extreme weather events (droughts/ flooding), change in rainfall patterns and in extreme cases desertification. Loss of biodiversity is strongly associated with these phenomena.

3.14. WATER

Kannaland falls largely within the Gouritz Water Management Area, a grouping of primary water catchments, which are diverse in nature, evaporation exceeds rainfall in the northern catchments meaning that these are water stressed areas. In contrast, rainfall generally matches evaporation in the southern catchments meaning that these are generally moister environments. In the Gouritz River catchment the development of surface water resources has reached its full potential and all the water is fully utilized.

The inland water resources are under severe pressure through urban population increased. In concert with population growth Kannaland has experienced expansion in the provision of water services. In addition, low-cost housing projects emerging from the National Reconstruction and Development Programme (RDP), together with the National Water and Sanitation Programme which has contributed to water demand. A further pressure on the water resource is the influx of tourism over the holiday season, introducing a spike in water demand. Economic growth and consumer and export demand has led to an increase in agricultural production, which in turn has placed greater pressure on water resources through greatest abstraction for irrigation.

Alien invasive plant and animal species, introduced by human actions either accidentally or for commercial purposes, are proving a major threat to the quality and quantity water, as well as to the biodiversity of freshwater systems. Climate change is expected to lead to slightly reduced rainfall over the Kannaland region, increased variability of rainfall, fewer but heavier precipitation events and increased temperatures and evaporation. These effects could work together to increase flooding, but could also reduce base-flow (long term low flow).

3.15. BIODIVERSITY

Owing to its broad range of climatic conditions, geology, soils and landscapes, Kannaland has a very substantial share of global biodiversity within its borders. Kannaland's biological heritage is important in many ways – providing ecosystem services like clean water, contributing directly to the economy through industries like fishing and tourism, supporting livelihoods by providing food, medicines and building materials and generally improving health and well-being. Through habitat destruction and ill-conceived developments biodiversity is under threat world-wide.

To counteract this threat Kannaland should protect representatives of as many types of community and ecosystem as possible. By conserving suitable habitat, we are also improving the survival chances of the species and populations contained therein. Living landscapes preserve the option value of biodiversity – the potential to provide benefits in the future.

Important driving forces putting pressure on the biodiversity resources of Kannaland are:

- Population growth;
- The demand for economic growth to provide wealth and job creation;
- Demand for housing and associated services for historically disadvantaged people;
- Unsustainable extraction of natural resources as a result of poverty or greed;
- Poor land use practices promoting soil erosion and infestation by invasive alien plants;
- Poor waste and pollution management;
- Climate change; and
- Lack of understanding

In terms of appropriate responses, the mainstreaming biodiversity consideration into socio-economic agendas holds most promise to turn the situation around. It is necessary to:

- Integrate the protection and management of biodiversity resources with all humandevelopment by means of regional and national conservation initiatives;
- Build capacity in the areas of conservation assessment, taxonomy, green technologyand knowledge transfer;
- Increase capacity in environmental law enforcement, management and education;
- Strengthen existing biodiversity conservation programmes to identify ecosystems, species and genetic resources that are at imminent risk of extinction;
- Implement strong counter measures to slow down the speed with which the loss of biodiversity occurs; and
- Link biodiversity protection and economic upliftment, as biodiversity protection providesan opportunity for less formal, nature-based community initiatives to act as economic engines and job creators.

3.16. CLIMATE

There is general scientific agreement that the world is now warmer than at any time in the last1000 years, and that the cause for this warming is due to human activities. Kannaland is at riskfrom projected changes in rainfall pattern and warming induced by changes in the global energybalance and atmospheric water balance.

However, the average for the five-year reporting period may be useful for simple comparative purposes against the long-term average. Once a continuous ambient air quality sampling programme is in place, quarterly air quality reports which will provide useful state of environment data.

Increased drying and changes to the seasonal nature of precipitation will bring an increase in irrigation requirements which are likely to desiccate wetlands and threaten seasonal ecosystem interactions within the wetland. Such impacts are likely to further threaten the biodiversity of freshwater resources, which in turn will impair the environmental services they provide. The impact caused by climate change in terrestrial ecosystems include the detrimental effects associated with wildfires due to increased berg-wind conditions, and the possibility of changes in the distribution of alien invasive species, apart from changes in indigenous species distribution and interactions.

Numerous economic sectors could be affected by changes in temperature and precipitation patterns. The impact is likely to be felt in agriculture, fisheries, forestry, the manufacturing industry, tourism, finance and investment, transport, communication and trade, and construction. Climate change is likely to impact water services in terms of diminishing reserves on the one hand, and damage to infrastructure due to heavier precipitation events on the other.

3.17. KANNALAND FLORA

The Cape Floral Kingdom is characterized by its exceptional richness in plant species. More than 8 700 species are known to exist, with more than 68% of these being endemic. The Cape Floral Kingdom, thus, compares with some of the richest floras worldwide. It is the smallest of the Floral Kingdoms and covers a mere 0.06% of the earth's surface, and is the only Floral Kingdom contained in its entirety within a single country.

Kannaland is a region of extensive plains, arid foothills and rugged rocky ridges and includes a wide range of microhabitats with extreme seasonal and diurnal temperature fluctuations. There are 1325 plant species in this area, including 182 Succulent Karoo endemics and 92 Red List species (www.skep.org.za). While unique and rare species are found throughout the landscape, many of the endemics are concentrated along veins of weathered quartz, where patches of white pebbles provide camouflage and moderate the temperature for “stone plants”

COMPONENT F: SAFETY AND SECURITY

3.18. TRAFFIC SERVICES

Safety and security are the responsibility of the Protection Services Department of the Community Services Directorate. The Department is committed to provide a high-quality community-oriented service to meet the safety and security needs of a diverse community. The Division strives to constantly improve its standing within the community it serves and the profession itself. Several awareness campaigns regarding road safety and fire protection are conducted throughout the year.

The traffic services unit consist of a chief traffic officer, two traffic officers, motor registration clerks, chief clerks and 2 motor registration clerks, administration clerk.

Awareness on road safety was implemented and conducted at schools whereby the school busses were inspected i.t.o road worthy and to adhere to the road transportation act.

Road markings were painted to ensure visibility and to encourage motorist to adhere road traffic act.

Because of the high demand of testing of driver licensing it was planned to construct a K53 Testing Centre. The project was not completed due to funding constraints. Pre planning was done on the course of where it will be situated and looks like. It will generate revenue for the municipality and enable a service to the local community in terms of affordability for each.

The Kannaland Municipality is eager to ensure a safe environment for the public, personnel and councilors. The Municipality therefore makes use of private security firms to ensure the safety of the personnel and councilors, as well as members of the public that visit municipal offices. Bylaws still needs to be reviewed approved by council in order to carry out the relevant law enforcement in areas.

The updating of by-laws becomes important for ensuring the enforcement of municipal laws. The WCPG has been approached to assist with updating Kannaland Municipality By-Laws and also to develop a Community Safety Plan.



3.19. DISASTER MANAGEMENT AND FIRE SERVICES

The Municipality has a Disaster Management Plan (DMP) which is an integral part of the IDP. The DMP was reviewed during 2021/222 and is included as a key performance indicator on the SDBIP for annual review. The DMP was included in the 2022-2027 Draft and Final Predecessor IDP with amendments.

The establishment of a Disaster Management Centre has also been identified in terms of the Municipality's Disaster Management planning; however, the Municipality does not have a functional disaster management ICT, GIS and early warning system. The Municipality is currently making use of the Disaster Management DS Tool of the Western Cape Disaster Management Centre to assist the Municipality in making informed decisions relating to Disaster Management.

As throughout the IDP is identified that water storage capacity is the main problem and has therefor prioritized the water and sanitation needs as a high and urgent matter to be attend to.

As defined in the prescriptions of the Act, the Municipal Manager is the Head of Disaster Management with the delegation of assistance through to the Senior Manager: Community Services. A Joint Operation Centre has recently been established. Mr Wayne Robertson has been appointed as the dedicated disaster management official with cross-functional influence to facilitate proper coordination and focused advocacy of disaster management.

The municipality adopted the Disaster Management Plan and recently a Disaster Management Centre has been established in terms of the municipality's disaster management planning. The municipality utilizes the following systems:

- Ventusky (weather predictions);
- Afis (active fires in the area);
- Functional disaster management ICT, GIS and early warning system.

OTHER RISK REDUCTION MEASURES

No other risk reduction measures are in place other than proactive measures during early warnings and forecasts or progression of incidents. Preventive measures are relocating or evacuating members of communities and providing support at a local level or as assisted through the district.

A number of effective programmes have been implemented to mitigate the, which include:

- Awareness programmes to protect citizens from fires and floods;

- Regular cleaning of the storm water channels;
- Clean-up programmes of rivers and streams;
- The Fire and Rescue Services do regular awareness programmes in the communities and schools.
- Water restrictions in place

The impact prioritization for the most important risks (in order of priority) is as follows:

- Floods
- Plantation and vegetation fires
- Agricultural epidemics
- Hazardous materials transport
- Drought

Preparedness measures

- Disaster Management Advisory Forum has been established.
- Meetings/ forums / workshops (newly established Disaster Management Forum) The fire services function is managed by the Garden Route District Municipality.

Some of the achievements were:

- Members were identified who worked at working on fire (WOF) has been selected to undergo training to become qualified fire fighters. They received a high level of technical and administrative training to enhance their knowledge, skill and experience which will be beneficial for the community at large.
- The Fire Service embarked on a community educational drive within the informal settlement areas as well to schools to educate residents and scholars of the dangers associated with fires as well as preventative measure that could be used to prevent

The outbreak of fires. Department of Local Government has donated a fully equipped fire truck as well uniforms were received from City of Cape Town, Knysna and George Municipality.

- Fire detectors were installed in municipal areas – process continuous
- Fire Safety awareness at schools
- Capacity building through training to the officials
- Maintenance of Fire Hydrants

- Water Delivery during the drought
- Disaster Management plan currently being implemented

It should be noted that the Kannaland Municipality is in process to review all its bylaws in order to improve enforcement in the area.

Fire flood kits were received from Province



COMPONENT G: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

3.20. SPORT AND RECREATION

In terms of our mandate, we make facilities, such as sport fields, available to the broader community. The Municipality is responsible for development of the facilities and the upgrading thereof whilst the sport clubs lease the facilities and as agreed upon, must maintain it.

The Municipality develops and maintains community parks, halls, camp sites and the caravan park. This service places an enormous financial burden on the Municipality, with its limited staff capacity and finances. The vastness of the municipal footprint demands a

duplication of all services throughout the area and poses to be a well-oiled machine due to strict adherence to planning and implementation schedules.

The Sport section performed their duties excellently taking into consideration the challenges and demands they face on a continuous basis. There is a need for additional facilities but the availability of land is problematic, as well as the funds needed to develop the facilities.

KANNALAND STATUS QUO REPORT ON SPORTING FACILITIES IN LADISMITH, ZOAR, CALITZDORP AND VAN WYKSDORP

Ladismith

No.	Sport Code	Municipal Facilities	State of Infrastructure	Future planned projects/Needs identified
1.	Rugby	1 field at Towerkop Park	Very Poor Only rugby poles available	Pavilion stadium upgrade; Lighting upgrade; Dressing room upgrade; Ablution facilities upgrade; Scoreboard; Fencing; 1 scrum machine; 6 tackling bags; 6 contact shields; 5 rugby balls; Line marking machine; Ticket box. Security services (House)
2.	Golf	1 golf course	Good	None
3.	Cricket	Cricket practice field in Towerkop	Very poor. Only practice nets available and games are played on the rugby and school fields.	Upgrade cricket nets for practice. Games are currently played at school facilities.
4.	Soccer	Soccer is also played on the rugby field along with cricket	Very poor	Soccer poles; 3 soccer balls Identify a site next to the rugby field for soccer field upgrade
5.	Tennis	2 tennis courts available in Towerkop Park	Average	Upgrade – general repairs and maintenance to the ablution facility.
6.	Bowls	1 Bowls facility	Excellent	None
8.	Swimmingpool	2 swimmingpools in Bekker Street	Very poor. Not in use.	Upgrade the 2 swimming pools and changing rooms
9.	Netball	No netball courts.	None Using car parking area	Upgrade and maintenance to existing netball court.

Calitzdorp

No.	Sport Code	Municipal Facilities	State of Infrastructure	Future planned projects/Needs identified
1.	Rugby	1 Rugby field	Average	Upgraded 2 years ago so this project will not be considered during the next 2 financial years. Pavillion needed.
2.	Netball	1 court	Excellent	None
3.	Tennis	1 court	Average	Not in use.
4.	Swimmingpool	1	Average	Not in use. Leaking. Repairs and maintenance upgrade needed
5.	Soccer	Played on rugby field	Average	Upgraded 2 years ago so this project will not be considered during the next 2 financial years.

Zoar

No.	Sport Code	Municipal Facilities	State of Infrastructure	Future planned projects/Needs identified
1.	Rugby	2 rugby fields	Excellent	Pavillion needed
2.	Netball court	1	Good	Nothing required

Van Wyksdorp

No.	Sport Code	Municipal Facilities	State of Infrastructure	Future planned projects/Needs identified
1.	Rugby	1 rugby field	Poor	Upgrade with high mast lighting
2.	Netball court	None	None	Construct a netball court

3.21. PROJECT MANAGEMENT UNIT

MUNICIPAL INFRASTRUCTURE GRANT – MIG

The purpose of the grant is to provide capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprise and social institutions servicing poor communities.

The outputs of the programme are infrastructure for: -

- basic water and sanitation
- central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites
- sport and recreation facilities, street and community lighting and public facilities
- Number of kilometers of municipal roads developed, upgraded and maintained.
- Number of work opportunities and full-time equivalents (FTE's) created using the Expanded Public Works (EPWP) guidelines for the above outputs.

ALLOCATION FOR THE PAST 3 YEARS

The MIG allocations to Kannaland Municipality for the past three financial years is indicated in table below:

	2020/2021	2021/2022	2022/2023
Original allocation (R')	R 10 107 000	R 10 594 000	R 11 083 000
Roll over approved	R 2 761 978	R 0	R 0
Additional allocation	R 0	R 0	R 0
Stopped allocation	R 0	R 0	R 1 920 000
Final allocation	R 10 107 000	R 10 594 000	R 9 163 000
Amount spent	R 7 091 589	R 10 415 424,46	R 8 498 172,85
Amount not spent	R 3 015 411	R 178 575,54	R 664 827,15

MIG ALLOCATIONS

Progress and expenditure on the projects for the 2022/2023 financial year was on track and completed in time. Amount that was not spent on the grant was due to the late commencement of part 2 of project 458828 Upgrade and Refurbishment of the Zoar WWTW.

KEY CHALLENGES SINCE ONSET (ESTABLISHMENT OF THE PROGRAMME)

Committing the projects for a specific year result in extra prioritization as the allocation for the year is not enough to implement all urgent projects.

PROGRESS TO DATE

The table provides summary of progress in relation to projects implemented during the 2022/23 financial year.

Project ID	Project Name	MIG approved budget (R')	Exp. in previous fy (R')	Balance (R')	2022/2023 budget (R')	2022/2023 exp. (R')	Physical progress (%)
160843	Ladismith: New Waste Water Treatment Works	R14 687 500	2 497 827.44	8 089 715.71	441 713.00	441 713.00	100%
285450	Ladismith: Upgrade Water Treatment Works	6 579 130	2 600 904.66	2 816 037.28	403 612.00	403 612.00	98%
458834	Zoar: Upgrade and Refurbishment of WWTW	R12 950 875.51	R 0	0	4 308 349.00	3 730 243.10	30%
458828	Van Wyksdorp: Upgrade and Refurbishment of WWTW	R 4020 110.71	R 0	0	1 823 450.00	1 806 242.91	20%
458789	Van Wyksdorp: Upgrade and Refurbishment of WTW	R 2 627 187.58	R 0	0	1 631 725.00	1 603 441.86	30%
	PMU	R 554 150	R 0	R0	554 150.00	512 919.98	100%
				Total	9 162 999	8 498 172.85	

SUMMARY OF IMPLEMENTATION OF PROJECTS

Detailed progress on projects implemented over the financial year are reflected in the tables below:

PROJECT #1: ZOAR REFURBISH AND UPGRADE WWTW

Item No.	Item Description	Detail information
1	Project Description	DPIP ID: 458834
Project Data	Project approved budget (R')	R12 950 875.51
	MIG approved budget (R')	R11 914 805.47
	Co-Funding required	R1 036 070.04
	2022/2023 DPIP budget (R')	R4 308 349.00
	2023/2024 DPIP budget (R')	R0.00
	2024/2025 DPIP budget (R')	R0.00
	Current year expenditure	R3 730 34.10
2	Scope of work	<p>Zoar Oxidation Ponds</p> <ul style="list-style-type: none"> • Refurbish the sludge pump station and replace pumps to allow for proper sludge management to occur. • Replacement of the missing pipe segment connecting to the anaerobic tank. • Reline of eight (8) facultative ponds to their former potential. • Refurbish and lining of emergency containment dam. • Refurbish the raw sewage pump station to enable proper functioning • Removal of debris from the site. • Fencing the entire site <p>The Zoar Raw Water Sewage Pump Station refurbishment scope is as follows to enable proper functioning</p> <ul style="list-style-type: none"> • Cleaning of sump. • Replace of Immersible pumps. • Replace screens and ancillary equipment • Modify screening channel in order to install a hand raked screen parallel to mechanical screen as standby, including isolating penstocks • Line Overflow Pond with HDPE Liner. • Replace MCC and all related controls and instrumentation • Replace and improve on Valves and pipework in the valve chamber • Test and reinstate of magnetic flow meter at the pumps station • Recommission Telemetry Alarm System • Supply and Install an Emergency Backup Generator • Replace final effluent pumps and related equipment at WWTW • Repair/replacement of the 15mm Mechanical screen situated in the pump sump • Replace of current 20mm bar screen at the sewer outlet with 25mm or 30mm coarse screen • Repair and/or replace Fencing to pump station • Construct a small operator office and toilet facility at the pump station
3	Construction period (Months)	4.00
4	Consultant	SMEC / Neil Lyners
5	Contractor	Imbriolo (Pty) Ltd / Hidrotech Systems
6	Tender Closing date:	09-Mar-23
Implementation	Tender award date:	04-Apr-23

Item No.	Item Description	Detail information
	Contract amount	Imbriolo (Pty) Ltd: R5 977 173.70 / Hidrotech Systems: R6 967 000
	Contract start date:	25-Apr-23 / 03-Jun-23
	Practical completion:	30-Aug-23 / 16-Feb-23
	Completion / Handover:	30-Sep-23 / 16-Mar-24
	Defects liability period:	16-Mar-25 / 16-Mar-25
7	Progress	Zoar Oxidation Ponds <ul style="list-style-type: none"> • Refurbish the sludge pump station • Removal of debris from the site. • Fencing the entire site
8	Major / key challenges (if delayed)	Procurement related challenges on the Zoar Sewage Pump (mechanical works) Increased rainfall days

PROJECT #2: VAN WYKSDORP REFURBISH AND UPGRADE WWTW (GREENHILLS)

Item No.	Item Description	Detail information
1	Project Description	DPIP ID: 458828
Project Data	Project approved budget (R')	R4 020 110.71
	MIG approved budget (R')	R4 020 110.71
	Co-Funding required	R0.00
	2022/2023 DPIP budget (R')	R1 823 450.00
	2023/2024 DPIP budget (R')	R0.00
	2024/2025 DPIP budget (R')	R0.00
	Current year expenditure	R1 806 242.91
2	Scope of work	<ul style="list-style-type: none"> • Replace new flow meters at the Greenhills WWTW inlet and outlet. • Construct an adequately sized and designed overflow system • Construct a bypass weir next to inlet channel to divert flows exceeding PDWF to the overflow system to avoid overtopping of the inlet channel • Install additional train/module, inclusive of septic tank, bio reactor, clarifier/humus tanks and disinfection tanks to accommodate projected flows. • Inspect and replace missing fittings for all tanks • Install pipes for emptying bioreactor (Tank E) to prevent bulging • Install two new pumps to pump wastewater from the septic tank to the bio-reactor tanks • Replace the faulty generator at the plant • Install roofing above the tanks to protect them from sunlight • Install Lights around the WWTW site
3	Construction period (Months)	5.00
4	Consultant	SMEC
5	Contractor	Urhwebo e-Transand
6	Tender Closing date:	21-Mar-23
Implementation Plan	Tender award date:	04-April-23
	Contract amount	R6 967 000
	Contract start date:	28-Feb-23
	Practical completion:	31-Oct-23
	Completion / Handover:	30-Nov-23

Item No.	Item Description	Detail information
	Defects liability period:	30-Nov-24
7	Progress	<ul style="list-style-type: none"> Construct a bypass weir next to inlet channel to divert flows exceeding PDWF to the overflow system to avoid overtopping of the inlet channel Inspect and replace missing fittings for all tanks Install pipes for emptying bioreactor (Tank E) to prevent bulging Install two new pumps to pump wastewater from the septic tank to the bio-reactor tanks
8	Major / key challenges (if delayed)	Increased rainfall days

PROJECT #3: VAN WYKSDORP REFURBISH AND UPGRADE WTW

Item No.	Item Description	Detail information
1	Project Description	DPIP ID: 458789
Project Data	Project approved budget (R')	R2 627 187.58
	MIG approved budget (R')	R2 075 478.20
	Co-Funding required	R551 709.38
	2022/2023 DPIP budget (R')	R1 631 725.00
	2023/2024 DPIP budget (R')	R0.00
	2024/2025 DPIP budget (R')	R0.00
	Current year expenditure	R1 603 441.86
2	Scope of work	<ul style="list-style-type: none"> Replace pump for borehole 1. Replace reservoir level meter. Refurbish pump pumping raw water from the reservoir into WTW (Pump 1) Refurbish valve 1, between borehole 1 and main reservoir. Replace valve 5 between the bypass pipeline from the main reservoir and pump 1. Refurbish valve 7 between tank 7 and pump 3. Refurbish the three backwash valves for sand filters. Refurbish chlorination system Extension of the roof to cover uPVC pipes and final water tank. Replace booster pump Refurbish electrical switches on site Replace pipe fittings for the third reservoir in town Replace door for limestone pebble storage room Install chlorine leakage alarm in the chlorine storage room Install signage and name boards around the site Upgrade 75mm @ pipe to 160mm diameter raw water main from the raw water reservoir to the Main reservoir
3	Construction period (Months)	5.70
4	Consultant	SMEC
5	Contractor	Phambili Civils
6	Tender Closing date:	09-Mar-23
Implementation Plan	Tender award date:	17-Apr-23
	Contract amount	R3 707 512.60
	Contract start date:	05-May-23
	Practical completion:	02-Oct-23
	Completion / Handover:	02-Nov-23
	Defects liability period:	30-Nov-24
7	Progress	<ul style="list-style-type: none"> Replace door for limestone pebble storage room Install signage and name boards around the site

Item No.	Item Description	Detail information
		<ul style="list-style-type: none"> Upgrade 75mm @ pipe to 160mm diameter raw water main from the raw water reservoir to the Main reservoir
8	Major / key challenges (if delayed)	Increased rainfall days

PROJECT #4: LADISMITH NEW WASTE WATER TREATMENT WORKS

Item No.	Item Description	Detail information
1	Project Description	DPIP ID: 160843
Project Data	Project approved budget (R')	R23 000 000.00
	MIG approved budget (R')	R14 687 500.00
	Co-Funding required	R8 312 500.00
	2022/2023 DPIP budget (R')	R6 422 209.00
	2023/2024 DPIP budget (R')	R4 448 502.03
	2024/2025 DPIP budget (R')	R441 713.00
	Current year expenditure	R441 713.00
2	Scope of work	Repair sludge drying bed walls Replace broken valves at drying beds Replace broken valves at pipework at Anaerobic Digester Refurbish pumps and level control at humus recirculation pump station Repair cabling to flow meter at chlorine dosing station Supply and fit CRI self-priming jet pump at chlorine dosing station
3	Construction period (Months)	10.00
4	Consultant	SMEC
5	Contractor	Exceo
6	Tender Closing date:	13-Mar-23
Implementation Plan	Tender award date:	17-Jun-21
	Contract amount	R4 169 049.00
	Contract start date:	19-Jun-21
	Practical completion:	22-Apr-22
	Completion / Handover:	27-Apr-22
	Defects liability period:	27-Apr-23
7	Progress	Work Complete-Repair sludge drying bed walls Replace broken valves at drying beds Replace broken valves at pipework at Anaerobic Digester Refurbish pumps and level control at humus recirculation pump station Repair cabling to flow meter at chlorine dosing station Supply and fit CRI self-priming jet pump at chlorine dosing station
8	Major / key challenges (if delayed)	The shortage of co-funding prevented the extent of the project in order to improve process treatment

PROJECT #5: LADISMITH UPGRADE WATER TREATMENT WORKS

TEM NO.	ITEM DESCRIPTION	DETAIL INFORMATION
Project Data	Project Description	DPIP ID: 285450
	Project approved budget (R')	R8 890 716.61
	MIG approved budget (R')	R6 579 130.29
	Co-Funding required	R2 311 586.32

TEM NO.	ITEM DESCRIPTION	DETAIL INFORMATION
	2021/2022 DPIP budget (R')	R1 376 559.00
	2022/2023 DPIP budget (R')	R1 794 631.29
	2023/2024 DPIP budget (R')	R403 612.00
	Current year expenditure	R403 612.00
2	Scope of work	Repurpose the Raw water storage reservoir 2 as a sludge draw-off tank. Supply backup chlorine dosing pump for the filter pumpstation.
3	Construction period (Months)	9.00
4	Consultant	SMEC
5	Contractor	EXCEO
Implementation Plan	Tender Closing date:	13-May-21
	Tender award date:	16-Jun-21
	Contract amount	R2 259 884.00
	Contract start date:	18-Jun-21
	Practical completion:	22-Mar-22
	Completion / Handover:	27-Mar-22
	Defects liability period:	27-Mar-23
7	Progress	Work complete, Repurposed the Raw water storage reservoir 2 as a sludge draw-off tank. Supply backup chlorine dosing pump for the filter pumpstation.
8	Major / key challenges (if delayed)	The shortage of co-funding prevented the extent of the project in order to improve process treatment

MONITORING

- Both Financial and Technical departments monitor the MIG expenditure separately. The two departments are trying to implement the once per month meeting to discuss and monitor expenditure to avoid the difference in reporting. These two departments also reconcile their expenditure claims to have an accurate report at the end of the financial year.
- MIG related issues and progress are discussed on the monthly LGTAS meetings where all stakeholders are present. Kannaland also arrange infrastructure meetings where MIG items are discussed with stakeholders and service providers.
- Projects are closely monitored so that action can be taken as soon as possible if any risks appear. Monthly and technical meetings are held for each project to monitor risks and discuss solutions.
- Data is collected as and when it's required. All labor-data is obtained from the contractor, either through the Community Liaison Officer or the consulting engineers. The Finance department within the municipality provide data regarding expenditure, available funds, etc. Monitoring is mainly done by the technical department. The PMU manager and project administrator are responsible for monitoring and reporting which gets quality checked by the Director Infrastructure Services.

- Data is submitted in the prescribed format (e.g., DWS's technical report format), but not analyzed in more detail as such within the Municipality. The KPI report is utilized for data analysis.

EXPENDITURE STATUS 2022/2023 FY (June 2023)											
No.	Grant	Project No	Project Name	Adjustment Budget	Rollover Approved	Rollover Rejected	Received	Expenditure	Still to spend	% Spend	Status/Progress/Comments
1	MIG	285450	Ladismith: Upgrade Water Treatment Works	R 403 612,00				R 396 354,26	R 7 257,74	98%	Contractor Appointed
2	MIG	160843	Ladismith: New Waste Water Treatment Works	R 441 713,00				R 441 082,47	R 630,53	100%	Contractor Appointed
3	MIG	220290	Zoar: New Sport Field Lighting	R -					R -	0%	Contractor Appointed
4	MIG	220290	Zoar: New Sport Field Lighting (AFA - Additional Fund Application; project 220290)	R -					R -	0%	Contractor Appointed
5	MIG		Van Wyksdorp: Upgrade Water treatment Works	R 1 631 725,00				R 1 466 715,79	R 165 009,21	90%	Consultant Appointed
6	MIG		Van Wyksdorp: Upgrade Sewerage Works	R 1 823 450,00				R 1 657 808,15	R 165 641,85	91%	Retention
7	MIG		Zoar: Upgrade sewer Works	R 4 308 350,00				R 3 426 414,71	R 881 935,29	80%	
8	MIG	PMU/D41	PMU 2022/23	R 554 150,00				R 554 150,00	R -	100%	Not Registered
	MIG		Retention					R 616 424,47	-R 616 424,47		
	MIG					R 826 369,00					
		TOTALS		R 9 163 000,00			R 8 608 850,00	R 8 558 949,85	R 604 050,15	93,4%	EXPENDITURE FOR 2022/2023 FY
No.	Grant	Project No	Project Name	Budget				Expenditure	Still to spend	% Spend	Status/Progress/Comments
2	WSIG		Calitzdorp Deep Boreholes			R 5 199 296,57			R -		
		TOTALS		R -				R -	R -		EXPENDITURE FOR 2022/2023 FY
No.	Grant	Project No	Project Name	Budget				Expenditure	Still to spend	% Spend	Status/Progress/Comments
3	INEP		Electrification Network		R 556 878,81	R 10 955,50			R 556 878,81		
		TOTALS		R -				R -	R 556 878,81		EXPENDITURE FOR 2022/2023 FY
No.	Grant	Project No	Project Name	Budget				Expenditure	Still to spend	% Spend	Status/Progress/Comments
4	Library Capital		Bergsig Library		R 33 203,21			R 33 977,00	-R 773,79	102%	
		TOTALS		R -				R 33 977,00	-R 773,79		EXPENDITURE FOR 2022/2023 FY
No.	Grant	Project No	Project Name	Budget				Expenditure	Still to spend	% Spend	Status/Progress/Comments
5	Library Capital		Loadshedding Relief				R 1 075 000,00	R 1 004 065,00	R 70 935,00	93%	
		TOTALS		R -				R 1 004 065,00	R 70 935,00		EXPENDITURE FOR 2022/2023 FY
No.	Grant	Project No	Project Name	Budget				Expenditure	Still to spend	% Spend	Status/Progress/Comments
6	Library Capital		Blue Drop Green Drop- and Testing Kits				R 306 000,00	R 226 786,33	R 79 213,67	74%	
		TOTALS		R -				R 226 786,33	R 79 213,67		EXPENDITURE FOR 2022/2023 FY
No.	Grant	Project No	Project Name	Budget				Expenditure	Still to spend	% Spend	Status/Progress/Comments
7	EPWP		Temporary Workers	R 1 031 000,00				R 1 031 000,00	-R 1 031 000,00	100%	
		TOTALS		R 1 031 000,00				R 1 031 000,00	-R 1 031 000,00		EXPENDITURE FOR 2022/2023 FY

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

3.22. EXECUTIVE AND COUNCIL

This component includes: Executive Office (Mayor; councilors; and Municipal Manager).

The Council consists of seven (7) councilors, including the Executive Mayor, Deputy Executive Mayor and Speaker as determined by the MEC for Local Government in the Western Cape.

3.23. FINANCIAL SERVICES

Sound financial management practices are essential for municipalities. The major challenge for municipalities is long term financial sustainability. The MFMA aims at directing municipalities in a sustainable financial environment and to modernize financial management practices.

The act places municipalities on a financially sustainable footing and supports co-operative government between all spheres of government. Successful implementation of the provisions of the act will maximize the capacity of municipalities to deliver services to their residents, users and customers.

3.24. HUMAN RESOURCES SERVICES

The broader objectives of the Human Resource Services division of the Municipality are to ensure that:

- The appropriate staff members are recruited and appointed;
- Staff members are optimally placed in relation to the needs of the organization;
- An environment is created conducive of staff performing their functions in line with their knowledge, experience and skills;
- Staff members are adequately compensated and that their vested interests and benefits are professionally administered;
- Staff members are allowed the opportunity to develop and be promoted in a physical environment that is free from safety, health and psychological hazards;
- An organizational design is implemented that promotes productivity and sustains high levels of morale and ethical behavior;
- A culture of discipline, equality, transparency and fairness are promoted in the workplace;
- The organization is free from all forms of discrimination and prejudice.

In order to achieve these broader objectives, the Human Resource Services is organized in a manner to respond to the following functions:

- Organizational efficiency and improvement
- Staffing in relation to recruitment, selection and appointments
- Administration of employee benefits
- Skills development and training
- Occupational health and safety
- Labor relations
- Employee wellness (EAP)
- Performance management
- Employment equity
- Change Management
- Statistics and Reporting

The organizational structure has last been reviewed during 2022 to ensure alignment with the municipal strategic objectives (IDP) to ensure compliance and effective and efficient service delivery. The objective with the review of the organizational structure is to improve revenue collection and a flatter management structure for faster decision making.

The organizational structure requires further review by 30 June 2023 in order to align it to the Municipal Staffing regulations and existing staff structure.

The organizational structure is currently being reviewed. The outcome of this project will result in establishment of individual performance which will be aligned to the job descriptions. The organizational structure is currently being revised for the best service delivery at the lowest cost to the Municipality. Job descriptions are being reviewed based on job content and volume in the attempt to form specialist units.

The vacancy rate of the municipality is above the norm rate of 20%.

The 2022/2023 annual performance report is compiled in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting. This report covers the performance information from 01 July 2022 to 30 June 2023 and focuses on the implementation of the service delivery and budget implementation plan (SDBIP), in relation to the objectives as summarised in the municipality's integrated development plan (IDP) for the year under review. The Annual Performance Reporting is also consistent with Kannaland Municipality Performance Management Framework which was reviewed and adopted by Council on 31 August 2023 and currently being tabled to council for review on 31 August 2023.

The format of the report reflects the municipality's key performance indicators (KPI) per municipal key performance area. Each key municipal KPA has a number of pre-determined objectives which were designed by Kannaland Municipality to focus its development initiatives in a more coherent and organised manner. A colour coding method is used to define the performance on actual performance for the year.

KPI not yet measured	KPI's with no targets or no actual results for the selected period	
KPI not met	Target not achieved – insufficient performance	
KPI almost met	Partially achieved – not effective performance yet	
KPI met	Target achieved – effective performance	
KPI well met	Exceeding performance target	
KPI extremely met	Outstanding Performance	

LEGENDS

4.1. PERFORMANCE MANAGEMENT

Performance Management is a strategic approach to management. It is a process which measures the implementation of the organization's integrated development plan and growth strategy. It equips leaders, managers, workers and stakeholders at different levels with a set of tools and techniques for regularly planning, continuously monitoring, and periodically measuring and reviewing the performance of the Municipality in terms of indicators and targets for efficiency, effectiveness and economy.

Performance Management is aimed at ensuring that Municipality's monitor their Integrated Development Plan's and continuously improve their operations and in terms of Section 19 of the Local Government:

Municipal Structures Act No. 117 of 1998 that they annually review their overall performance in achieving their constitutional objectives.

It also forms the basis for aligning the Integrated Development Plan (IDP) with the operational business plans, performance areas and performance indicators of the various departments of the Kannaland Municipality. Performance Management provides the vital link to determine whether the Municipality is delivering on its objective and to alert managers to areas where corrective action is required.

The Performance Management Policy describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measuring, reviewing, reporting and improvement will be conducted, organised and managed.

4.2. SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP)

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 are implemented. The SDBIP allocates responsibility to departments to deliver the services identified in the IDP and provided for in the Budget.

The MFMA Circular No 13 prescribes that the:

1. IDP and budget must be aligned
2. budget must address the strategic priorities
3. SDBIP should indicate targets the municipality plans to achieve during next 12 months
4. SDBIP forms the basis for measuring the performance against goals set during the budget /IDP processes

Though much progress has been achieved in improving the tool of measurement, being the SDBIP, this process of SDBIP review shall be ongoing each year as performance monitoring, measurement, evaluation and management should be viewed as a continuous process and a progressive realization of improved organizational performance.

Adjustments were made to the 2022/2023 SDBIP. These adjustments were undertaken to ensure that:

- Specified objectives and targets be clearly defined and described as recommended by the 2021/2022 AG Report;
- Performance targets set are practical and realistic as recommended in the 2021/2022 AG Report;
- Key performance indicators are measurable, relevant, objective and precise as recommended in the 2021/2022 AG Report;

- These objectives and targets are communicated to employees and that the Employers' expectations are communicated and clearly understood;
- Performance targets are consistent with the municipality's development priorities and objectives set out in its IDP and commensurate with available resources;
- Timeframe adjustments and targets affected by the timing of local government elections are reviewed to ensure continuity in service delivery.

Actions undertaken to improve performance (2022/2023)

The following actions were undertaken by Kannaland to improve performance during 2022/2023:

- Improved performance management reporting and improved legal prescriptive compliance;
- Review and adoption of the 2021/2022 Kannaland Municipality Performance Management Policy Framework;
- Progressive implementation of the Kannaland Municipality Performance Management Policy Framework;
- Initiating the cascading of Performance Management to all levels in the organisation.
- Improved internal audit support in relation to performance measurement.
- 2023/2024 Future Performance Management Interventions

The undermentioned future interventions are envisaged for 2023/2024 to further and progressively improve performance management in the Kannaland Municipality;

- Review of the Kannaland Municipality Performance Management Policy Framework (KMPMPF);
- Implementation of and monitoring implementation of the KMPMPF;
- Cascading of Performance Management to line managers;
- Finalisation of job descriptions and job evaluation;
- Introducing a staff wellness programme;
- Introducing staff induction training;
- Consequence management for poor work performance;
- Improving performance communication and participation in departmental reporting and management of performance;

- Instilling a culture of performance in the organisation;
- Progressive alignment of the Kannaland Municipality Operational Plan to the SDBIP;
- Encouraging career development and advancement through the introduction of personal development plans and workplace skills plans;
- Assigning responsibilities to individuals in relation to performance management;
- Improving staff morale.

4.3. FINANCIAL OVERVIEW – BUDGET VS OBJECTIVES

RECONCILIATION OF THE STRATEGIC OBJECTIVES AND BUDGET – REVENUE – SA 4

WC041 Kannaland - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
R thousand			Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens				178 419	176 911	197 488	203 311	205 215	205 215	151 336	184 983	205 687
KPA 2: To Provide adequate Services and improve our Public relations										12 961	13 707	14 017
KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks										4 035	5 362	7 317
KPA 4: To Facilitate Economic Growth and Social and Community development										3 556	3 494	3 647
KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation										2 948	253	259
KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy										32 564	11 120	27 327
KPA 7: To Strive towards a financially sustainable municipality										34 750	35 035	36 547
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	178 419	176 911	197 488	203 311	205 215	205 215	242 150	253 955	294 802
<u>References</u>												
1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)												
2. Balance of allocations not directly linked to an IDP strategic objective												

RECONCILIATION OF THE STRATEGIC OBJECTIVES AND BUDGET – OPERATING EXPENDITURE – SA 5

WC041 Kannaland - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
R thousand			Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens				167 397	182 033	211 494	218 716	218 474	218 474	128 069	129 003	135 847
KPA 2: To Provide adequate Services and improve our Public relations										24 747	24 913	26 036
KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks										4 920	5 278	5 519
KPA 4: To Facilitate Economic Growth and Social and Community development										3 555	3 493	3 646
KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation										21 509	22 644	22 729
KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy										28 067	7 004	23 229
KPA 7: To Strive towards a financially sustainable municipality										30 589	35 866	37 488
Allocations to other priorities												
Total Expenditure			1	167 397	182 033	211 494	218 716	218 474	218 474	241 455	228 201	254 493
<u>References</u>												
1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)												
2. Balance of allocations not directly linked to an IDP strategic objective												

WC041 Kannaland - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
R thousand			Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens		A		19 178	8 490	14 052	12 919	14 712	14 712	13 743	29 598	30 889
KPA 2: To Provide adequate Services and improve our Public relations		B										
KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks		C										
KPA 4: To Facilitate Economic Growth and Social and Community development		D										
KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation		E										
KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy		F										
KPA 7: To Strive towards a financially sustainable municipality		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	19 178	8 490	14 052	12 919	14 712	14 712	13 743	29 598	30 889
References												
1. Total capital expenditure must reconcile to Budgeted Capital Expenditure												
2. Goal code must be used on Table SA36												
3. Balance of allocations not directly linked to an IDP strategic objective												

PDO 1: TO PROVIDE ACCESS TO RELIABLE INFRASTRUCTURE THAT WILL CONTRIBUTE TO A HIGHER QUALITY OF LIFE FOR KANNALAND CITIZENS

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI.1	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	INFRASTRUCTURE SERVICES	Complete 98% of all MIG infrastructure to the stage where were issued with Practical Completion certificates by 30 June 2023	Percentage (%) of the MIG grant spent i.t.o. budget allocations	Output	New KPI	98%	70.17%	98%	0%	Target not achieved	92,7% expenditure achieved. KPI to be adjusted.	KPI to be adjusted in 2023/24 adjusted SDBIP	MIG Report

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI.2	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	INFRASTRUCTURE SERVICES	Complete 95% of all PMU infrastructure projects (MSIG, WSIG, (Drought relief) to the stage where were issued with Practical Completion certificates by 30 June 2023	Percentage (%) of the MSIG, WSIG, Drought Relief grant spent i.t.o. budget allocations completed projects that was issued with Practical completion certificates	Output	New KPI	95%	40%	95%	0%	Target not achieved	92,7% expenditure achieved. KPI to be adjusted.	KPI to be adjusted in 2023/24 adjusted SDBIP	MIG Report

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI 3	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	INFRASTRUCTURE SERVICES	Complete 95% of all Electricity infrastructure projects (INEP, EEDM) to the stage where they were issued with Practical Completion certificates by 30 June 2023	% of INEP, EEDM completed and issued with Practical Completion certificates	Output	New KPI	-	-	95%	0%	Target not achieved	No INEP Infrastructure projects for the 2022/23 financial year.	Submit INEP Infrastructure Projects inputs for allocation in the budget for the 2023/24 financial year and apply for INEPT Grant rollover for the 2023/24 financial year.	Grant expenditure register

PDO 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizen's

PDO 2: TO PROVIDE ADEQUATE SERVICES AND IMPROVE OUR PUBLIC RELATIONS

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI.5	KPA 2: To Provide adequate Services and improve our public relations	Infrastructure Services	Limit total of electricity losses in distribution network to less than 12% accumulated over the financial year until 30 June 2023	Percentage (%) of electricity losses calculated in distribution network on a twelve- month rolling periodas kWh sold/kWh purchased	Output	11.36%	12%	11.36%	12%	12.50%	Target not achieved	KPI almost achieved. Technical losses due to aging infrastructure.	None.	Report Attached
KPI.6	KPA 2: To Provide adequate Services and improve our public relations	Infrastructure Services	75% of water samples comply with SANS-241 micro biological indicators {{(Number of water samples that comply with SANS-241 indicators/Number of water samples tested) x100}	% Of water samples that complies with SANS-241 standards	Output	0%	75%	0%	75%	54,76%	Target not achieved	Target not achieved.	Competitive bidding process to be initiated for more regular water testing internally.	Water sample results attached.

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI.7	KPA 2: To Provide adequate Services and improve our public relations	Infrastructure Services	Limit accumulated unaccounted for water to less than 30% annually until 30 June 2023	% Of water losses in distribution networks in all of Kannaland towns	Output	26.38%	30%	26.38%	Less than 30%	28%	Target achieved	Target achieved	None	Attached
NKPI 1	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Number of formal residential properties that receive piped water connected to the municipal water infrastructure network as at 30 June 2023	Number of formal residential properties which are billed for water services as at 30 June 2023	Output	4635	4630	4635	4665	4690	Target achieved	Target achieved.	None	Attached
NKPI 2	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Provision of electricity to formal residential account holders connected to the municipal electrical infrastructure network for	Number of formal residential properties which are billed for electricity/have pre-paid electricity (excluding Eskom areas)	Output	Prepaid : 3003 Conventional: 241	Prepaid : 3140 Conventional: 242	Prepaid : 3003 Conventional: 241		3865 3400	Target achieved	Target achieved. Target adjusted per council resolution	None	Debtors SAMRAS Listing Attached

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
			both credit and prepaid electrical metering. Number of formal residential properties connected to the municipal electrical infrastructure network (excluding Eskom areas) as at 30 June 2023	as at 30 June 2023										

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
NKPI 3	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Provision of sanitation/sewerage services to formal residential account holders which are connected to the municipal waste water/sanitation/sewerage network and billed for services as at 30 June 2023	Number of formal residential properties which are billed for sewerage services in accordance with the SAMRAS financial system as at 30 June 2023	Output	4228	4215	4228	4250	4265	Target achieved	None Target met. Target adjusted as per council resolution.	None	Debtors SAMRAS Listing Attached
NKPI 4	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Number of formal residential properties for which refuse is removed at least once per week and billed for the service as at 30 June 2023.	Number of formal residential properties which are billed for refuse removal services as at 30 June 2023	Output	4537	4535	4537	4550	4553	Target achieved	None Target met. Target adjusted as per council resolution.	None	Debtors SAMRAS Listing Attached
NKPI 5	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Provision of electricity to informal residential account holders in the designated informal areas which are connected to the municipal electrical infrastructure network for prepaid	Number of residential pre-paid meters registered on the Syntel/ Utilities World Financial system in the designated	Output	New KPI	-	-	175	199	Target achieved	None. Target met. Target adjusted as per council resolution.	None	Debtors SAMRAS Listing Attached

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
			electrical metering	informal areas										
NKPI 6	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Number of Households with access to free basic services (as per Indigent Register) by 30 June 2023	Number of Households with access to free basic services (as per Indigent Register)	Output	2479	2560	2631	2200	2290	Target achieved	None. Target met. Target adjusted as per council resolution.	None.	Debtors SAMRAS Listing Attached

PDO 3: TO STRIVE TOWARDS A SAFE COMMUNITY IN KANNALAND THROUGH THE PROACTIVE MANAGEMENT OF TRAFFIC, ENVIRONMENTAL HEALTH, FIRE AND DISASTER RISKS

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
NKPI 7	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Provision of free basic electricity to indigent account holders connected to the municipal electrical infrastructure network	Number of indigent account holders receiving free basic electricity which are connected to the municipal electrical infrastructure network	Output	New KPI	-	-	1600	1606	Target achieved	Target met. Target adjusted as per court resolution.	None.	Debtors SAMRAS Listing Attached
NKPI 8	KPA 2: To Provide adequate Services and improve our public relations	Financial Services	Provision of free basic sanitation services to indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets)	Number of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	Output	New KPI	-	-	2200	2290	Target achieved	Target met. Target adjusted as per court resolution.	None.	Debtors SAMRAS Listing Attached

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
NKPI 9	KPA 2: To Provide adequateServices and improve our public relations	Financial Services	Provision of clean piped water to indigent account holders which are connected to the municipal water infrastructure network	Number of indigent account holders receiving free basic water.	Output	New KPI	-	-	2200	2290	Target achieved	Target met. Target adjusted as per court resolution.	None.	Debtors SAMRAS Listing Attached
KPI.8	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	Corporate/ Community Services	Review of the disaster management plan by March 2023	Number of plans reviewed and submitted to council	Output	New KPI	1	0	2	1	Target not achieved	Target not achieved. New KPI	KPI target to be adjusted.	Council resolution of Disaster Management Plan.

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Eviden ce
KPI 9	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	Corporate/Community Services	Review Integrated Waste Management Implementation plan by 30 June 2023	Number of IWMIP reviewed	Output	New KPI	-	-	1	0	Target not achieved	Target not achieved	GRDM to be approached to assist in the review process.	IWMP adopted by council during 2022.
TBD	KPA 3: To strive towards a safe community Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	Community Services	Conduct one quarterly clean-up campaign in all four wards Kannaland up until 30 June 2023	No. of quarterly clean up campaigns held in Kannaland	Output				8	8	Target achieved	Target achieved	None	Clean up campaign report attached.

PDO 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks

PDO 4: TO FACILITATE ECONOMIC GROWTH AND SOCIAL AND COMMUNITY DEVELOPMENT

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
NKPI.10	KPA 4: To Facilitate Economic Growth and Social and Community development	Infrastructure Services	Create job opportunities through the Expanded Public Works Programme (EPWP)	Number of job opportunities created	Activity	184	184	240	184	310	KPI met well	MIG Report tabled to Council	None	Evidence attached.

PDO 4: To Facilitate Economic Growth and Social and Community development

PDO 5: TO PROMOTE EFFICIENT AND EFFECTIVE GOVERNANCE WITH HIGH LEVELS OF STAKEHOLDER PARTICIPATION

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI.10	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	Office of the Municipal Manager	Ensuring performance by the timeous development and signing of the Section 57 performance agreements in adherence to the Performance Framework	Percentage (%) of signed performance agreements of Section 57 managers within 14 days of approval of the SDBIP or appointment in the case of vacancies	Output	0	3	0	100%	67%	Target not achieved	Target not achieved.	Performance agreements of Sect 57 managers to be sign within 14 days of approval of the SDBIP or appointment in the case of vacancies .	Performance agreement attached.
KPI.11	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	Corporate Services	(Minimum number of General Council meetings to be held per annum)	(Number of meetings convened)	Output	10	4	10	4	3	Target not achieved	Target not achieved	Council to be made aware of the KPIs by way of a Performance Management Workshop in 2023/24 financial year.	Minutes of meetings

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI 13	KPA 5: To Promote efficient and effective governance with high levels of stakeholder participation	Office of the Municipal Manager	Conduct an annual strategic risk assessment by 30 June 2023.	Number of risk assessments conducted through the reviewed risk register compiled.	Activity	1	1	1	1	0	Target not achieved	Target not achieved	Risk assessments conducted Draft Risk register to be reviewed by APAC for approval by council	Draft Risk register attached.
KPI 25	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	Office of the Municipal Manager	Risk based audit plan approved by Audit Committee	No of risk-based audit plans approved by audit committee	Output	New KPI	1	-	1	0	Target not achieved	KPI not achieved.	Risk audit plan in draft format to be considered by Audit and performance audit committee and adopted by council	Draft Risk based audit plan attached

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annua Target	Annua Actual	Annua Target	Annua Actual	Achieve d	Performance Comment	Correctiv e Measures	Proof of Evidence
KPI 26	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	Office of the Municipal Manager	Quarterly Ward Committee meetings with consolidated quarterly reports to council until 30 June 2023	Number of ward committee meetings convened	Activity	New KPI	16	9	16	15	Target almost achieved	Poor weather deterred members from attending the meeting	Meetings be scheduled early in the beginning of the quarter. Alternate dates be set to accommo date for eventualiti es.	Attendance registers/minutes of Ward Committee meetings attached.
KPI 29	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	Financial Services	100% Reporting compliance by submitting s71, s72 and s52d reports within legislated timeframes 30 June 2023.	% Of reporting on all compliance documents	Activity	New KPI	100%	100%	100%	100%	Target achieved	Target achieved.	None	Reports attached.
KPI 30	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	Corporate/Community Services	Promote library services to community through outreach and awareness	No of community outreach engagements conducted in each of the four libraries in Kannaland	Activity	New KPI	24	-	24	20	Target not achieved	Target not achieved	Additional outreach programs to be identified and implement ed.	Outreach reports and support documents attached.

PDO 5: To promote efficient and effective Governance with high levels of stakeholder participation

PDO 6: TO PROVIDE AN EFFICIENT WORKFORCE BY ALIGNING OUR INSTITUTIONAL ARRANGEMENTS TO OUR OVERALL STRATEGY

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI 31	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	Corporate Services	Vacancy rate of the entire approved staff establishment	% Of vacancy rate to be not more than 20%	Activity	New KPI	Less than 20%	34,80%	Less than 20%	31%	Target not achieved	Target not achieved.	Only critical vacancies be filled which would have a catastrophic risk on the organization.	Summary of current field and vacant staff establishment for 2022/2023.

PDO 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy

PDO 7: TO STRIVE TOWARDS A FINANCIALLY SUSTAINABLE MUNICIPALITY

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI 34	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	Financial Services	Budget for 2022/23 financial year approved by Council by 31 May 2023.	Number of budgets approved	Control	1	1	0	1	1	Target achieved	Target achieved.	None	Council resolution and approved budget for 2022/2023 attached.
KPI 35	KPA 7: To Strive towards a financially sustainable municipality	Financial Services	Achieve 80% year to date collection rate of revenue billed by 30 June 2023 (Total revenue collected / total billed) x100	YTD percentage on debtors' payment rate	Control	New KPI	80%	77.35%	80%	75.12%	Target not achieved	Target not achieved.	Accountant appointed in Debt Collection Section to perform intensive collection process. Service provider to be appointed to perform summons process.	Collection rate statistics and commitment schedule attached.

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
NKPI.1 1	KPA 7: To Strive towards a financially sustainable municipality	Financial Services	Financial Viability measured in terms of Cost coverage ratio for the financial year	((Cash and Cash Equivalent s - Unspent Conditional Grants - Overdraft) + Short Term Investments) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortization, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	Control	1:3 months	1/3 months	20%	1:3 months	0.48:3	Not achieved		AFS be concluded timeously.	MFMA Circular Number 71 Ratio Calculations.

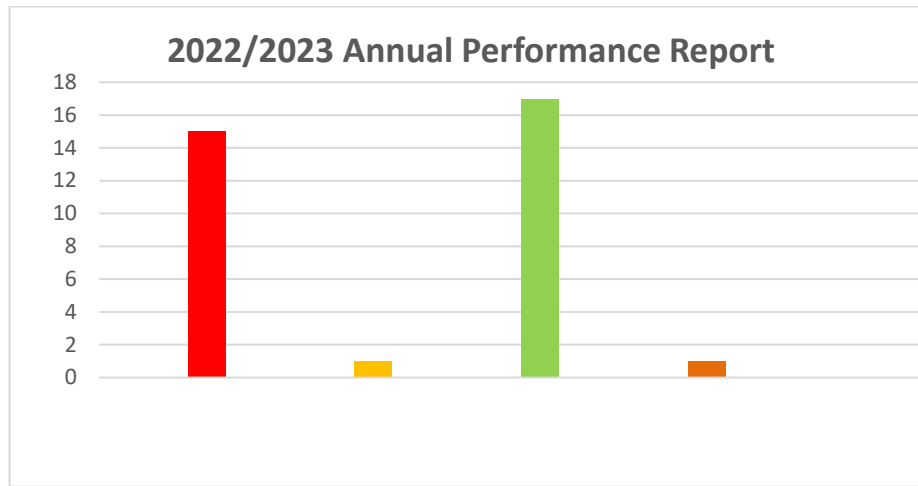
IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
NKPI.12	KPA 7: To Strive towards a financially sustainable municipality	Financial Services	Financial Viability measured in terms of debt coverage ratio for the financial year	Debt coverage ratio calculated as follows: (Total revenue received – Total grants)/debt service payments due within the year)	Control	45%	45%	200.32 %	45%	0%	Not achieved		KPI must be adjusted as per MFMA Circular 71	MFMA Circular Number 71 Ratio Calculations.
KPI.36	KPA 7: To Strive towards a financially sustainable municipality	Financial Services	Conduct monthly reconciliation of the bank account within 10 working days	Number of reconciliations completed	Output	New KPI	12	12	12	12	Target achieved	Target achieved	None	Monthly reconciliation statements
KPI.37	KPA 7: To Strive towards a financially sustainable municipality	Financial Services	Financial Statements submitted to the Auditor-General by end of August 2023	Number of completed annual financial statements to be submitted to the Auditor-General	Control	1	1	0	1	1	Target achieved	Target achieved.	None	AFS submission to AG

IDP reference	KPA	Department	Indicator	Unit of Measurement	Type	Baseline	Performance Comparison of prior and current financial years							
							Prior year's performance 2021/2022		Overall Performance for 2022/2023					
							Annual Target	Annual Actual	Annual Target	Annual Actual	Achieved	Performance Comment	Corrective Measures	Proof of Evidence
KPI.38	KPA 7: To Strive towards a financially sustainable municipality	Financial Services	Submit an adjustment budget to Council for approval by 28 February 2023	Number of adjustment budget approved	Control	1	1	0	1	1	Target achieved	Target not achieved.	None	None.

PDO 7: To Strive towards a financially sustainable municipality

2022/2023 ANNUAL PERFORMANCE OUTCOME

	Not yet measured	0
	Not met	16
	Almost met	1
	KPI met	17
	KPI met well	1
	KPI met extremely well	0



NOTE:

COMPARATIVE STUDY: 2021/2022 AND 2022/2023

Kannaland Municipality measured a total of 34 KPIs during 2022/2023 Financial Year. (A total of 39 KPIs were measured during 2021/2022).

Targets were met for 16 of the 34 KPI's measured during 2022/2023 amounting to 47%.

Targets were not achieved for 16 of the 34 KPIs measured amounting to 47% during 2022/2023.

Targets were almost achieved for 1 out of 34 targets measured amounting to 2,94%.

Targets met well for 1 of the 34 KPI's measured amounted to 2.94% during 2022/2023.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The information reported on relating to the organizational structure is extracted from the official organogram adopted by council on 9 May 2020. Suspensions of senior managers in the Human Resources unit negatively affects performance in the Human Resources function as senior roles and responsibilities are being performed by junior clerical staff.

4.4. EMPLOYEE TOTALS TURNOVER AND VACANCIES

VACANCY RATE AS AT 30 JUNE 2023					
DIRECTORATE / DEPARTMENT / DIVISION	Positions on Organogram	Permanent Posts Filled	Vacant Posts	% Filled (Permanent)	Vacancy Rate %
OFFICE OF THE MUNICIPAL MANAGER (Admin support, Internal Audit, Risk, Communication)	6	6	0	100,00%	0%
FINANCIAL SERVICES	45	38	7	84,4%	15,6%
INFRASTRUCTURE SERVICES & COMMUNITY SERVICES	148	122	26	82,4%	17.6%
TOTAL FOR MUNICIPALITY	199	166	33	83,42%	16,58%

NUMBER OF EMPLOYEES

4.5. TURNOVER RATE

Turn-over Rate

Details	Total Appointments as of beginning of Terminations during the Financial Year		Turn-over Rate*
	No.	No.	
2021/22	66	297	4,5%

TURNOVER RATE

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

The Municipal Systems Act, 32 of 2000, Section 67, requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective and transparent personnel administration in accordance with the Employment Equity Act 1998.

The purpose of the Disciplinary Board is restricted to alleged offences of financial misconduct related to municipal officials as per sections 171 (financial misconduct by municipal officials of a Municipality) and 172 (financial misconduct by officials of municipal entities) of the Municipal Financial Management Act, 2003 (Act 56 of 2003), and has no jurisdiction to address any allegation relating to offences in terms of section 173 of the Act (criminal proceedings). Roles and functions are derived from the Municipal Financial Management Act (sections 171 and 172) and the MFMA Regulations on Financial Misconduct Procedures and Criminal Processes, 2014.

Council as a whole is the legislative body and delegates some of this authority to the committees established in terms of section 79 of the Local Government: Municipal Structures Act. The Disciplinary Board is established in terms of Section 79 of said Act.

The scope for the Municipal Public Accounts Committee's activities also encompasses, amongst other, issues relating to recommendations on unauthorized, irregular, fruitless and wasteful expenditure as well as performance, within the delegation framework of the Municipal Council

The Municipal Systems Act (Section 59 (1) prescribes that a Municipal Council must develop a system of delegation that will maximize administrative and operational efficiency and provide for adequate checks and balances. The prudent use of this system allows municipalities to separate council powers between executive (the Executive and Mayoral Committee for example) and legislative authority (Council as delegated to the Disciplinary Board, other committees and officials) in terms of a set of delegations approved by Council.

Managing the municipal workforce is not only the duty of the Human Resources section and every manager in Kannaland Municipality is responsible for managing of his/her own line function in an integrated manner.

4.6. POLICIES

All budget related policies were revised and approved. For 2022/23 Financial year all revised policies will be scheduled for policy workshop.

4.7. INJURIES SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty		
Type of injury	Injury Leave Taken	Employees using injury leave
	Days	No.
Required basic medical attention only	15	1
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
Total	15	1

NUMBER AND COST OF INJURIES ON DUTY

The Municipality has an employee assistance programme to visit employees who are hospitalized for long periods due to illness or injuries and to assist them with procedures to be boarded or whatever they need assistance with.

The Occupational Health and Safety structures are being strengthened to reduce occupational injuries. Internal departments attend monthly meetings to discuss and seek possible solutions wrt OHS matters.

4.8. DISCIPLINE

Discipline will be applied as a corrective measure. The purpose of meting out discipline as a corrective measure to improve on organizational behavior and performance will not be effective unless discipline is applied for the intended organizational purpose. Staff morale is affected negatively while discipline is affected for ulterior motives. The status quo can be improved with awareness campaigns and training.

4.9. PERFORMANCE REWARDS

The individual performance management system has not yet been developed to include other officials than the section 56 and 57 senior managers.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Section 68 of the Local Government: Municipal Systems Act requires from the Municipality to develop the workforce capacity to a level that enables them to perform their functions and exercise their posers in an economical, effective, efficient and accountable way in accordance with the Employment Equity Act, 1998. Challenges experienced regarding training of officials:

1. As part of a training audit to identify employees' needs for training, they had to complete a questionnaire and submit the document to the Human Resources office. The interest that the employees took into this exercise was disappointing; and
2. Funding for training remains a challenge. LGSETA do not allocate funding to Kannaland Municipality for Municipal Minimum Competency training due to the fact that a MMC course had been stopped due to the fact that the beneficiaries on course were not from the target group for MMC training. It is of critical importance that the financial and other personnel who are required to comply with MMC Regulations, be trained as a matter of urgency. The programme for the capacitation of financial interns will be utilized to train the finance department staff.

4.10. SKILLS DEVELOPMENT AND TRAINING

PLANNED TRAINING BUDGET FROM 1 MAY 2022 – 30 APRIL 2023

Planned Training Budget						
Funding Source	Planned Training Budget - Employed	Planned Training Budget - Unemployed	Actual Expenditure - Employed	Actual Expenditure - Unemployed	Committed Expenditure - Employed	Committed Expenditure - Unemployed
Mandatory Grant Funds	200 000	100 00			50 000	10 000
Outstanding Mandatory Grant funds from previous year	50 000	1000			50 000	10 000
Discretionary Grants funds	200 000	100 000			50 000	10 000
Additional funding (Municipality/entity, donor funds, other government funds etc)	50 000	250 000			50 000	10 000
Totals	500000	361000	0	0	200000	40000

PLANNED TRAINING BUDGET FROM 1 MAY 2022 – 30 APRIL 2023

TOTAL PLANNED TRAINING BENEFICIARIES 1 MAY 2022 – 30 APRIL 2023

Total Planned Training Beneficiaries								
LGSETA Strategic Focus Area	Municipal Key Performance Area	Main IDP Priority Linked to Key Performance Area	Female - Employed	Male - Employed	Total	Female - Unemployed	Male - Unemployed	Total
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	To promote efficient and effective Governance with high levels of stakeholder participation	2	4	6	0	0	0
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	To strive towards a financially sustainable municipality	7	1	8	0	0	0
Enhancing Infrastructure and Service Delivery	Basic Service Delivery and Infrastructure Development	To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	0	7	7	0	0	0
Enhancing Municipal Planning	Municipal Transformation and Institutional Development	To provide an efficient workforce by aligning our institutional arrangements to our overall strategy	0	0	0	0	0	0
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	To facilitate economic growth and social and Community Development	5	8	13	0	0	0
Totals			14	20	34	0	0	0

TOTAL PLANNED TRAINING BENEFICIARIES 1 MAY 2022 – 30 APRIL 2023

TOTAL ACTUAL ADULT EDUCATION AND TRAINING BENEFICIARIES TO BE TRAINED FROM 30 APRIL 2022

Total Actual Adult Education and Training beneficiaries to be trained

AET Level	Female LGSETA funded - Employed	Female Other funded - Employed	Male LGSETA funded - Employed	Male Other funded - Employed	Total	Female LGSETA funded - Unemployed	Female Other funded - Unemployed	Male LGSETA funded - Unemployed	Male Other funded - Unemployed	Total
AET Level 1	5	5	5	5	20	5	5	5	5	20
AET Level 2	0	0	0	0	0	0	0	0	0	0
AET Level 3	0	0	0	0	0	0	0	0	0	0
AET Level 4	5	5	5	5	20	5	5	5	5	20
National Senior Certificate	10	5	10	5	30	15	5	15	5	40
Totals	20	15	20	15	70	25	15	25	15	80

TOTAL ADULT EDUCATION AND TRAINING BENEFICIARIES TO BE TRAINED FROM 30 APRIL 2022

TOTAL PLANNED WORKPLACE TRAINING SYSTEMS BENEFICIARIES FROM 30 APRIL 2022

Total Planned Workplace Training systems beneficiaries

Type	Female Beneficiaries	Male Beneficiaries	Total	Total number of training interventions	Total number of training interventions funded by LGSETA
Skills Development Facilitator	1	5	6	10	10
Local Labour Forum	1	6	7	10	10
Training Committee	2	5	7	10	10
Totals	4	16	20	30	30

TOTAL PLANNED WORKPLACE TRAINING SYSTEMS BENEFICIARIES FROM 30 APRIL 2022

NUMBER OF PLANNED TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, GENDER, POPULATION GROUP, DISABILITY AND AGE for 30 April 2022 (EMPLOYED)

NUMBER OF PLANNED TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, GENDER, POPULATION GROUP, DISABILITY AND AGE - EMPLOYED																				
Occupation Category	Ofo Code	Occupation	FA	FC	FI	FW	MA	MC	MI	MW	Total	DA	DC	DI	DW	Total	< 35	35 - 55	55 >	Total
LEGISLATORS	2019-111101-2	Speaker (Local or Provincial Government)	0	0	0	1	0	1	0	0	2	0	0	0	0	0	0	2	0	2
LEGISLATORS	2019-111101-6	Ward Committee Member	0	2	0	1	0	4	0	0	7	0	0	0	0	0	0	3	4	7
LEGISLATORS	2019-111101-8	Councillor	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
LEGISLATORS	2019-111101-9	Mayor	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
LEGISLATORS Totals			0	3	0	2	0	6	0	0	11	0	0	0	0	0	0	6	5	11
MANAGERS	2019-111203-3	General Manager Local Authority	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
MANAGERS	2019-111203-5	Municipal Manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
MANAGERS	2019-111203-7	Town Clerk	0	0	0	0	0	2	0	0	2	0	0	0	0	0	0	1	1	2
MANAGERS	2019-121201	Human Resource Manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
MANAGERS	2019-121904	Contract Manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
MANAGERS	2019-121905	Programme or Project Manager	0	1	0	0	0	0	0	0	1	0	0	0	0	0	1	0	0	1
MANAGERS	2019-121910-1	Water infrastructure manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
MANAGERS Totals			0	1	0	0	0	7	0	0	8	0	0	0	0	0	1	3	4	8
PROFESSIONALS	2019-241101-1	Debtors Manager	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	1	1
PROFESSIONALS	2019-241106	Accountant in Practice	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
PROFESSIONALS	2019-242303-10	Hr Officer	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
PROFESSIONALS	2019-252201-3	IT Information Systems Administrator	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
PROFESSIONALS	2019-262201	Librarian	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
PROFESSIONALS Totals			0	3	0	1	0	1	0	0	5	0	0	0	0	0	0	3	2	5
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-311501	Mechanical Engineering Technician	0	0	0	0	0	0	0	2	2	0	0	0	0	0	0	0	2	2
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-312103-1	Electrical Foreman	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1

TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-313201-6	Waste Water Plant Operator	0	0	0	0	1	2	0	0	3	0	0	0	0	0	0	2	1	3
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-331201-1	Credit Controller	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-332302-2	Procurement Administrator / Coordinator / Officer	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-333401-8	Property Manager (Services / Standards)	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	1	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-335101-11	Customs Liaison Officer / Prevention Officer	0	2	0	0	0	0	0	0	2	0	0	0	0	0	0	2	0	2
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-335401-1	Driver Licensing Clerk Cashier	0	1	0	0	0	2	0	0	3	0	0	0	0	0	0	1	2	3
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-335913	Building Inspector	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-351201	ICT Communications Assistant	0	0	0	0	0	2	0	0	2	0	0	0	0	0	0	0	2	2
TECHNICIANS AND ASSOCIATE PROFESSIONALS Totals			0	3	0	1	1	10	0	0	17	0	0	0	0	0	0	7	10	17
CLERICAL SUPPORT WORKERS	2019-411101-6	Recording Clerk	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
CLERICAL SUPPORT WORKERS	2019-411101-9	Administration Clerk / Officer	0	11	0	0	0	12	0	0	23	0	0	0	0	0	6	11	6	23
CLERICAL SUPPORT WORKERS	2019-412101	Secretary (General)	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-422601	Receptionist (General)	0	1	0	0	0	1	0	0	2	0	0	0	0	0	0	0	2	2
CLERICAL SUPPORT WORKERS	2019-431101	Accounts Clerk	0	0	0	0	0	1	0	0	1	0	0	0	0	0	1	0	0	1

CLERICAL SUPPORT WORKERS	2019-431101-2	Creditors Clerk	1	0	0	0	0	1	0	0	2	0	0	0	0	0	0	2	0	2
CLERICAL SUPPORT WORKERS	2019-431101-8	Debtors Clerk	0	2	0	1	0	2	0	0	5	0	0	0	0	0	1	2	2	5
CLERICAL SUPPORT WORKERS	2019-431301-1	Salaries Officer	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-432101-17	Storekeeping Officer	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-441101	Library Assistant	0	1	0	0	0	1	0	0	2	0	0	0	0	0	0	1	1	2
CLERICAL SUPPORT WORKERS	2019-441101-7	Library Attendant	0	2	0	1	0	2	0	0	5	0	0	0	0	0	1	4	0	5
CLERICAL SUPPORT WORKERS	2019-441501-8	Records Clerk / Coordinator	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-441601	Human Resources Clerk	0	0	0	0	0	2	0	0	2	0	0	0	0	0	1	0	1	2
CLERICAL SUPPORT WORKERS	2019-441903-1	Administration Officer	0	0	0	1	0	1	0	1	3	0	0	0	0	0	0	1	2	3
CLERICAL SUPPORT WORKERS Totals			2	20	0	3	0	24	0	0	50	0	0	0	0	0	10	22	18	50
SERVICE AND SALES WORKERS	2019-515301	Caretaker	0	0	0	0	0	3	0	0	3	0	0	0	0	0	0	2	1	3
SERVICE AND SALES WORKERS	2019-523102-2	Cashier	0	4	0	0	0	0	0	0	4	0	0	0	0	0	0	2	2	4
SERVICE AND SALES WORKERS	2019-541101	Fire Fighter	0	1	0	0	0	6	0	0	7	0	0	0	0	0	6	0	1	7
SERVICE AND SALES WORKERS	2019-541201	Traffic Officer	0	0	0	0	0	3	0	0	3	0	0	0	0	0	1	2	0	3
SERVICE AND SALES WORKERS	2019-541202-12	Law enforcement officer	0	1	0	0	0	3	0	0	4	0	1	0	0	1	4	0	0	4
SERVICE AND SALES WORKERS Totals			0	6	0	0	0	15	0	0	21	0	1	0	0	1	11	6	4	21
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS	2019-642601	Plumber	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1

SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS	2019-671101	Electrician	0	1	0	0	0	0	0	1	2	0	0	0	0	0	0	1	1	2
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS	2019-671301-9	Electrical Line Worker	0	0	0	0	0	2	0	0	2	0	0	0	0	0	1	0	1	2
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS Totals			0	1	0	0	0	3	0	0	5	0	0	0	0	0	1	1	3	5
PLANT AND MACHINE OPERATORS AND ASSEMBLERS	2019-733201-8	Lorry Driver	0	0	0	0	0	3	0	0	3	0	0	0	0	0	0	1	2	3
PLANT AND MACHINE OPERATORS AND ASSEMBLERS	2019-734206-2	Loader Driver	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
PLANT AND MACHINE OPERATORS AND ASSEMBLERS Totals			0	0	0	0	0	4	0	0	4	0	0	0	0	0	0	2	2	4
ELEMENTARY OCCUPATIONS	2019-811201-7	Cleaner (Non-domestic)	0	1	0	0	0	2	0	0	3	0	0	0	0	0	0	1	2	3
ELEMENTARY OCCUPATIONS	2019-811204	Caretaker / cleaner	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
ELEMENTARY OCCUPATIONS	2019-821301-1	General Farm Worker	0	20	0	0	1	61	0	0	82	0	0	0	0	0	13	28	41	82
ELEMENTARY OCCUPATIONS	2019-862301	Meter Reader	0	0	0	0	0	5	0	1	6	0	0	0	0	0	0	2	4	6
ELEMENTARY OCCUPATIONS	2019-862918-1	Electrician Aide	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
ELEMENTARY OCCUPATIONS	2019-862918-2	Electrician Assistant	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
ELEMENTARY OCCUPATIONS	2019-862919-1	Mechanic Assistant	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
ELEMENTARY OCCUPATIONS Totals			0	21	0	0	1	72	0	0	95	0	0	0	0	0	13	32	50	95

TABLE 81: NUMBER OF PLANNED TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, GENDER, POPULATION GROUP, DISABILITY AND AGE for 30 April 2022 (EMPLOYED)

LIST OF LEARNING INTERVENTIONS BY NAME - EMPLOYED

LGSETA Strategic Focus Area	Municipal Key Performance Area	Skills Gap	Type of learning intervention	Qualification/Trade Title	SAQA/Trade ID	Learnership Code	Learnership Title	Name of learning intervention (Other)	Work Experience	NQF Level	Funded By	Number trained in this learning intervention
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Strategic Corporate Governance	Learnership	Further Education and Training Certificate (FETC): Management and Administration	49129	23Q230061401404	Governance and Administration Level 4			NQF Level 4	LGSETA - Discretionary Grant funds	0
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Financial Management	Learnership	Further Education and Training Certificate: Public Administration	57824	21Q210016261794	FETC: Public Administration: Supply Chain Management Level 4			NQF Level 4	LGSETA - Discretionary Grant funds	8
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Strategic Corporate Governance	Learnership	Further Education and Training Certificate (FETC): Management and Administration	49129	23Q230061401404	Governance and Administration Level 4			NQF Level 4	LGSETA - Discretionary Grant funds	0
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy		Learnership	National Diploma: Project Management	58309	23Q230069462475	Project Management			NQF Level 5	LGSETA - Discretionary Grant funds	6
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	Drivers Licence Code 10 (CI)	Learnership	National Certificate: Professional Driving	50285	26Q260042441223	National Certificate: Professional Driving Level 3			NQF Level 3	LGSETA - Discretionary Grant funds	13

LIST OF LEARNING INTERVENTIONS BY NAME (EMPLOYED)

4.11. DISCLOSURES OF FINANCIAL INTERESTS

Please refer to disclosures made by officials and councilors concerning their financial interests as required by the Performance Management Regulations 805 of 2006 set out table below:

Disclosures of Financial Interests		
At the start of the 2021/ 2022 (1 July 2021 – 31 October 2021) financial year the composition in Council was as follows:		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Magdalene Barry	No record
Member of Mayco / Exco		
Deputy Mayor	Phillipus Antonie	No record
District Representative	Hyrin Ruiters	No record
MPAC Chairperson	Jeffrey Donson	No record
Speaker	Werner Meshoa	No record
PR Councilor	Joslyn Johnson	No record
Ward 4 Councilor	Aletta Theron	No record
Acting Municipal Manager	Mr Roland Butler	
Acting Chief Financial Officer	Mr Pumezo Mngeni	
Director Corporate, Community and Infrastructure Services	Mr Hendrik Barnard	
Other S57 Officials		

Disclosures of Financial Interests		
Period 1 November 2021 – 19 January 2022) financial year the composition in Council was as follows:		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Jeffrey Donson	None
Member of Mayco / Exco		
Deputy Mayor	Werner Meshoa	None
District Representative	Hyrin Ruiters	
MPAC Chairperson	Rodge Albertus	None
Speaker	Nicholaas Valentyn	
PR Councilor	Leoni Stuurman	None
Ward 4 Councilor	Alletta Steenkamp	None
Acting Municipal Manager	Roland Butler (1 July 2021 – 31 August 2021. Morne Hoogbaard 1 September 2021 – 19 January 2022	
Acting Chief Financial Officer	Roland Butler 1 September 2022 – 31 March 2022) /Pumezo Mngeni /Enrico Kleinboo/ Chrizelda Claassen/ Gert Oosthuizen	
Director Corporate, Community and Infrastructure Services	Hendrik Barnard (1 November 2021 – 19 January 2022	
Other S57 Officials	None	

Disclosures of Financial Interests		
Period 19 January 2022 – 30 June 2022		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Nicolaas Valentyn	None
Deputy Mayor	Leoni Stuurman	None
District Representative	Alletta Steenkamp	
MPAC Chairperson	Hyrin Ruiters	None
Speaker	Rodge Albertus	
Ward 1 Councilor	Jeffrey Donson	None
Ward 2 Councilor	Werner Meshoa	None
	Mr Anthony Everts and Mr Bradley Bernaduns were sworn in as councilors for one day (6 May 2022 replacing Cllr Nicholaas Valentyn and Councilor Leoni Stuurman)	No record
Acting Municipal Manager	Ian Avontuur	
Acting Chief Financial Officer	Pumezo Mngeni/ Roland Butler (19 January 2022 – 31 March 2022) Gert Oosthuizen	
Director Corporate, Community and Infrastructure Services	Mr Hendrik Barnard	
Other S57 Officials		None

DISCLOSURE OF FINANCIAL INTERESTS

CHAPTER 5: FINANCIAL PERFORMANCE

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

Component A: Statement of Financial Performance

Component B: Spending Against Capital Budget

Component C: Cash Flow Management and Investment

Component D: Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

KANNALAND MUNICIPALITY STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

		Actual	
	Note	2023 R	2022 Restated R
REVENUE			
Revenue from Non-exchange Transactions		79 188 476	88 122 157
Property Rates	27.	25 562 408	25 891 439
Fines, Penalties and Forfeits	28.	395 006	38 651
Licences and Permits	29.	366	24 572
Transfers and Subsidies	30.	50 002 404	60 590 121
Service Charges	31.	667 082	-
Interest, Dividends and Rent on Land Earned	35.	2 561 209	1 577 374
Revenue from Exchange Transactions		113 601 108	109 366 322
Licences and Permits	29.	171 120	134 696
Service Charges	31.	101 943 469	102 394 082
Sales of Goods and Rendering of Services	32.	427 565	307 284
Income from Agency Services	33.	1 215 427	1 098 291
Rental from Fixed Assets	34.	611 426	551 569
Interest, Dividends and Rent on Land Earned	35.	8 020 726	4 639 056
Operational Revenue	36.	602 178	241 343
Total Revenue		192 789 584	197 488 479
EXPENDITURE		226 803 882	210 640 152
Employee Related Costs	37.	80 916 613	69 038 744
Remuneration of Councillors	38.	3 273 324	3 147 985
Depreciation and Amortisation	39.	13 957 417	13 715 868
Impairment Losses	40.	30 474 071	29 203 021
Interest, Dividends and Rent on Land	41.	6 069 173	4 244 366
Bulk Purchases	42.	55 312 841	52 458 271
Contracted Services	43.	19 895 920	13 676 795
Inventory Consumed	44.	2 906 729	3 535 827
Transfers and Subsidies Paid	45.	255 000	240 000
Operating Leases	46.	877 156	1 205 300
Operational Costs	47.	12 865 638	15 368 141
Loss on Disposal of Property, Plant and Equipment	48.	-	4 805 834
Total Expenditure		226 803 882	210 640 152
SURPLUS / (DEFICIT) FOR THE YEAR		(34 014 298)	(13 151 674)
Refer to Budget Statement for explanation of budget variances			

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

8.5 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:

Community Assets	4 620 395	2 269 410
Infrastructure	20 666 284	37 294 384
Total Carrying Amounts of Work-in-Progress	25 286 679	39 563 794
	2023	2022
	R	R

8.6 Delayed Projects

Project Details	Delayed or Halted	
Land and buildings		
Prof fees - K53 Field	Delayed	215 453
Reason: The project was delayed due to the shortage of funding for the project. Kannaland is currently looking for sources to get funding to finish the project.		
Community Assets		
Zoar Sport Field Lighting	Delayed	100 380
Reason: The project was delayed due to the change of priority from Council to allocate funding to Water and Wastewater projects in Zoar and Van Wyksdorp.		
Infrastructure Asset		
Calitzdorp Borehole	Delayed	5 186 899
Reason: Legality regarding the ownership of land the borehold is constructed on.		
Total Carrying Amounts of Delayed or Halted Projects	-	5 502 731

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

KANNALAND MUNICIPALITY CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 R	Actual 2022 Restated R
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Property Rates	27.	25 664 844	22 216 667
Transfers and Subsidies	30.	54 431 205	47 877 222
Service Charges	31.	101 259 759	85 836 419
External Interest Received	35.	1 936 338	1 232 382
Other Receipts	36.	20 511 363	8 521 264
VAT Received	6.	2 756 404	-
Other debtors movement		689 584	
Payments			
Employee Related Costs	37.	(80 193 613)	(70 685 612)
Remuneration of Councillors	38.	(3 273 324)	(3 147 985)
External Interest Paid	41.	(6 069 173)	(2 885 933)
Suppliers Paid	44.	(76 569 274)	(59 366 381)
Other Payments	47.	(36 800 443)	(26 596 252)
VAT Paid	20.	(105 541)	(4 717 184)
Other debtors movement			
NET CASH FLOWS FROM OPERATING ACTIVITIES	53.	4 238 130	(1 715 394)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment	8.	(11 402 870)	(15 415 254)
Proceeds / (Losses) on Disposal of Property, Plant and Equipment	8.	813 000	(20 560)
Proceeds on Disposal of Intangible Assets		292 280	20 560
Decrease / (Increase) in Non-current Investments			(91 785)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(10 297 590)	(15 507 039)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in Borrowings (Loans Redeemed)	22.	(633 869)	(648 052)
(Increase) / Decrease in Provisions		(3 515 027)	
NET CASH FLOWS FROM FINANCING ACTIVITIES		(4 148 896)	(648 052)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(10 208 356)	(17 870 486)
Cash and Cash Equivalents at Beginning of Financial Year	7.	30 934 238	48 804 724
Cash and Cash Equivalents at End of Financial Year	7.	20 725 882	30 934 238

COMPONENT D: OTHER FINANCIAL MATTERS

KANNALAND MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Total Funds & Reserves	Accumulated Surplus/ (Deficit)	Total Net Assets
	R	R	R
2022			
Balance at 30 June 2021	13 507	245 205 325	245 218 833
Correction of Error (Note 51)	-	1 583 576	1 583 576
Restated Balance	13 507	246 788 901	246 802 408
Surplus / (Deficit) as per prior 2021/22 AFS		(14 005 185)	(14 005 185)
Correction of Error (Note 51)		(6 891 314)	(6 891 314)
Restated Surplus / (Deficit) for the year	-	(20 896 500)	(20 896 500)
Other Transfers to/from Accumulated Surplus	-	6 533 994	6 533 994
Restated Balance at 30 June 2022	13 507	232 426 396	232 439 902
2023			
Restated Balance	13 507	234 009 970	234 023 477
Surplus / (Deficit) for the year	-	(34 014 298)	(34 014 298)
Other Transfers to/from Accumulated Surplus	448 019	1 601 323	2 049 342
Transfers to/from Accumulated Surplus		-	-
Balance at 30 June 2023	461 526	201 596 995	202 058 521

REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source R '000				
Description	2021/22	2020/21		
	Actual	Original Budget	Adjustments Budget	Actual
Property rates	25 891 439,00	24 561 794,00	25 522 450,00	19 319 923,00
Service Charges	102 394 082,00	104 162 110,00	98 470 470,00	87 851 152,00
Fines, Penalties and forfeits	38 651,00	5 546 710,00	15 000,00	141 591,00
Licences and Permits	378 010,00	505 190,00	361 160,00	217 217,00
Transfers and Subsidies	60 590 121,00	67 891 000,00	80 217 790,00	62 159 165,00
Interest, Dividends and Rent on Land Earned	6 216 430,00	3 951 320,00	5 508 411,00	775 682,00
Sales of goods and Rendering of services	307 284,00	436 180,00	263 000,00	473 386,00
Rental from fixed assets	551 569,00	631 386,00	553 030,00	570 247,00
Other revenue	241 343,00	537 340,00	312 600,00	331 634,00
Total Revenue (excluding capital transfers and contributions)	196 608 929,00	208 223 030,00	211 223 911,00	171 839 997,00

CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

The Constitution in S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all municipalities. In accordance with the Local Government: Municipal Systems Act, 2000 (section 45) the results of performance measurement must be audited annually by the Auditor- General.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2022/23

Kannaland Municipality obtained a Disclaimer opinion for the 2022/23 financial year under review.

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

Report on the audit of the financial statements

Disclaimer of opinion

1. I was engaged to audit the financial statements of the Kannaland Municipality set out on pages 9 to 93, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. I do not express an opinion on the financial statements of the municipality. Because of the significance of the matters described in the basis for disclaimer of opinion section of this auditor's report I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

Receivables from exchange transactions

3. The municipality did not correctly disclose the totals of the ageing of receivables from exchange transactions as per note 3.2 to the financial statements as required by GRAP 104, Financial Instruments. Consequently, the receivables - gross balance is understated by R1 342 568 (2022: R3 248 269).
4. The municipality incorrectly disclosed impairment losses recognised amounting R18 353 031 in the line impairment losses reversed, which is not in accordance with GRAP 1, Presentation of Financial Statements. Consequently, the impairment losses reversed, and the impairment losses recognised in note 3.3 is overstated and understated, respectively, by R18 353 031.

Receivables from non-exchange transactions

5. The municipality incorrectly disclosed the ageing of statutory receivables from non-exchange for property rates in note 4.2 to the financial statements which is not in accordance with GRAP 104, *Financial Instruments*. Consequently, the disclosure of property rates and All receivables – gross balance is overstated by R32 593 440, the provision for impairment of property rates is overstated by R30 058 714 and the net balance is overstated by R2 534 726.
6. The municipality did not correctly disclose the value of receivables past due but not impaired as required by GRAP 104, *Financial Instruments*. Consequently, the narrations in note 4.2 in

the current year is overstated by R29 334 523 and the comparative figure is understated by R1 709 591.

Statutory receivables from non-exchange transactions

7. I was unable to obtain sufficient appropriate audit evidence for statutory receivables from non-exchange transactions – fines (gross balance) due to the status of the accounting records and non-submission of supporting information. I was unable to confirm the statutory receivables from non-exchange transactions – fines (gross balance) by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to statutory receivables from non-exchange transactions – fines (gross balance) stated at R9 916 376 (2022: R8 602 976) and related provision for impairment stated at R9 731 674 (2022: R8 601 218) in note 5 to the financial statements.
8. The municipality did not correctly disclose the ageing of statutory receivables from non-exchange comparative figure for Fines - provision for impairment in note 5.2 to the financial statements as required by GRAP 108, *Statutory Receivables*. Consequently, the Fines - provision for impairment and All receivables – provision for impairment in note 5.2 comparative figure is understated by R8 578 836 and the net balance overstated by R8 578 836. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the statutory receivables from non-exchange transactions.
9. The municipality did not disclose the ageing of statutory receivables from non-exchange property rates - provision for impairment relating to the comparative figure as required by GRAP 108, *Statutory Receivables*. Consequently, property rates - provision for impairment comparative figure for the ageing categories disclosed in note 5 to the financial statements of 0-30 days, 31-60 days, 61-90 days, and +90 days is understated by an amount that is impracticable to determine. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the statutory receivables from non-exchange transactions.

VAT receivable

10. The municipality did not correctly disclose the VAT receivable as a statutory receivable from exchange transactions as required by GRAP 108, *Statutory Receivables*. Consequently, the VAT receivable disclosed in note 6 to the financial statements is overstated and statutory receivables from exchange transactions is understated by R2 344 784 (2022: R2 450 325).
11. I was unable to obtain sufficient appropriate audit evidence for the comparative VAT receivable due to the status of the accounting records and the non-submission of supporting documentation. I was unable to confirm the VAT receivable by alternative means. Consequently, I was unable to determine whether any adjustments relating to the VAT receivable stated at R2 450 325 in note 6 and the VAT payable comparative figure stated at R0 in note 20, were necessary. My opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the VAT receivable and VAT payable.

Current assets

12. Current assets were materially misstated by R2 482 639 due to the cumulative effect of individually immaterial uncorrected misstatements in the current assets comparative figure:

- Statutory receivables from non-exchange transactions stated at R2 531 615 was understated by R3 904.
- Inventories stated at R2 256 533 was overstated by R717 663.

In addition, I was unable to obtain sufficient appropriate audit evidence and to confirm current assets by alternative means:

- Receivables from non-exchange transactions of R1 709 591 as included in the disclosed balance of R1 709 591.
- Lease receivables of R59 289 as included in the disclosed balance of R59 289.

Consequently, I was unable to determine whether any further adjustments were necessary to current assets. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of current assets for the current period.

Property, Plant and Equipment

13. I was unable to obtain sufficient appropriate audit evidence for expenditure incurred for repairs and maintenance to property, plant and equipment disclosed in note 8.8 to the financial statements, as the municipality did not have adequate systems to maintain records. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the expenditure incurred for repairs and maintenance of property, plant and equipment stated at R20 891 247 in note 8.8 to the financial statements.

14. The municipality did not recognise all items of property, plant and equipment in accordance with GRAP 17, *Property, plant and equipment* as included in the fixed asset register. Consequently, property, plant and equipment included in note 8 to the financial statements was understated by R5 035 530. Additionally, there was an impact on the accumulated surplus.

15. The municipality incorrectly recognised items of property, plant and equipment in accordance with GRAP 17, *Property, plant and equipment* that do not meet the recognition criteria. Consequently, property, plant and equipment included in note 8 to the financial statements was overstated by R8 038 812. Additionally, there was an impact on the accumulated surplus.

16. The municipality incorrectly disclosed infrastructure, machinery and equipment, furniture and office equipment, and computer equipment in note 8 to the financial statements for both the current and comparative figures. The disclosure for infrastructure was duplicated. The disclosure for machinery and equipment, furniture and office equipment and computer equipment was also disclosed in aggregate as the category named other in property, plant and equipment.

Payables from Exchange Transactions

17. I was unable to obtain sufficient appropriate audit evidence for payables from exchange transactions due to the status of the accounting records and the non-submission of supporting documentation. I was unable to confirm the payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to payables from exchange transactions stated at R89 921 363 (2022: R62 949 395).
18. The municipality did not recognise payables from exchange transactions in accordance with GRAP 104, *Financial Instruments*. The audit fees- payable recognised in the comparative figure did not agree to the statement of account. Consequently, payables from exchange transactions included in note 17 to the financial statements was understated by R8 040 212. Additionally, there was an impact on the accumulated surplus.

Employee benefits liabilities

19. I was unable to obtain sufficient appropriate audit evidence for employee benefit liabilities due to the status of the accounting records. I was unable to confirm the employee benefit liabilities by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to non-current employee benefit liabilities stated at R12 621 000 (2022: R13 334 000), current employee benefit liabilities stated at R2 081 000 (2022: R2 081 000) and employee related costs stated at R80 916 613 (2022: R69 038 744), including the related disclosure in note 23 to the financial statements.
20. The municipality did not record Post-retirement Health Care Benefits in accordance with GRAP 25, *Employee Benefits*. Consequently, Post-retirement Health Care Benefits current cost is overstated by R2 937 000, Post-retirement Health Care Benefits Actuarial (Gains) and Losses is understated by R2 401 000 and Post-retirement Health Care Benefits Actual Employer Benefit Payments is understated by R536 000 in note 23 to the financial statements.

Provisions

21. The municipality did not correctly account for the provision for bonuses and the provision for staff leave in accordance with GRAP 25, *Employee Benefits*. Instead, management disclosed these provisions in terms of GRAP 19, *Provisions*. Consequently, provisions for bonus in note 24.1 is overstated by R2 752 301 (2022: R1 738 887) and provision for leave is overstated by R2 586 316 (2022: R4 511 785). Similarly, Employee benefits in note 23, provision for bonus is understated by R2 752 301 (2022: R1 738 887) and provision for leave is understated by R2 586 316 (2022: R4 511 785).
22. The municipality did not correctly account for the current portion of provisions from employee benefits liabilities in accordance with GRAP 25, *Employee Benefits*. This is due to the incorrect transfer of the employee benefits liability- long service awards from the employee benefits liability disclosure in note 23 to provisions in note 24. Consequently, provisions in note 24 is misstated by R755 000 in current provisions and R1 804 000 in non-current provisions for both the current and comparative figures.

23. The municipality did not correctly account for the provisions from decommissioning, restoration, and similar liabilities: landfill sites as per the amount in the provision for landfill site valuation report in accordance with GRAP 19, *Provisions*. Consequently, provisions - decommissioning, restoration, and similar liabilities: landfill sites liability included in note 24.2 to the financial statements is understated by R13 084 922, while property, plant and equipment is understated by R13 084 922.
24. The municipality did not correctly account for the contribution to provisions as required by GRAP 19, *Provisions*, as the movement on the provision was incorrectly accounted for as a gain in operational costs. Consequently, non-current provisions as disclosed in note 24.2 and operational costs in note 47 to the financial statements are both understated by R3 424 390.

Revenue from Non-exchange Transactions – Property rates

25. The valuation date was incorrectly stated as 1 July 2021 instead of 1 July 2022, the general rates disclosed did not agree to the council approved rates for the 2022-23 financial year and total assessment value per category and in total was incorrectly disclosed in note 27 to the financial statements, property rates. Consequently, the note is misstated due to these incorrect disclosures and the total assessment rates is understated by R51 175 000.
26. Not all revenue from non-exchange transactions for property rates were recorded as required by GRAP 23, Revenue from Non-exchange Transactions. Consequently, the revenue and receivables from non-exchange transactions from property rates are understated by R2 245 246.

Revenue from Non-exchange Transactions – Fines, Penalties and Forfeits

27. I was unable to obtain sufficient appropriate audit evidence for fines, penalties and forfeits due to the status of the accounting records and non-submission of supporting documentation. I was unable to confirm the fines, penalties and forfeits by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the comparative figure of fines, penalties and forfeits stated at R38 651. My opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the fines, penalties and forfeits for the current period.

Revenue from Non-exchange Transactions – Transfers and Subsidies

28. The municipality did not account for transfers and subsidies in accordance with GRAP 23, *Revenue from non-exchange transactions*. The amounts recognised did not agree to the supporting schedules and underlying supporting documents. Consequently, the transfers and subsidies included in note 30 to the financial statements is overstated by R5 118 185, the unspent conditional grants and receipts included in note 19 to the financial statements is understated by R5 123 418 and the accumulated surplus is overstated by R5 233.
29. The municipality incorrectly aggregated transfers and subsidies included in note 30.4.1 – 30.4.40 to the financial statements. Consequently, the total grants in note 30.4.41 to the financial statements is misstated by R33 774 914 (2022: R35 289 775).

Revenue from Non-exchange Transactions – Interest, Dividends and rent on land

30. I was unable to obtain sufficient appropriate audit evidence for interest, dividends and rent on land earned due to the status of the accounting records and non-submission of supporting documentation. I was unable to confirm the interest, dividends and rent on land earned by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the comparative figure of interest, dividends and rent on land earned stated at R1 577 374. My opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the interest, dividends and rent on land earned for the current period.

Employee Related Costs

31. I was unable to obtain sufficient appropriate audit evidence for employee related costs due to employment contracts, appointment letters and various other supporting documents not being provided. I was unable to confirm the employee related costs by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to employee related costs stated at R80 916 613 (2022: R69 038 744) in the financial statements.
32. The municipality did not recognise the employee related cost in accordance with GRAP 1, *Presentation of financial statements*. The employee related costs transactions recognised in the financial statements did not agree with the SAMRAS payroll listing, employees were paid their salary after their contracts expired, and employees were overpaid for travel allowances. Consequently, employee related costs included in note 37 to the financial statements is overstated by R21 028 934 (2022: R7 198 137), other payables are overstated by R10 454 706, and receivables were understated by R10 574 228 (2022: R7 198 137).
33. The municipality did not correctly record the employee related costs transactions. Consequently, employee related costs included in note 37 to the financial statements is overstated by R8 072 139, receivables from exchange transactions included in note 3 is understated by R8 309 498, payables from exchange transactions included in note 17 is understated by R772 891, current provisions - leave included in note 24 is overstated by R222 042, employee benefits included in note 23 is overstated by R313 490. Also, my opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the employee related costs, receivables from exchange transactions and receivables from non-exchange transactions, payable from exchange transactions and employee benefit liabilities for the current period.

Expenditure - Impairment Losses

34. The municipality did not recognise impairment losses in accordance with GRAP 21, *Impairment of non-cash generating assets* and GRAP 104, *Financial Instruments*. The impairment losses recognised and disclosed in notes 3, 5 and 8 do not agree to the impairment losses recognised and disclosed in note 40 to the financial statements. Consequently, impairment losses in note 40 to the financial statements is understated by R2 308 137.

35. I was unable to obtain sufficient appropriate audit evidence for impairment losses due to the status of the accounting records and non-submission of supporting documentation. I was unable to confirm the impairment losses by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the comparative figure of impairment losses, stated at R29 203 021. My opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the impairment losses for the current period.

Expenditure - Interest, Dividends and Rent on Land

36. I was unable to obtain sufficient appropriate audit evidence for expenditure - Interest, Dividends and Rent on Land due to the status of the accounting records and the non-submission of supporting documentation. I was unable to confirm the Interest, Dividends and Rent on Land by alternative means. Consequently, I was unable to determine whether any adjustments relating to Interest, Dividends and Rent on Land disclosed at R4 244 366 in the comparative figure, were necessary. My opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the expenditure- interest, dividends and rent on land.

Expenditure - Bulk Purchases

37. I was unable to obtain sufficient appropriate audit evidence for expenditure - bulk purchases due to the status of the accounting records and the non-submission of supporting documentation. I was unable to confirm the bulk purchases expenditure by alternative means. Consequently, I was unable to determine whether any adjustments relating to bulk purchases stated at R52 458 271 in the comparative figure, were necessary. My opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the bulk purchases.
38. The municipality duplicated payments in the general ledger for the bulk purchases comparative figure in note 42 to the financial statements. Consequently, the bulk purchases disclosed in note 42 to the financial statements is overstated by R2 726 087 and receivables from exchange transactions is understated by R2 726 087. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the bulk purchases and receivables from exchange for current period.

Expenditure - Contracted Services

39. I was unable to obtain sufficient appropriate audit evidence for expenditure - contracted services due to the status of the accounting records and the non-submission of supporting documentation. I was unable to confirm the contracted services by alternative means. Consequently, I was unable to determine whether any adjustments relating to contracted services disclosed at R13 676 795 in the comparative figure, were necessary. My opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the contracted services.

Expenditure - Operational costs

40. I was unable to obtain sufficient appropriate audit evidence for expenditure - operational costs due to the status of the accounting records and the non-submission of supporting

documentation. I was unable to confirm the expenditure - operational costs by alternative means. Consequently, I was unable to determine whether any adjustments relating to expenditure - operational costs, stated at R12 865 638 (2022: R15 368 141) in the financial statements, were necessary.

41. The municipality did not record the in-kind donations and assistance on audit fees paid by treasury on behalf of the municipality. Consequently, the expenditure - operational costs included in note 47 to the financial statements is understated by R4 626 416 and revenue from non – exchange transactions being understated by R4 626 416. In addition, the municipality did not include the in-kind donations and assistance in note 63 to the financial statements. Consequently, the in-kind donations and assistance is understated by R5 321 554.

Statement of Changes in Net Assets

42. I was unable to obtain sufficient appropriate audit evidence for the other transfers to/from accumulated surplus amounting to R8 583 336 as included in the statement of changes in net assets due to the status of the accounting records. I was unable to confirm the disclosure of these amounts by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the total net assets as stated at R202 058 521 in the statement of changes in net assets.

Cash Flow Statement

43. The municipality did not appropriately disclose the Cash Flow Statement as required by GRAP 2, Cash Flow Statements, as the reconciliation of the surplus or deficit with the net cash flow from operating activities was omitted from the financial statements. I was unable to determine the full extent of the omitted disclosure as it was impracticable to do so.
44. I was unable to obtain sufficient appropriate audit evidence on the Cash Flow Statement due to the various qualification paragraphs included in this report. I was unable to confirm the cash flows by alternative means. I was unable to determine whether any adjustments were necessary to net cash flows from operating activities stated at R4 238 130 (2022: (R1 715 394)) and net cash flows from financing activities as stated at R4 148 896.

Statement of comparison of budget and actual amounts

45. The municipality did not appropriately present the statement of comparison of budget and actual amounts as required by GRAP 24, Presentation of Budget Information in Financial Statements, as various misstatements were identified that do not provide a fair presentation which will assist users in understanding the material departures from the approved budget. I was unable to determine the full extent of the omitted disclosure as it was impracticable to do so.

Reclassification of annual financial statements and correction of errors

46. I was unable to obtain sufficient and appropriate audit evidence for the correction of errors disclosed in the statement of changes in net assets, note 50 and note 51 relating to reclassification of annual financial statements and correction of errors due to the status of the accounting records. I was unable to confirm the disclosure of these adjustments by

alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the correction of errors in the statement of changes in net assets and as disclosed in note 50 and note 51 to the financial statements.

Unauthorised expenditure

47. Unauthorised expenditure incurred during the current year was not disclosed in note 55.1 to the financial statements. Consequently, the unauthorised expenditure current year is understated by R11 615 085.
48. Note 55.1 incorrectly disclosed unauthorised expenditure approved/condoned by council – prior year amounting to R86 271 046 in the comparative figure. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the unauthorised expenditure approved/condoned.
49. The comparative balance for unauthorised expenditure in note 55.1 to the financial statements was not correctly disclosed due to it not being based on directorate/vote. Consequently, the comparative figure closing balance for unauthorised expenditure disclosed is overstated cumulatively by R29 086 724. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the unauthorised expenditure.

Fruitless and wasteful expenditure

50. Fruitless and wasteful expenditure incurred was not disclosed in note 55.2 to the financial statements. Consequently, the fruitless and wasteful expenditure current year is understated by R8 254 566 (2022: R986 275). In addition, the comparative figure opening balance of fruitless and wasteful expenditure was also understated by R303 334.
51. The opening balance correction relating to the comparative figures amounting to R6 096 548 as disclosed in note 55.2 to the financial statements incorrectly includes an amount of R2 795 358 representing the opening balance of fruitless and wasteful expenditure. Consequently, the correction of error disclosure is overstated by R2 795 358.

Irregular expenditure

52. I was unable to obtain sufficient appropriate audit evidence for irregular expenditure, as disclosed in note 55.3 to the financial statements due to the status of the accounting records. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to irregular expenditure current year stated at R7 240 086 in the financial statements.
53. The municipality did not include all the irregular expenditure incurred during the current year in note 55.3 to the financial statements. Consequently, the irregular expenditure current year is understated by R10 717 920 (2022: R11 176 303).
54. The opening balance of the comparative figure for irregular expenditure in note 55.3 to the financial statements was not correctly disclosed. Consequently, the comparative figure closing balance for irregular expenditure is understated by R24 555 235. My opinion on the

current year financial statements is modified because of the effect of this matter on the comparability of the irregular expenditure.

Additional disclosures in terms of applicable legislation

55. I was unable to obtain sufficient appropriate audit evidence for disclosure of Contributions to Organised Local Government – SALGA in note 56.1.1, Pension and Medical Aid Deductions in note 56.1.2 and of PAYE, Skills Development Levy and UIF in note 56.1.4 to the financial statements, as the municipality did not have adequate systems to maintain records. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the balance disclosed for Contributions to Organised Local Government – SALGA stated at R5 916 658 (2022: R5 294 970) in note 56.1.1 to the financial statement, Pension and Medical Aid Deductions stated at R15 827 847 (2022: R1 200 586) in note 56.1.2 to the financial statements and PAYE, Skills Development Levy and UIF stated at R11 779 154 (2022: (R475 973)) in note 56.1.4 to the financial statements.
56. The municipality incorrectly disclosed audit fees included in note 56 to the financial statements. The current year audit fees and amounts paid – current year disclosed did not agree to the statement of account. Consequently, current year audit fees in note 56.1.3 to the financial statements is understated by R5 426 883 and amounts paid – current year is understated by R6 353 324.
57. The municipality did not disclose the correct water distribution losses for the comparative figure in note 56.1.7. Consequently, the comparative water distribution losses disclosed is understated by R2 891 867. My opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the water distribution losses.

Commitments

58. Contractual commitments for the acquisition of property, plant and equipment were not disclosed as required by GRAP 17, Property, plant and equipment. Contractual commitments were identified that were not disclosed. I was unable to determine the full extent of the understatement of commitments, stated at R0 in note 57 to the financial statements, as it was impracticable to do so.

Financial instruments

59. Financial liabilities were not disclosed in terms of GRAP 104, Financial Instruments, as unspent conditional grants and receipts were incorrectly included in note 58.1. The non-current borrowings and current finance lease obligations of the prior year were incorrectly included as negative amounts of (R417 749) and (R12 927), respectively. Consequently, financial liabilities is overstated by R13 792 131 (2022: R17 372 506).
60. I was unable to obtain sufficient appropriate audit evidence for the non-interest bearing financial instruments, as disclosed in note 58.1 to the financial statements – Liquidity risk management in the prior year due to the status of the accounting records. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the comparative figures disclosed for non-interest bearing (1 – 6 months) financial instruments stated at R24 917 239, non-interest

bearing (6 – 12 months) financial instruments stated at R24 463 884 and non-interest bearing (2 – 5 years) financial instruments stated at R31 508 985. My opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the non-interest-bearing financial instruments.

Contingent liabilities – Court Proceedings

61. Contingent liabilities was not recognised as required by GRAP 19, Provisions, Contingent Liabilities and Contingent Assets. The municipality incorrectly disclosed contingent liabilities for cases which had already been recognised as Payables from exchange transactions. Consequently, contingent liabilities included in note 61 is overstated by R3 060 000.

Segment reporting

62. The reportable segments' surplus or deficit was not disclosed as required by GRAP 18, Segment Reporting. Housing was included as a reportable segment, although it did not meet the definition of a segment. Consequently, the deficit included for housing in note 68 to the financial statements is overstated by R3 105 353 (2022: R981 722).
63. The reportable segments' capital expenditure was not disclosed in accordance with GRAP 18, Segment Reporting. The amounts disclosed did not agree to the amounts as per the supporting schedule. Consequently, the total for capital expenditure in note 68 to the financial statements is understated by R12 197 382 (2022: R5 022 339) due to the cumulative effect of the individual misstatements in the total for capital expenditure:
- Wastewater management stated at R2 343 787 (2022: R2 031 200) was understated by R15 467 288 (2022: R2 173 838).
 - Executive and council comparative figure was understated by R248 670.
 - Water management stated at R10 401 486 (2022: R13 126 611) was understated by R565 713 (2022: overstated by R1 018 056).
 - Waste management stated at (R1 699 837) (2022: R1 525 751) was overstated by R1 699 837 (2022: R95 451).
 - Finance and administration stated at R905 595 (2022: R680 987) was understated by R1 167 241 (2022: overstated by R663 698).
 - Community services stated at R2 320 045 (2022: R2 987 831) was overstated by R2 320 045 (2022: understated by R2 914 526).
 - Road transport stated at R182 293 (2022: R0) was overstated by R182 293 (2022: understated by R1 462 510).
 - Energy sources stated at R800 685 was overstated by R800 685.

My opinion on the current year financial statements was also modified because of the effect of this matter on the comparability of the total for capital expenditure and the deficit for the year for the current period.

Material uncertainty relating to going concern

64. I draw attention to the matter below. My opinion is not modified in respect of this matter.
65. I draw attention to note 67 to the financial statements, which indicates that the municipality incurred a net deficit of R34 014 298 during the year ended 30 June 2023 and, as of that date the municipality's current liabilities exceeded its current assets by R78 119 189. Along

with other matters the municipality has an unfunded budget and a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern. This note must be read in conjunction with the matters included in the basis of disclaimer opinion paragraphs above.

Other matter

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

Unaudited disclosure notes

67. 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, we do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

68. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the MFMA and the 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.

69. 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

70. 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.

71. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

72. 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 predetermined objective presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
73. I selected the following predetermined objective presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a predetermined objective that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Predetermined objective	Page numbers	Purpose
Predetermined objective 2 – to provide adequate services and improve our public relations	18 to 24	The delivery of municipal services in electricity, water, sanitation, refuse, roads and storm water, including the roll out of services to rural areas and under serviced households, ensuring adequate maintenance of assets occur, controlling the rising unit costs of service delivery, addressing future bulk supply shortages and ensuring adequate investment in economic infrastructure.

74. I evaluated the reported performance information for the selected predetermined objective against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
75. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives.
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
 - the reported performance information is presented in the annual performance report in the prescribed manner.

- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.
76. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
77. The material findings on the reported performance information for the selected predetermined objective are as follows:

Predetermined objective 2 – to provide adequate services and improve our public relations

Various indicators

78. Based on audit evidence, the actual achievements for four indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less. Consequently, the targets may not be achieved, the under achievements on the targets were more than reported and the achievements against the targets were lower than reported.

Indicator	Target	Reported achievement
NKPI 2: Provision of electricity to formal residential account holders connected to the municipal electrical infrastructure network for both credit and prepaid electrical. Number of formal residential properties connected to the municipal electrical infrastructure network (excluding Eskom areas) as at 30 June 2023	3 400	3 865
NKPI 6: Number of Households with access to free basic services (as per Indigent Register) by 30 June 2023	2 200	2 290
NKPI 8: Provision of free basic sanitation services to indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets)	2 200	2 290
NKPI 9: Provision of clean piped water to indigent account holders which are connected to the municipal water infrastructure network.	2 200	2 290

NKPI 5: Provision of electricity to informal residential account holders in the designated informal areas which are connected to the municipal electrical infrastructure network for prepaid electrical metering

79. An achievement of 199 was reported against a target of 175. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially more than reported. Consequently, it is likely that the achievement against the target was better than reported.

Other matters

80. I draw attention to the matters below.

Achievement of planned targets

81. 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.

Material misstatements

82. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for predetermined objective 2 – to provide adequate services and improve our public relations. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

83. 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.
84. 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.
85. 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.
86. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance and annual reports

87. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and/or the supporting records could not be provided subsequently, which resulted in the financial statements receiving a disclaimer audit opinion.
88. The annual financial statements were not submitted to the Auditor-General for auditing, within two months after the end of the financial year, as required by section 126(1)(a) of the MFMA.

89. The 2022/23 annual report was not made public after being tabled in council, as required by section 127(5)(a)(i) of the MFMA.

Asset management

90. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Consequence management

91. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
92. Irregular expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
93. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Expenditure management

94. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
95. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred, as required by section 65(2)(b) of the MFMA.
96. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for disclaimer paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with the municipality's supply chain management policy.
97. Reasonable steps were not taken to prevent fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the fruitless and wasteful expenditure incurred as indicated in the basis for disclaimer paragraph. The majority of the disclosed fruitless and wasteful expenditure was caused by late payments which attracted penalties and interest.
98. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the unauthorised expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by spending in excess of the budget.

Human resources management

99. Financial interests were not disclosed by the senior managers within 60 days from date of appointment, as required by regulation 36(1)(a) on appointment and conditions of employment of senior managers.

100. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.
101. The senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.

Revenue management

102. An adequate management, accounting and information system which accounts for revenue / debtors was not in place, as required by section 64(2)(e) of the MFMA.
103. An effective system of internal control for debtors / revenue was not in place, as required by section 64(2)(f) of the MFMA.

Procurement and contract management

104. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.
105. Some of the quotations were accepted from bidders whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43.
106. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1). Similar non-compliance was also reported in the prior year.
107. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.
108. The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA.

Other information in the annual report

109. The accounting officer is responsible for the other information included in the annual report. The other information comprises the 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.
110. My opinion on the financial statements, the findings on the audit of the annual performance report and 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.

111. 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.
112. As a result of the disclaimer of opinion expressed on the financial statements, I do not conclude on material misstatements of the other information relating to the financial statements. If, based on the work I have performed relating to the audit of performance information and compliance with legislation, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Internal control deficiencies

113. 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.
114. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the disclaimer of opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
115. The municipality has been faced with political instability which has resulted in an absence of vision, direction and an effective leadership tone which ultimately contributes to the lack of transparency, accountability and effective consequence management. Leadership of the municipality, including council and their committees, did not adequately exercise their mandated responsibility and oversight over financial and performance reporting, compliance with applicable legislation and related internal control processes. This has also negatively impacted the stability at administrative and operational leadership levels within the municipality further weakening the internal control environment. The culture of accountability needs to be built on clear and open communication and expectations.
116. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is available and accessible to support financial reporting. There continues to be a skills shortages within the finance function and lack of accountability to implement and monitor adherence to processes to ensure that the financial statements are supported by valid, accurate and complete supporting information. The municipality did appoint a permanent chief financial officer, however late in the year to be able to implement a credible audit findings action plan.
117. The design and implementation of controls are inadequate to ensure compliance with laws and regulations, resulting in non-compliance with sections of the MFMA and its regulations as well as the Municipal Systems Act 32 of 2000 and its regulations that has resulted in the continued incurrence of unauthorised, irregular and fruitless and wasteful expenditure. The municipality does not have the capacity and skills necessary to ensure that processes are implemented effectively to facilitate a culture of compliance with prescribed legislation.

118. The municipality did not have documented and approved internal policies and procedures and/or standard operating procedures to address the process of collecting, recording, processing, monitoring and reporting of performance information for any of its key performance areas/predetermined objectives or performance indicators. Processes have not been implemented to ensure regular reporting on performance information as part of management's processes.
119. The review of the documentation supporting the actual achievements reported in the annual performance report was not adequate to ensure that it is valid, accurate and complete and that it supports the actual performance reported.

Auditor General

Cape Town

5 June 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

FINDINGS RAISED AND RECOMMENDATIONS IN RESOLVING THE FINDINGS PER DETAILED AUDIT ACTION PLAN

FINDING	PROPOSED ACTION
<p><i>Receivables from non-exchange:</i></p> <p>The municipality incorrectly disclosed the ageing of statutory receivables from non-- exchange for property rates in note 4.2 to the financial statements which is not in accordance with GRAP 104, Financial Instruments. Consequently, the disclosure of property rates and All receivables - gross balance is overstated by R32 593 440, the provision for impairment of property rates is overstated by R30 058 714 and the net balance is overstated by R2 534 726.</p> <p>The municipality did not correctly disclose the value of receivables past due but not impaired as required by GRAP 104, Financial Instruments. Consequently, the narrations in note 4.2 in the current year is overstated by R29 334 523 and the comparative figure is understated by R1 709 591.</p>	<ol style="list-style-type: none"> 1. Management should review the receivables listings and agree them to the transactions recorded in the general ledger on a monthly basis to ensure that the transactions in the general ledger agree to the receivable listings. 2. Implement controls over daily and monthly processing and reconciling transactions. 3. Ensure AFS disclosure notes are cross referenced with GRAP compliance
<p><i>Statutory receivables from non-exchange transactions:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for statutory receivables from non-exchange transactions - fines (gross balance) due to the status of the accounting records and non-submission of supporting information. AGSA was unable to confirm the statutory receivables from non-exchange transactions - fines (gross balance) by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to statutory receivables from non-exchange transactions - fines (gross balance) stated at R9 916 376 (2022: R8 602 976) and related provision for impairment stated at R9 731 674 (2022: R8 601 218) in note 5 to the financial statements.</p>	<ol style="list-style-type: none"> 1. Management should review the receivables listings and agree them to the transactions recorded in the general ledger on a monthly basis to ensure that the transactions in the general ledger agree to the receivable listings. 2. Implement controls over daily and monthly processing and reconciling transactions. 3. Ensure AFS disclosure notes are cross referenced with GRAP compliance

FINDING	PROPOSED ACTION
<p>The municipality did not correctly disclose the ageing of statutory receivables from non-- exchange comparative figure for Fines - provision for impairment in note 5.2 to the financial statements as required by GRAP 108, Statutory Receivables. Consequently, the Fines - provision for impairment and All receivables - provision for impairment in note 5.2 comparative figure is understated by R8 578 836 and the net balance overstated by R8 578 836. AGSA's opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the statutory receivables from non-exchange transactions.</p> <p>The municipality did not disclose the ageing of statutory receivables from non-exchange property rates - provision for impairment relating to the comparative figure as required by GRAP 108, Statutory Receivables.</p>	
<p>VAT receivable:</p> <p>The municipality did not correctly disclose the VAT receivable as a statutory receivable from exchange transactions as required by GRAP 108, Statutory Receivables. Consequently, the VAT receivable disclosed in note 6 to the financial statements is overstated and statutory receivables from exchange transactions is understated by R2 344 784 (2022: R2 450 325).</p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for the comparative VAT receivable due to the status of the accounting records and the non-submission of supporting documentation. AGSA was unable to confirm the VAT receivable by alternative means.</p>	<p>Management should ensure that controls are in place to inspect that tax invoices include all the requirements as per the Value Added Tax Act, that valid tax invoices are requested from suppliers and that the VAT is charged and claimed as per the Value Added Tax Act.</p>
<p>Current assets</p>	<p>1. Management should strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate in the financial statements.</p>

FINDING	PROPOSED ACTION
<p>Current assets were materially misstated by R2 482 639 due to the cumulative effect of individually immaterial uncorrected misstatements in the current assets comparative figure:</p> <ul style="list-style-type: none"> Statutory receivables from non-exchange transactions stated at R2 531 615 was understated by R3 904. Inventories stated at R2 256 533 was overstated by R717 663. <p>In addition, AGSA was unable to obtain sufficient appropriate audit evidence and to confirm current assets by alternative means:</p> <ul style="list-style-type: none"> Receivables from non-exchange transactions of R1 709 591 as included in the disclosed balance of R1 709 591. Lease receivables of R59 289 as included in the disclosed balance of R59 289. <p>Consequently, AGSA was unable to determine whether any further adjustments were necessary to current assets. AGSA's opinion on the current year financial statements is modified because of the effect of this matter on the comparability of current assets for the current period.</p>	<p>2. Management should make the necessary adjustments on the current assets for accurate disclosures in the AFS particularly the opening balances as at 01 July 2023.</p>
<p>Property, Plant and Equipment:</p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for expenditure incurred for repairs and maintenance to property, plant and equipment disclosed in note 8.8 to the financial statements, as the municipality did not have adequate systems to maintain records. AGSA was unable to confirm the disclosure by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to the expenditure incurred for repairs and maintenance of property, plant and equipment stated at R20 891 247 in note 8.8 to the financial statements.</p>	<p>1. Management should strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate in the financial statements.</p> <p>2. Management should make the necessary adjustments PPE for accurate disclosures in the AFS particularly the opening balances as at 01 July 2023.</p> <p>2. All PPE items must be assessed for qualification of the recognition, definition and scope in terms of GRAP 17.</p>

FINDING	PROPOSED ACTION
<p>The municipality did not recognize all items of property, plant and equipment in accordance with GRAP 17, Property, plant and equipment as included in the fixed asset register. Consequently, property, plant and equipment included in note 8 to the financial statements was understated by R5 035 530. Additionally, there was an impact on the accumulated surplus.</p> <p>The municipality incorrectly recognized items of property, plant and equipment in accordance with GRAP 17, Property, plant and equipment that do not meet the recognition criteria. Consequently, property, plant and equipment included in note 8 to the financial statements was overstated by R8 038 812. Additionally, there was an impact on the accumulated surplus.</p> <p>The municipality incorrectly disclosed infrastructure, machinery and equipment, furniture and office equipment, and computer equipment in note 8 to the financial statements for both the current and comparative figures. The disclosure for infrastructure was duplicated. The disclosure for machinery and equipment, furniture and office equipment and computer equipment were also disclosed in aggregate as the category named other in property, plant and equipment.</p>	
<p><i>Payables from Exchange Transactions:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for payables from exchange transactions due to the status of the accounting records and the non-submission of supporting documentation. AGSA was unable to confirm the payables from exchange transactions by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to</p>	<p>1. Management must ensure that there's valid, accurate complete documentation for the amounts disclosed as payables in the AFS and cross referenced for relevant GRAP compliance.</p>

FINDING	PROPOSED ACTION
<p>payables from exchange transactions stated at R89 921 363 (2022: R62 949 395).</p> <p>The municipality did not recognize payables from exchange transactions in accordance with GRAP 104, Financial Instruments. The audit fees- payable recognized in the comparative figure did not agree to the statement of account. Consequently, payables from exchange transactions included in note 17 to the financial statements was understated by R8 040 212. Additionally, there was an impact on the</p>	<p>2. A credible audit file must be compiled and reviewed in order to provide the auditors with the appropriate supporting listing and documentation for the payables from exchange disclosed in the financial statements.</p>
<p><i>Employee benefits liabilities:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for employee benefit liabilities due to the status of the accounting records. AGSA was unable to confirm the employee benefit liabilities by alternative means.</p>	<p>Implement periodic review processes within operations to ensure that errors are detected timeously and make adjustments prior to finalization of the AFS and supporting documentation for employee benefit liability transactions is readily available.</p>
<p><i>Provisions:</i></p> <p>The municipality did not correctly account for the provision for bonuses and the provision for staff leave in accordance with GRAP 25, Employee Benefits. Instead, management disclosed these provisions in terms of GRAP 19, Provisions.</p> <p>The municipality did not correctly account for the current portion of provisions from employee benefits liabilities in accordance with GRAP 25, Employee Benefits. This is due to the incorrect transfer of the employee benefits liability-long service awards from the employee benefits liability disclosure in note 23 to provisions in note 24. Consequently, provisions in note 24 is misstated by R755</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p> <p>2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.</p>

FINDING	PROPOSED ACTION
<p>000 in current provisions and R1 804 000 in non-current provisions for both the current and comparative figures.</p> <p>The municipality did not correctly account for the provisions from decommissioning, restoration, and similar liabilities: landfill sites as per the amount in the provision for landfill site valuation report in accordance with GRAP 19, Provisions.</p> <p>The municipality did not correctly account for the contribution to provisions as required by GRAP 19, Provisions, as the movement on the provision was incorrectly accounted for as a gain in operational costs. Consequently, non-current provisions as disclosed in note 24.2 and operational costs in note 47 to the financial statements are both understated by R3 424 390.</p>	
<p><i>Revenue from Non-exchange Transactions - Property rates:</i></p> <p>The valuation date was incorrectly stated as 1 July 2021 instead of 1 July 2022, the general rates disclosed did not agree to the council approved rates for the 2022-23 financial year and total assessment value per category and in total was incorrectly disclosed in note 27 to the financial statements, property rates. Consequently, the note is misstated due to these incorrect disclosures and the total assessment rates is understated by R51 175 000.</p> <p>Not all revenue from non-exchange transactions for property rates were recorded as required by GRAP 23, Revenue from Non-exchange Transactions. Consequently, the revenue and receivables from non-exchange transactions from property rates are understated by R2 245 246.</p>	<ol style="list-style-type: none"> 1. Management should strengthen its review processes of the property rates billings listing, property valuation roll and financial statements to ensure that all necessary disclosures are accurate in the financial statements. 2. Management should also review the billings listing on a monthly basis to ensure that transactions are recorded accurately.

FINDING	PROPOSED ACTION
<p><i>Revenue from Non-exchange Transactions - Fines, Penalties and Forfeits:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for fines, penalties and forfeits due to the status of the accounting records and non-submission of supporting documentation. AGSA was unable to confirm the fines, penalties and forfeits by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to the comparative figure of fines, penalties and forfeits stated at R38 651. AGSA's opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the fines, penalties and forfeits for the current period.</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p> <p>2. Management should ensure that full and proper records of the financial affairs of the are kept for all transactions recorded in the financial statements.</p>
<p><i>Revenue from Non-exchange Transactions - Transfers and Subsidies:</i></p> <p>The municipality did not account for transfers and subsidies in accordance with GRAP 23, Revenue from non-exchange transactions. The amounts recognized did not agree to the supporting schedules and underlying supporting documents. Consequently, the transfers and subsidies included in note 30 to the financial statements is overstated by R5 118 185, the unspent conditional grants and receipts included in note 19 to the financial statements is understated by R5 123 418 and the accumulated surplus is overstated by R5 233.</p> <p>The municipality incorrectly aggregated transfers and subsidies included in note 30.4.1 - 30.4.40 to the financial statements. Consequently, the total grants in note 30.4.41 to the financial statements is misstated by R33 774 914 (2022: R35 289 775).</p>	<p>Management must ensure that all transactions relating to Transfers and Subsidies are supported by relevant and appropriate supporting documentation and agrees to schedules in terms of Division of Revenue Bill and are recognized in accordance with GRAP 23.</p>
<p><i>Revenue from Non-exchange Transactions - Interest, Dividends and rent on land:</i> AGSA was unable to obtain sufficient appropriate audit evidence for interest, dividends and rent on land earned due to the status of the accounting</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p>

FINDING	PROPOSED ACTION
<p>records and non-submission of supporting documentation. AGSA was unable to confirm the interest, dividends and rent on land earned by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to the comparative figure of interest, dividends and rent on land earned stated at R1 577 374. AGSA's opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the interest, dividends and rent on land earned for the current period.</p>	<p>2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.</p>
Finding	Proposed action
<p><i>Employee Related Costs:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for employee related costs due to employment contracts, appointment letters and various other supporting documents not being provided. AGSA was unable to confirm the employee related costs by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to employee related costs stated at R80 916 613 (2022: R69 038 744) in the financial statements.</p> <p>The municipality did not recognize the employee related cost in accordance with GRAP 1, Presentation of financial statements. The employee related costs</p>	<p>Management should strengthen its review processes of the financial statements to ensure that all necessary disclosures with regards to employee related costs are accurate in the financial statements and supported by sufficient and appropriate evidence</p>

FINDING	PROPOSED ACTION
<p>transactions recognized in the financial statements did not agree with the SAMRAS payroll listing, employees were paid their salary after their contracts expired, and employees were overpaid for travel allowances. Consequently, employee related costs included in note 37 to the financial statements is overstated by R21 028 934 (2022: R7 198 137), other payables are overstated by R10 454 706, and receivables were understated by R10 574 228 (2022: R7 198 137).</p> <p>The municipality did not correctly record the employee related costs transactions. Consequently, employee related costs included in note 37 to the financial statements is overstated by R8 072 139, receivables from exchange transactions included in note 3 is understated by R8 309 498, payables from exchange transactions included in note 17 is understated by R772 891, current provisions - leave included in note 24 is overstated by R222 042, employee benefits included in note 23 is overstated by R313 490.</p>	
Finding	Proposed action
<p><i>Expenditure - Impairment Losses:</i></p> <p>The municipality did not recognize impairment losses in accordance with GRAP 21, Impairment of non-cash generating assets and GRAP 104, Financial Instruments. The impairment losses recognized and disclosed in notes 3, 5 and 8 do not agree to the impairment losses recognized and disclosed in note 40 to the financial statements. Consequently, impairment losses in note 40 to the financial statements is understated by R2 308 137.</p>	<ol style="list-style-type: none"> 1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements. 2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.

FINDING	PROPOSED ACTION
<p>AGSA was unable to obtain sufficient appropriate audit evidence for impairment losses due to the status of the accounting records and non-submission of supporting documentation. AGSA was unable to confirm the impairment losses by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to the comparative figure of impairment losses, stated at R29 203 021. AGSA's opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the impairment losses for the current period.</p>	
<p><i>Expenditure - Interest, Dividends and Rent on Land:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for expenditure - Interest, Dividends and Rent on Land due to the status of the accounting records and the non- submission of supporting documentation. AGSA was unable to confirm the Interest, Dividends and Rent on Land by alternative means. Consequently, AGSA was unable to determine whether any adjustments relating to Interest, Dividends and Rent on Land disclosed at R4 244 366 in the comparative figure, were necessary.</p>	<ol style="list-style-type: none"> 1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements. 2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.
Finding	Proposed action
<p><i>Expenditure - Bulk Purchases:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for expenditure - bulk purchases due to the status of the accounting records and the non-</p>	<ol style="list-style-type: none"> 1. Management should inspect the population of bulk purchases at year-end and identify any transactions which have been incorrectly classified as bulk purchases in the general ledger and financial statements and adjust the financial statements accordingly.

FINDING	PROPOSED ACTION
<p>submission of supporting documentation. AGSA was unable to confirm the bulk purchases expenditure by alternative means. Consequently, AGSA was unable to determine whether any adjustments relating to bulk purchases stated at R52 458 271 in the comparative figure, were necessary. AGSA's opinion on the current year financial statements is modified because of the possible effect of this matter on the comparability of the bulk purchases.</p> <p>The municipality duplicated payments in the general ledger for the bulk purchases' comparative figure in note 42 to the financial statements. Consequently, the bulk purchases disclosed in note 42 to the financial statements is overstated by R2 726 087 and receivables from exchange transactions is understated by R2 726 087. AGSA's opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the bulk purchases and receivables from exchange for current period.</p>	<p>2. Management should review the supplier invoices and agree them to the transactions recorded in the general ledger on a monthly basis to ensure that the transactions in the general ledger agree to that of the invoices.</p>
<p><i>Expenditure - Contracted Services:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for expenditure - contracted services due to the status of the accounting records and the non-submission of supporting documentation. AGSA was unable to confirm the contracted services by alternative means. Consequently, AGSA was unable to determine whether any adjustments relating to contracted services disclosed at R13 676 795 in the comparative figure, were necessary.</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p> <p>2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.</p>
<p><i>Expenditure - Operational costs:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for expenditure - operational costs due to the status of the accounting records and the non-submission of supporting documentation. AGSA was unable to confirm the</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p>

FINDING	PROPOSED ACTION
<p>expenditure - operational costs by alternative means. Consequently, AGSA was unable to determine whether any adjustments relating to expenditure - operational costs, stated at R12 865 638 (2022: R15 368 141) in the financial statements, were necessary.</p> <p>The municipality did not record the in-kind donations and assistance on audit fees paid by treasury on behalf of the municipality. Consequently, the expenditure - operational costs included in note 47 to the financial statements is understated by R4 626 416 and revenue from non - exchange transactions being understated by R4 626 416. In addition, the municipality did not include the in-kind donations and assistance in note 63 to the financial statements. Consequently, the in-kind donations and assistance is understated by R5 321 554.</p>	<p>2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.</p>
<p>Statement of Changes in Net Assets:</p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for the other transfers to/from accumulated surplus amounting to R8 583 336 as included in the statement of changes in net assets due to the status of the accounting records. AGSA was unable to confirm the disclosure of these amounts by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to the total net assets as stated at R202 058 521 in the statement of changes in net assets.</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p> <p>2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.</p>
<p>Cash Flow Statement:</p> <p>The municipality did not appropriately disclose the Cash Flow Statement as required by GRAP 2, Cash Flow Statements, as the reconciliation of the surplus or deficit with the net cash flow from operating activities was omitted from the</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p> <p>2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.</p>

FINDING	PROPOSED ACTION
<p>financial statements. AGSA was unable to determine the full extent of the omitted disclosure as it was impracticable to do so.</p> <p>AGSA was unable to obtain sufficient appropriate audit evidence on the Cash Flow Statement due to the various qualification paragraphs included in this report. AGSA was unable to confirm the cash flows by alternative means. AGSA was unable to determine whether any adjustments were necessary to net cash flows from operating activities stated at R4 238 130 (2022: (R1 715 394)) and net cash flows from financing activities as stated at R4 148 896.</p>	
<p><i>Statement of comparison of budget and actual amounts:</i></p> <p>The municipality did not appropriately present the statement of comparison of budget and actual amounts as required by GRAP 24, Presentation of Budget Information in Financial Statements, as various misstatements were identified that do not provide a fair presentation which will assist users in understanding the material departures from the approved budget. AGSA was unable to determine the full extent of the omitted disclosure as it was impracticable to do so.</p>	<ol style="list-style-type: none"> 1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements. 2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.

FINDING	PROPOSED ACTION
<p><i>Reclassification of annual financial statements and correction of errors:</i></p> <p>AGSA was unable to obtain sufficient and appropriate audit evidence for the correction of errors disclosed in the statement of changes in net assets, note 50 and note 51 relating to reclassification of annual financial statements and correction of errors due to the status of the accounting records. AGSA was unable to confirm the disclosure of these adjustments by alternative means. Consequently, AGSA was unable to determine whether any adjustment was necessary to the correction of errors in the statement of changes in net assets and as disclosed in note 50 and note 51 to the financial statements.</p>	<ol style="list-style-type: none"> 1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements. 2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements.
<p><i>Unauthorized, Irregular, Fruitless and Wasteful Expenditure (UIFW):</i></p> <p>Unauthorized expenditure</p> <p>Unauthorized expenditure incurred during the current year was not disclosed in note 55.1 to the financial statements. Consequently, the unauthorized expenditure current year is understated by R11 615 085.</p> <p>Note 55.1 incorrectly disclosed unauthorized expenditure approved/condoned by council - prior year amounting to R86 271 046 in the comparative figure.</p> <p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure incurred was not disclosed in note 55.2 to the financial statements.</p> <p>Irregular expenditure</p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for irregular expenditure, as disclosed in note 55.3 to the financial statements due to the status of the accounting records. The municipality did not include all the irregular</p>	<ol style="list-style-type: none"> 1. Management should ensure that the municipal policies and procedures are regularly updated to effect changes required as a result of previously identified non-compliance and that these updates are implemented without delay. This includes performing an evaluation of possible unavoidable and unforeseen expenses and applying section 29(1) of the MFMA to adjust the budget accordingly. 2. MPAC should assist the municipal manager in investigating matters and holding officials accountable where relevant.

FINDING	PROPOSED ACTION
<p>expenditure incurred during the current year in note 55.3 to the financial statements.</p>	
<p><i>Additional disclosures in terms of applicable legislation:</i></p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for disclosure of Contributions to Organized Local Government - SALGA in note 56.1.1, Pension and Medical Aid Deductions in note 56.1.2 and of PAYE, Skills Development Levy and UIF in note 56.1.4 to the financial statements, as the municipality did not have adequate systems to maintain records. AGSA was unable to confirm the disclosure by alternative means. Consequently, AGSA was unable to determine whether any adjustments were necessary to the balance disclosed for Contributions to Organized Local Government - SALGA stated at R5 916 658 (2022: R5 294 970) in note 56.1.1 to the financial statement, Pension and Medical Aid Deductions stated at R15 827 847 (2022: R1 200 586) in note 56.1.2 to the financial statements and PAYE, Skills Development Levy and UIF stated at R11 779154 (2022: (R475 973)) in note 56.1.4 to the financial statements.</p> <p>The municipality incorrectly disclosed audit fees included in note 56 to the financial statements. The current year audit fees and amounts paid - current year disclosed did not agree to the statement of account. Consequently, current year audit fees in note 56.1.3 to the financial statements is understated by R5 426 883 and amounts paid - current year is understated by R6 353 324.</p> <p>The municipality did not disclose the correct water distribution losses for the comparative figure in note 56.1.7. Consequently, the comparative water</p>	<ol style="list-style-type: none"> 1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements. 2. Management should ensure that full and proper records of the financial affairs are kept for all transactions recorded in the financial statements. As part of an audit file, a separate file must be compiled for all AFS additional disclosures referenced to relevant line items

FINDING	PROPOSED ACTION
distribution losses disclosed is understated by R2 891 867. AGSA's opinion on the current year financial statements is modified because of the effect of this matter on the comparability of the water distribution losses.	
<p>Commitments:</p> <p>Contractual commitments for the acquisition of property, plant and equipment were not disclosed as required by GRAP 17, Property, plant and equipment. Contractual commitments were identified that were not disclosed. AGSA was unable to determine the full extent of the understatement of commitments, stated at R0 in note 57 to the financial statements, as it was impracticable to do so.</p>	<p>1. Management must strengthen its review processes of the financial statements to ensure that all necessary disclosures are accurate and complete in the financial statements.</p> <p>2. Management must also consider retaining relevant historical data and documenting valid reasons where appropriate.</p>
<p>Financial instruments</p> <p>Financial liabilities were not disclosed in terms of GRAP 104, Financial Instruments, as unspent conditional grants and receipts were incorrectly included in note 58.1. The non-current borrowings and current finance lease obligations of the prior year were incorrectly included as negative amounts of (R417 749) and (R12 927), respectively. Consequently, financial liabilities is overstated by R13 792 131 (2022: R17 372 506).</p> <p>AGSA was unable to obtain sufficient appropriate audit evidence for the non-interest-bearing financial instruments, as disclosed in note 58.1 to the financial statements - Liquidity risk management in the prior year due to the status of the accounting records. AGSA was unable to confirm the disclosure by alternative means.</p>	<p>Management should ensure correct interpretation of the requirements of GRAP 104 and strengthens review processes of the financial statements to ensure that all necessary disclosures are accurate upon reporting/disclosure.</p>
<p>Segment reporting:</p> <p>The reportable segments' surplus or deficit was not disclosed as required by GRAP 18, Segment Reporting. Housing was included as a reportable segment, although it did not meet the definition of a segment. Consequently, the deficit</p>	<p>1. Management should ensure complete disclosure of all reportable segments in terms of paragraph 05 of GRAP 18. It may be necessary for management to consider the aggregation criteria in terms of paragraph 16 (d) of GRAP 18.</p>

FINDING	PROPOSED ACTION
<p>included for housing in note 68 to the financial statements is overstated by R3 105 353 (2022: R981 722).</p> <p>The reportable segments' capital expenditure was not disclosed in accordance with GRAP 18, Segment Reporting. The amounts disclosed did not agree to the amounts as per the supporting schedule.</p>	<p>2. Management must review segment reporting to ensure that the segment reporting disclosed in the annual financial statements meet the definitions and are supported by valid and accurate supporting listings and documentation that is filed in an appropriate manner and is easily retrievable when required for audit and other purposes.</p>
<p><i>Predetermined objective 2 - to provide adequate services and improve our public relations: (Various indicators)</i></p> <p>Based on audit evidence, the actual achievements for four indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less. Consequently, the targets may not be achieved, the under achievements on the targets were more than reported and the achievements against the targets were lower than reported.</p>	<p>1. Management must ensure that sufficient documentation is provided for all KPI information reported as actuals.</p> <p>2. Management must ensure clear standard operating procedures for consistent reporting and reliable sourcing of data/information.</p> <p>3. POE's must be reviewed to ensure information submitted is valid, accurate and complete.</p>
Indicator	Target
<p>NKPI 2: Provision of electricity to formal residential account holders connected to the municipal electrical infrastructure network for both credit and prepaid electrical. Number of formal residential properties connected to the municipal electrical infrastructure network (excluding Eskom areas) as at 30 June 2023</p>	<p>3400</p>
<p>NKPI 6: Number of Households with access to free basic services (as per Indigent Register) by 30 June 2023</p>	<p>2 200</p>

FINDING	PROPOSED ACTION
NKPI 8: Provision of free basic sanitation services to indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets)	2 200
NKPI 9: Provision of clean piped water to indigent account holders which are connected to the municipal water infrastructure network.	2 200
Finding	Proposed action
<p><i>NKPI 5: Provision of electricity to informal residential account holders in the designated informal areas which are connected to the municipal electrical infrastructure network for prepaid electrical metering:</i></p> <p>An achievement of 199 was reported against a target of 175. However, the audit evidence did not support this achievement. AGSA could not determine the actual achievement, but AGSA estimated it to be materially more than reported. Consequently, it is likely that the achievement against the target was better than reported.</p>	<p>1. Management must ensure that sufficient documentation is provided for all KPI information reported as actuals.</p> <p>2. Management must ensure clear standard operating procedures for consistent reporting and reliable sourcing of data/information.</p> <p>3. POE's must be reviewed to ensure information submitted is valid, accurate and complete.</p>
<p>Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and/or the supporting records could not be provided subsequently, which resulted in the financial statements receiving a disclaimer audit opinion.</p> <p>The annual financial statements were not submitted to the Auditor-General for auditing, within two months after the end of the financial year, as required by section 126(1)(a) of the MFMA.</p>	<p>1. Strengthen the review and monitoring processes on the AFS preparation by way of an Audit Preparation Plan.</p> <p>2. Ensure timeous submission of the Draft AFS and Audit file to Internal Audit and Audit Committee for review prior to finalization and submission to the Auditor General.</p>
The 2022/23 annual report was not made public after being tabled in council, as required by section 127(5)(a)(i) of the MFMA.	3. As part of Management' process plans, management must consider the compliance calendar including the publication the previous year's annual report and invite comments

FINDING	PROPOSED ACTION
	from the local community, submit report to the Auditor-General, provincial treasury and the provincial department responsible for local government by 31 January each year, to ensure statutory deadlines are honored.
<p>Asset management:</p> <p>An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.</p>	<p>Management must consider options for procuring an automated asset and liability management system for to ensure that the municipality has and maintains an effective system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.</p>
<p>Consequence management</p> <p>Unauthorized expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.</p> <p>Irregular expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.</p> <p>Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.</p>	<p>1. Management should ensure that the municipal policies and procedures are regularly updated to effect changes required as a result of previously identified non-compliance and that these updates are implemented without delay. Council should also ensure that unauthorized expenditure, irregular expenditure, and fruitless and wasteful expenditure is properly investigated and that any allegations of financial misconduct against municipal officials are properly investigated.</p> <p>2. MPAC should assist the municipal manager in investigating matters and holding officials accountable where relevant.</p>
<p>Expenditure management:</p> <p>Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.</p> <p>An adequate management, accounting and information system was not in place which recognized expenditure when it was incurred, as required by section 65(2)(b) of the MFMA.</p>	<p>1. Management should ensure that controls over the timely submission of invoices for payment are strengthened. This process can be improved by enforcing accountability by those responsible for departmental budgets</p> <p>2. Ensure that payments are made within 30 days of receipt of the invoice to avoid incurring interest.</p>

FINDING	PROPOSED ACTION
<p>Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for disclaimer paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with the municipality's supply chain management policy.</p> <p>Reasonable steps were not taken to prevent fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.</p> <p>Reasonable steps were not taken to prevent unauthorized expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the unauthorized expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorized expenditure was caused by spending in excess of the budget.</p>	<p>3. Management must maintain a register of invoices received for payments with updates on invoices with disputes to ensure that all invoices are paid timeously as required by legislation.</p> <p>4. Initiate a periodic follow-up process with user departments to mitigate the risk of invoices being presented for payment numerous days after they have been certified.</p>
<p>Human resources management</p> <p>Financial interests were not disclosed by the senior managers within 60 days from date of appointment, as required by regulation 36(1)(a) on appointment and conditions of employment of senior managers.</p> <p>Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.</p> <p>The senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.</p>	<p>1. Management to ensure senior managers retrospectively disclose financial interests and exercise consistency on newly appointed senior managers. Such process must be designed to ensure timeous reporting should circumstances change.</p> <p>2. Management, in accordance with applicable law and subject to any applicable collective agreement, must develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration, including the monitoring, measuring and evaluating of performance of staff as mentioned in section 67(1) (d) of the MFMA.</p>

FINDING	PROPOSED ACTION
	<p>3. Management must ensure that performance agreements are signed immediately after a person has been appointed as the municipal manager or as a manager directly accountable to the municipal manager, and thereafter, within one month after the beginning of the financial year of the municipality.</p>
<p>Revenue management</p> <p>An adequate management, accounting and information system which accounts for revenue/ debtors was not in place, as required by section 64(2)(e) of the MFMA.</p> <p>An effective system of internal control for debtors/ revenue was not in place, as required by section 64(2)(f) of the MFMA.</p>	<p>Management must exercise full compliance with section 64 of the MFMA by ensuring that:</p> <ol style="list-style-type: none"> 1. the municipality has and maintains a management, accounting and information system which <ul style="list-style-type: none"> - recognises revenue when it is earned; - accounts for debtors; and - accounts for receipts of revenue; 2. that the municipality has and maintains a system of internal control in respect of debtors and revenue, as may be prescribed
<p>Procurement and contract management</p> <p>Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.</p> <p>Some of the quotations were accepted from bidders whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43.</p> <p>Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a).</p>	<ol style="list-style-type: none"> 1. Management should ensure that at least three quotations are obtained for all procurement of goods and services before an award is made unless it is not reasonably practical to do so and, in such instances, the reason for the deviations should be adequately reported to and approved by the Chief Financial officer. 2. Management should ensure that quotations are obtained from suppliers listed on National Treasury's CSD or comply with the listing requirements of the Supply Chain Management policy.

FINDING	PROPOSED ACTION
<p>Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1). Similar non-compliance was also reported in the prior year.</p> <p>The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.</p> <p>The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA.</p>	<p>3. Management should ensure that when procuring goods / services above R30 000 that the tax status of the supplier is in order at the time of the award and that there is sufficient supporting documentation.</p> <p>4. Management should ensure that declarations of interest are obtained from all suppliers for the procurement of goods and services before any awards are made.</p> <p>5. Management should investigate the above matters and disclose the irregular expenditure in the financial statements.</p>

Internal control deficiencies identified as per AGSA's Audit Report

AGSA 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.

The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the disclaimer of opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

The municipality has been faced with political instability which has resulted in an absence of vision, direction and an effective leadership tone which ultimately contributes to the lack of transparency, accountability and effective consequence management. Leadership of the municipality, including council and their committees, did not adequately exercise their mandated responsibility and oversight over financial and performance reporting, compliance with applicable legislation and related internal control processes. This has also negatively impacted the stability at administrative and operational leadership levels within the municipality, further weakening the internal control environment. **The culture of accountability needs to be built on clear and open communication and expectations.**

Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is available and accessible to support financial reporting. There continues to be a skills shortage within the finance function and lack of accountability to implement and monitor adherence to processes to ensure that the financial statements are supported by valid, accurate and complete supporting information. The municipality did appoint a permanent chief financial officer, however late in the year to be able to implement a credible audit findings action plan.

The design and implementation of controls are inadequate to ensure compliance with laws and regulations, resulting in non-compliance with sections of the MFMA and its regulations as well as the Municipal Systems Act 32 of 2000 and its regulations that has resulted in the continued incurrence of unauthorized, irregular and fruitless and wasteful expenditure. The municipality does not have the capacity and skills necessary to ensure that processes are implemented effectively to facilitate a culture of compliance with prescribed legislation.

The municipality did not have documented and approved internal policies and procedures and/or standard operating procedures to address the process of collecting, recording, processing, monitoring and reporting of performance information for any of its key performance areas/predetermined objectives or performance indicators. Processes have not been

implemented to ensure regular reporting on performance information as part of management's processes.

The review of the documentation supporting the actual achievements reported in the annual performance report was not adequate to ensure that it is valid, accurate and complete and that it supports the actual performance reported.

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors Pre- Local Government election (1 November 2021) was as follow:

Councillor	Number of Meetings	Actual attended	Percentage attended	WARD/PR
Werner Meshoa	5%	5%	100%	WARD
Magdalene Barry	5%	1%	20%	WARD
Phillippus Antonie	1%	1%	100%	PR
Hyrin Ruiters	5%	5%	100%	PR
Jeffrey Donson	5%	5%	100%	WARD
Joslyn Johnson	5%	2%	40%	PR
Alletta Theron	2%	1%	50%	WARD

The composition of the Council after the LG Elections and first council meeting was as follows:

Councillor	Number of Meetings	Actual attended	Percentage attended	WARD/PR
Nicolaas Valentyn	12%	12%	100%	PR
Jeffrey Donson	13%	10%	76%	WARD
Werner Meshoa	13%	10%	76%	WARD
Hyrin Ruiters	13%	10%	76%	WARD
Rodge Albertus	13%	12%	92	PR
Leoni Stuurman	12%	10%	83	PR
Lets Steenkamp	13%	12%	92	WARD
Brad Benades	1%	1%	100%	PR
Anthony Everts	1%	1%	100%	PR

COUNCILORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE (POST 1 NOV 2021 LG ELECTIONS)

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Local Labor Forum	To regulate HR matters
Audit Committee	To have oversight with regard to finance (MFMA) and legislative requirements
MPAC Committee	To have oversight with regard to the Annual Report
Technical Committee	To have oversight with regard to technical projects
Risk Committee	To have oversight with regard to the Risk Management function

COMMITTEES AND COMMITTEE PURPOSES

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

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

Municipal Functions	
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No) *
Beaches and amusement facilities	NO
Billboards and the display of advertisements in public places	YES
Cemeteries, funeral parlors and crematoria	YES
Cleansing	YES
Control of public nuisances	PARTIAL
Control of undertakings that sell liquor to the public	NO
Facilities for the accommodation, care and burial of animals	NO
Fencing and fences	YES
Licensing of dogs	YES
Licensing and control of undertakings that sell food to the public	YES
Local amenities	YES
Local sport facilities	YES
Markets	NO
Municipal abattoirs	YES
Municipal parks and recreation	YES
Municipal roads	YES
Noise pollution	YES
Pounds	NO
Public places	YES
Refuse removal, refuse dumps and solid waste disposal	YES
Street trading	YES
Street lighting	YES
Traffic and parking	YES
MUNICIPAL FUNCTIONS	

APPENDIX E – WARD COMMITTEE FUNCTIONALITY

Functionality of ward committees				
Ward	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Nissenville Ward 1	Councilor J Donson	Yes	Quarterly reports submitted to Council	4
Calitzdorp Ward 2	Councilor W Meshoa	Yes	Quarterly reports submitted to Council	4
Zoar Ward 3	Councilor Hyrin Ruiters	Yes	Quarterly reports submitted to Council	3
Ladismith Ward 4	Councilor Aletta Steenkamp	Yes	Quarterly reports submitted to Council	4

FUNCTIONALITY OF WARD COMMITTEES

APPENDIX F1

CAPITAL PROJECTS LARGEST FOR THE 2022/23 FINANCIAL YEAR

EXPENDITURE STATUS 2022/2023 FY (June 2023)											
WARD No.	Grant	Project No	Project Name	Original Budget	Rollover Approved	Rollover Rejected	Received	Expenditure	Still to spend	% Spent	Status/Progress/Comm
1	MIG	285450	Ladismith: Upgrade W	R 403 612,00				R 403 612,00	R -	100%	Contractor Appointed
1	MIG	160843	Ladismith: New Wast	R 441 713,00				R 441 713,00	R -	100%	Contractor Appointed
3	MIG	220290	Zoar: New Sport Field Lighting						R -		Contractor Appointed
3	MIG	220290	Zoar: New Sport Field Lighting (AFA - Additional Fund Application; project 220290)						R -		Contractor Appointed
4	MIG		Van Wyksdorp: Upgra	R 1 631 725,00				R 1 603 441,86	R 28 283,14	98%	Consultant Appointed
4	MIG		Van Wyksdorp: Upgra	R 1 823 450,00				R 1 806 242,91	R 17 207,09	99%	Consultant Appointed
3	MIG		Zoar: Upgrade sewer	R 4 308 349,00				R 3 730 243,10	R 578 105,90	87%	Consultant Appointed
8	MIG					R 826 369,00					
2	WSIG		Calitzdorp Deep Boreholes			R 5 199 296,57			R -		
ALL	INEP		Electrification Network		R 556 878,81	R 10 955,50			R 556 878,81		
2	Library Capital		Bergsig Library		R 33 203,21			R 33 977,00	-R 773,79		
ALL			Loadshedding Relief				R 1 075 000,00	R 1 004 065,00	R 70 935,00		
ALLa			Blue Drop Green Drop- and Testing Kits				R 300 000,00	R 226 786,33	R 73 213,67		
Totals				R 8 608 849,00	R 590 082,02	R 6 036 621,07	R 9 983 850,00	R 8 019 229,87	R 1 323 849,82	R 4,84	Total Capital Commitme

APPENDIX K (CFO TO UPDATE)

REVENUE COLLECTION PERFORMANCE BY SOURCE R '000						
Description	Year -1	Year 0			Year 0 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	26 485	23 572	28 075	23 042	-2%	-22%
Property rates - penalties & collection charges	8 541	8 285	9 054	8 456	2%	-7%
Service Charges - electricity revenue	12 355	10 254	12 478	13 219	22%	6%
Service Charges - water revenue	14 232	13 235	13 662	12 097	-9%	-13%
Service Charges - sanitation revenue	6 542	5 496	5 954	6 346	13%	6%
Service Charges - refuse revenue	1 865	1 622	1 865	1 510	-7%	-23%
Service Charges - other	5 643	5 530	5 925	5 304	-4%	-12%
Rentals of facilities and equipment	5 643	5 530	5 925	5 304	-4%	-12%
Interest earned - external investments	5 322	4 470	5 747	4 630	3%	-24%
Interest earned - outstanding debtors	8 455	8 455	8 624	9 554	12%	10%
Dividends received	1 254	1 003	1 191	1 354	26%	12%
Fines	2 516	2 063	2 264	2 340	12%	3%
Licences and permits	6 846	6 230	7 256	6 640	6%	-9%
		10			10%	-2%
Agency services	12 546	413	11 793	11 542		

Transfers recognised operational	-	2			9%	-1%
	2 355	190	2 425	2 402		
		40			12%	-5%
Other revenue	48 542	776	48 542	46 115		
Gains on disposal of PPE		3			14%	-1%
	4 565	698	4 337	4 291		
Enviromental Proctection		4			0%	-24%
	5 649	971	6 157	4 971		
Total Revenue (excluding capital transfers and contributions)	179 353	157 791	181 274	169 118	6,70 %	-7,19%

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.

T K.2

REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
R' 000						
Vote Description	2021/22	2022/23		Year 2022/23 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment s Budget
Vote 1 - Executive Council		12 201	12 401		#DIV/0!	#DIV/0!
Vote 2 - Corporate Services		23 672	22 695		#DIV/0!	#DIV/0!
Vote 3 - Financial Services		30 912	31 962		#DIV/0!	#DIV/0!
Vote 4 - Technicla Services		136 526	138 158		#DIV/0!	#DIV/0!
Total Revenue by Vote	-	203 311	205 215	-	#DIV/0!	#DIV/0!

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

T K.1

APPENDIX L

Conditional Grants: exclusive MIG						
Details	Budget	Adjustments Budget	Actual	Variance		Mayor conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighborhood Development Partnership Grant						
Public Transport Infrastructure and System Grant						
Local Government Financial Management Grant	2932000		2931999			
Expanded Public Works Programme	1031000		1031000			
WC Financial Management Capacity Building Grant	100000		7802			
Municipal Replacement Fund - Library	3281000		3151528.22			
Community Development Workers	112000		112000			
Provincial Treasury Intervention Grant - Server		300000	0			
Provincial Treasury Intervention Grant - Testing Kits		306000	226786.33			
Loadshedding Relief Grant - Generators		1075000	1004065			

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Capital Expenditure new upgrade renewal programmes

Description	Year 1	Year (0)			Planned Capital expenditure		
	Actual	Original budget	Adjustment Budget	Actual Expenditure	FY+ 1	FY+ 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - total							
Infrastructure: Road transport – total							
Roads, Pavements and Bridges							
Storm water							
Infrastructure Electricity – total				1004065			
Generation							
Transmission							
Street Lighting							
Infrastructure: Water- total							
Dams and Reservoirs							
Water purification				226786.33			
Reticulation				3263864.42			
Infrastructure: Sanitation – total							
Reticulation							
Sewerage purification							
Infrastructure Other – total							

Waste management				4124510.96			
Transport							
Gas							
Other							
Community – total							
Parks and Gardens							
Sportsfield							
Swimming pools							
Community halls							
Libraries				33203			
Recreational facilities							
Sire, safety and emergency							
Security and policing							
Buses							
Clinics							
Museums and Art Galleries							
Cemetries							
Social rental housing							
Other							
Capital expenditure by Asset Class							

Heritage assets – Total							
Buildings							
Other							
Investment properties – total							
Housing development							
Other							
Other assets							
General vehicles							
Plant and equipment							
Computers – hardware/equipment							
Furniture and other office equipment							
Markets							
Civil Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets							
Other							
Agriculture assests							
Lis sub-class							

Biological assets							
List sub-class							
Intangibles							
Computer – software and programming							
Total Capital Expenditure on new assets				6550938.65			
\							
Specialised vehicles							
Refuse							
Fire							
Conservancy							
Ambulance							

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital Programme by Project					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act – Adj) %	Variance (Act – OB) %
Water					
Sanitation/ Sewerage					

Electricity					
Housing					
Refuse removal					
Stormwater					
Economic development					
Sport, Arts and Culture					
Environment					
Health					

Safety and security					
ICT and other					

APPENDIX R

Declaration of Loans and Grants made by the municipality: Year 0					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2021/2022 R' 000	Total Amount committed 2022/2023	Total Amount committed 2023/2024
Loans	none	none	none	none	none
Grants Ladismith Tourism Bureau	Tourism	MOA, Business Plan; Invoices	R160 000	R160 000	R160 000
Grants Calitzdorp Tourism Bureau	Tourism		R160 000	R160 000	R160 000

VOLUMES

VOLUME I: 2022/23 AG REPORT (Still awaited)

VOLUME II: ANNUAL FINANCIAL STATEMENTS (Unaudited AFS)

VOLUME III: 2022/23 ANNUAL PERFORMANCE REPORT (Included in Chapter 4 above)

VOLUME IV: 2022/2023 DRAFT AUDIT ACTION PLAN (To be developed after Management Report is released)

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a Municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a Municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.

General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management <p>Good governance and community participation</p>
Outcomes	<ul style="list-style-type: none"> • The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	<ul style="list-style-type: none"> • The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e., a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	<ul style="list-style-type: none"> • The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe

	<p>how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.</p>
Performance Targets:	<ul style="list-style-type: none"> • The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	<ul style="list-style-type: none"> • Detailed plan approved by the mayor for implementing the Municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.

[illegible]