



Annual Report

2024/25

Draft

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ACRONYMS

| | |
|---------|--|
| AEL | atmospheric emission license |
| AFS | annual financial statements |
| AGSA | Auditor-General of South Africa |
| Ald | Alderman |
| ANC | African National Congress |
| ASB | Accounting Standards Board |
| APAC | Audit and Performance Audit Committee |
| APP | Annual Project Plan |
| B-BBEE | broad-based black economic empowerment |
| BR | Builders rubble |
| CAE | Chief Audit Executive |
| CDW | Community Development Worker |
| CFO | Chief Financial Officer |
| Cllr | Councillor |
| CMP | Coastal Management Programme |
| CPD | Continuous Professional Development |
| CRO | Chief Risk Officer |
| CWP | Community Works Programme |
| CoGTA | Cooperative Government and Traditional Affairs |
| DA | Democratic Alliance |
| DCF | District Coordinating Forum |
| DCFTech | District Coordinating Forum – Technical |
| DEA&DP | Department of Environmental Affairs and Development Planning |
| DEDAT | Department of Economic Development and Tourism |
| DLG | Department of Local Government |
| DM | District Municipality |
| DMR | Digital Mobile Radio |
| DoRA | Division of Revenue Act |
| DPWI | Department of Public Works and Infrastructure |
| DR | Divisional Road |
| DSD | Department of So |
| EHPs | Environmental Health Practitioners |
| EPMDS | Employee Performance Management and Development System |
| EPWP | Expanded Public Works Programme |
| FARMCO | Fraud and Risk Management Committee |
| FDI | Foreign district investment |
| FFC | Financial and Fiscal Commission |
| GCIS | Government Communication and Information System |
| GDP | Gross Domestic Product |
| GDPR | Gross Domestic Product Review |
| GRAP | Generally Recognised Accounting Practice |
| GBV | Gender-based Violence |
| HAZMAT | Hazardous materials |
| HR | Human Resources |
| ICT | Information and Communication Technology |
| IDP | Integrated Development Plan |
| IGR | Intergovernmental Relations |
| ITP | Integrated Transport Plan |
| IWMP | Integrated Waste Management Plan |

| | |
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| JDMA | Joint District and Metro Approach |
| KPIs | Key Performance Indicators |
| km | kilometre |
| km ² | square kilometre |
| LED | Local Economic Development |
| LG | Local Government |
| LG MTEC | Local Government Medium-term Expenditure Committee |
| LGSETA | Local Government Sector Education and Training Authority |
| LLF | Local Labour Forum |
| MCC | Municipal Coastal Committee |
| MEC | Member of the Executive Council |
| MERO | Municipal Economic Review and Outlook |
| MFMA | Local Government: Municipal Finance Management Act |
| MHS | Municipal Health Services |
| MIG | Municipal Infrastructure Grant |
| MSA | Local Government: Municipal Systems Act |
| mSCOA | Municipal Standard Chart of Accounts |
| MSR | Municipal Staff Regulations |
| MPAC | Municipal Public Accounts Committee |
| MTREF | medium-term revenue and expenditure framework |
| MOU | Memorandum of Understanding |
| NEMA | National Environmental Management Act |
| NHLS | National Health Laboratory Services |
| NT | National Treasury |
| No. | number |
| NYDA | National Youth Development Agency |
| ODM | Overberg District Municipality |
| OB | Original Budget |
| PAA | Public Audit Act |
| PAEL | Provisional Atmospheric Emission Licence |
| PERO | Provincial Economic Review and Outlook |
| POPIA | Protection of Personal Information Act |
| PPE | Property, Plant and Equipment |
| PPP | Public-Private Partnership |
| pg. | page |
| PT | Provincial Treasury |
| R | rand |
| RRAMS | Rural Roads Asset Management System |
| t | ton |
| SALGA | South African Local Government Association |
| SALGBC | South African Local Government Bargaining Council |
| SANS | South African National Standards |
| SANRAL | South African National Roads Agency |
| SARS | South African Revenue Services |
| SCM | Supply Chain Management |
| SDF | Spatial Development Framework |
| SDBIP | Service Delivery and Budget Implementation Plan |
| SG | Strategic Goal |
| SMMES | Small, Medium and Micro-Enterprises |
| SUD | substance use disorder |
| TWK | Theewaterskloof |
| VAT | value added tax |

| | |
|--------|---|
| VF+ | Freedom Front Plus |
| VRF | visiting relatives and friends |
| WC | Western Cape |
| WCG | Western Cape Government |
| WESGRO | Western Cape Tourism, Trade and Investment Promotion Agency |
| WIL | Work integrated leaning |
| WOs | work opportunities |
| WOSA | whole of society approach |

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD



I am honoured to present the Annual Report of the Overberg District Municipality for the 2024/25 financial year. This report reflects the progress on the approved five-year Integrated Development Plan (IDP) and assists the municipality to assess the performance against the target set through the IDP process.

Vision

Overberg – the opportunity gateway to Africa through sustainable services

Mission

To render sustainable, customer-directed services and to be the preferred provider of shared services within the Overberg.

Policy development

The strategic goals were formulated to achieve freedom, fairness and opportunity within the community and to direct an open opportunity society through diversity and delivery of the goals. The strategic goals were aligned with government objectives, national outcomes, the National Development Plan and the Western Cape Provincial Strategic Plan.

The five-year strategic goals (SGs) as adopted by Council for the period 2022/23 – 2026/27 are:

- **SG 1** – To ensure the wellbeing of all in the Overberg through the provision of **efficient basic services and infrastructure**.
- **SG 2** – To **promote regional economic development** by supporting initiatives in the district for the development of a sustainable district economy.
- **SG 3** – To ensure **municipal transformation and institutional development** by creating a staff structure that would adhere to the principles of employment equity and promote skills development.
- **SG 4** – To attain and maintain **financial viability** and sustainability by executing accounting services in accordance with national policy and guidelines.
- **SG 5** – To ensure **good governance practices** by providing a democratic and proactive, accountable government and ensuring **community participation** through intergovernmental relation structures.

The adopted performance and financial systems monitor the implementation of the strategic goals and budget. Key performance indicators and targets were assigned to each of the strategic goals. These indicators were measured and monitored throughout the year and all relevant information was captured on an electronic performance management system. Continuous monitoring of performance and corrective measures resulted in the fulfilment of the municipality's responsibilities during the reporting period, in accordance with its strategic goals and legislative mandate.

Key service delivery improvements

The municipality was able to deliver outstanding services to the community in an accountable, economical, effective, efficient and equitable manner. The municipality received an unqualified audit (clean) outcome for the year under review. This achievement is the result of disciplined financial management and spending, good governance, accountability and a stable Council and administration.

Some of the key achievements during the year included but are not limited to:

- The management of the Karwyderskraal Landfill facility remains of a very high standard and an audit outcome of 98.97% was received in the external compliance audit.
- An Overberg Climate Change and Biodiversity Indaba was held in partnership with the Department of Forestry, Fisheries and the Environment, SALGA and the Western Cape Department of Environmental Affairs and Development Planning, aimed at fostering collaboration and commitment in the Overberg District and to prioritise local adaptation efforts, overcoming barriers to integrate climate risks into planning, and incorporating climate change response into existing frameworks, thus creating a climate-resilient district.

- The expansion of the emergency service fleet with water tankers, increases our resource in both disaster response and community support initiatives. The water tankers have been mobilised to support firefighting operations during veldfires and to provide drinking water to schools experiencing supply challenges within the Overberg District.
- A food compliance improvement of 16% was achieved through an intensified monitoring programme, which included food safety training provided to 281 food handlers, who were trained and provided with training certificates.

The municipality regards the road network as a high priority, as it forms the lifeline of the economy in the district. The municipality upgraded the DR1206 (Buffeljagsbaai) road to a permanent surface, 6 856 km of gravel roads were bladed and 3258.91 km of roads were maintained on an agency basis for the Western Cape Government, Department of Infrastructure.

Public participation

Successful public engagement events were held using a variety of structures, including intergovernmental relations structures and provincial and district IDP forums. Chapter 2 provides a comprehensive list of district and provincial integrated municipal engagements held during the financial year. Social media and online platforms have been utilised for public representation and communication. Citizens and stakeholders are kept up to date with the municipality's progress and operations by the IDP and Communications Department.

Agreements/partnerships

Partnerships were formed and sustained during the review year. Strategic collaborations are in place with the National Sea Rescue Institute, Working on Fire (Kishugo), the Greater Overberg Fire Protection Association, commercial agriculture, provincial departments, local municipalities and the private sector, including fire stations. In line with a memorandum of arrangement, the municipality acts as an agent for the provincial Department of Infrastructure to carry out the roads function.

Future action

The status of the economy has had an overwhelming effect on the municipality and the citizens of the Overberg. To address these challenges the municipality will focus on

- Service delivery
- Financial sustainability
- Economic growth
- Safety and security
- Expansion of water storage capacity
- Energy resilience

The municipality, in collaboration with stakeholders, strives to address these focus areas by means of identified projects and programmes through supply chain management mechanisms and job creation programmes, and to focus on service delivery to the benefit of the whole Overberg.

Conclusion

I would like to extend my appreciation to all the Councillors, municipal officials, citizens and partners for their contribution and commitment towards realising ODM's vision and making a difference in the lives of all in the Overberg.

Alderman A Franken

Executive Mayor

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW



Mr R Bosman
ODM Municipal Manager

It is a great pleasure and privilege to present the Overberg District Municipality's Annual Report on the 2024/25 financial year. The Annual Report provides an overview of the performance and progress made by the municipality in fulfilling its strategic objectives and priorities of the approved five-year Integrated Development Plan (IDP), as well as provincial and national strategic directives.

Reflecting on the 2024/25 financial year, this report captures the considerable effort made by the Overberg District Municipality (ODM) to advance the efficiency and effectiveness of services rendered to its community and stakeholders.

The ODM continues to focus on efforts to strengthen governance structures through the review and adoption of policies, procedures, system improvements and the implementation of new policies. The ODM continuously reviews the Staff Establishment to improve its functionality and alignment to the municipality's strategy and the Municipal Staff Regulations to promote service delivery.

To contribute to cost-saving measures, the municipality continues to, as far as possible, conduct meetings on virtual platforms. Essential services were delivered across the district as prescribed by legislation, including municipal health services, firefighting services and regional landfill services. Road services are provided on an agency basis for the provincial Department of Infrastructure. These functions are critical to regional development and public safety and support the effective delivery of services across local municipalities. Notably, the municipality has successfully met its performance targets related to these services, demonstrating effective execution of its legislative mandate. The Municipal Health Services Department has strived to render top-level services in fulfilling their responsibilities with significant focus on the monitoring of water and food safety in the district. The department also embarked on a special municipal health services project aimed at enabling the municipality to develop a database system of premises that require annual renewal of licences/certificates. Service excellence within the Emergency Services Department was significantly enhanced through strong and purposeful partnerships with key organisations. These collaborations expand operational capacity, improve response times, and foster innovation in emergency management across the Overberg District.

Fire services and the regional landfill service are delivered to the local municipalities in the district in terms of a cooperative model.

The municipality is mainly dependent on government grants and support, with limited own funding resources. The total revenue received for the 2024/25 financial year amounted to R305.77 million, with a total expenditure of R300.13 million, resulting in a net surplus of R5.6 million. The overall status of the financial health of the municipality continues to reflect positively. This is largely due to the cash balance at year-end, the net surplus, and favourable liquidity, and solvency positions. Although the ODM managed to maintain its financial sustainability, it continues to experience financial constraints to deliver services to its full potential due to limited funding sources, increased employee cost, as well as an increased demand for services due to the growing population in the district.

Effective governance oversight continued to take place throughout the year. Both the Fraud and Risk Management Committee and the Audit and Performance Audit Committee met quarterly.

During the year, formal corporate, strategic and departmental risk assessments were completed and measured to mitigate and manage all identified risks affecting the municipality. The municipality remains committed to accountable and ethical governance with zero tolerance towards fraud and corruption.

In closing, I wish to extend my sincere appreciation to the Executive Mayor, the Council, our local municipalities, communities, and all our officials and stakeholders for their support and commitment to the Overberg District Municipality.

Mr R Bosman
Municipal Manager

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

The Overberg District Municipality (ODM), with head office in Bredasdorp, is classified as a category C-municipality and functions within a legislative framework. The municipality is situated in the south of the Western Cape and is bordered by the Indian and Atlantic oceans to the south, and Cape Town (Cape Metro), Cape Winelands District and Garden Route District to the west, north and east respectively. The district covers 12 241 km² and is well known for its coastline, southernmost tip of Africa and vast farmlands.

The Overberg District consists of four local municipalities (category B-municipalities), namely **Theewaterskloof**, **Overstrand**, **Cape Agulhas** and **Swellendam**.

Table 1: Municipalities within the Overberg District

| Local Municipality | Logo/Coat of Arms |
|---|--|
| Cape Agulhas Municipality , with headquarters in Bredasdorp , includes the towns of Arniston (Waenhuiskrans), Struisbaai, L'Agulhas, Suiderstrand, Napier and Elim. Agricultural activities include wheat production, stock farming and small fishing communities. Cape Agulhas Municipality is the southernmost municipality in Africa. Its coastline is surrounded by the Atlantic and Indian oceans, which meet at the most southern town in Africa, namely L'Agulhas. |  <p>KAAP AGULHAS MUNISIPALITEIT CAPE AGULHAS MUNICIPALITY U MASIPALA WASECAPE AGULHAS</p> |
| Overstrand Municipality is headquartered in Hermanus and includes the towns of Baardskeerdersbos, Pearly Beach, Franskraal, Kleinbaai, Gansbaai, De Kelders, Stanford, Sandbaai, Onrus, Vermont, Hawston, Kleinmond, Betty's Bay, Hangklip, Pringle Bay and Rooi Els. The area is mainly known as a tourism and holiday destination and for its small fishing communities. |  <p>MUNISIPALITEIT • U-MASIPALA • MUNICIPALITY OVERSTRAND</p> |
| Swellendam Municipality has its headquarters in Swellendam and includes the towns of Suurbraak, Buffeljagsrivier, Infanta and Barrydale. Agricultural activities include fruit, wheat, barley, youngberries, livestock, dairy farming, grapes for export and winemaking. Other sectors are retail and manufacturing, mining and quarrying. Swellendam is also known as a tourism destination. |  <p>SWELLENDAM MUNICIPALITY / MUNISIPALITEIT SWELLENDAM</p> |
| Theewaterskloof Municipality is based in Caledon and includes the towns of Genadendal, Grabouw, Villiersdorp, Greyton, Bot River and Rivieronderend. Agricultural activities include wheat production, stock farming and fruit production. |  <p>THEEWATERSKLOOF Municipality</p> |

Figure 1: Map of the Overberg District

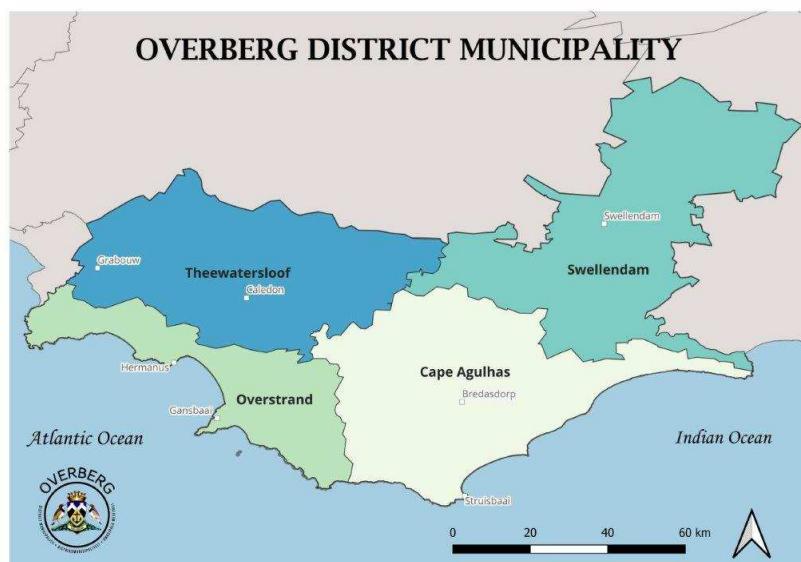
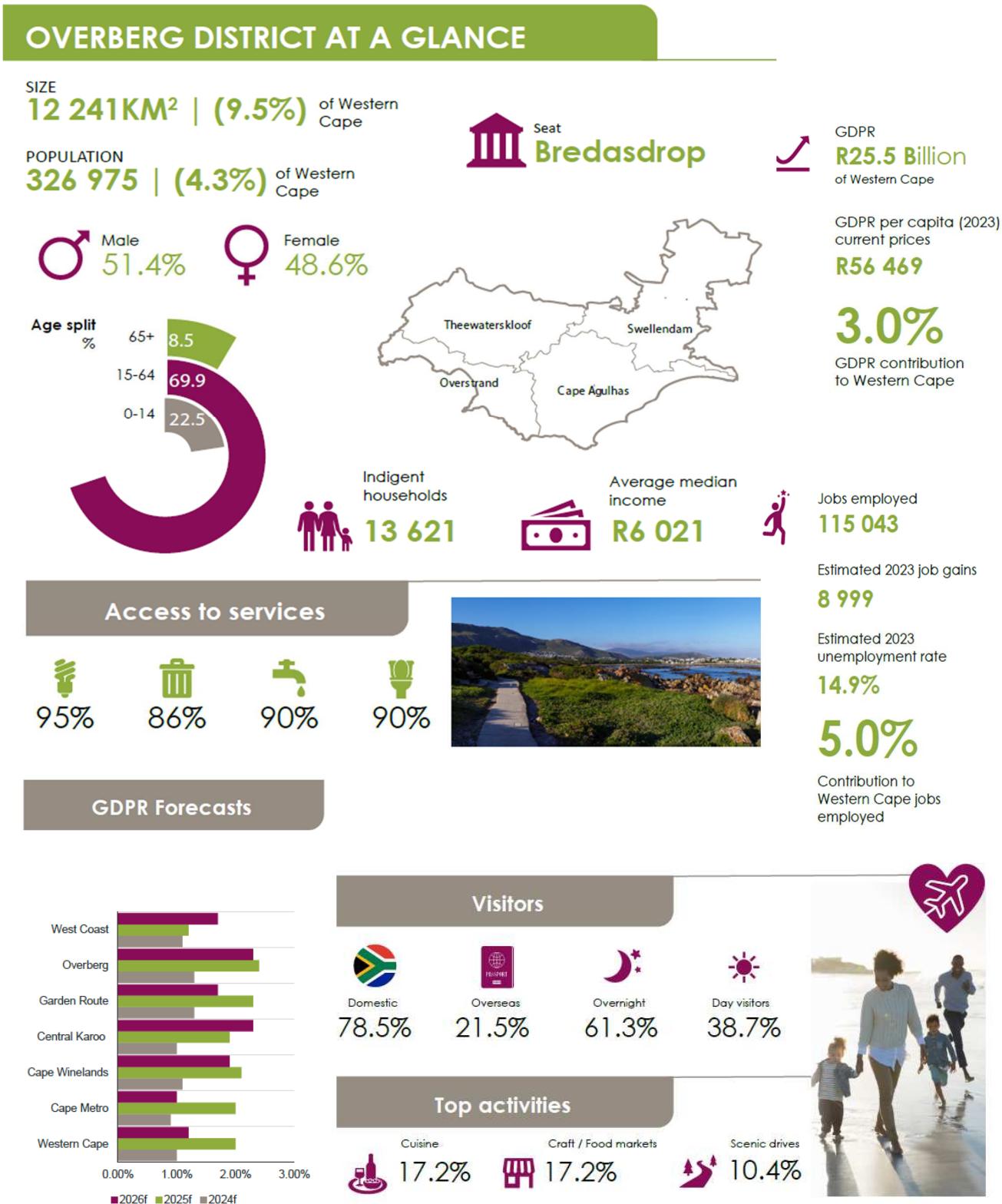


Figure 2: Infographic summary of the Overberg¹



¹ 2024-25 MERO Overberg District

Figure 3: Overberg District demographics²

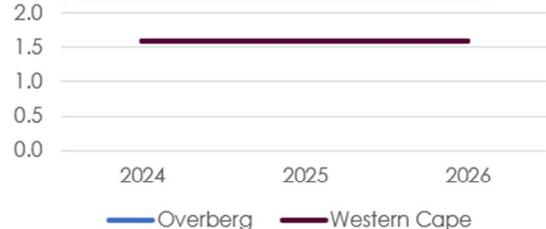
DEMOCRAPHICS

Current Population
326 974 2024

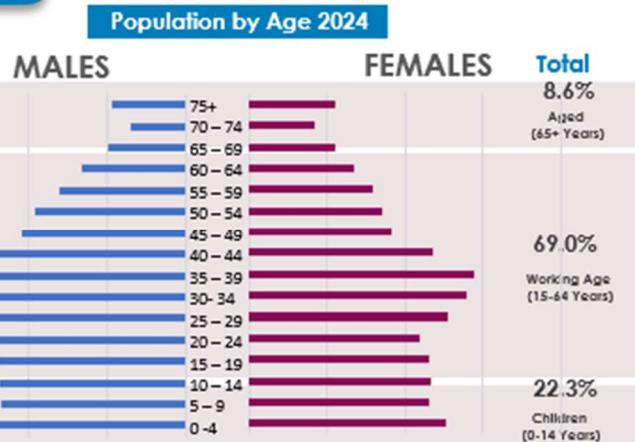
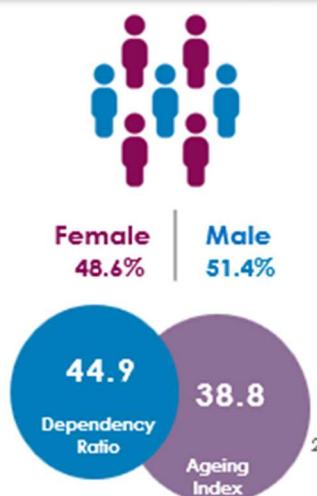
Estimated Population
353 770 2029

Estimated Average Annual Population Growth Rate 2023 - 2029
1.3%

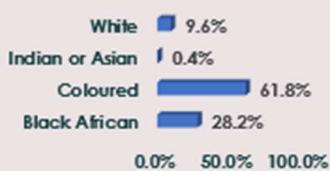
Estimated Population Growth



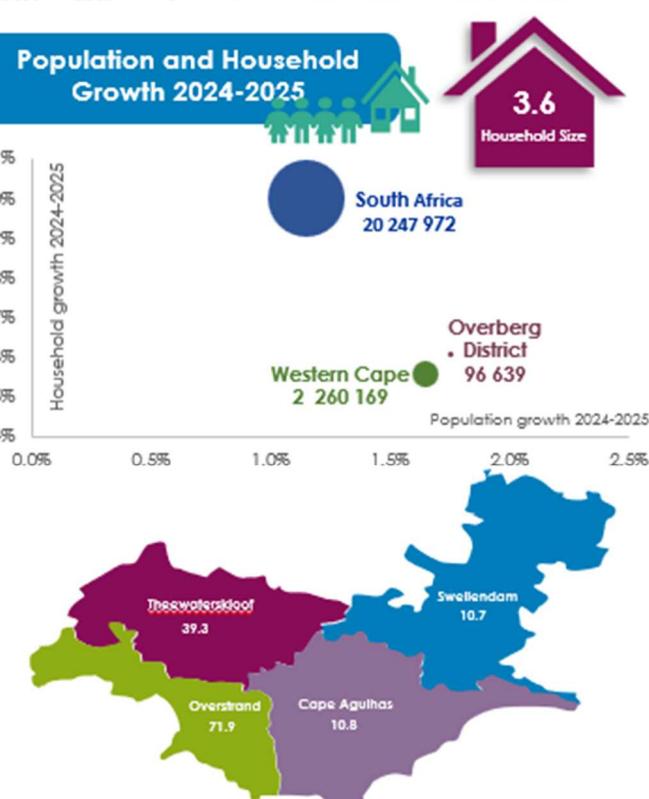
Gender and Age Dynamics



Racial Split



Population Density Overberg 2024



² 2024 Socio-Economic Profile: Overberg District Municipality

POPULATION DYNAMICS³

Population

In 2024, the population of the Overberg District was estimated at 326 975 individuals, with Theewaterskloof and Overstrand having the larger, and Cape Agulhas and Swellendam having the lower populations within the region. Average population growth in this region is estimated at a moderate 1.3% between 2023 and 2029.

The population in the district is primarily composed of coloured persons (61.8%), followed by significant percentages of black African (28.2%) and white (9.6%) populations, with Indian or Asian less than 1%.

Gender, age ratio

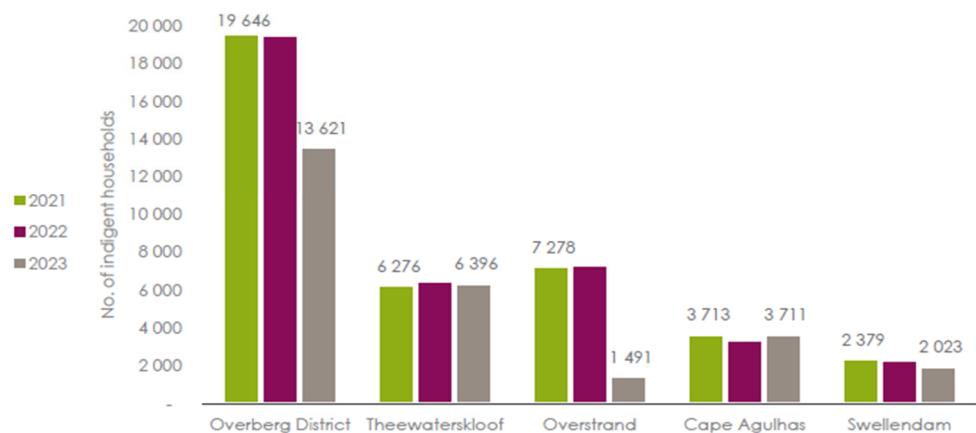
Overberg District reveals a marginally greater representation of males (51.4%) compared to females (48.6%). The age distribution reveals a high proportion of people in the working-age category (69.0%), with smaller groups of children (22.3%) and the elderly (8.6%). The relatively high working-age population resulted in a dependency ratio of 44.9 in 2024. The aging index of 38.8% demonstrates the number of people aged 60 and older for every 100 children under the age of 15.

Households

Household sizes refer to the number of people per household. The average size of households in the Overberg region is estimated to be 3.6 people per household. In 2024, the estimate number of households stood at 96 639, with 86.1% enjoying access to formal housing. Overstrand municipal area accounts for the largest share of the households, with Theewaterskloof the second largest and Swellendam the smallest.

Figure 4: Number of indigent households⁴

NUMBER OF INDIGENT HOUSEHOLDS, Overberg District, 2021 – 2023



Total number of indigent households in the Overberg: 13 621

Population density³

The overarching population density is recorded at 26.5 individuals per square kilometre. However, there is a substantial variance in population density among different local areas within the region. Overstrand, characterised by rapid population growth, registers the highest population density at 66 people per square kilometre, while Theewaterskloof, the most populous region in the district, maintains a comparative moderate population density of 39.3. The Cape Agulhas and Swellendam areas exhibit notably lower densities of 10.8 and 10.7 individuals per square kilometre respectively.

Income

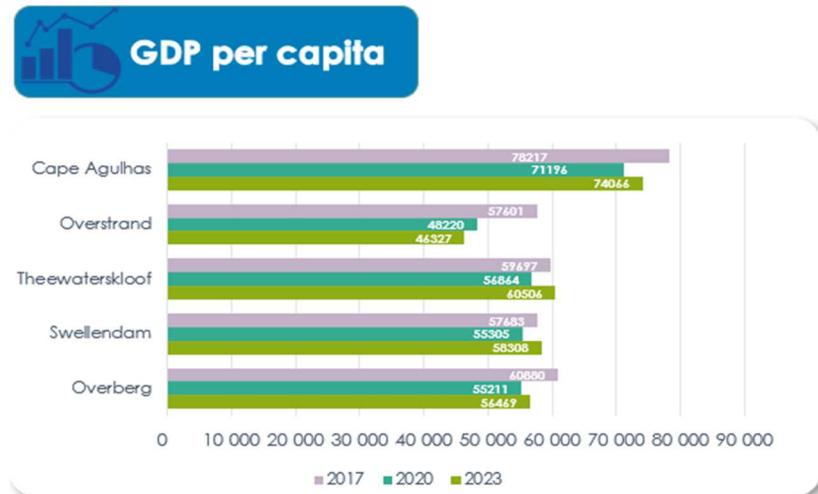
An increase in real Gross Domestic Product (GDP) per person, or GDP per capita, indicates that the economy is growing at a faster pace than the population. This is likely to show positive results in a number of social and economic indicators, as well overall well-being. This positive result was seen in most of the municipalities in the District, with only Overstrand registering a decline. The district's overall per capita GDP was at R56 469, with a high of R74 066 in Cape Agulhas and a

³ 2024 Socio-Economic Profile: Overberg District Municipality

⁴ 2024-25 MERO Overberg District

low of R46 327 in Overstrand. Across the municipalities, the wage disparity based on formal employment is evident, with most individuals earning close to the basic minimum wage: those earning above the minimum wage (approximated as higher than R3 200) constitute 50.4% of the population. On the other hand, those earning R25 600 to R51 200 account for 8.7%, reflecting District-wide income inequality, and the limited disposable income available to afford access to basic services.

Figure 5: GDP per capita⁵



Education

The Overberg area has a total of 82 public schools. The number of student enrolments in the district increased from 47 080 in 2022 to 48 046 in 2023. The learner-teacher ratio stood at 28.9 learners per teacher in 2023 which is a decrease from 2022 (29.6). The Overberg's matric pass rate increased in 2024 to 88% compared to 84.1% in 2023⁶.

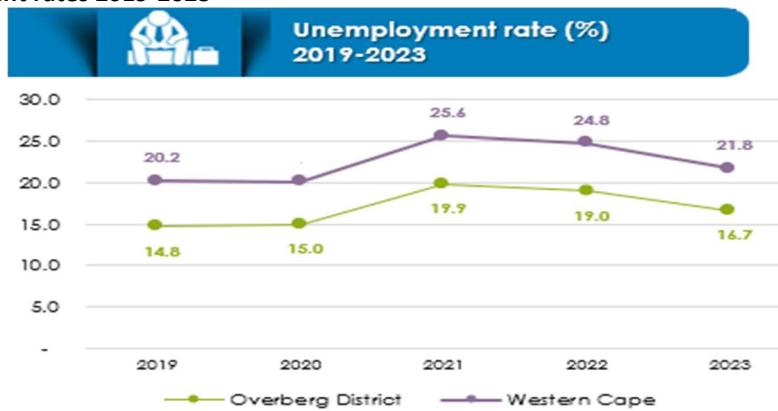
Health

The Overberg region has 19 fixed primary healthcare facilities, with 24 mobile/satellite clinics. There are also four district hospitals, while the private sector offers additional options for those who can afford it. In addition, there are 24 antiretroviral therapy and 25 tuberculosis clinics/treatment sites. The district has a total of 25 ambulances serving the area, which translated into 0.8 ambulances per 10 000 people in 2023/24. Private ambulance services also operate in the region.

Employment

The employment increased to a net employment of 7414 jobs in 2023. The largest job gains were recorded within the agriculture sector, through the continued strong performance from the fruit and wine industries. The transport, storage and communication, and finance, insurance, real estate and business services also recorded strong job gains. These job gains have improved the unemployment rate in the district, which closed at 16.7% in 2023 from 19.0% in 2022.

Figure 6: Unemployment rates 2019-2023⁵



⁵ 2024 Socio-Economic Profile: Overberg District Municipality

⁶ Western Cape Education Department

Fruit production is the highest source of employment, followed by mixed farming and other agriculture-related activities. The agriculture sector also recorded the largest job losses, along with social work.

NATURAL RESOURCES

The table below indicate the major natural resources in the district that play an important role in the economy.

Table 2: Natural resources

| Natural resources | |
|------------------------|---|
| Major natural resource | Relevance to community |
| Coast | Economic and job creation |
| Agriculture | Economic and job creation |
| Water | Economic and job creation |
| Wine production | Economic and job creation |
| Tourism | Local economy |
| Fishing | Economic and job creation |
| Fynbos | Flower exports contribute to the economy and job creation |
| Wheat production | Economic and job creation |
| Fruit production | Economic and job creation |
| Wetlands | Crucial for water supply and biodiversity |

1.3 SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

As a district municipality, the ODM does not serve individual households – the functions of water, sanitation, electricity, refuse removal and housing provision are performed by the local municipalities. For information on basic service delivery, refer to the annual reports of the respective local municipalities in the district. The municipality operates a regional landfill site, used by local municipalities for the dumping of waste.

The Overberg District Municipality is responsible for maintaining the provincial road network in the district, whereas streets in towns are the responsibility of the local municipalities.

The function of Municipal Health Services is performed in terms of the National Health Act (Act 61 of 2003) to provide and facilitate comprehensive, proactive and needs-related services that ensure a safe and healthy environment in which disease is prevented and eliminated.

The municipality renders a fire and disaster management service in the municipal areas of Swellendam, Theewaterskloof and Cape Agulhas, and works on an agreement basis in the Overstrand area, when required.

The municipality continuously promotes sustainable development by means of commenting on various development applications regarding environmental issues, coastal management, solid waste management, climate change and biodiversity management.

Note: Refer to chapter 3 for more detail on service delivery.

Electricity

Eskom is the main supplier of electricity in the Overberg District and sells electricity for distribution to the four local municipalities. Eskom also supplies electricity directly to the rural areas. Electricity for lighting was provided to 95%⁷ households. The municipality recognises the use of renewable energy to generate electricity to supplement Eskom's supply. Two windfarms are in operation in the Overberg District, one in the Theewaterskloof municipal area and one in the Swellendam municipal area. Two wind energy facility applications were lodged in the Swellendam municipal area. These applications obtained environmental authorisation. The Overberg Wind Energy Facility has commenced with construction in the Swellendam area.

⁷ 2024-25 MERO Overberg District

Water

The main sources of water in the Overberg District are boreholes, springs, dams, pools, rivers, streams and rainwater. The Overberg Water Board distributes water to the surrounding and rural areas of Cape Agulhas, Theewaterskloof and Swellendam. Catchments play an important role in the collection, storage and distribution of water in the Overstrand area.

1.4 FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The Annual Financial Statements for the 2024/25 fiscal year were submitted to the Auditor-General on 29 August 2025. All budget-related policies for the following fiscal year were reviewed and adopted by Council.

During the year under review, the municipality budgeted for a surplus of R2.7 million, which was increased to R6.2 million due to grant funding and donations received. Additional funding was allocated towards the Capital Replacement Reserve to increase the amount to R21 million for future capital projects.

The municipality strives to reduce outstanding debtors and to pay creditors within 30 days. The loan relating to the landfill site was honoured timeously and according to the borrowing agreement.

The actual revenue achieved was close to budget, while the final actual expenditure variance was 3.4% less than budget. The municipality closed the year with a liquidity ratio of 2.43:1, which demonstrates that the municipality can pay its current debt.

Please refer to chapter 5 for more information on financial performance.

Table 3: Financial overview 2024/25

| Financial Overview – 2024/25 | | | |
|------------------------------|-----------------|-------------------|----------------|
| Details | Original budget | Adjustment budget | Actual |
| <u>Income</u> | | | |
| Grants | 99 929 | 100 488 | 94 995 |
| Taxes, levies and tariffs | 16 055 | 18 444 | 19 547 |
| Other | 189 774 | 198 097 | 191 230 |
| | 305 758 | 317 030 | 305 772 |
| <u>Less Expenditure</u> | 303 058 | 310 768 | 300 132 |
| Net Total* | 2 700 | 6 261 | 5 640 |

* Note: surplus/(deficit)

Table 4: Operating ratios 2024/25

| Operating Ratios | |
|----------------------------------|-------|
| Detail | % |
| Employee Cost | 52.20 |
| Repairs and Maintenance | 2.21 |
| Finance Charges and Depreciation | 3.94 |

COMMENT ON OPERATING RATIOS

The employee costs amount to 52.20% of the total expenditure budget for the financial year. The municipality only funds approved positions critical for service delivery. The organogram was approved by Council. The nature of the

district's operations contributes to the high percentage spent on employee costs. Administration is continuously striving to reduce these expenses to align with National Treasury norms and standards.

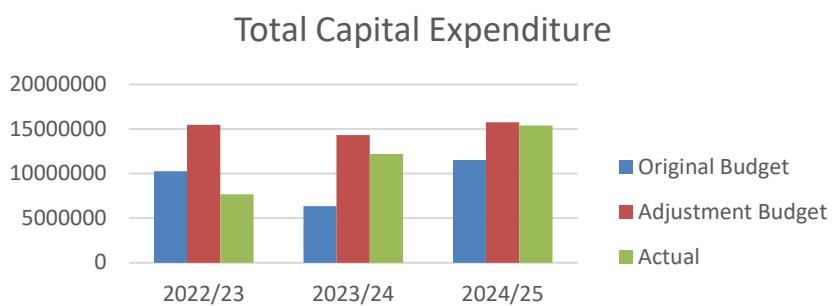
Repairs and maintenance consists of different expenditure types, which include employee-related costs, contracted services and other expenses relating to repairs and maintenance projects. The municipality only reflects spending on Council-related assets and excludes the spending on the roads function. The bulk of the spending on repairs and maintenance is allocated to service delivery departments, which is the main focus of municipal spending. These departments include, amongst others, the Waste Facilities (Karwyderskraal), Public Services (Fire) and Recreation Facilities (Resorts) of the municipality.

Finance charges and depreciation reflect a small percentage of municipal operations that is below the National Treasury norms and standards. This is mainly due to the small asset base as well as the principle of keeping external borrowing to the minimum.

Table 5: Total capital expenditure: 2022/23 to 2024/25

| Detail | Total Capital Expenditure: 2022/23 to 2024/25 | | | R'000 |
|-------------------|---|---------|---------|-------|
| | 2022/23 | 2023/24 | 2024/25 | |
| Original Budget | 10 274 | 6 355 | 11 505 | |
| Adjustment Budget | 15 470 | 14 322 | 15 748 | |
| Actual | 7 671 | 12 191 | 15 405 | |

Figure 7: Total capital expenditure



COMMENT ON CAPITAL EXPENDITURE

Actual capital spending has increased year on year, and this reflects a positive trend towards ensuring that critical capital projects required for service delivery are prioritised and budgeted for the future. Performance of capital spending also improved to 97% for the 2024/25 financial year compared to 85% in the 2023/24 financial year. This is also indicating that Council and Administration placing a renewed focus on improved capital spending.

The analysis of capital expenditure indicates that the majority of the funds were designated for the service delivery divisions. The funding mix to fund the 2024/25 capital budget also consists of various financing sources, external borrowing, and donations, as well as internal funding. This indicates that the burden on internal reserves is limited and contributes to the improvement in capital reserve balances.

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

IMPLEMENTATION OF MUNICIPAL STAFF REGULATIONS (MSR) – ORGANISATIONAL REVIEW

The procedure for determining a staff establishment is stipulated in the Local Government: Municipal Systems Act (Act 32 of 2000), stating that the Municipal Manager is responsible for ensuring the review of the staff establishment process. In line with the Local Government: Guidelines for the Implementation of the Municipal Staff Regulations No. 891, the funded

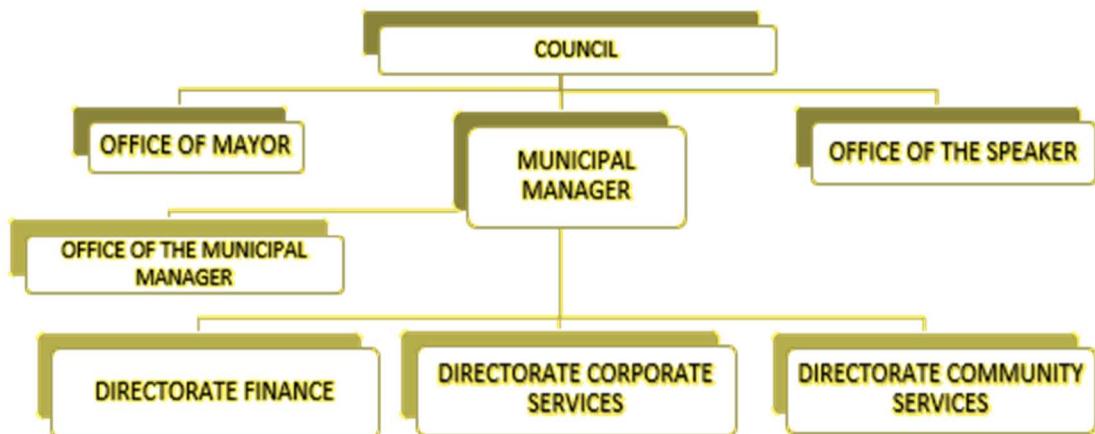
staff establishment of the Overberg District Municipality was reviewed and adopted by Council on 29 May 2025. It is confirmed that the ODM has continued implementing various actions since 2023 to ensure policies and procedures are in conformity with the regulations. Such actions include but are not limited to:

- Competencies assigned to all job descriptions to align with MSR provisions.
- Quarterly reporting on the implementation of the MSR to the Corporate Services Portfolio Committee, and monthly reporting to the Local Labour Forum.
- Reviewed Staff Establishment presented to depot personnel during HR Roadshows.
- Bursaries awarded to HR Interns to assist in identifying skills gaps to ensure MSR compliance.
- Standing agenda item on SALGA strategic agenda.
- Continuous MSR-related training initiatives.
- Talent Management and Succession Planning training.
- Implementation of the succession planning by way of consultative processes.
- Implementation of the Human Resources Strategy and Plan.
- Continued attendance at SALGA, DLG and CoGTA MSR engagements.

MSR IMPLEMENTATION PLAN

The Municipal Staff Regulations (MSR) Implementation Plan outlines various institutional actions in conformance with the regulations. These actions include regulation awareness, review and update of staff establishment, review of policies, review of job descriptions, recruitment and selection, performance management, and skills development.

Figure 8: Macro-organisational structure



The Municipal Manager, appointed 1 June 2022, is the Head of the Administration and was assisted by:

- Chief Financial Officer: vacant as from 1 September 2024; new appointment effective 1 March 2025.
- Director: Corporate Services: appointed 1 July 2022.
- Director: Community Services: vacant as from 1 March 2025; new appointment effective 1 July 2025.

1.6 AUDITOR-GENERAL REPORT

AUDITOR-GENERAL REPORT 2024/25

The Overberg District Municipality received an unqualified audit (clean) outcome from the Auditor-General. This achievement was accomplished by good leadership, oversight functions from Council, the Municipal Public Accounts Committee (MPAC) and the Audit and Performance Audit Committee. An Action Plan (OPCAR – Operation Clean Audit Report) is a management tool to address unsolved audit findings.

Table 6: Audit opinions

| Financial year | Audit opinions |
|----------------|------------------------------|
| 2021/22 | Unqualified with no findings |
| 2022/23 | Unqualified with no findings |
| 2023/24 | Unqualified with no findings |
| 2024/25 | Unqualified with no findings |

Refer to chapter 6 – Auditor-General Audit Findings – components A and B for the Auditor-General opinions for 2023/24 and 2024/25. Auditor-General report on the 2024/25 financial year - **Annexure N**.

1.7 STATUTORY ANNUAL REPORT PROCESS

Table 7: Statutory annual report process

| No. | Activity | Timeframe |
|-----|--|--------------------|
| 1 | Consideration of the next financial year's budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feed seamlessly into the annual report process at the end of the budget/IDP implementation period. | July |
| 2 | Implementation and monitoring of approved budget and IDP commence (in-year financial reporting). | |
| 3 | Finalise fourth quarter report for previous financial year. | |
| 4 | Municipality submits annual financial statements and draft annual performance report to Auditor-General. | August |
| 5 | Annual performance report as submitted to Auditor-General to be provided as input to the IDP analysis phase. | |
| 6 | Audit and Performance Audit Committee considers draft annual performance report and financial statements of the municipality. | |
| 7 | Auditor-General assesses draft annual performance report, including consolidated annual financial statements and performance data. | September-November |
| 8 | Municipalities receive Auditor-General's comments. | November |
| 9 | Municipalities start to address the Auditor-General's comments. | December |
| 10 | Mayor tables draft annual report and audited financial statements to Council, complete with the Auditor-General's report. | January |
| 11 | Audited annual report is made public, and representation is invited. | February |
| 12 | Oversight Committee assesses annual report. | March |
| 13 | Council adopts oversight report. | |
| 14 | Oversight report is made public. | April |
| 15 | Oversight report is submitted to PT, NT and MEC for Local Government . | |
| 16 | Commencement of draft budget/IDP finalisation for next financial year. Annual report and oversight reports to be used as input. | November |

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Good governance is reflected by participatory, consensus-oriented, accountable, transparent, responsive, effective, efficient, equitable and inclusive government that complies with the rule of law and ethical considerations. It ensures that corruption is minimised, the views of minorities are taken into account and that the voices of the most vulnerable in society are being heard in decision making. Good governance is also responsive to the present and future needs of a municipality.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

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 the local community.

Council, as political governance, performs both legislative and executive functions and focuses on decision making to formulate policy and to play an oversight and participatory role.

The Municipal Manager heads the administration and primarily serves as chief custodian of service delivery and the implementation of political priorities.

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The Executive Mayor has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council as well as the powers assigned by legislation. Although responsible for the strategic direction and performance of the municipality, the Executive Mayor, who is supported by the Deputy Executive Mayor, operates in consultation with the Executive Mayoral Committee.

The Council is controlled by a majority political party. Council is governed by applicable legislation, the Rules of Order and the Code of Conduct. The Speaker, who chairs Council meetings, is affiliated to a political party and elected to the role of Speaker through a process of nomination and closed ballot voting by the Council. Should the Speaker not be available, Council will appoint a person for each meeting through the closed ballot process.

The Council was democratically elected through the Electoral Act for a period of five years. The local government elections were held on 1 November 2021, after which Councillors were elected for a five-year period. The composition of the Council is through a system of proportional representation based on the municipality's segment of the national common voters' roll, and which provides for the election of members from lists of party candidates drawn up in a party's order of preference; or proportional representation combined with a system of ward representation based on the municipality's segment of the national common voters roll. The political structures deem the Councillors to have the necessary competence to serve as a Councillor.

A Council member's experience is indicated by the title of Councillor or Alderman. The criteria for Aldermanship shall be conferred from Councillor status to Alderman after a total period of 10 consecutive years.

Council also established Section 80 Committees that specialise in specific functional areas of the municipality. The committees advise on policy matters and make recommendations to the Mayoral Committee or the Council via the Executive Mayoral Committee. External members are appointed to the committees in areas where specific expertise is required to reflect an appropriate mix of knowledge, skills, experience, diversity and independence. The municipality has four Section 80 Committees, namely Finance, Corporate and Intergovernmental Relations, Strategic Services and Community Services.

The Audit and Performance Audit Committee is an independent advisory body that advises the municipal Council, the political office bearers, the accounting officer and the management staff of the municipality on financial control, risk management, accounting policies, performance management and effective governance. The municipality has a Municipal Public Accounts Committee (MPAC) established in terms of section 79 of the MSA, comprising non-executive Councillors and an independent member for oversight over the executive obligations of Council. This committee is chaired by a member from the opposition parties. One of the tasks of the MPAC is to provide Council with comments and recommendations on the annual report. Meetings were held on 20 January 2025 and 14 March 2025 to discuss the 2023/24 Annual Report. An oversight report on the annual report is published separately in accordance with the MFMA.

Note: Section 52(a) of the MFMA: The Executive Mayor must provide general political guidance over the fiscal and financial affairs of the municipality, assisted by the Finance Steering Committee.

POLITICAL STRUCTURE

MUNICIPAL COUNCIL 23 Councillors



Ald A Franken
(Executive Mayor)



Cllr H Coetzee
(Deputy Mayor and
Chairperson Strategic
Services Portfolio)



Cllr L Ntsabo
Speaker

MAYORAL COMMITTEE



Cllr SH Fourie
(Chairperson: Community
Services Portfolio
Committee)



Cllr T Els
(Chairperson: Corporate
Services Portfolio Committee)



Ald J Nieuwoudt
(Chairperson: Finance Portfolio
Committee)

COUNCILLORS

The Overberg District Municipality has 23 Councillors, 13 of which represent local municipalities and 10 of which are directly elected. Throughout the year, several Councillors resigned, and new members were sworn in when councillor vacancies arose. On 21 May 2025, Ald Lindile Ntsabo was elected as the new speaker.

Councillors were remunerated according to the Government Notice regarding “Determination of the Upper Limits for the Salaries, Allowances and Benefits of Municipal Councillors”. To ensure that Councillors fulfil their obligations to their communities and support the ODM’s achievement of its objectives in an ethical manner, Councillors must adhere to the Code of Conduct as established in Schedule 1 of the Local Government: Municipal Systems Act (Act 32 of 2000). Section 117 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) prohibits Councillors from being part of any tender process.

Appendix A (I) contains the names of Councillors (including committee allocations, political affiliation and attendance at Council meetings) until 30 June 2025. **Appendix A (II)** – Councillors representing the Council on Statutory Committees and other governing bodies on 30 June 2025.

Please also refer to **Appendix B**, which sets out committees and committee purposes.

POLITICAL DECISION MAKING

Political decisions are taken at formal meetings where all participating political parties in Council have an equal opportunity to deliberate the items as per the agenda, whereafter a resolution is adopted. The Executive Mayoral Committee also makes recommendations to Council on matters that have been delegated to it. In this way, effective service delivery can be accelerated.

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

In terms of legislation, the Municipal Manager is the head of administration and accounting officer of the municipality. He must provide guidance to political structures and political office bearers of the municipality to comply with legislation.

The Municipal Manager is ultimately responsible for the directorates, namely Corporate Services, Finance and Community Services.

TOP ADMINISTRATIVE STRUCTURE



MUNICIPAL MANAGER

Mr R Bosman

B. Law

DIRECTORATE
FINANCE



CHIEF FINANCIAL

OFFICER

Mr S Stanley

BCom

Hons Management Accounting

DIRECTORATE
CORPORATE SERVICES



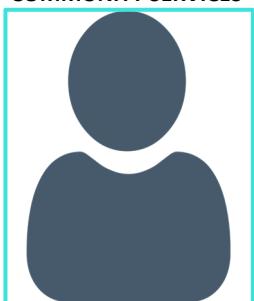
DIRECTOR: CORPORATE

SERVICES

Mrs VS Zeeman

Hons Public Administration

DIRECTORATE
COMMUNITY SERVICES



DIRECTOR: COMMUNITY

SERVICES

Vacant

The Municipal Manager was appointed by Council on a fixed-term contract with effect from 1 June 2022. His contract has a 30-day notice period and follows the process in terms of the Local Government: Municipal Systems Act (Act 32 of 2000). The succession plan for the Municipal Manager determines that the municipal manager may not be in office longer than one year after the election. A new Chief Financial Officer was appointed with effect from 1 March 2025, as the previous Chief Financial Officer's contract came to an end on 31 August 2024. In addition, on 28 February 2025, the Director: Community Services resigned. A recruitment procedure was completed, and the new Director: Community Services will begin on 1 July 2025.

Appendix C provides the third-tier administrative structure.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO COOPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Several intergovernmental relations (IGR) structures promote and facilitate cooperative governance and intergovernmental relations between the respective spheres of government. Intergovernmental relations are regulated by the Intergovernmental Relations Framework Act (Act 13 of 2005). The IGR structures assist in aligning municipal planning and development initiatives, promote an approach that fosters shared service agreements, and collaborate on matters of mutual concern to the district.

Note: Section 3 of the MSA requires that municipalities exercise their executive and legislative authority within the constitutional system of cooperative governance envisaged in the section 41 of the Constitution.

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

Participation in national structures takes place indirectly through district and provincial intergovernmental structures, for example IDP structures, SALGA, Premier's Coordination Forums and District Coordination Forums. Through these engagements, the district municipality and local municipalities forward items to national level to ensure coordination.

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

Politicians and administration participated in the following provincial intergovernmental structures: Premier's Coordination Forum, MinMay, Chief Financial Officer Forum, LG MTEC/Integrated Municipal Engagements, Provincial IDP Managers' Forum, Western Cape Districts Integrated Forum, Provincial CRO and CAE Forum, Local Government SCM Forum, SCM/LED Indaba, Records Management Forum, SALGA Working Groups, Wesgro Regional Tourism Organisation Forum, Provincial LED Forum, Provincial Public Participation Forum, Provincial Communication Technical Forum, Provincial Skills Development Forum, Provincial Treasury Forum, Joint District and Metro Approach (JDMA), LG MTEC, Western Cape Municipal Health Working Group, Western Cape Air Quality Forum, Western Cape Food Control Committee, Provincial Disaster Management Advisory Forum, Provincial Fire Working Groups, Provincial Waste Management Forum, Provincial Estuary Management Task Team, Coastal Committee, Provincial Disaster Management: Head of Centre Management, Roads Network Management, Provincial Integrated Transport Plan Committee, Accounting Working Group, Municipal Accounting Forum, Integrated Municipal Health Promotion Working Group, Provincial Safety Forum, Municipal Managers' Forum, Speakers' Forum and Provincial SDF Forum.

The municipality has sound relations with the WCG Department of Infrastructure relating to the road agency function delivered on their behalf.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The ODM does not have any municipal entities.

DISTRICT INTERGOVERNMENTAL STRUCTURES

The ODM, the local municipalities and other role players actively take part in the following district intergovernmental structures:

The District Coordinating Forum (DCF), DCFTech, District IDP Managers' Forum, District Public Participation and Communications Forum, Overberg Expanded Public Works Programme Forum, Disaster Management Advisory Forum, District LED/Tourism Forum, District Skills Development Forum, District Safety Forum, District CRO and CAE Forum, SCM Management District Forum, Integrated Municipal Health Promotion Working Group, Air Quality Officers' Forum, Regional Waste Management Forum, Municipal Coastal Committee, Karwyderskraal Landfill Monitoring Committee, District Fire Working Group, Disaster Management Advisory Forum, District Joint Operational Centre, Biodiversity and Climate Change Forum and others.

The benefit of the forums is that solutions to problems emanating from the district can be utilised to the benefit of the community.

Highlights

The municipality engages with various provincial and national departments during the year with the focus on the following:

- Western Cape Minister of Infrastructure – to introduce the new Provincial Roads Delivery Model for the Overberg District.
- Western Cape Minister of Mobility – Municipal roundtable sessions on road safety.
- National Deputy Minister of Energy and Electricity – to engage with municipalities on energy issues affecting the region.
- Western Cape Department of Local Government's Municipal Infrastructure – Planning workshop for Municipalities in the district.
- Western Cape Minister of Finance – to discuss a variety of challenges and opportunities related to the district.
- Western Cape Department of Environmental Affairs and Development Planning, the National Department Forestry, Fisheries and the Environment and SALGA – to address the pressing challenges of climate change and biodiversity integration in the district.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

INTRODUCTION TO PUBLIC ACCOUNTABILITY AND PARTICIPATION

Accountability and community involvement are improved through interactions via media, publications, electronic channels, IDP public participation meetings, and communication tools related to the budget, annual report, and sector plans connected to the IDP, among others. This is additionally reinforced through direct engagements with local municipalities and sectors within the district, ensuring that priority concerns in local municipal areas are included in the ODM's IDP. The public is also welcome to attend the Council meetings.

IDP/BUDGET/PMS TIME SCHEDULE OF KEY DEADLINES 2024/25

As prescribed by section 21 of the Municipal Finance Management Act (MFMA) and in consultation with the Chief Financial Officer, the Performance Management department, local municipalities in the Overberg District and the Western Cape Government, an IDP/Budget/PMS time schedule of key deadlines for 2024/25 was developed in preparation for the 2025/26 IDP Review/Amendment and annual budget.

The time schedule, guided and informed by the five-year section 27 District IDP Framework and Process Plan, was workshopped at a District IDP Managers' Forum meeting on 8 February 2022 to ensure horizontal and vertical alignment of various activities on a provincial, district and local level. Council adopted the time schedule on 21 August 2023.

IDP AND BUDGET PUBLIC PARTICIPATION

Sections 83 and 84 of the Municipal Structures Act (Act 117 of 1998) compel a district municipality to ensure integrated development planning for the entire district. Section 17 of the Municipal Systems Act further requires a municipality to

establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality.

During the 2024/25 period, the Overberg District Municipality employed various methods of public participation by way of structured and functional district fora to further ensure an integrated planning process for the region. As part of the District Awareness Campaign and public participation process, the IDP & Communications Department had awareness sessions with stakeholders on 1 November 2024 in Caledon and 1 June 2025 in Swellendam. The aim of the outreach was to inform stakeholders about the importance of integrated development planning and what the community's role is.

The draft IDP Review for 2024/25 and budget were tabled in Council on 25 March 2024 and published for public comment until the end of April 2024. The public participation processes continued by virtue of advertisements, publications of the website and social media platforms to give the community and other stakeholders an opportunity to provide input and submit comments. Documents were also placed at the usual community access points.

2.4 PUBLIC MEETINGS

Table 8: District and provincial integrated municipal engagements

| Structure | Date | Outcomes | Stakeholders |
|---|---|--|---|
| Overberg District structures | | | |
| Strategic Session with Council | 26 February 2024 | Strategic session with full Council on the 3 rd IDP review for 2024/25. | Full Council and Senior Management |
| District IDP Managers Forum | 1 March 2024 | Ensuring alignment of District and Local Municipal Process Plans / Time Schedules. Considering IDP adoption options for 2024/25 period; and determining the way forward for the next financial year. | <ul style="list-style-type: none"> • District and Local IDP Practitioners • District and Local Public Participation Practitioners • District and Local Communicators • Provincial IDP Directorate • Provincial Public Participation • Provincial Communications • GCIS • WCG Sector Departments |
| | 12 June 2024 | Revised Terms of Reference; Feedback on Provincial/District IDP engagement; IDP and Public Participation methods; Overberg Community Survey; Regional alignment of 2024/25 time schedules. | |
| | 25-26 October 2024 | District IDP Strategic session to: <ul style="list-style-type: none"> • collectively look at limitations and address such accordingly. • engage different sectors and stakeholders for continuous support and assistance. • build and strengthen relationships. | |
| | 4 Augustus 2024 | Alignment of District and Local Municipal Process Plans. Considering IDP adoption options for the 2024/25 period. Determining the way forward for the next financial year. | |
| District Public Participation and Communicators Forum | 20 March 2024 26 June 2024 10 September 2024 3 December 2024 | Overberg Community Outreach Project; Communications and Public Participation; District, Local and GCIS communications reports; Time schedules of key deadlines in preparation for 2025/26. | <ul style="list-style-type: none"> • District and Local IDP Practitioners • Provincial IDP Directorate • WCG Department of Local Government • Department of Human Settlements |

| Provincial structures | | | | |
|---|--|--|--|--|
| Provincial IDP Managers Forum | 5-6 December 2024 | JDMA; Alignment of IDPs with One Plans; Provincial Recovery Plan; MERO and PERO; Alignment of time schedules; APP assessments; Team allocations to regions. | • Western Cape municipalities • Provincial Disaster Management • Department of Local Government • Extended role players | |
| Provincial Public Participation Forum | 17 October 2024 | Oversight visits by the National Assembly's Portfolio Committee; Legislative Review; Khoisan and CDWs presentation; Ward Councillor training; Ward Councillor Community Feedback Meeting; Civic education; WC Human Settlements APP. | • Western Cape municipalities • Department of Local Government | |
| Provincial Comm Tech Forum | 4-5 July 2024 14-15 November 2024 | Strengthening the collaborative efforts and working relations between districts and provincial government. | • Western Cape municipalities • Department of Local Government | |
| Integrated provincial/municipal engagements | | | | |
| DCFTech/ Tech. Integrated Municipal Engagement (TIME) | 16 February 2025 | TIME conducted in accordance with the JDMA. Key transversal risks, challenges and opportunities presented from a district perspective. | • Overberg municipalities • Western Cape Government | |

2.5 IDP PARTICIPATION AND ALIGNMENT

Table 9: IDP participation and alignment criteria

| IDP participation and alignment criteria* | Yes/No |
|---|--------|
| Does the municipality have impact, outcome, input, output indicators? | Yes |
| Does the IDP have priorities, objectives, KPIs, development strategies? | Yes |
| Does the IDP have multi-year targets? | Yes |
| Are the above aligned and can they calculate into a score? | Yes |
| Does the budget align directly to the KPIs in the strategic plan? | Yes |
| Do the IDP KPIs align to the Section 57 Managers? | Yes |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | Yes |
| Do the IDP KPIs align with the provincial KPIs on the 12 outcomes of national government? | Yes |
| Were the indicators communicated to the public? | Yes |
| Were the four quarter-aligned reports submitted within stipulated timeframes? | Yes |

* Section 26, Municipal Systems Act 2000

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Corporate governance is the system rules, practices and processes by which municipalities direct and control their functions in relation to the relevant stakeholders.

The municipality strives to govern compliance with applicable laws and adopted non-binding rules, codes and standards in a way that supports the municipality's ethical conduct and being a good corporate citizen. The municipality therefore adheres to the disclosure requirements of the King IV principles. The overarching objective of King IV™ is to make

corporate governance more accessible and relevant to a wider range of organisations, and to be the catalyst for a shift from a compliance-based mindset to one that sees corporate governance as a lever for value creation.

The Fraud and Risk Management Committee reviewed the Combined Assurance Policy Framework on 14 May 2025. The aim of the framework is to optimise the assurance coverage obtained from Council, management, corporate support functions, and internal and external assurance providers on the top risks affecting the municipality. The Fraud and Risk Management Committee, Internal Audit, and the Audit and Performance Audit Committee form an integral part of assurance providers.

2.6 RISK MANAGEMENT

In terms of section 62(1)(c) of the MFMA, the accounting officer of the municipality must take reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems 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".

The risk management function is performed by the Performance and Risk Management Department and supports the Fraud and Risk Management Committee (FARMCO).

The FARMCO consists of directors, the Manager IDP and Communications, a representative from the department of Performance and Risk Management and a member of the Audit and Performance Audit Committee (APAC) who acts as the chairperson of the committee. Internal Audit also forms a fundamental part of this committee. Quarterly meetings were held, during which reports were submitted to address the following:

- Updated strategic and operational risk registers.
- Progress on risk actions.
- Progress report on the risk management implementation plan.
- Updated register on identified alleged corrupt, fraudulent and unethical incidents.
- Combined assurance report.
- Any other relevant fraud and risk management information.

The following documents were reviewed by the committee and recommended to Council for approval if needed.

- Fraud and Risk Management Committee Terms of Reference
- Combined Assurance Policy Framework
- Anti-Corruption and Fraud Prevention Plan
- Anti-Corruption, Fraud and Financial Misconduct Policy
- Risk Management Policy
- Risk Management Strategy
- Business Continuity Framework

Actions were taken to monitor the effectiveness of risk management and the outcomes of risk management activities. In terms of section 166 of the MFMA, the APAC, as an independent advisory body, must advise the municipal council, the political office bearers, the accounting officer and the management staff of the municipality on matters relating to risk management. In terms of assurance efforts, feedback and all FARMCO meeting minutes were submitted to the Strategic Services Portfolio Committee and the APAC on a quarterly basis.

Assurance provided is classified at three levels, namely senior management (first level), risk management, ICT function, IDP alignment, Compliance prescripts (second level), Internal Audit and AGSA as independent assurance providers and APAC, FARMCO and Council as oversight structures (third level). The Auditor-General is an external body that also provides assurance.

Figure 9: Combined assurance model

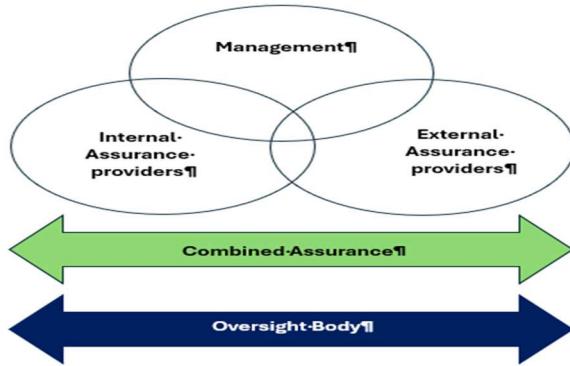


Table 10: Dates of Fraud and Risk Management Committee and Audit and Performance Audit Committee meetings

| Committee | Date | Quorum |
|-----------|-------------------|--------|
| APAC | 27 August 2024 | Yes |
| APAC | 10 September 2024 | Yes |
| APAC | 26 November 2024 | Yes |
| APAC | 17 January 2025 | Yes |
| APAC | 26 March 2025 | Yes |
| APAC | 25 June 2025 | Yes |
| FARMCO | 13 September 2024 | Yes |
| FARMCO | 30 October 2024 | Yes |
| FARMCO | 21 February 2025 | Yes |
| FARMCO | 14 May 2025 | Yes |

Strategic risks were identified by the Executive Mayoral Committee and approved by Council. Departmental risks and controls were identified by the risk champions of each department. Internal Audit uses the information in the risk registers to draft a Risk-based Audit Plan.

The table below indicates the top five strategic risks that were identified through the risk process and were monitored throughout the year. Actions were implemented to mitigate the identified risks.

Table 11: Top five strategic risks

| Risk level | Risk description | Cause of risk | Current controls |
|------------|--|--|--|
| Strategic | Compromise Financial Sustainability of the municipality. | <ol style="list-style-type: none"> 1. Insufficient equitable share allocation to fund allocated functions due to an outdated national funding model for the ODM. 2. The increase in expenditure is higher than the increase in revenue/grants. | <ol style="list-style-type: none"> 1. Cost containment Measures. 2. Strict budget controls. 3. Realistic budget. 4. Apply for conditional grants. 5. Long term financial plan. 6. Form partnerships. 7. In-year monitoring. 8. Submission to FFC, SALGA, PT and NT to propose for a funding model to sustain service levels. 9. DORA 10. Approved Tariffs. |
| Strategic | Extreme weather conditions. | Climate Change and extreme weather conditions. | <ol style="list-style-type: none"> 1. Disaster Risk Management Plan. 2. Climate Change Response Framework. 3. Spatial Development Framework. |

| | | | |
|-----------|---|--|---|
| | | | <ol style="list-style-type: none"> 4. Winter and summer readiness plans. 5. Monthly coastal and catchment monitoring. 6. Organic waste diversion at Karwyderskraal Landfill site (reduce greenhouse gas emissions). 7. Overberg Climate and Biodiversity Forum. 8. Coastal management Programme. 9. Alien invasive species monitoring, control, eradication plan. 10. Landowner involvement. 11. Environmental Management - impacted management - inclusion of climate change consideration. 12. Municipal Coastal Committee. 13. ODM is a licence authority for atmospheric emission. 14. Monitoring water quality. 15. Disaster Risk Assessment. 16. Ad hoc arrangements with staff to work from home if possible. 17. IDP process. |
| Strategic | Deterioration and loss of institutional capacity. | <ol style="list-style-type: none"> 1. The grading of the municipality (Grade 4) is impacting on the competitiveness of the municipality and its ability to retain its best staff and managers. 2. Two different systems are used to determine the salaries of staff and Section 56 appointees, which could lead to the difficulty to fill Senior management positions. 3. Current funding model, grading of the municipality and salary structures do not allow to pay a premium for Employment Equity candidates. 4. Lack of funds to replace, maintain or expand fleet and equipment. 5. Limited internal revenue sources as mostly dependent on grant funding. 6. Loss of key personnel due to retirement age | <ol style="list-style-type: none"> 1. Grant funding (Provincial and National). 2. Consultants are used when required. 3. Staff recruitment policy and directive. 4. Employment Equity plan. 5. Form strategic Partnerships with stakeholders. E.g. fire stations at Caledon and Grabouw. 6. Draft fleet replacement plan. 7. Staff succession plan. 8. Staff appointments per organisational structure. 9. Commitment of current staff. 10. Critical position identified for filling. 11. Budget for the replacement of fleet. 12. ICT equipment replacement plan. |

| | | | |
|-----------|--|--|---|
| Strategic | Insufficient supply of electricity (load-shedding) | Lack of maintenance of infrastructure by Eskom. | <ol style="list-style-type: none"> 1. Install generators at selective ODM sites. 2. Energy Board for District. 3. Provincial energy intervention. 4. Business Continuity Framework and Plan - Electricity Blackout Tactical Plan. 5. Overberg District Municipality Eskom Emergency Strategic Plan. 6. Budget for fuel. |
| Strategic | Escalating Social Ills within the District. | <ol style="list-style-type: none"> 1. Lack of incumbent or organisation in the district to address the need for social issues. 2. Lack of work opportunities in the region. 3. Reliant on partnerships to implement programmes. | <ol style="list-style-type: none"> 1. LED initiatives - create jobs and opportunities to mitigate unemployment through LED programmes. 2. Similar government initiatives aimed at job creation. 3. Employee Assistance programmes (internal). 4. Coordinating forums established to promote partnerships and co-planning and budgeting. 5. SLA between Dept. of Social Development and ODM. 6. WOSA grant. 7. CDW - Swellendam. 8. District Safety Forum. |

2.7 ANTI-CORRUPTION AND FRAUD

The municipality is committed to fighting fraudulent behaviour at all levels within the organisation. The municipality has an Anti-Corruption and Fraud Prevention Plan, supported by an Anti-Corruption, Fraud and Financial Misconduct Policy, as well as a Code of Ethics. This plan and policy are based on the organisation's core ethical values, driving the business of the Overberg, the development of its systems, policies and procedures, interactions with the public and other stakeholders, as well as decision making by individual managers representing the organisation. This means that the municipality's departments, other business units and external stakeholders must be guided by the plan as the point of reference for their conduct in relation to the municipality. In addition to promoting ethical conduct within the municipality, the plan intends to assist in preventing, detecting, investigating and sanctioning fraud and corruption.

In terms of section 3 of the Prevention and Combating of Corrupt Activity Act (Act 12 of 2004), fraud declarations were tabled to the Council, and a report on any act of financial misconduct or an offence in terms of chapter 15 of the MFMA for the year was tabled to the Executive Mayoral Committee on 21 June 2025. Incidents of alleged fraud, corruption and unethical behaviour are recorded in a register and submitted on a quarterly basis to the Fraud and Risk Management Committee to evaluate the progress on the effectiveness on the implementation of the fraud-related policies and controls.

The Fraud and Risk Management Committee reviewed the Anti-Corruption and Fraud Prevention Plan and the Anti-Corruption, Fraud and Financial Misconduct Policy, which were approved by Council on 28 October 2024. Continuous fraud and corruption awareness takes place through the municipality's internal newsletter (*Decus Nostrum*), noticeboards and e-mails.

To maintain the municipality's operations in terms of legislation, Councillors do not form part of the procurement processes.

Ethics are practically implemented in the municipality through the Oath for Councillors, Code of Conduct for Councillors (Schedule 1 of the Local Government: Municipal Systems Act, 2000) and the Rules of Order Regulating the Conduct of Meetings and the Code of Ethics. The conduct of staff members is guided by the Batho Pele principles, Code of Conduct for Municipal Staff Members and the Code of Ethics. A disciplinary committee was established to attend to matters of misconduct. Whistle-blowing can be reported to Internal Audit. The national hotline as well as the provincial number is currently used for reporting fraud and corruption.

AUDIT AND PERFORMANCE AUDIT COMMITTEE

The ODM has a joint Audit and Performance Audit Committee (APAC). Internal Audit reviews the segregation of duties and processes. The APAC performs an oversight role, and all members are independent.

Section 166(2) of the MFMA states that an audit committee is an independent advisory body, which must –

- (a) advise the municipal council, the political office bearers, the accounting officer and the management staff of the municipality on matters relating to – internal financial control; risk management; accounting policies; the adequacy, reliability and accuracy of financial reporting and information; performance management; effective governance; compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation; performance evaluation; and any other issues referred to it by municipality.

The main functions of the APAC are prescribed in section 166(2) (a-e) of the MFMA and the Local Government: Municipal and Performance Management Regulations and read as follows:

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

Table 12: Audit and Performance Audit Committee members' appointments

| Name | Capacity | Period of Appointment |
|------------------|-------------|--|
| Tom Blok | Member | Appointed 29 November 2020 (3 years), reappointed 29 November 2023 for second 3-year term. |
| Danie Smith | Chairperson | Appointed 1 June 2021. Appointed as chairperson on 29 November 2023. Reappointed for second term as chairperson on 1 June 2024 for second 3-year term. |
| Johan Steyl | Member | Appointed 29 November 2023 for 3-year term. |
| Jeremy Fairbairn | Member | Appointed 29 November 2023 for 3-year term. |

Appendix E – Report of the Audit and Performance Audit Committee. The recommendations of the committee for 2024/25 are set out in **Appendix F**.

Notes: Refer to chapter 4 for details of disciplinary action taken in cases of financial mismanagement.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

The Supply Chain Management and Preferential Procurement Policies were reviewed and adopted by Council on 29 May 2025. Reports on the implementation of the supply chain management policies are submitted monthly to the accounting officer and quarterly and annually to the Executive Mayor. Both the quarterly and annual reports are available on the municipal website. The annual supply chain report is also presented to Council to ensure Council maintains oversight over the implementation of the Supply Chain Management Policy.

The procurement process is as follows:

- Specification (development and approval of specification to procure)
- Advertising
- Evaluation (evaluate all bids)
- Adjudication (award)
- Contract management

Councillors are not permitted to serve on any supply chain management committees.

Performance assessments were done on a monthly basis and bi-annually on providers who tendered or quoted on various tenders or quotations or provided a service or product through other SCM processes (all expenditure above R30 000). A detailed list is set out in Component K.

Appendix G contains a list of the largest contracts that exceed one year and that had a financial implication for Council. Further comments on supply chain management are set out under Financial Performance – Chapter 5 – Component D.

Note: Sections 110 to 119 of the MFMA, the SCM Regulations 2005 and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimise opportunities for fraud and corruption.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) COMPLIANCE PERFORMANCE INFORMATION

Table 13: Summary of B-BBEE awards during the financial year for formal quotations and tenders

| B-BBEE level | Total contracts awarded |
|---------------------------|-------------------------|
| Level 1 | 37 |
| Level 2 | 7 |
| Level 3 | 0 |
| Level 4 | 7 |
| Level 5 | 0 |
| Level 6 | 0 |
| Level 7 | 0 |
| Level 8 | 1 |
| Non-compliant contributor | 6 |
| TOTAL | 58 |

2.9 BY-LAWS

Note: Section 11(3)(m) of the MSA provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

COMMENT ON BY-LAWS

No new by-laws were developed or gazetted during the year.

2.10 WEBSITES

The table below provides information on documents that are published on the municipality's website.

Table 14: Website checklist

| Municipal website | | |
|--|--------|-----------------|
| Documents published | Yes/No | Publishing date |
| Current annual and adjustment budget and budget-related documents | Yes | Various |
| All current budget-related policies | Yes | Various |
| The previous annual report 2023/24 | Yes | 1 March 2025 |
| The annual report 2024/25 to be published | No | March 2026 |
| All current performance agreements 2024/25 – required in terms of section 57(1)(b) of the Municipal Systems Act | Yes | July 2024 |
| All service delivery agreements 2024/25 | Yes | Various |
| All long-term borrowing contracts | Yes | Various |
| All supply chain management contracts above R0 value for year 2024/25 | Yes | Various |
| An information statement containing a list of assets over a prescribed value that have been disposed during 2024/25 – in terms of section 14(2) or (4) | Yes | None |
| Contracts agreed in 2023/24 to which subsection (1) of section 33 applies, subject to subsection (3) of that section | No | N/A |
| Public-private partnership agreements made in 2024/25 – referred to in section 120 | No | N/A |
| All quarterly reports tabled in the Council during 2024/25 – in terms of section 52(d) | Yes | Various |

COMMENT ON THE MUNICIPAL WEBSITE CONTENT AND ACCESS

The municipality's website address is <https://odm.org.za>. The website is maintained internally, and information applicable to the municipality that is required in terms of section 75(1) of the Municipal Finance Management Act is placed on the website. The municipal website and social media are key communication mechanisms in terms of service offering, information sharing and public participation.

2.11 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES

No formal satisfaction survey was conducted for the year under review. We did, however, receive positive and negative comments on the performance of normal service delivery functions. Council maintained a mechanism for Municipal Health offices under the control of the Overberg District Municipality where complaints and compliments can be lodged.

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

INTRODUCTION

This report provides an overview of the performance of the Overberg District Municipality for the period 1 July 2024 to 30 June 2025, as measured against the strategic goals that are set out in the 2023/24 Integrated Development Plan (IDP) and the key performance indicators (KPIs) contained in the approved Service Delivery and Budget Implementation Plan (SDBIP).

The municipality performed its functions in terms of the following approved strategic goals:

Strategic Goal 1 (SG1)

To ensure the wellbeing of all in the Overberg District through the provision of efficient **basic services and infrastructure**.

Strategic Goal 2 (SG2)

To promote **regional economic development** by supporting initiatives in the district for the development of a sustainable district economy.

Strategic Goal 3 (SG3)

To ensure **municipal transformation and institutional development** by creating a staff structure that will adhere to the principles of employment equity and promote skills development.

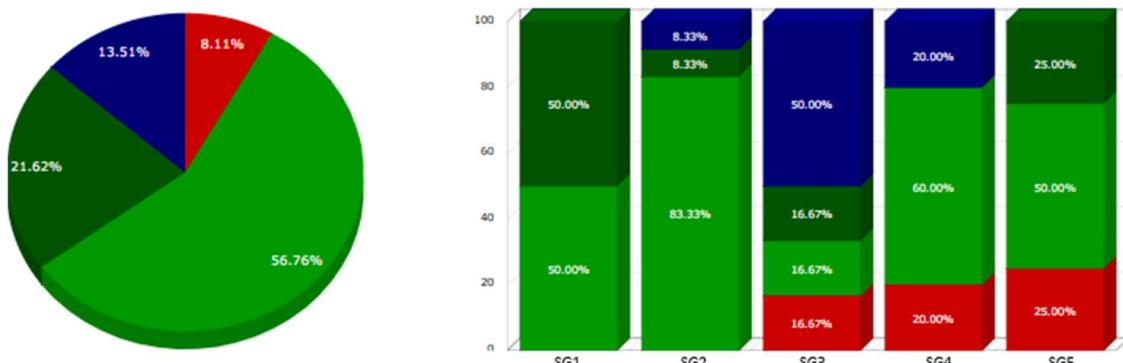
Strategic Goal 4 (SG4)

To attain and maintain **financial viability** and sustainability by executing accounting services in accordance with national policy and guidelines.

Strategic Goal (SG5)

To ensure **good governance practices** by providing a democratic and proactive accountable government and ensuring community participation through IGR structures.

Figure 10: Performance per strategic objective



| | Overberg District Municipality | Strategic Goal 1 (SG1) | Strategic Goal 2 (SG2) | Strategic Goal 3 (SG3) | Strategic Goal 4 (SG4) | Strategic Goal 5 (SG5) |
|--|--------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| ■ Not Yet Applicable | - | - | - | - | - | - |
| ■ Not Met | 3 | - | 1 | 1 | 1 | - |
| ■ Almost Met | - | - | - | - | - | - |
| ■ Met | 21 | 5 | 2 | 3 | 1 | 10 |
| ■ Well Met | 8 | 5 | 1 | - | 1 | 1 |
| ■ Extremely Well Met | 5 | - | - | 1 | 3 | 1 |
| Total | 37(100%) | 10 (27.03%) | 4 (10.81%) | 5 (13.51%) | 6 (16.22%) | 12 (32.43%) |

A detailed performance report for 2024/25 per strategic goal can be found in **Component J – Organisational Performance**.

COMPONENT A: BASIC SERVICES

The municipality provides a function in respect of solid waste, whilst services in respect of water, electricity, sanitation and housing are provided by the local municipalities. The function of bulk water distribution in the district area is rendered by Overberg Water Board.

3.1 SOLID WASTE MANAGEMENT

INTEGRATED WASTE MANAGEMENT

The Local Government: Municipal Structures Act (Act 117 of 1998) provides for an appropriate division of functions and powers between categories of Municipality and regulates the internal systems, structures and office bearers of the municipalities. As far as District Municipalities go, section 84(1) of the act states that:

“A district municipality has the following functions and powers:

- (e) Solid waste disposal sites, in so far as it relates to-
 - (i) the determination of a waste disposal strategy;
 - (ii) the regulation of waste disposal;
 - (iii) the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district.”

The ODM is guided by its Integrated Waste Management Plan (IWMP), which is a statutory requirement of the National Environmental Management: Waste Act (Act 59 of 2008) that has been promulgated and came into effect on 1 July 2009. Implementation of the IWMP will be in accordance with an implementation schedule

The ODM has developed and is implementing several strategic documents to guide solid waste management in the district and for the regional landfill facility it owns and operates.

These documents are:

- Integrated Waste Management Plan (IWMP)
- Long-term Master Planning of Karwyderskraal Regional Landfill Site
- Karwyderskraal Regional Landfill Site – Organic Waste Diversion Plan
- Karwyderskraal Regional Landfill Site – Builders’ Rubble Diversion Plan

The waste management strategic objectives for Overberg District Municipality, on which the IWMP is based on, commit the municipality to:

- create an atmosphere in which the environment and natural resources of the region are conserved and protected.
- develop a communication/information/education strategy to help ensure acceptance of ‘ownership’ of the strategic objectives among members of the public and industry throughout the municipality, and to promote cooperative community action.
- provide solutions for the three main objectives:
 - the avoidance of waste generation
 - the reduction of waste volumes
 - the safe disposal of waste

Table 15: Implementation of the Integrated Waste Management Plan goals and objectives

| Goal 1: Strengthened education, capacity and advocacy towards integrated waste management | | |
|---|---|--|
| Objectives | | 2024/25 |
| Strategic Objective 1 | Facilitate consumer and industry responsibility in integrated waste management. | The Regional Waste Forum holds quarterly meetings aimed at advancing the regionalisation of waste services, fostering inter-municipal cooperation, enhancing economies of scale, and supporting coordinated planning for the future. |
| Strategic Objective 2 | Promote and ensure awareness and | The Regional Waste Forum remains a key platform for identifying training needs across the sector. West Coast District Municipality and Cape |

| | | |
|---|---|--|
| | education of integrated waste management. | Winelands were granted access to actively participate in the planning and refinement of their respective regional facility development processes. |
| Strategic Objective 3 | Build and strengthen waste management capacity. | The facility remains accessible to all in guiding best practice The ODM consulted quarterly through the regional forum and on specific tariff and capital planning to remain transparent and improve the district's waste management capacity. |
| Goal 2: Improved integrated waste management planning and implementation for efficient waste services and infrastructure | | |
| Objectives | | 2024/25 |
| Strategic Objective 1 | Facilitate municipal waste management planning. | The quarterly Regional Waste Forum continues to focus on collective planning efforts. Each October, signatories to the Karwyderskraal Service Level Agreement (SLA) participate in the annual tariff review process. Technical discussions with waste managers were facilitated to help prioritise infrastructure expansion initiatives. |
| Strategic Objective 3 | Promote the establishment of integrated waste management infrastructure and services. | Cape Agulhas Municipality signed an SLA with the ODM in November 2024 to join as a user of Karwyderskraal. Annual surveys of the active Cell 4 are conducted to assess remaining airspace. Given current waste intake volumes, the available airspace is projected to remain sufficient until December 2026. Planning is guided by the Karwyderskraal Master Plan and annual airspace surveys |
| Strategic Objective 4 | Ensure effective and efficient waste information management. | Both landfilled and diverted volumes for Karwyderskraal are reported monthly to the provincial government via the Integrated Pollution and Waste Information System. The system has become ineffective since December 2024. The facility receives an average of 54000 tons of waste annually. The organic waste diversion average remains at 48.5% over the last year. |
| Goal 3: Effective and efficient utilisation of resources | | |
| Objectives | | 2024/25 |
| Strategic Objective 2 | Stimulate job creation within the waste economy. | Promoting waste diversion through source-based recycling and local municipal initiatives remained a key priority. This objective is actively advanced through the Regional Waste Forum to drive the growth of secondary economies and foster job creation by diversifying opportunities within the waste sector. |
| Strategic Objective 3 | Increase waste diversion through re-use, recovery and recycling. | Street-level waste characterisation studies for all user municipalities are conducted annually. The refined data will focus on waste diversion efforts, specifically that of organic waste, which will be both cost-efficient and effective. The inclusion of an organic waste diversion plant, together with the expansion of the composting area, was discussed with the user municipalities to address organic waste remaining in the general household waste. |
| Goal 4: Improved compliance with the environmental regulatory framework | | |
| Objectives | | 2024/25 |
| Strategic Objective 1 | Strengthen compliance monitoring and enforcement | The Karwyderskraal Regional Landfill Site undergoes quarterly compliance audits, supplemented by an annual assessment conducted by an independent service provider. For the reporting period, the site maintained an external audit score of 98.97%. Additionally, both the provincial audit and the independent audit carried out by AfriForum recorded full compliance scores of 100%. To ensure transparency, annual reporting to the Karwyderskraal Monitoring Committee provides an open forum for users and interested or affected parties to raise concerns and engage with the Overberg District Municipality (ODM). |
| Strategic Objective 2 | Remediate and rehabilitate contaminated land. | Budget provision is made for the long-term rehabilitation of the regional landfill facility through annual tariff setting and a ring-fenced account. |

Table 16: Status of current and future landfill airspace

| Cell | Expected Airspace (m ³) | Total Cell life expectancy (Years) | Cumulative Airspace (m ³) |
|-------------|-------------------------------------|------------------------------------|---------------------------------------|
| 4 (current) | 479 970 | 5.1 | 479 970 |
| 5A | 765 755 | 7.1 | 1 245 725 |
| 5B | 765 754 | 7.1 | 2 011 479 |
| 6A | 647 405 | 4.4 | 2 658 884 |
| 6B | 647 404 | 4.4 | 3 306 288 |
| 7A | 819 038 | 4.6 | 4 125 326 |
| 7B | 819 038 | 4.6 | 4 944 364 |
| 8 | 1 921 927 | 9.1 | 6 866 291 |
| 9 | 1 978 927 | 7.8 | 8 845 218 |
| 10 | 855 467 | 3.1 | 9 700 685 |

Figure 11: Karwyderskraal airspace consumption

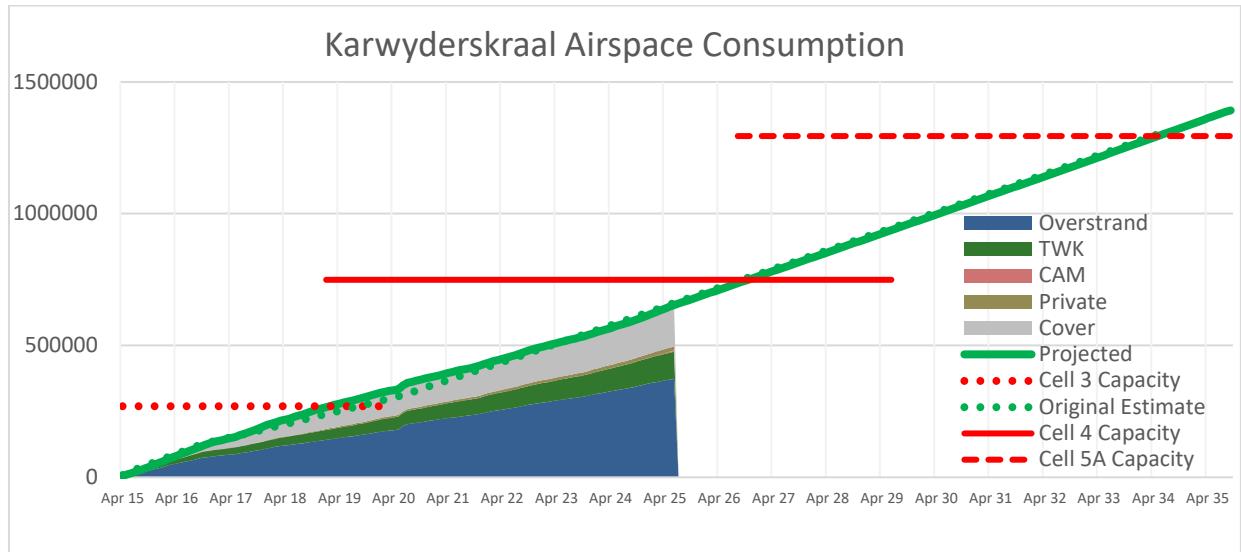


Table 17: Total waste volumes (t) per user disposed at Karwyderskraal regional landfill up to June 2025

| Month | Overstrand | | | | Theewaterskloof | | | | Private | | | |
|--------|------------|----------|----------|----------------------|-----------------|----------|----------|----------------------|----------|----------|----------|-------------|
| | MSW | BR Small | BR Large | Chipped Garden waste | MSW | BR Small | BR Large | Chipped Garden Waste | MSW | BR Small | BR Large | Fruit Waste |
| Jul 24 | 2 508.00 | 648.06 | 17.56 | 880.50 | 579.52 | 0.00 | 0.00 | 0.00 | 243.34 | 269.86 | | 111.00 |
| Aug 24 | 2 487.82 | 507.63 | 12.52 | 579.69 | 847.18 | 10.88 | 0.00 | 0.00 | 132.00 | 360.08 | 1.86 | 187.00 |
| Sep 24 | 2 732.32 | 166.24 | 12.62 | 1 488.28 | 1 137.60 | 24.47 | 0.00 | 122.78 | 147.62 | 199.92 | 49.41 | 314.58 |
| Oct 24 | 3 018.18 | 432.50 | 81.08 | 903.84 | 617.39 | 16.27 | 0.00 | 0.00 | 76.88 | 171.58 | | 258.66 |
| Nov 24 | 4 249.38 | 403.04 | 157.20 | 1 211.12 | 862.64 | 0.00 | 0.00 | 0.00 | 539.60 | 496.03 | | 208.46 |
| Dec 24 | 3 054.26 | 479.30 | 84.22 | 760.00 | 855.84 | 10.88 | 0.00 | 43.79 | 235.71 | 631.84 | | 280.12 |
| Jan 25 | 3 644.03 | 404.52 | 42.30 | 868.72 | 937.61 | 15.02 | 0.00 | 11.66 | 120.18 | 122.60 | | 43.58 |
| Feb 25 | 3 145.48 | 590.80 | 29.82 | 926.74 | 841.48 | 5.76 | 0.00 | 12.00 | 187.44 | 282.44 | 4.48 | 95.52 |
| Mar 25 | 2 685.38 | 435.76 | 145.00 | 1 030.70 | 860.00 | 66.84 | 0.00 | 0.00 | 126.16 | 265.94 | | 277.22 |
| Apr 25 | 2 642.40 | 670.06 | 12.54 | 590.44 | 891.72 | 17.52 | 0.00 | 0.00 | 95.11 | 77.48 | | 322.28 |
| May 25 | 2 927.65 | 926.54 | 305.10 | 1 079.16 | 1 190.16 | 24.46 | 0.00 | 71.78 | 165.22 | 258.84 | | 337.48 |
| Jun 25 | 2 732.63 | 882.08 | 101.34 | 1 171.92 | 1 296.68 | 121.48 | 0.00 | 0.00 | 224.06 | 432.32 | 40.86 | 772.32 |
| Total | 35 749.19 | 6 519.03 | 995.52 | 11 482.77 | 11 279.27 | 186.34 | 14.76 | 438.08 | 1 847.82 | 9 823.75 | 56.64 | 2 520.62 |

Service delivery highlights for 2024/25

- Sustained high performance: Achieving a 98.97% compliance audit score underscores the ongoing commitment and dedicated effort toward maintaining stringent regulatory standards.
- Independent validation: A 100% compliance score awarded by an external public forum highlights exceptional adherence and transparency.
- Collaborative financial planning: Successful tariff alignment and strong support from user municipalities reinforce the prioritisation of infrastructure investments and capital project proposals.

Service delivery challenges for 2024/25

- Delayed feedback from the Department of Water and Sanitation (DWS) on the design application for Cell 5A has impacted on planning for future airspace requirements.
- The 2027 target to divert 100% of organic waste is considered unrealistic, with costly measures required to meet this stringent goal.
- Escalating expenses continue to challenge the establishment and maintenance of compliant waste management solutions, particularly in meeting landfill norms and standards such as the mandatory use of plastic liners during construction.
- District municipalities (DMs) face limitations in accessing the Municipal Infrastructure Grants, hindering their ability to co-fund critical capital projects and infrastructure development.

Table 18: Financial performance: Solid Waste Management

| Details | Financial Performance: Solid Waste Management | | | | | | R'000 | |
|---|---|-----------------|-------------------|--------|-----------------------------------|-----------------------------------|-------|--|
| | 2023/24 | | 2024/25 | | | | | |
| | Actual | Original budget | Adjustment budget | Actual | Variance to adjustment budget (%) | Variance to adjustment budget (R) | | |
| Total Operational Revenue | 14 961 | 14 950 | 17 409 | 17 939 | 3 | 530 | | |
| Expenditure: | | | | | | | | |
| Employees | | | | | | | | |
| Repairs and Maintenance | | | | | | | | |
| Other | 8 932 | 9 287 | 9 182 | 9 538 | 4 | 355 | | |
| Total Operational Expenditure | 8 932 | 9 287 | 9 182 | 9 538 | 4 | 355 | | |
| Net Operational Surplus/(Deficit) | 6 029 | 5 663 | 8 227 | 8 402 | 2 | 175 | | |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | | |

Table 19: Capital expenditure: Solid Waste Management

| Capital Projects | Capital Expenditure: Waste Management Services | | | | | | R' 000 | |
|------------------|--|-------------------|--------------------|---------------------------------|---------------------|-----------------------------------|--------|--|
| | 2024/25 | | | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget | Total Project Value | Variance to Adjustment Budget (R) | | |
| Total All | 1 500 | 1 500 | 2 927 | 49% | | | 1 427 | |

COMMENT ON SOLID WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL

The operational spending on waste management is mostly allocated to the management of the regional landfill site (Karwyderskraal). Revenues reflect income received from the local municipalities as per the SLA agreement as well as other private users that make use of the facilities. The function is currently viewed positively by the municipality and is one of the few regional landfill sites that are properly managed.

Theewaterskloof Municipality, Overstrand Municipality and Cape Agulhas Municipality are the three local municipalities served by the regional landfill site of Overberg District Municipality (Karwyderskraal). Cape Agulhas Municipality started using the facility in December 2024.

The capital spending reflects an overperformance for the financial year under review. However, further analysis of the capital spending reflects that the capital spending includes a component of rehabilitation cost. This calculation is done to reflect the capitalisation cost associated with landfill site management. The information is required to inform the readers of the report that the administration is managing the function properly and per legislation requirements.

COMPONENT B: ROAD TRANSPORT

INTRODUCTION TO ROAD TRANSPORT

Overberg District Municipality acts as an agent for the WCG Department of Infrastructure to maintain proclaimed provincial roads in the district. The local municipalities are responsible for managing roads/streets in their respective towns. The ODM is also responsible for an Integrated Transport Plan for the district.

3.2 ROADS

INTRODUCTION TO ROADS

The Overberg District Municipality, in accordance with the memorandum of agreement, fulfills the function of maintenance authority for the Western Cape Government, Department of Infrastructure. In this regard, ODM is responsible for the routine road maintenance of approximately 2 693 km of proclaimed provincial gravel roads and 566km of proclaimed provincial surfaced roads. The Roads Division is equipped with a construction component responsible for the re-gravelling of those roads identified as a high priority through the Western Cape Government's annual condition assessments and panel inspections where both the technical and socio-economic characteristics of each road is considered. The Roads Division is completely funded through the Department of Infrastructure in fulfilling this mandate.

Service Delivery Priorities Include:

- The safe and effective Management and Maintenance of the Proclaimed Gravel Road Network through an Optimised Blading Programme and Annual Re-gravelling Programme.
- The safe and effective management and maintenance of the proclaimed surfaced road network through proactive routine and periodic maintenance interventions.

Service delivery highlights for 2024/25

Completion of the upgrading of DR1206 (Buffeljagsbaai) to a permanent surface road.

Service delivery challenges for 2024/25

Severe weather events and floods that led to continuous damages to road infrastructure.

Table 20: Gravel road infrastructure

| Financial year | Gravel road infrastructure | | | | | Kilometres |
|----------------|---|------------------|--|---------------------------|------------------------------------|------------|
| | Total gravel roads at beginning of financial year | New gravel roads | Gravel roads upgraded to asphalt (tar) | Gravel roads re-gravelled | Gravel roads maintained at yearend | |
| 2023/24 | 2 698.46 | 0 | 2.28 | 34.44 | 2 696.18 | |
| 2024/25 | 2 696.18 | 0 | 3.40 | 32.49 | 2 692.78 | |

Table 21: Tar road infrastructure

| Financial year | Tar road infrastructure | | | | | Kilometres |
|----------------|--|---------------|------------------------------|----------------------------------|---------------------------------|------------|
| | Total tar roads at beginning of financial year | New tar roads | Existing tar roads re-tarred | Existing as tar roads re-sheeted | Tar roads maintained at yearend | |
| 2023/24 | 560.45 | 2.28 | 13.75 | 0 | 562.73 | |
| 2024/25 | 562.73 | 3.40 | 19.70 | 0 | 566.13 | |

Table 22: Cost of road infrastructure

| Financial year | Cost of road infrastructure | | | | | | R'000 |
|----------------|-----------------------------|------------|------------|----------------|---------|------------|-------|
| | Gravel | | | Tar | | | |
| | Regravel | Gravel-Tar | Maintained | Rehabilitation | Re-seal | Maintained | |
| 2023/24 | 26 602 | 27 234 | 53 436 | 0 | 10 312 | 19 401 | |
| 2024/25 | 31 012 | 20 285 | 53 632 | 0 | 17 644 | 22 657 | |

Figure 12: Road infrastructure costs

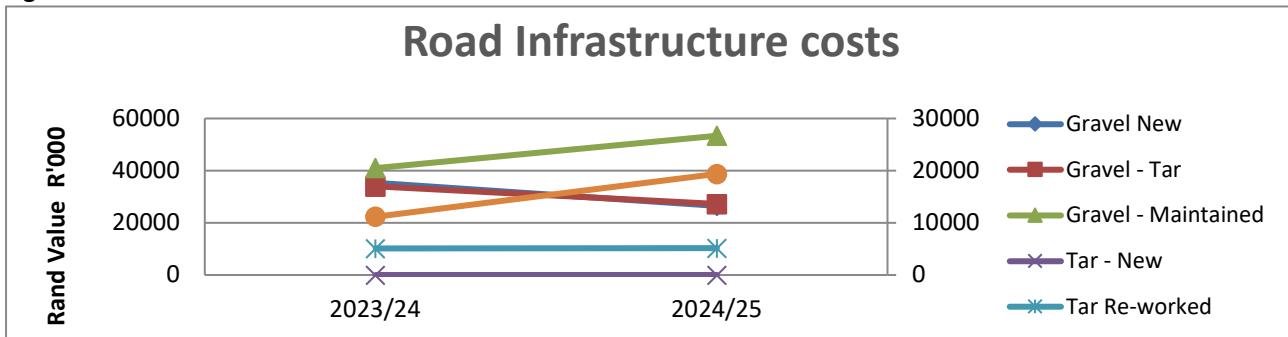


Table 23: Employees in Roads Services

| Job Level | Employees: Road Services | | | | | |
|--------------|--------------------------|----------------|------------|-----------|-----------------------------------|--|
| | 2023/24 | | 2024/25 | | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) | |
| Job Level | No. | No. | No. | No. | % | |
| 0 - 3 | 118 | 120 | 117 | 3 | 2.50% | |
| 4 - 6 | 44 | 48 | 45 | 3 | 6.25% | |
| 7 - 9 | 41 | 46 | 44 | 2 | 4.35% | |
| 10 - 12 | 18 | 18 | 16 | 2 | 11.11% | |
| 13 - 15 | 6 | 7 | 6 | 1 | 14.29% | |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% | |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% | |
| Total | 228 | 240 | 229 | 11 | 4.58% | |

Table 24: Financial performance: Roads Services

| Details | Financial Performance: Road Services | | | | | | R'000 |
|---|--------------------------------------|---------|-----------------|-------------------|---------|--------|---------|
| | 2023/24 | Actual | Original Budget | Adjustment Budget | 2024/25 | Actual | |
| Total Operational Revenue | 125 874 | 132 490 | 134 496 | 137 425 | | 2 | 2 929 |
| Expenditure: | | | | | | | |
| Employees | 59 848 | 70 929 | 64 621 | 67 140 | | 4 | 2 519 |
| Repairs and Maintenance | | | | | | | |
| Other | 60 779 | 61 561 | 69 874 | 64 740 | | -7 | (5 134) |
| Total Operational Expenditure | 120 627 | 132 490 | 134 496 | 131 880 | | -2 | (2 615) |
| Net Operational Surplus/(Deficit) | 5 247 | | | | 5 545 | 100 | 5 545 |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | |

Table 25: Capital expenditure: Roads Services

| Capital projects | Capital expenditure: Roads Services | | | | | | R' 000 |
|------------------|-------------------------------------|-------------------|--------------------|---------------------------------|---------------------|-----------------------------------|--------|
| | 2024/25 | | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment Budget | Total Project Value | Variance to Adjustment Budget (R) | |
| Total All | 0 | 0 | 0 | 0% | | | 0 |

COMMENT ON THE PERFORMANCE OF ROADS OVERALL

Road Services are performed by the Overberg District Municipality on behalf of the Western Cape Department of Infrastructure (DOI). The function is performed on a zero net basis, whereas all funds allocated should be expensed on road-related activities. The funds are received by means of an initial agreement and increased with additional addendums pending project priorities and funding availability by the department. Table 24 indicates a year-on-year increase in funds. This is a positive indication of the department's trust in the municipality to perform the related functions.

During the 2024/25 financial year, the department also reviewed the functioning of the relationship between the different districts and the departments for optimal performance and 'value for money' assessments. The outcome of these assessments was that the department issued all districts with intention letters to indicate whether value was received or whether they were in the process of reviewing the operational activities of the function. The department indicated that they are still receiving 'value for money' and that the funds allocated to the municipality are optimally used and prudently managed by the municipality. This has been a positive response compared to some of the other districts.

3.3 TRANSPORT

INTRODUCTION TO TRANSPORT***INTEGRATED TRANSPORT PLAN***

The Overberg District Municipality is responsible for developing an Integrated Transport Plan (ITP) for the district, as required by the National Land Transport Act (Act 5 of 2009) and the National Land Transport Transition Act (Act 22 of 2000). The revised ITP was adopted by Council on 25 October 2021.

COMPONENT C: PLANNING AND DEVELOPMENT

INTRODUCTION TO PLANNING AND DEVELOPMENT

The Planning and Development function at the municipality includes Spatial Development Planning, IDP and Local Economic Development.

3.4 PLANNING (IDP, COMMUNICATION AND SPATIAL PLANNING)

IDP/BUDGET/PMS TIME SCHEDULE OF KEY DEADLINES 2024/25

The IDP/Budget/PMS time schedule of key deadlines for 2024/25 was developed in preparation for the 2025/26 IDP Review and Annual Budget. The Council adopted the time schedule on 29 July 2024.

The Draft Review and Amended IDP for 2025/26 together with the 2025/26 Budget were tabled to Council on 31 March 2025 with the final Review and Amended IDP for 2025/26 adopted on 29 May 2025.

OVERBERG IDP AWARENESS

The IDP & Communications Department of the Overberg District Municipality conducted an awareness session at the Caledon Town Hall. The event aimed to inform communities about the municipality's service delivery roles, emphasising interdepartmental collaboration among the Roads Depot, Municipal Health Services and Environmental Management Services.

The ODM's awareness campaign included a session for municipal officials from various departments and Swellendam Municipality. Participants learned about the roles of the district municipality, differences between district and local IDPs, and ODM functions affecting residents, such as roads, health, environment and social services, while strengthening interdepartmental relations through shared responsibilities. The IDP & Communications Department leveraged the opportunity of the Human Resources Department's career open day, hosted on 21 August 2024, to promote interdepartmental relations as part of their awareness campaigns.



IDP awareness with ODM staff in Caledon



Awareness session with municipal staff of ODM and Swellendam Municipality

JDMA

The JDMA focuses on co-planning, co-budgeting and co-implementation, enabling government and private sector collaboration on projects that enhance citizen welfare. On 19 April 2024, an integrated planning session, which included District and Local Municipal Managers from Overberg District, was organised by DLG's Integrated Development Planning and the JDMA Interface Team. The recent JDMA Interface meeting resolved to amend the Implementation Strategy and projects to optimise impact and improve coordination and collaboration.

COMMUNICATION

Internal newsletter – *Decus Nostrum*

The *Decus Nostrum* is an internal newsletter that serves as a tool to inform all staff of processes and procedures that were reviewed and implemented throughout the year. Publications of the *Decus Nostrum* were distributed quarterly.

External newsletter

The ODM fulfils its role by biannually publishing an external newsletter. Information is also sourced from local municipalities in the region. Quarterly external newsletters were published, and copies were distributed to local municipalities, stakeholders and at various strategic points within the region, such as libraries and Thusong Centres.

SPATIAL DEVELOPMENT PLANNING

The District Spatial Development Framework is a core component of the municipality's economic, sectorial, spatial, social, institutional and environmental vision. The District SDF focuses on broad spatial planning guidelines, which inform the local municipal Spatial Development Frameworks. The reviewed District SDF was adopted by Council on 29 May 2023.

The municipality, in its capacity as a commenting authority, provides input on land use management and building plan applications to category B-municipalities. The comments provided pertain to spatial planning, environmental health, environmental management, and fire and disaster management.

Table 26: Employees: IDP & Communications

| Employees: IDP & Communications | | | | | |
|---------------------------------|------------------|----------------|-----------|-----------|-----------------------------------|
| Job Level | 2023/24 | 2024/25 | | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 2 | 2 | 2 | 0 | 0.00% |

Table 27: Financial performance: Planning Services

| Financial performance: Planning Services (IDP and Communications) | | | | | | |
|---|----------------|-----------------|-------------------|----------------|-----------------------------------|-----------------------------------|
| Details | 2023/24 | 2024/25 | | | | |
| | Actual | Original budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | Variance to Adjustment Budget (R) |
| Total Operational Revenue | | | | | | |
| Expenditure: | | | | | | |
| Employees | 1 537 | 1 679 | 1 679 | 1 662 | -1 | (17) |
| Repairs and Maintenance | | | | | | |
| Other | 51 | 87 | 94 | 112 | 19 | 18 |
| Total Operational Expenditure | 1 588 | 1 766 | 1 772 | 1 774 | 0 | 1 |
| Net Operational Surplus/(Deficit) | (1 588) | (1 766) | (1 772) | (1 774) | 0 | (1) |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | |

Table 28: Capital expenditure: Planning Services

| Capital expenditure: Planning Services (IDP and Communications) | | | | | | |
|---|---------|-------------------|--------------------|---------------------------------|---------------------|-----------------------------------|
| Capital Projects | 2024/25 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment Budget | Total Project Value | Variance to Adjustment Budget (R) |
| Total All | 15 | 15 | 14 | -9% | | (1) |

COMMENT ON THE PERFORMANCE OF PLANNING SERVICES (IDP/COMMUNICATIONS) OVERALL

Planning services primarily refer to the IDP/Communications unit, which performs local or regional functions in terms of strategic planning. The budget allocated is mostly for employee-related costs, with limited capital projects implemented in the department. Operational and capital spending was within budgeted projections.

3.5 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM)

INTRODUCTION TO ECONOMIC DEVELOPMENT AND TOURISM

Local Economic Development (LED) is an approach to economic development that allows and encourages local people to work together to achieve sustainable economic growth and development, thereby bringing economic benefits and improved quality of life for all residents in a local municipal area.

As a programme, LED is intended to maximise the economic potential of all municipal localities throughout the country and to enhance the resilience of macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development. The 'local' in economic development points to the fact that the jurisdiction at a local level is often the most appropriate place for economic intervention.

LED provides support in the following areas:

- Development and review of national policy, strategy and guidelines on LED.
- Providing direct and hands-on support to provincial and local government.
- Management of the Local Economic Development Fund.
- Facilitating coordinating and monitoring of programmes.
- Assisting with LED capacity-building processes.

Several sectors' performance underpins the district's economic prospects, with international trade, tourism and private and public sector investments serving as catalysts for new economic opportunities, job creation and the overall wellbeing of local communities.

ECONOMIC OVERVIEW⁸

The Overberg District's real GDP growth outpaced the national average in 2023. While South Africa's real GDP growth year-on-year was 0.6% at the end of 2023, Overberg District achieved a growth rate of 1.3%. This translates to a real GDP of R20.8 billion in 2023, up from R20.6 billion in 2022. This expansion was underpinned by robust performance by the transport, storage and communication, finance, insurance, real estate and business services and the manufacturing sectors. However, the agriculture and forestry and fishing sector recorded a decline in GDP as it was adversely affected by severe weather events, particularly storms and flooding. The economic growth within the OD in 2023 unlocked job gains for two consecutive years, with the economy creating more jobs in 2022 and 2023 than were lost during the 2020 and 2021 years of the pandemic. The net employment gain in 2023 amounted to 7 414 jobs. The largest job gains were recorded within the agriculture sector, through the continued strong performance by the fruit and wine industries. The transport, storage and communication, and finance, insurance, real estate and business services also recorded strong job gains. These job gains have improved the unemployment rate in the Overberg District, which closed at 16.7% in 2023 from 19.0% in 2022.

The economic performance of the Overberg District in 2023 was influenced by both positive developments and significant challenges. Infrastructure projects and business expansions contributed to job creation and economic growth. Overstrand Municipality saw numerous infrastructure developments, such as the upgrading of wellfields in Hermanus, the Kleinmond Wastewater Treatment Plant, and the sewer system in Zwelihle. The SANRAL Road and Bridge Rehabilitation Project also benefited local contractors through contracting and sub-contracting opportunities. These investments resulted in strong economic stimulation.

⁸ 2024-25 MERO Overberg District

Figure 13: Overberg District's GDPR, employment growth and unemployment rate, 2012-2023

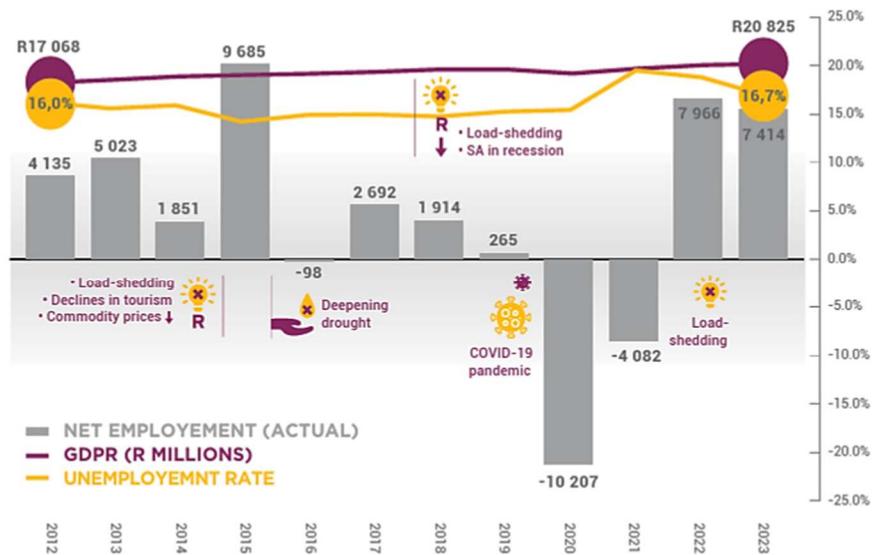
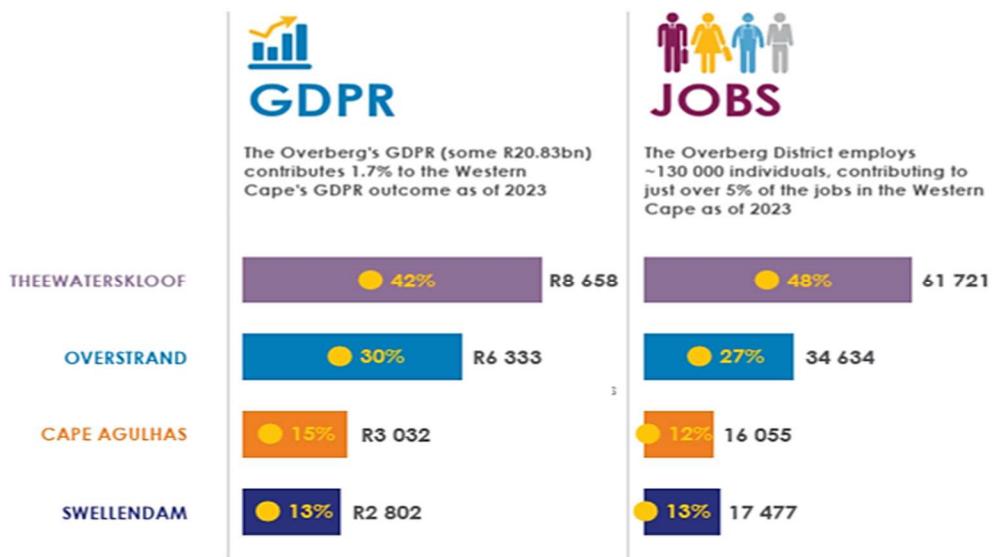


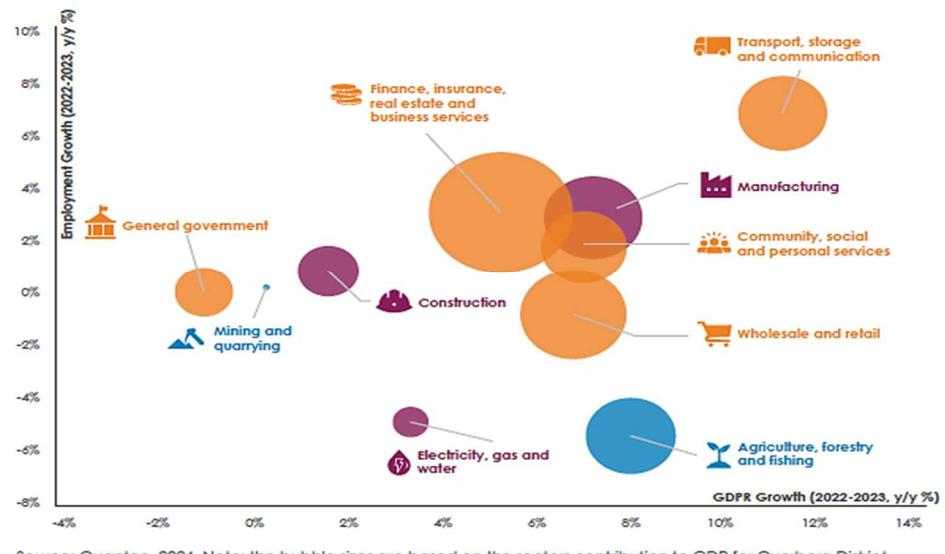
Figure 14: Municipal contributions to GDPR and employment growth (percentage points), Overberg District, 2023



In 2023, the Overberg's economy expanded by 1.3%, while the total number of jobs increased by 6.1%. As the most urbanised municipal areas in the district, Theewaterskloof and Overstrand played pivotal roles in driving GDPR growth, contributing 0.5 percentage points and 0.4 percentage points, respectively. These areas also made significant contributions to employment growth, with Theewaterskloof at 2.9 percentage points and Overstrand at 1.6 percentage points. Both Swellendam and the Cape Agulhas municipal areas contributed similarly to overall GDPR growth, each at 0.2 percentage points. Notably, these regions contributed 0.7 percentage points and 0.8 percentage points respectively to employment growth. The relatively larger contributions to employment growth highlight the labour-intensive nature of economic sectors in the OD, particularly in fruit and crop cultivation.

The importance of the agriculture, forestry and fisheries sector is evident. These sectors have enough capacity and capabilities to service the regional economy while exporting to other parts of the country and abroad. Transport, storage and communication, wholesale and retail trade, catering and accommodation, and manufacturing and finance, insurance, real estate, and business services meet most local needs and engage in both importing and exporting, with the latter being the highest GDPR contributor. Sectors such as electricity, gas, and water, general government, and community, social, and personal services rely on imports to fulfil local demands.

Figure 15: Overberg District's GDPR and employment performance per sector, 2022-2023



INTERNATIONAL TRADE

The Overberg has traditionally been seen as the primary agricultural region of the Western Cape, focusing primarily on grain cultivation, with wheat being the main crop. The wheat fields serve as a crucial habitat for South Africa's national bird, the blue crane. Additionally, the Overberg is a significant producer of fruit, with Grabouw ranking as the second-largest fruit exporter in the country.

Located within the Overberg, the Kogelberg Biosphere Reserve is home to an extensive variety of flowering plants unique to the fynbos biome. In 2023, the Overberg exported products valued at R4.4 billion and imported goods worth R1.4 billion, resulting in a trade surplus of R3.0 billion. The agriculture and manufacturing sectors contributed the most to the district's exports. The manufacturing sector benefits from its proximity to major ports and key transportation routes, while the region's rich agricultural sector provides a steady supply of raw materials for agro-processing industries. On the other hand, imports were mostly accounted for by manufacturing, which reached R1.3 billion in 2023. Overall, the Overberg District's trade balance has been strengthening over the last decade and has recovered from the pandemic.

Figure 16: Overberg District's top ten import products, 2023⁹

| | ZARm,(2023) | Share(%) | Avg. Growth%(2019-2023) |
|--|-------------|----------|-------------------------|
| Flat-rolled products of iron or non-alloy steel | 265.31 | 18.96 | 23.89 |
| Mixtures of odoriferous substances and mixtures | 124.17 | 8.87 | 151.88 |
| Fish, fresh or chilled | 83.78 | 5.99 | 210.71 |
| Other colouring matter | 62.82 | 4.49 | 5.03 |
| Fish, frozen, excluding fish fillets | 58.96 | 4.21 | 85.51 |
| Video game consoles and machines | 44.47 | 3.18 | 13.65 |
| Articles for the conveyance or packing of goods | 41.07 | 2.93 | 12.73 |
| Synthetic organic colouring matter | 40.29 | 2.88 | 9.51 |
| Leather further prepared after tanning or crusting | 28.86 | 2.06 | 35.83 |
| Fish fillets and other fish meat (whether or not minced) | 27.49 | 1.96 | 20.01 |

⁹ Wesgro Research Overberg District Factsheet, August 2024

Figure 17: Overberg District's top ten export products, 2023¹⁰

| | ZARm, (2023) | Share(%) | Avg. Growth%(2019-2023) |
|--|--------------|----------|-------------------------|
| Apples, pears and quinces | 1,147.01 | 25.83 | 14.81 |
| Molluscs, whether in shell or not | 467.27 | 10.52 | 16.08 |
| Other fruit, fresh | 442.04 | 9.95 | 80.45 |
| Wine of fresh grapes | 386.69 | 8.71 | 10.46 |
| Rape or colza seeds | 297.54 | 6.71 | 22.59 |
| Fruit juices (including grape must) and vegetable juices | 292.42 | 6.58 | 2,038.49 |
| Citrus fruit | 168.77 | 3.81 | -2.29 |
| Crustaceans, molluscs and other aquatic invertebrates | 137.19 | 3.09 | -1.38 |
| Apricots, cherries, peaches (including nectarines) | 118.18 | 2.66 | 2.29 |
| Foliage, branches and other parts of plants | 104.97 | 2.36 | 9.18 |

Figure 18: Overberg District's global trade, 2019-2023¹⁰

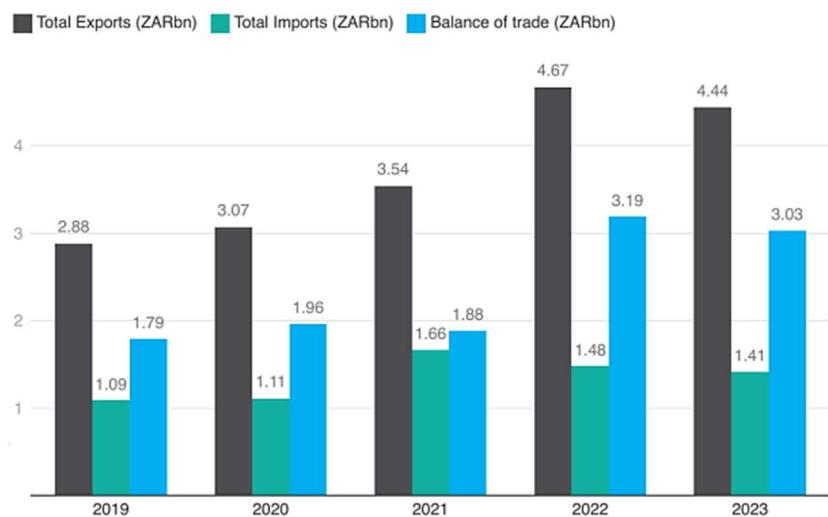


Table 29: Overberg International trade at a glance, 2023¹⁰

| Overberg international trade at a glance | | |
|--|---------------------|---------------------|
| | Export | Import |
| Overberg | R4.4 billion | R1.4 billion |
| Theewaterskloof | R2.7 billion | R772.1 million |
| Overstrand | R1.1 billion | R154.5 million |
| Cape Agulhas | R136.7 million | R287.1 million |
| Swellendam | R522.2 million | R184 million |

INVESTMENTS¹¹

According to Foreign Direct Investment (FDI) Intelligence, one foreign investment worth R79.77million was recorded in the Overberg district over the period January 2003 and May 2024 in the food and beverage sector.

TOURISM

The Overberg serves as a vibrant centre for cultural and heritage tourism, playing a pivotal role in job creation and economic development. In 2024, the World Economic Forum (WEF) acknowledged the district's dedication to community engagement, cultural preservation and environmental protection. Attractions such as the Elim Heritage Centre and Shipwreck Museum highlight the vital role of tourism in maintaining local culture and heritage, contributing significantly to the region's allure and economic wellbeing. In 2023, the Western Cape's tourism sector experienced significant growth, with a total of 54 participating attractions across its six regions recording 7.7 million visitors between January and December

¹⁰ 2024-25 MERO Overberg District

¹¹ Wesgro Research Overberg District Factsheet, August 2024

2023. This marked a 38% increase in visitor numbers compared to the same period in 2022. Despite the robust growth in the Western Cape's tourism activity, the Overberg saw a 12% decline in tourist numbers. This decline can be attributed to a decline in visitor numbers at several key attractions in the district. Despite this downturn, the region still achieved a strong 82.7% recovery in visitor numbers relative to 2019 (January to December).

Figure 19: The total number of visitors to attractions, Overberg District, 2022-2023¹²

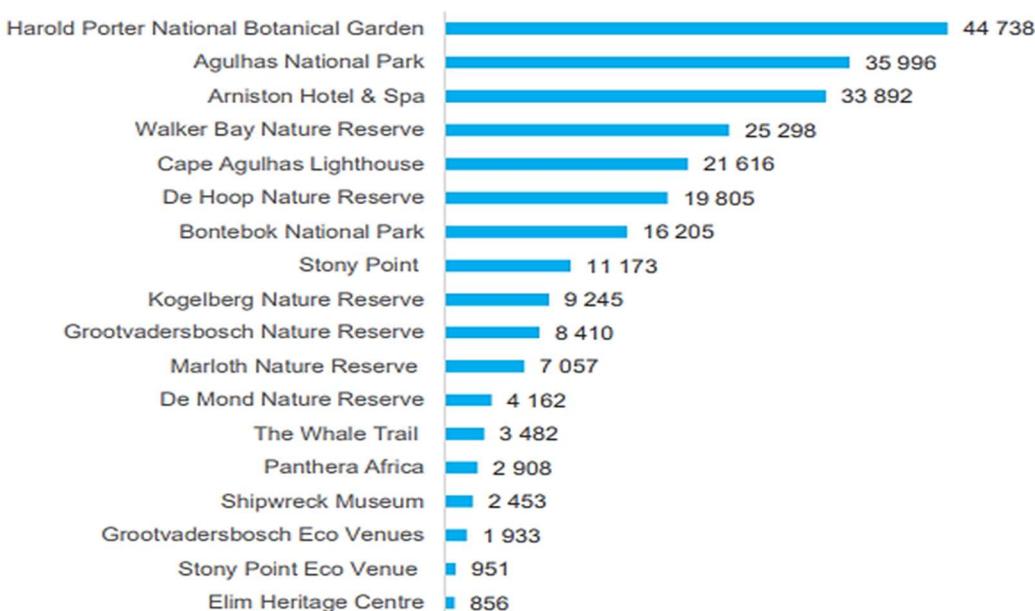
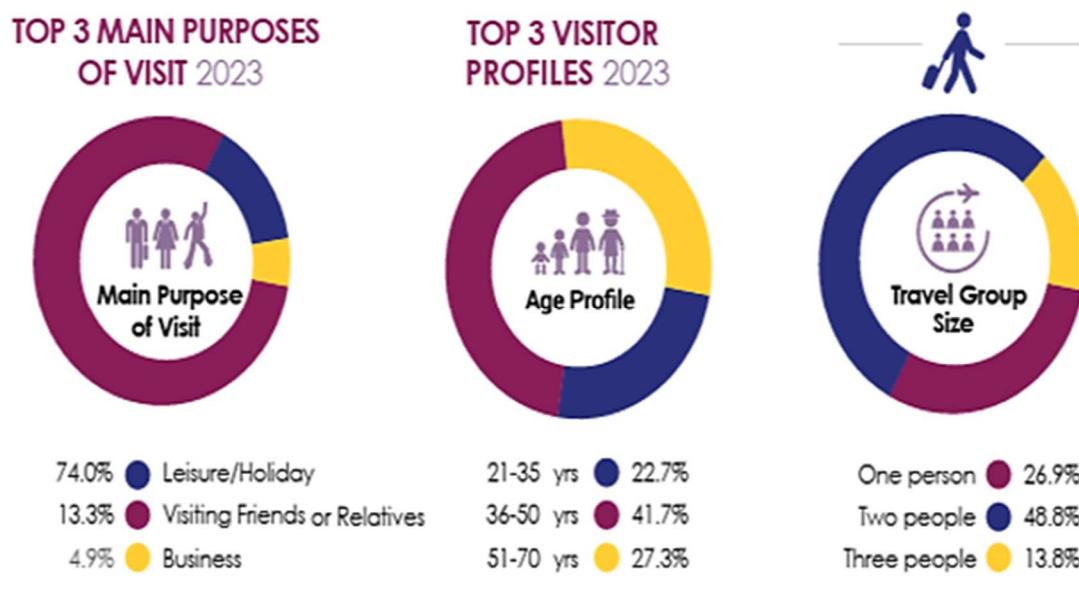


Figure 20: Visitor profile, Overberg District, 2023¹²



The Overberg Regional Tourism Liaison Committee meets on a quarterly basis to discuss the different processes surrounding tourism. Various activities took place in the Overberg, which included the roll-out of training initiatives.

¹² 2024-25 MERO Overberg District

Table 30: Overberg District activity highlights

| Event | Description |
|--|---|
| Welcoming campaigns | An annual event that is aimed at welcoming tourists in our area, and to make them aware of tourist attractions in our region. |
| Engagements with Wesgro | Quarterly RTO meetings in different Western Cape locations. |
| Tourism information session | Partnered with the Department of Tourism to workshop destination marketing and address challenges in the tourism industry. |
| Local tour initiatives Wesgro/ODM and LTOs | With Love from the Locals - the best people to inspire people to visit a place are the people that live there. |
| Filming desks <ul style="list-style-type: none"> • Filming of Netflix movie • DSTV KykNET Series – including Kokkedoer, Jan Braai vir Erfenis and Klein Paradys • Commercials <ul style="list-style-type: none"> - Clothing - Vehicle | The Overberg region is a sought-after filming destination due to its diverse and striking landscapes. It offers a blend of expansive farmlands, dramatic mountains covered in fynbos, and pristine coastal scenes, including iconic drives such as Clarence Drive. The presence of abundant marine wildlife in areas such as Gansbaai makes it ideal for nature documentaries. Additionally, the region benefits from a developed film infrastructure, including local talent, crew, and support services, along with animal training facilities, making it a versatile and efficient choice for various productions. |
| Film and media readiness | To engage local municipalities on the issuing of permits for film and media implementation in the district - Standardising film permits. |
| Extensive tourism marketing campaigns in the district | To form partnerships with WESGRO, DEDAT, LTOs and other stakeholders to package tourism products in the region and embark on extensive marketing campaigns to attract more tourists. |

TRAINING INITIATIVES

The Overberg region hosted various training and development initiatives over the past financial year, offering significant opportunities for skills enhancement and economic growth. These programmes were supported by provincial departments, local municipalities, and non-profit organisations.

Skills Development and Training

- **Nature Guide Training:** DEDAT, in collaboration with the Field Guides Association of South Africa (FGASA), sponsored nature guide training.
- **Disaster Risk Reduction Training:** DEDAT provided this training in Hermanus on 27 August 2024.
- **Wholesale and Retail Sector Exploration:** The Tourism and Business Institute of Southern Africa, together with Overstrand Municipality, offered 22 learners an opportunity to explore the wholesale and retail sectors in the Overstrand.
- **Mobile eCentre Support:** The Mobile eCentre visited Overstrand from 11–14 November 2024, offering computer training and support.
- **Business Skills and Entrepreneurial Development:** Training on business skills and entrepreneurship.
- **Chainsaw Operator Training:** The Department of Local Government partnered for a 3-5 day chainsaw operator training session in Hawston.
- **Free Food and Safety Training:** 22 May 2024.
- **Specific Training Opportunities:** A support session at the Thusong Centre, Hawston, on 12 June 2025 highlighted opportunities for a National Certificate in Surveying, Health and Safety, and Apprentice Bricklaying.
- **Teaching Support and Wireless Networking:** An internship opportunity was available for unemployed Overberg residents.

Market Access and Entrepreneurship

- **Public Employment Services Employer Advocacy:** The Department of Employment and Labour's Public Employment Services (PES) held an advocacy session in Hermanus.
- **Market Readiness Project:** CDI's project on 26 and 27 November 2024 aimed to help businesses expand their market reach.
- **Grootbos Foundation:** Provided entrepreneurship training, workshops, and seed funding opportunities.
- **Overberg Tourism Information Session:** The Western Cape Government and Overberg District hosted a session.

Youth and Rural Development

- **Agricultural Opportunities:** The Western Cape Department of Agriculture offered opportunities to 30 unemployed rural matriculants and 15 students needing Work Integrated Learning in the Overberg District.

Annual Events held during 2024/25 in the Overberg

- Around the Pot MTB Race
- De Hoop Vlei MTB Experience
- Hermanus Fyn Arts Festival
- Kalfiefees
- King Price Race to the Sea
- NAMPO Cape
- Overberg Blue Crane Marathon
- Overberg Gravel Grinder
- Stanford Hils Estate Summer Series of live music events
- Stanford in Bloom
- Swellendam Agricultural Show
- Trans Agulhas Inflatable Boat Challenge
- Voet van Afrika Marathon
- Walker Bay Outdoor
- Whale Of Trail Running Race

EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

The municipality received a DoRA grant for the Expanded Public Works Programme, and with the contribution of own funding the municipality created 149 work opportunities.

EPWP work opportunities were created in the following sectors:

- Infrastructure
- Environmental
- Social

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL

Local Economic Development forms part of the LED, Tourism and Resorts Department. (Chapter 4 (4.1))

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

Social development is the cornerstone of building sustainable communities. It is about improving the wellbeing of every individual in society so that they can reach their full potential. It requires the removal of barriers so that the community can journey as a collective towards their dreams with confidence and dignity. Social development is broadly understood as the overall improvement and enhancement of the quality of life of all people, especially the poor and marginalised.

Service Delivery Highlights 2024/25

Building Safer communities through gender-based violence Ambassadors

- The Western Cape Department of Social Development (DSD) launched its Gender-based Violence (GBV) Ambassador model during a ceremony held on 6 August 2024 in Grabouw.
- This is the third model of its kind in the province and forms part of the Departments commitment to supporting victims of GBV. DSD has worked with the Department of Police Oversight and Community Safety; the Overberg District Municipality; Theewaterskloof Municipality; DSD partner NGOs and SAPS to develop the programme.
- GBV ambassador, Christina Kaptein said: “Many women suffer due to violence and abuse. I’ve made it my duty to support those that cannot stand up for themselves. I want to stand up for them, be a voice for them, and help them.”
- The GBV ambassador programme continues to be a cornerstone initiative in the Overberg District, designed to empower local communities in their fight against gender-based violence.
- Through dynamic collaboration between the Department of Social Development (DSD), the Department of Police Oversight and Community Safety, Overberg District Municipality and various grassroots organisations, the programme brings together passionate individuals committed to prevention, support and advocacy.
- Operating in both Swellendam and Grabouw, the programme reflects a tailored, community-oriented approach, recognising that local contexts demand unique interventions.
- From strategic planning to community engagement events, ambassadors have demonstrated commitment to creating safer spaces, raising awareness and amplifying the voices of those affected by gender-based violence.

- More than 60 volunteers received training to date and the purpose of the programme is to provide information about victim support programmes and services available for intervention as well as the prevention of GBV in the targeted communities.

Successes

- Regular DSD check-ins with ambassadors, facilitating reflection and debriefing.
- The ambassadors hosted a successful family day event in Siteview as part of the 16 Days of Activism campaign, attended by more than 90 members of the community, placing the spotlight on community resilience.
- Collaborative efforts amongst stakeholders that ensure pooling of resources.

Challenges

- Drop in ambassador numbers due to employment transitions.
- Formal MOUs needed between DSD and host organisations to clarify roles and responsibilities.
- Consideration of stipends for these volunteers.



GBV Ambassadors, Grabouw

Youth Support Programmes

Empowering Youth Through the Arts: Overberg Drama Initiative Takes Centre Stage

- The Overberg District Municipality (ODM), in partnership with the Department of Arts and Culture, led a transformative youth development initiative focused on drama and performing arts.
- The festival has resulted in over 20 applications received from across the province, of which five of the performing groups from the Overberg District participated.
- A three-day capacity building workshop culminated in a vibrant showcase of talent and a grand finale held at the prestigious Baxter Theatre.
- This initiative not only celebrated emerging local talent but also provided a powerful platform for expression, confidence-building, and cultural enrichment through the performing arts.



Career Opportunities showcase

- As part of Youth Day celebrations, the Cape Agulhas municipality proudly hosted a Career Exhibition at the Glaskasteel Community Hall in Bredasdorp.
- The exhibition featured a wide range of educational institutions, support programmes and government departments, creating a dynamic environment for learning, networking and growth.
- The ODM played a vital role in ensuring inclusive participation by providing transport to the venue and educating attendees on fire awareness and safety.



Career Expo, Cape Agulhas

Youth conference called for youth to rise

- The Community Action Partnership, together with a host of dedicated partners, brought together young minds for a powerful Youth Conference held in Swellendam.
- With around a 140 young people in attendance, the conference fostered open and thought-provoking discussions on topics such as teenage pregnancy, substance abuse, school dropout and broader social and economic challenges.
- The event was a strong reminder that when young voices are heard, real transformation is possible.
- NYDA presented a five-day business development programme for 30 young people from Swellendam in partnership with the Community Development Worker Programme and the Overberg District Municipality.
- Basic first-aid training was presented to 30 members of the community in Cape Agulhas.

Rebuilding Lives: Social Reintegration Programme for Parolees

- In a collaborative effort to support community reintegration, the Overberg district municipality's Emergency and Rescue division, in partnership with the Department of Correctional Services and the Community Action Partnership organisation, launched a capacity-building initiative aimed at equipping parolees with essential life and vocational skills.
- Participants received training in Basic Firefighting, Basic First Aid and Life skills, with a strong emphasis on self-awareness, confidence building and personal development.
- This initiative reflects a shared commitment to rehabilitation and community upliftment, offering parolees a meaningful path toward reintegration and self-sufficiency.

Substance use prevention programmes

Empowering communities through recovery support training

- The Western Cape Department of Social Development hosted a dynamic three-day ALLY training session, aimed at enhancing local responses to substance use challenges in communities. This initiative was carried out in partnership with the Overberg District Municipality.
- The training equipped attendees with essential knowledge and hands-on tools to support individuals on the path to recovery.
- The training was based on a framework designed for individuals who are not in recovery themselves but are committed to becoming effective recovery support professionals.
- It offers foundational insights and practical skills to assist those affected by substance use disorders (SUDs), forming part of a broader strategy to build an inclusive, trauma-informed and evidence-based recovery support workforce.
- This initiative aims to establish sustainable support networks in communities, providing ongoing assistance to individuals navigating recovery.
- Other substance use interventions included peer support groups established at Albert Myburgh.
- Parent/Caregiver support capacity building sessions held.

Other interventions

- Humanitarian relief information sharing sessions conducted for B-municipalities in partnership with the Department of Social Development.
- Gender mainstreaming capacity building workshops hosted for Gender Focal Persons in partnership with the Department of Local Government and the Commission for Gender Equality.
- Quarterly Social Development Coordinating forum meetings held for the district.
- Hosted a delegation from the Swedish International Centre for Local Democracy and presented on the status of gender-based violence.
- Mental health awareness to internal and external stakeholders.
- Variety of 16 Days of Activism interventions included roadshows, pamphlet distribution, open days, marches and street imbizos.

COMMENT ON SOCIAL SERVICES PERFORMANCE OVERALL

In order to meet operational needs and improve operational efficiency, the social services function resides in the Department of Emergency Services.

Funding for projects is primarily provided by grants received (e.g. Fire Safety Grant) and cooperation engagements between other spheres of government and local municipalities that co-fund events.

COMPONENT E: ENVIRONMENTAL PROTECTION

INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental protection is managed in terms of section 24 of the Constitution, the National Environmental Management Act (Act 107 of 1998) [NEMA], the Coastal Management Act (Act 24 of 2008), the National Environmental Management Waste Act (Act 59 of 2008), the Environmental Management: Biodiversity Act (Act 10 of 2004), the Environmental Management: Air Quality Act (Act 39 of 2004) and the National Health Act (Act 61 of 2003). Environmental management is defined as an activity with the goal to maintain and improve the state of environmental resources affected by human activities.

3.6 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

Section 30 of the NEMA provides for the control of emergency incidents. This is a measure to protect the environment so that the rights enshrined in section 24 of the Constitution can be realised.

The following departments form part of the municipality's section 30 integrated response team.

- Fire and Disaster Management – First response and containment of the situation (HAZMAT);
- Municipal Health Services – Monitoring the impact on communities and receiving environment; and
- Environmental Management Services – Monitoring impacts on the environment and reporting to the provincial authorities.

Table 31: Section 30 incidents

| Section 30 incidents reported | | |
|---|---|---|
| Nature of incident | Submission of Emergency Incident Report | Closure of Section 30 Incident |
| Diesel spill on the R316, Caledon-Napier | Reported to DEA&DP, 14 August 2023 | No, pending – owner could not be identified |
| Diesel spillage on N2 in Swellendam, estimated 150–200 litres | Reported to DEA&DP, 10 October 2024 | Yes, on 9 January 2025 |
| Petrol contamination in drinking water at Baardskeerdersbos fuel station | Reported to DEA&DP, 18 February 2025 | No, pending |
| N2 near Boontjieskraal, 50 litres of diesel spillage due to truck collision | Reported to DEA&DP, 18 June 2025 | No, pending |

Table 32: Atmospheric emission licence holders

| Business | Type of industry | Status | Subdistrict | Date issued |
|-----------------------|------------------------------|--------|-----------------|-------------------|
| Gansbaai Marine | Fish meal production | AEL | Overstrand | 19 November 2021 |
| Bredasdorp Lime Works | Production of lime products | *PAEL | Cape Agulhas | 12 September 2022 |
| Bredasdorp Steenwerke | Manufacturing of clay bricks | AEL | Cape Agulhas | 30 July 2021 |
| Botrivier Steenwerke | Manufacturing of clay bricks | AEL | Overstrand | 19 November 2021 |
| Beukes Steenwerke | Manufacturing of clay bricks | AEL | Theewaterskloof | 20 May 2022 |

*Provisional atmospheric emission licence (PAEL) – only valid for one year but also depending on compliance by the facility. A PAEL is also issued if a facility is under construction – as is the case with Bredasdorp Lime Works. After every year, the PAEL will be reviewed for compliance in accordance with set conditions, whereafter a final licence (AEL) will be issued if the facility complied in the previous six-month period. The AEL is valid for a five-year period.

The industries report quarterly to the licensing authority on their compliance with the licence conditions, as well as to the national Department of Environmental Affairs. Continuous monitoring took place at the relevant premises. The industry cooperated very well with the requirements expected of them. No complaints were received from the community about the listed activities and controlled emitters industry.

Municipal health practitioners dealt with several air pollution complaints such as fumes, smoke, dust, offensive odors and unlicensed facilities.

The prevention and rectification of soil pollution also forms an integral part of pollution control. Complaints are investigated and remedial action is taken where necessary. One of the daily functions of MHS is the identification and monitoring of premises to ensure that no pollution occurs.

Service delivery highlights for 2024/25

Overberg is mandated by the Air Quality Act (Act 39 of 2004) to manage, coordinate and ensure compliance with the statutory requirements of the air quality licensing function by issuing atmospheric emission licences to industries and monitoring compliance.

- Overberg District Municipality's Environmental Health Practitioners, designated as air quality services officers, embarked on a number of activities to ensure industries' compliance with Air Quality legislative requirements
- To ensure continuous planning on monitoring of regional ambient air quality, the review of the Air Quality Management plan resumed. Public participation was conducted through various communication platforms, which comprise door-to-door surveys in communities and online surveys. Participants in the survey included Overberg residents, professionals, provincial department and industries, with a total of 180 survey questionnaires received to date.
- Major issues raised by community members as a concern include those pertaining to odours from illegal dumping and wastewater treatment plants.
- Information collected during the survey will be analysed and incorporated in the reviewed air quality Management Plan.
- Overberg DM managed to establish an internal air quality forum structure, responsible for planning air quality activities. The forum is represented by elected champions from each sub-district in Cape Agulhas, Swellendam, Overstrand and Theewaterskloof.
- Annual reports and quarterly reports from five AEL holders were received and evaluated.

Comment on the performance of pollution control overall

The function of pollution control is performed by the Department of Environmental Management and the Department of Municipal Health Services respectively, and forms part of their budget.

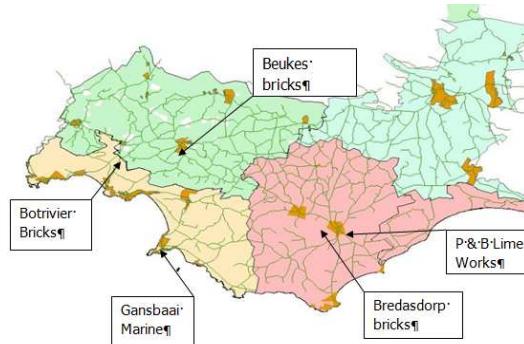
3.7 ENVIRONMENTAL MANAGEMENT

INTRODUCTION TO ENVIRONMENTAL MANAGEMENT

The Overberg District Municipality promotes sustainability through its Environmental Management Policy and other strategic documents, such as the Spatial Development Framework and 5th Generation Integrated Development Plan.

The municipality remains actively engaged with a broad spectrum of stakeholders to champion sustainable natural resource management, integrate environmental policies into core development practices, and strengthen governance frameworks across the sector.

Figure 21: Geographical distribution of atmospheric emission license holders



CLIMATE CHANGE RESPONSE

The Climate Change Act (Act 22 of 2024) came into effect in March 2025. The Act mandates that provincial, metropolitan, and district municipalities conduct a comprehensive climate change needs and response assessment to identify local risks, vulnerabilities and strategies using the best available science. Based on this assessment, municipalities must develop and publish a climate change response implementation plan — incorporating both adaptation and mitigation measures — in alignment with legal frameworks and government guidelines. Additionally, municipalities must establish a Municipal Forum on Climate Change to coordinate actions and report to the corresponding Provincial Forum.

Since the Act came into effect, the ODM, with assistance of the Western Cape Department of Environmental Affairs and Development Planning commenced with the drafting of the Overberg Climate Change Needs and Response Assessment.

The Overberg Climate Change and Biodiversity forum is still actively focused on capacity building and support at local municipal level. In addition to the quarterly forum meetings, the ODM, in partnership with the Department of Forestry, Fisheries, and the Environment, SALGA and the Western Cape Department of Environmental Affairs and Development Planning hosted a two-day Overberg Climate Change and Biodiversity Indaba aimed at fostering collaboration and commitment in the Overberg District and to prioritise local adaptation efforts, overcome barriers to integrating climate risks into planning, and incorporate climate change response into existing frameworks, thus creating a climate-resilient District.

BIODIVERSITY MANAGEMENT

1. Alien invasive vegetation control

The National Environmental Management: Biodiversity Act (Act 10 of 2004) requires the municipality to take responsibility for the management and control of alien invasive species on its properties. The municipality therefore plans, budgets and implements invasive alien clearing projects, in partnership with various role players, in order to address this responsibility through its own funding and EPWP grant funding when available.

1.1 ODM Alien Invasive Species Monitoring, Control and Eradication Plan

The review of the ODM's Alien Invasive Species Monitoring, Control and Eradication Plan (AIS Control Plan) was completed. As part of the review, five priority properties were identified and an implementation plan for each property was developed.

Table 33: Own property alien invasive clearing

| Date | Property | Project phase | Hectares cleared |
|------------------------|--------------------------------------|---------------|------------------|
| November/December 2024 | Portion 79 of Farm 575, Afdaksrivier | Follow-up | 30 |
| January/February 2025 | Portion 79 of Farm 575, Afdaksrivier | Initial | 28 |

1.2 EPWP alien vegetation clearing project

The Nuwejaars Wetland Restoration project is part of a multi-year initiative managed by the Nuwejaars Special Management Area and is mainly funded by WWF. ODM's contribution enables the project to expand the work team to increase output targets. This initiative was very well received by the main project funder.

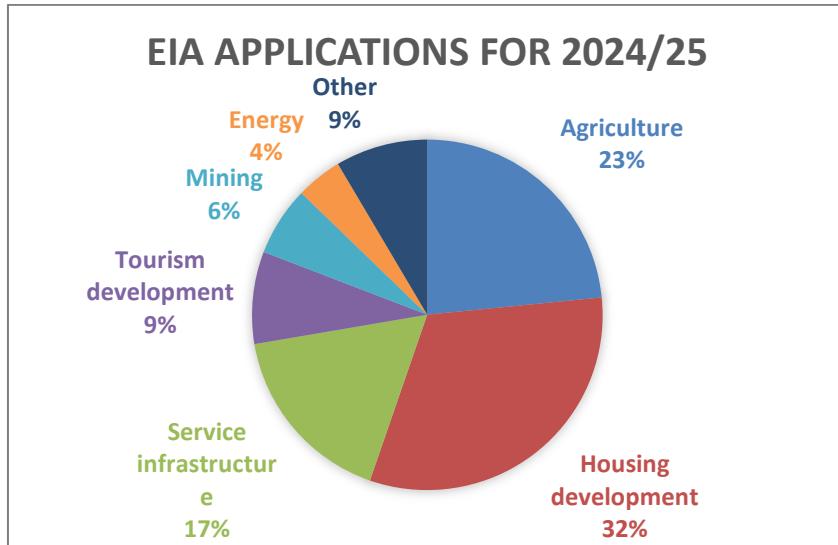
Table 34: Environmental Management – EPWP alien vegetation clearing project

| Project name | Project description | Project period | Number of work opportunities |
|----------------------------------|--|----------------|------------------------------|
| River and wetland rehabilitation | Removal of alien vegetation within the Nuwejaars River and wetland systems | 85 days | 10 |

2. Evaluation of land use applications and environmental impact assessments

The municipality continues to act as a commenting authority for any development application within its area of jurisdiction. The Spatial Development Framework together with set criterion based on the principles of sustainability (which includes the protection and conservation of endangered/threatened ecosystems, Critical Biodiversity Areas and Ecological Support Areas) is used to ensure consistency. A total of 47 applications were evaluated this past year.

Figure 16: Development applications assessed per sector



COASTAL AND CATCHMENT MANAGEMENT

The Overberg District Municipality facilitates the Municipal Coastal Committee (MCC) to integrate coastal management and promote discussion between all role players. The MCC reports on a quarterly basis to the Community Services Portfolio Committee to keep Council informed of the discussions. The municipality is represented on the National Coastal Committee, Provincial Coastal Committee, Estuary Advisory Forums, Erosion Task Team and Estuary Task Team engagements.

The municipality continues to play an oversight and coordination role and performs coastal and catchment monitoring in order to inform and advise the municipality and role players on required actions.

The municipality has reviewed its Coastal Management Programme (CMP). In essence, the CMP is a policy or strategy document that contains a system of principles to guide decisions and achieve rational outcomes relating to the coastal environment. CMPs consist of three core components, namely a situational analysis (sometimes referred to as a status quo assessment or inventory analysis), a vision and objectives setting component (which includes public consultation), as well as a programme of implementation (which includes specific strategies and policy directives).

The coastal vision encompasses the future desired state of the coastal zone but also embodies the principles of the NEM:ICM Act, and thus provides the framework for strategic planning. Coastal management objectives (CMOs) are then formulated for each of the priority areas as statements of intent, to express what needs to be achieved to realise the overall vision. Following this, specific objectives are devised as detailed steps to achieve each goal.

Service delivery highlights for 2024/25

- Overberg Climate Change and Biodiversity Indaba.
- Establishment of a partnership with the Department of Environmental Affairs and Development Planning to draft the Climate Change Needs and Response Assessment.
- Initiated the engagement of the Middelvlei Homeowners' Association in collaboration with DEA&DP and Overstrand Municipality regarding the Coastal Access to the Botrivier mouth.
- Turtle Hatchling Rescue Stats – During the past season, a total of 606 hatchlings were rescued, of which 82% were from the Overberg, covering areas from De Hoop to Betty's Bay, due to excellent collaboration with the Two Oceans Aquarium.
- Coastal inspection - regular coastal and catchment inspections were conducted in the four municipal areas. A total of 44 areas were inspected, covering 300 km of the Overberg coastline. A total of 6 775 km was covered through inspections and other coastal-related activities.

Service delivery challenges for 2024/25

- Climate change has been identified as a strategic risk within the municipality. However, strategic planning and budgeting for climate change response across all line functions remain a challenge.
- Coastal Management has been identified as a strategic risk within the municipality. However, strategic planning, budgeting, coastal officers, and available resources for coastal management implementation across all line functions in a local municipality remain a challenge.

Table 35: Employees: Environmental Management

| Employees: Environmental Management | | | | | |
|-------------------------------------|------------------|----------------|-----------|-----------|-----------------------------------|
| Job Level | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 1 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 4 | 4 | 4 | 0 | 0.00% |

Table 36: Financial performance: Environmental Management

| Financial Performance: Environmental Management | | | | | | |
|---|----------------|-----------------|-------------------|----------------|-----------------------------------|-----------------------------------|
| Details | 2023/24 | 2024/25 | | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | Variance to Adjustment Budget (R) |
| Total Operational Revenue | 10 | 130 | 130 | 8 | -94 | (122) |
| Expenditure: | | | | | | |
| Employees | 2 881 | 3 206 | 3 206 | 3 142 | -2 | (65) |
| Repairs and Maintenance | | | | | | |
| Other | 329 | 553 | 563 | 298 | -47 | (266) |
| Total Operational Expenditure | 3 210 | 3 759 | 3 769 | 3 439 | -9 | (330) |
| Net Operational Surplus/(Deficit) | (3 200) | (3 629) | (3 639) | (3 431) | -6 | 209 |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | |

Table 37: Capital expenditure: Environmental Management

| Capital Expenditure: Environmental Management | | | | | | |
|---|---------|-------------------|--------------------|---------------------------------|---------------------|-----------------------------------|
| Capital Projects | 2024/25 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget | Total Project Value | Variance to Adjustment Budget (R) |
| Total All | 481 | 477 | 475 | 0% | | (1.95) |

COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL MANAGEMENT

The operational cost of the function consists mostly of employee-related costs, with limited revenue projections and receipts. The department performs numerous advisory functions in the district, and this positively contributes to the district environment.

For the 2024/25 financial year, budgeted provision was made for the purchase of a vehicle to perform the functions of the department. The project was funded from internal resources and successfully completed by 30 June 2025.

COMPONENT F: HEALTH

3.8 MUNICIPAL HEALTH SERVICES (HEALTH INSPECTION)

INTRODUCTION TO HEALTH

The Constitution of the Republic of South Africa (Act 108 of 1996) allocates municipal health services (MHS) as a local government function under Part B of Schedule 4, section 156(1)(a). The Local Government: Municipal Structures Act (Act 117 of 1998), section 84, refers to the specific functions assigned to the district. *On the other hand, the National Health Act (Act 61 of 2003) defines MHS as follows:*

Water Quality Monitoring, Food Control, Waste Management, Health Surveillance of Premises, Surveillance and prevention of communicable diseases, excluding immunisation, Vector Control, Pollution Control, Disposal of the dead, Chemical safety. Excluding Port Health, Malaria Control and control of Hazardous Substances.

The Municipal Health and Air Quality Services Department renders services to improve quality of life through an integrated approach. Skilled professionals deliver services in collaboration with stakeholders from various satellite offices in **Swellendam, Bredasdorp, Struisbaai, Hermanus, Kleinmond, Gansbaai, Caledon, Villiersdorp and Grabouw**.

Officials embark on daily routine inspection activities. Services are delivered throughout the Overberg District Municipality jurisdiction as a basket consisting of Municipal Health and Air Quality Services. The aim of the inspections conducted is to protect public health.

The following activities are highlights of the department for the 2024/25 financial year, conducted between 1 July 2024 and 30 June 2025:

SPECIAL MUNICIPAL HEALTH SERVICES PROJECTS

Revenue Enhancement and Optimisation

The main aim of the project was to enable the municipality to develop a database system of premises that require annual renewal of licences/certificates. The database will be utilised for inspection planning and billing purposes under the Municipal Health and Air Quality Services Department. The municipality was without a credible, updated database on premises and businesses to effectively formulate policies, review annual tariff structures for revenue projection and resource allocation to render the service and review the MHS By-Law.

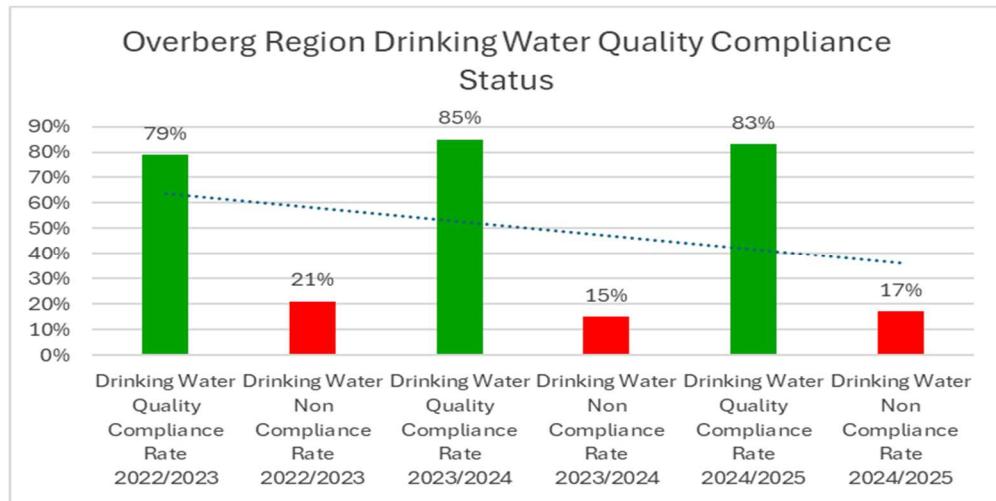
The project collected various data for Municipal Health and Air Quality Services functions, such as Food Safety, Surveillance of premises and Disposal of the dead facilities, including industries required to have a licence and certificates. Three environmental health practitioners, together with EPWP Data collectors and capturers, implemented the programme throughout the district at satellite offices, going door to door collecting businesses' details and issuing application forms for certification of compliance with health requirements.

This project will increase the revenue and is a huge milestone for the department. Through this project, the municipality was able to collect enough data on premises operating various businesses such as supermarkets, restaurants, accommodation establishments, spaza shops and bakeries.

WATER QUALITY MONITORING

Municipal Health Services monitor the quality of drinking water on a monthly basis to ascertain compliance with drinking water standards throughout the ODM Region. For the period under review, the annual drinking water compliance rate was 83% with a non-compliance rate of 17%. Drinking water compliance dropped by 2% compared with July 2023 to June 2024 compliance. A compliance rate of 83% is a clear indication that most water in part of the district was deemed fit for human consumption.

Figure 22: Overberg drinking water quality compliance status



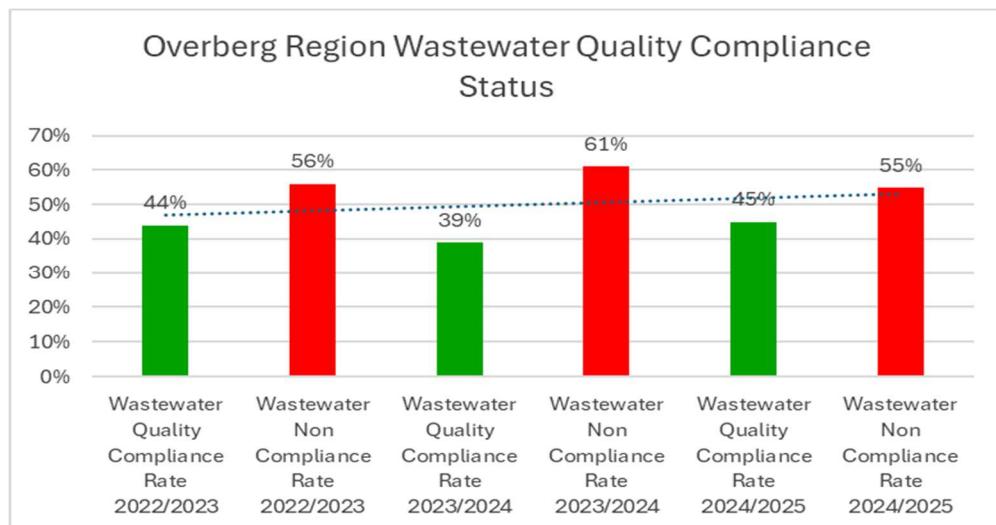
- Waterborne diseases are relatively reported within the region and range in medium proportion in terms of diarrhoea diseases, with 281 cases reported between November 2024 and June 2025.
- Cases such as hepatitis A, agricultural remedy poisoning and bilharzia cases remain the most dominant cases of outbreak spread throughout the region but are relatively low in numbers.
- Monitoring of the quality of drinking water to ascertain compliance with drinking water standards throughout the ODM jurisdiction.
- Implementation of the Water and Wastewater monitoring programme monthly to ensure water is safe for human consumption.
- Inspection of community water supplies and infrastructure.
- Compilation of a water analysis report for B-municipalities and industries.
- Communication with community members and stakeholders in terms of potential unsafe water supply.

WASTEWATER QUALITY MONITORING

The department conducts a monthly wastewater monitoring programme to determine the compliance of final effluent from wastewater treatment plants or oxidation ponds. The sampling programme is designed to cover all wastewater treatment facilities and monitor compliance with national standards.

The Overberg region's annual wastewater compliance rate is 45% compared with 39% during the 2023/24 reporting period, with an improvement of 6%. Unfortunately, the region's non-compliance rate remains very high at 55%, regardless of the 6% improvement. Overberg region wastewater compliance is the lowest in the Western Cape Province.

Figure 23: Overberg region wastewater compliance rate status



Facilities that continuously failed to comply with national effluent standards are Theewaterskloof with 58% non-compliance and Swellendam with 55% non-compliance. The only B-municipalities with a better compliance rate above 60% are Overstrand with 65% compliance and Cape Agulhas with 67% compliance.

B-municipalities contributing to the low compliance district compliance rate should prioritise operations management, the refurbishment of waste treatment plants and construction of additional facilities to respond to town expansions.

Vibrio cholera monitoring

To establish efficiency in effluent discharged from wastewater plants, periodic sampling of cholera is conducted. Vibrio cholera analysis from the Overberg region provided some positive samples, with cholera detected.

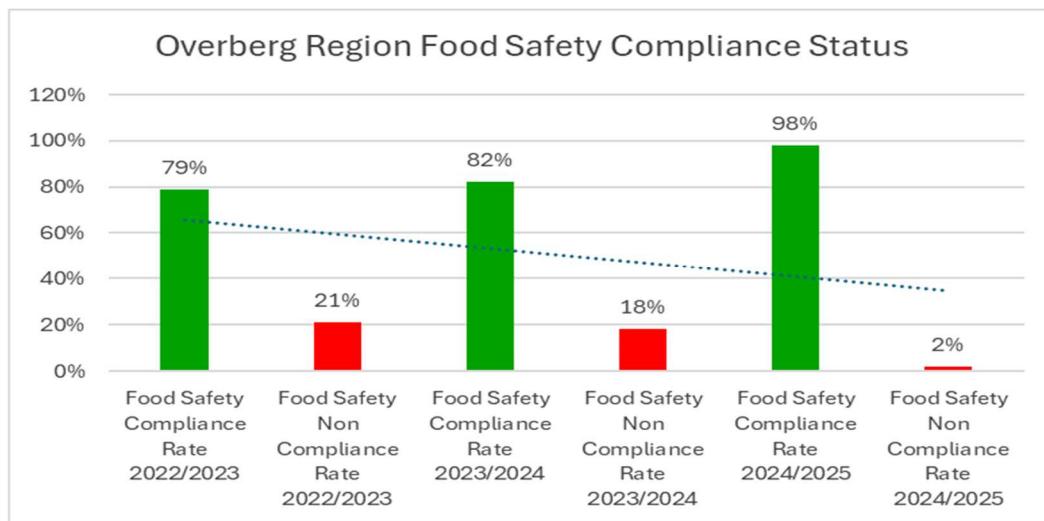
- A total of 18 of vibrio cholera collected in Cape Agulhas with 100% compliance; vibrio cholera was not detected in the other B-municipalities.
- Swellendam Municipality collected and analysed eight vibrio cholera samples, all of which tested positive. Isolates were referred to the NHLS for further testing to determine whether the isolates were toxigenic or non-toxigenic for vibrio cholera. The test results from the NHLS showed non-toxicity to human health.

FOOD SAFETY MONITORING

Food Sampling

The 2024/25 annual compliance rate is 98%, with an increase in compliance of 16%. Foodstuff samples were sampled at various premises such as supermarkets, takeaways, schools, old-age homes and day-care centres.

Figure 24: Overberg food safety compliance status



Food compliance improvement of 16% was achieved through an intensified monitoring programme, which included food safety training provided to 281 food handlers who were trained and provided with training certificates. Environmental Health Practitioners also embarked on a number of blitzes with stakeholders comprising SAPS, law enforcement and Home Affairs Immigration, targeting food premises within informal settlements and townships to ensure compliance with food safety requirements.

Environmental Health Practitioners inspected a total of 2 566 food premises, such as supermarkets, butcheries, restaurants, takeaways, spaza shops and production facilities, including warehouses, to determine compliance with food safety requirements. Food premises found compliant were issued with a Certificate of Acceptability, with a total of 745 such certificates issued to complying food premises. The current annual food premises compliance rate is 77%, with non-compliance issues due to the repackaging of foodstuff, premises certification and general hygiene requirements as the main non-compliance findings.

FOOD SAFETY COMPLIANCE: SPAZA SHOPS

Following food poisoning incidents across the country and the address by the President, Mr Cyril Ramaphosa, on 15 November 2024, the ODM, as mandated, monitored food safety within the Overberg region to ensure that public health is protected. A multi-stakeholder task team was established to respond to the classified disaster. To ensure uniformity, a response plan was developed for implementation across the district and was approved by all stakeholders.

The response operations teams were divided as follows: District JOC, Overberg law enforcement agencies for operations with four sub-region task teams as follows: Overstrand task team, Cape Agulhas task team, Theewaterskloof task team and Swellendam task team. The main aim of the plan was preventative, focusing on the following deliverables:

- Protect children from exposure to harmful substances.
- Prevent future outbreaks.
- Ensure compliance with foodstuff and hazardous substances legislation.
- Get hazardous pesticides off the street. Daily task team members (43) on the ground comprise environmental health practitioners, SAPS and B- municipality officials, including Waste Management, Town Planning, Law Enforcement and EPWP.
- Food products were removed due to labelling, expiration, damaged and spoiled goods - products removed from premises included meat, chips, various snacks and eggs.

Service delivery challenges

- High volume of applications versus number of EHPs that affect turnaround time to attend to applications
- South African produced products are mainly found as counterfeit goods.
- Food establishment misinformed of processes to be followed when applying for a business licence. The food premises owner is under the impression that the Certification of Acceptability issued by the Environmental Health Inspector is a business licence permit.
- Pest control products are easily available for utilising within food establishments.
- Business permit for foreign nationals to receive business licences and certifications.

SPECIAL FOOD SAFETY COMPLIANCE PROGRAMME EVENTS MONITORING

Food samples were taken at a VIP catering event. The samples taken were kept in fridges and if no notification was received of attendees falling ill, the samples were disposed of.

SURVEILLANCE OF PREMISES

A total of 1 430 premises were inspected during 2024/25 compared with 1 188 premises inspected during 2023/24. Inspections are conducted to determine compliance and certification, and a total of 282 Health Certificates were issued during the period. Health Certificates were issued to complying health facilities, beauty salons, accommodation establishments, old-age homes, aftercare facilities, schools and early childhood development centres.

Inspections are conducted to ascertain compliance with the Overberg Municipal Health Services requirements, By-law 2019. The compliance rate under this category was 77%, with 23% of inspected premises non-compliant. Intensified compliance monitoring programmes are planned for 2025/26 to improve the compliance rate.

TOWN PLANNING

Environmental Health Practitioners are involved when new developments are implemented within the region. EHPs assess various development plans ranging from house-building plans and economic activities' development plans.

This is to ensure that all developments comply with Municipal Health Services requirements. During the reporting period, 124 building plans and 50 town planning development applications were received, assessed and evaluated, with comments submitted to all B-municipalities.

COMMUNITY COMPLAINTS

Community members lodge various types of complaints regarding aspects such as odour, blocked sewage and foodstuff. A total of 133 community complaints, compared with 148 during the 2023/24 period, were handled during the period. Investigations were conducted and all complaints were addressed.

Figure 25: Overberg region community complaints management

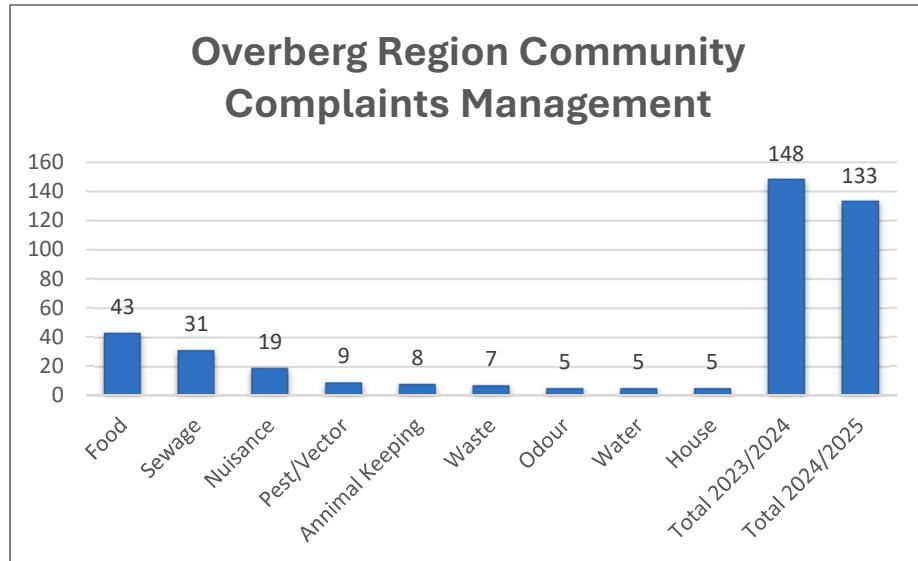


Table 38: Employees: Municipal Health

| Employee: Municipal Health | | | | | |
|----------------------------|------------------|----------------|-----------|-----------|-----------------------------------|
| Job Level | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 1 | 1 | 1 | 0 | 0.00% |
| 7 - 9 | 3 | 4 | 3 | 1 | 25.00% |
| 10 - 12 | 13 | 12 | 12 | 0 | 0.00% |
| 13 - 15 | 5 | 5 | 4 | 1 | 20.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 22 | 22 | 20 | 2 | 9.09% |

Table 39: Financial performance: Municipal Health Services

| Financial Performance: Municipal Health Services | | | | | | |
|--|----------|-----------------|-------------------|----------|-----------------------------------|-----------------------------------|
| Details | 2023/24 | 2024/25 | | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | Variance to Adjustment Budget (R) |
| Total Operational Revenue | 926 | 4 262 | 4 362 | 2 609 | -40 | (1 753) |
| Expenditure: | | | | | | |
| Employees | 15 756 | 18 618 | 16 418 | 15 596 | -5 | (822) |
| Repairs and Maintenance | | | | | | |
| Other | 2 338 | 3 680 | 4 080 | 3 484 | -15 | (596) |
| Total Operational Expenditure | 18 094 | 22 298 | 20 497 | 19 080 | -7 | (1 417) |
| Net Operational Surplus/(Deficit) | (17 168) | (18 036) | (16 136) | (16 471) | 2 | (336) |
| Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget. | | | | | | |

Table 40: Capital expenditure: Municipal Health Services

| Capital Projects | Capital Expenditure: Municipal Health Services | | | | | | R'000 |
|------------------|--|--------------------|---------------------------------|---------------------|-----------------------------------|--|-------|
| | 2024/25 | | | | | | |
| Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget | Total Project Value | Variance to Adjustment Budget (R) | | |
| Total All | 530 | 268 | 180 | -32.77% | | | (88) |

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS OVERALL

One of the main responsibilities of the municipality is to provide municipal health services in the district. At year-end, the staff complement consisted of 20 officials. Employee-related cost was R15.6 million. at year-end compared to the R16.4 million adjustment budget. The function managed to spend 95% of their adjustment budget.

The function is also generating revenue in terms of licences and permits billed for the different types of services rendered. The department has been embarking on a drive to increase revenue and numerous projects have been launched as revenue enhancement initiatives. Applications for funding were also made to the provincial government, and a budget was allocated to support the municipal revenue enhancement initiatives. These projects are multi-year and will continue into the 2025/26 financial year.

COMPONENT G: SECURITY AND SAFETY

The Emergency Department of the ODM performs a joint fire and disaster management function in the district, which is controlled by the regional control centre in Bredasdorp.

3.9 EMERGENCY SERVICES (FIRE SERVICES)

INTRODUCTION TO FIRE SERVICES



The Overberg District Municipality provides a full fire service as per the Fire Brigade Service Act (Act 99 of 1987) to the Cape Agulhas, Theewaterskloof and Swellendam municipalities in terms of an agreement on the level of fire services rendered, and a cooperation agreement exists between Overstrand Municipality and the ODM.

Purpose of service: Manage, coordinate and deliver fire services across the district.

Functions Include:

- Bush and veld fire response: Rapid deployment to wildland fires, minimising environmental damage and protecting rural communities.
- Structural firefighting for B-municipalities: Providing firefighting support to municipalities, ensuring coverage where local capacity may be limited.
- Equipment and infrastructure standardisation: Promoting uniformity in tools, vehicles, and facilities to enhance interoperability and safety.
- Firefighter training and recruitment: Driving professional development and expanding the workforce through targeted recruitment and accredited training programmes.
- Community education on fire safety: Engaging communities through awareness campaigns and educational initiatives to reduce fire risks and promote prevention.

The division's integrated approach ensures that fire services remain responsive, resilient and aligned with the district's broader safety objectives.

SANS Code Compliance

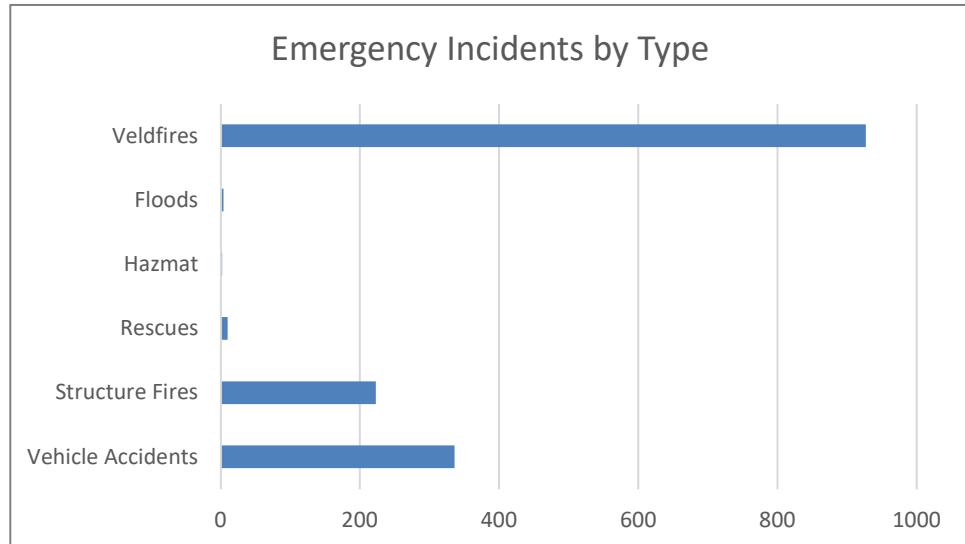
Target staffing is 12 firefighters per shift and one station officer per section. Recruitment is ongoing to address vacancies and operational requirements.

Incidents

During the reporting year, Fire Services responded to a total of 1 502 emergency incidents, ranging from veldfires to structural fires and rescue operations.

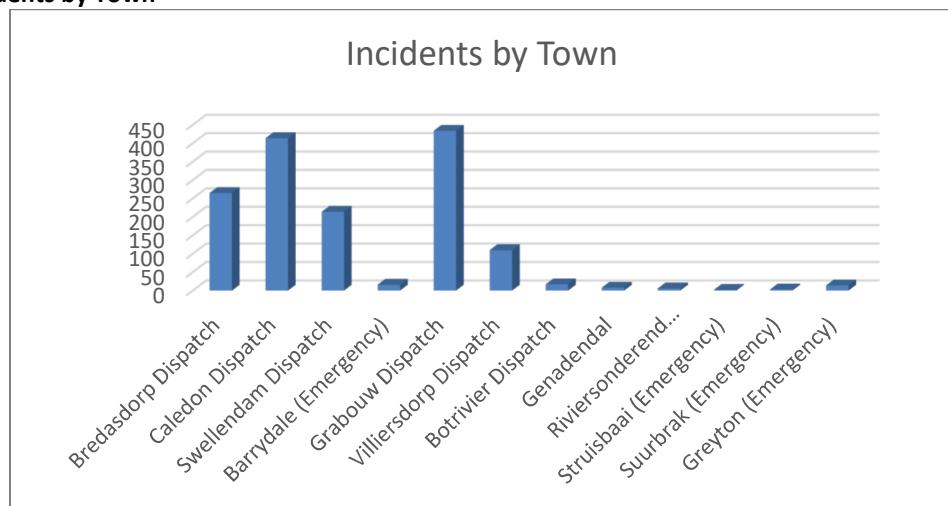
This high volume of responses underscores the department's critical role in safeguarding lives and property across the district. Through rapid mobilisation, skilled personnel and coordinated efforts with local stakeholders, Fire Services continued to deliver timely and effective emergency interventions, even under resource constraints.

Figure 26: Emergency Incidents by type



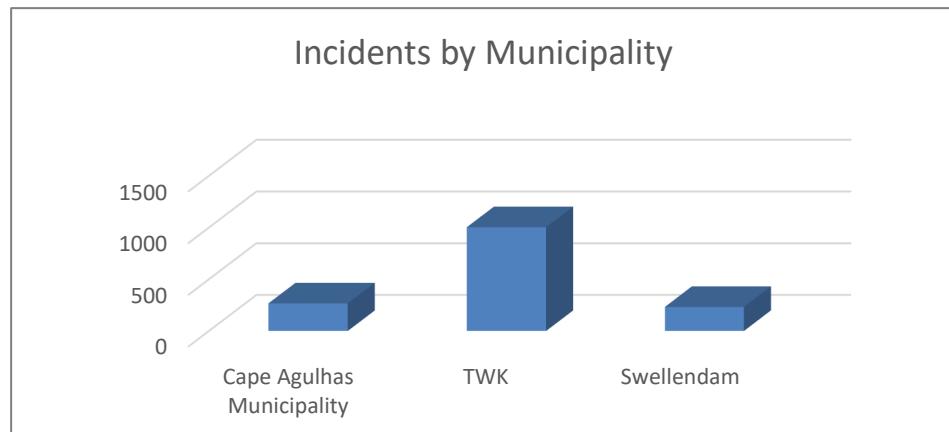
Veldfires remain the primary incidents dealt with in the Overberg. The effect of climate change as well as the expansion of informal settlements into the urban interphase was felt with a year-on-year increase of 891 incidents in 2023/24 and 927 in 2024/25.

Figure 27: Incidents by Town



Caledon and Grabouw remain the busiest stations with the highest operational cost due to old plantation fires and increase in informal settlement fires.

Figure 28: Incidents per municipality



Theewaterskloof remains the most active municipality and user of our services, both as part of their function with respect to structural fires as well as other incidents.

Table 41: Fire Services data

| Details | 2023/24 | 2024/25 |
|---|--|--|
| | Actual Number | Actual Number |
| Total incidents attended to in the year | 1 476 | 1 502 |
| Average *turnout time – urban areas | Turnout time for all calls - 4 min. | Turnout time for all calls - 4 min. |
| Average *turnout time – rural areas | Turnout time for all calls - 4 min. (travel time to the incident will depend on distance from stations) | Turnout time for all calls - 4 min. (travel time to the incident will depend on distance from stations) |
| Number of firefighters at year-end | 54 | 60 |
| Total number of fire vehicles at year-end | 37 | 40 |
| Average number of appliances off the road during the year | 2 | 3 |

**Turnout – From call received to leaving station*

Administration and Training Division

The Administration and Training Division plays a vital role in ensuring the smooth functioning of the Emergency Services Department by providing essential administrative and operational support. The division also drives capacity-building efforts through targeted training programmes that enhance service delivery and community preparedness.

Training

- Partnered with Cape Winelands Fire Services for instructor and Firefighter training, promoting skills development and regional cooperation.
- Accreditation Progress: Continued efforts toward SETA and SAESI accreditation, reinforcing the quality and credibility of training programmes.
- Delivered tailored training initiatives for municipal personnel and local communities, focusing on fire safety awareness, emergency response readiness, and disaster risk reduction.

These initiatives reflect the division's commitment to professional excellence, institutional growth, and empowering communities to contribute to a safer Overberg District.

Service delivery highlights 2024/25

- Strategic Partnerships
Service excellence within the Emergency Services Department is significantly enhanced through strong and purposeful partnerships with key organisations. These collaborations expand operational capacity, improve response times, and foster innovation in emergency management across the Overberg District.

Our service excellence is amplified through partnerships with:

- Working on Fire (Kishugo)
- Greater Overberg Fire Protection Association
- National Sea Rescue Institute
- Kishugo Aviation (aerial firefighting tender)

These strategic alliances reflect a shared commitment to public safety, environmental stewardship, and operational excellence, enabling the municipality to deliver high-impact services even in challenging conditions.

- The Emergency Services Department operated under continued budgetary constraints during the reporting period, which affected key operational areas. Despite these challenges, strategic planning and resource optimisation allowed the department to maintain high service delivery standards and respond effectively to emergencies.

Service delivery challenges 2024/25

- High fuel costs and overtime strain due to budget cuts.
- Staffing gaps resulting in reliance on EPWP workers.

Future focus

- Finalising viability of shift systems across key sections.
- Continued efforts to secure funding and streamline operations.

Table 42: Employees: Emergency Services

| Employee: Emergency Services (Fire and Disaster Services) | | | | | |
|---|------------------|----------------|-----------|-----------|-----------------------------------|
| Job Level | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 21 | 16 | 16 | 0 | 0.00% |
| 7 - 9 | 33 | 42 | 40 | 2 | 4.76% |
| 10 - 12 | 2 | 2 | 2 | 0 | 0.00% |
| 13 - 15 | 3 | 4 | 4 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 61 | 65 | 63 | 2 | 3.08% |

Table 43: Financial performance: Emergency Services

| Financial Performance: Emergency Services (Fire and Disaster Management) | | | | | | |
|---|----------|----------|-----------------|-------------------|--------|-----------------------------------|
| Details | R'000 | | | | | |
| | 2023/24 | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) |
| Total Operational Revenue | 5 325 | 13 358 | 17 924 | 14 263 | -20 | (3 661) |
| Expenditure: | | | | | | |
| Employees | 27 609 | 31 852 | 30 131 | 30 358 | 1 | 227 |
| Repairs and Maintenance | | | | | | |
| Other | 13 128 | 13 111 | 14 936 | 14 721 | -1 | (215) |
| Total Operational Expenditure | 40 738 | 44 963 | 45 067 | 45 079 | 0 | 12 |
| Net Operational Surplus/(Deficit) | (35 412) | (31 605) | (27 142) | (30 816) | 14 | (3 673) |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | |

Table 44: Capital expenditure: Emergency Services

| Capital Expenditure: Emergency Services (Fire and Disaster Management) | | | | | | | R'000 |
|--|---------|-------------------|--------------------|---------------------------------|---------------------|--|-----------------------------------|
| Capital Projects | 2024/25 | | | | | | Variance to Adjustment Budget (R) |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget | Total Project Value | | |
| Total All | 5 600 | 10 115 | 8 975 | -11.27% | | | (1 140) |

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL

The Fire Service is one of the main functions performed by the municipality. The function is well managed with competent staff and a leadership structure that contributes to the achievement of Council's strategic objectives of service delivery. The staff complement allocated to the function contributes to one of the biggest units in the municipality.

Due to the excellent management of the function, numerous grants and donations were received for the 2024/25 financial year, contributing to the increased revenue performance compared to the 2023/24 financial year. The bulk of the expenditure is allocated to employee-related costs due to the nature of the function.

The municipality is also performing fire services functions on behalf of three of the four local municipalities in the district. These local municipalities contribute financially to the function, although the funding received is not adequate to cover all the costs associated with performing the functions.

3.10 DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT



Disaster Management is performed in the district in terms of the requirements of the applicable Act and framework. The mandatory administrative part of the function, as described in the Act, is adhered to as financial resources allow. However, it should be noted that Disaster Management is still an unfunded mandate, and it remains very difficult to perform the full function with the limited budget. Due to these constraints, the disaster management continuum is not fully addressed, and the division is more focused on reaction than on prevention. The function is complemented by strategic partnerships, such as National Sea Rescue Institute and SAPS.

Disaster Incidents

During the reporting period, Disaster Management responded to several severe weather-related incidents, the most significant of which occurred in July and early August 2024. These events were marked by intense rainfall and storm conditions that led to widespread and extensive infrastructure damage and road overtopping, disrupting mobility and access across several areas.

District coordination

The District Joint Operations Centre (JOC) remained fully operational during these emergencies, ensuring a coordinated, district-wide response. Regular situational reports were prepared and submitted to the Provincial Disaster Management Centre (PDMC), enabling timely provincial intervention. The JOC's proactive engagement significantly enhanced the efficiency and effectiveness of the disaster response.

Social relief and support

Our Social Development division played an essential role in relief efforts, mobilising resources to provide food relief and psychosocial support to affected communities.

Emergency water support: Rivendale Crisis Response

In response to the Rivendale water crisis in August 2024, the Overberg District Municipality provided critical support to the Swartland Local Municipality by deploying its drinking water tanker for a period of three weeks. This intervention ensured temporary relief for affected communities facing severe water shortages due to dam failures and flooding. The coordinated effort between municipal teams reinforced the value of intergovernmental collaboration and underscored the district's commitment to regional resilience and humanitarian assistance.

Additional Strategic Deployments of the water tanker

Beyond emergency relief efforts, the water tanker has also been mobilised to support firefighting operations during veldfires and to provide drinking water to schools experiencing supply challenges within the Overberg District. These deployments reflect the tanker's versatility as a vital resource in both disaster response and community support initiatives.

Community Safety

District Safety Forum

Four quarterly meetings were convened during the year. Attendance was generally good, though participation by certain municipalities has declined. Strategies will be implemented to re-engage stakeholders and ensure active collaboration.

Mediation and early warnings

The mediation programme continues to serve as a flagship initiative, with trained mediators actively engaged in early warning efforts, conflict monitoring and timely intervention. Their proactive involvement enabled the successful de-escalation of several high-risk situations, preventing them from developing into public protests or civil unrest.

Disaster Risk Reduction and Community Engagement

The Disaster management officer and intern stationed in the Theewaterskloof (TWK) area played an active role in advancing public awareness and strengthening local capacity. Through targeted awareness campaigns, community outreach initiatives, and direct support to surrounding municipalities, they contributed meaningfully to enhancing disaster preparedness and resilience at the grassroots level. Their efforts fostered stronger community engagement and improved readiness for emergency situations across the region.

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT OVERALL

The budget allocation of Disaster Management forms part of the Emergency Services budget. The function is currently underfunded and more effort should be made to ensure that adequate funding is available to perform the functions. To date the department has not experienced any challenges with performing related functions. Grant funds contributed reduce the financial burden.

COMPONENT H: SPORTS AND RECREATION

3.11 RESORTS

INTRODUCTION TO RESORTS

The Overberg District Municipality (ODM) currently operates two holiday resorts, namely Die Dam and Uilenkraalsmond. Both resort properties are situated within the geographical boundaries of the ODM.

Die Dam resort is situated 40 km from Gansbaai and Uilenkraalsmond resort is situated 7 km from Gansbaai. Die Dam is registered in the name of Overberg District Municipality. Uilenkraalsmond is registered to the National Government of the Republic of South Africa. Both resorts are staffed by ODM.

Die Dam Resort

Amenities

Short-stay bungalows: 2

Short-stay camping/caravan sites: 89

Long-term leased sites: 128

Shop: 1

Die Dam is the smaller of the two resorts, with two existing chalets and 89 camp sites available for booking. The ODM leases 128 stands in the resort on a long-term basis, which allows the leaseholders to use the site for six months in the year. The leaseholders are allowed to effect improvements on the sites with the consent of ODM. However, the construction of any improvements is also subject to the ODM's building plan permission and, where applicable the Overberg zoning scheme parameters.

The property at Die Dam leads into the Quoin Point Nature Reserve. The resort has potential for enhancement within the available consent uses. The optimisation of this potential would, however, require that the municipality brings the use of the resort into compliance with the zoning scheme. This includes monitoring the lease conditions, ensuring that relevant approvals from the local authority are in place for existing improvements, and restoring a harmonious aesthetic.

Uilenkraalsmond

Amenities

Short-stay bungalows: 36

Short-stay camping/caravan sites: 110

Long-term leased sites: 567

Coffee shop and store: 1

Putt-putt course and kiosk: 1

Waterslide and kiosk: 1

Laundromat building: 1

Halls: 2

The resort is adjacent to Franskraal village. The ODM has been operating the resort for approximately 60 years. The property was registered in the name of the National Government of the Republic of South Africa on 23 February 2023. The resort has 36 chalets, 110 camping sites and 567 sites that are subject to long-term leases, which all expired on 30 June 2025. A process was commenced to renew the contract leases. In this instance as well, the lease conditions and construction of improvements in line with the requisite permissions from Overstrand Municipality are not adequately monitored and enforced.

Overberg District Municipality signed a one-year user agreement with the National Department of Public Works and Infrastructure (DPWI) in 2024 to facilitate the operational oversight of Uilenkraalsmond Resort.

The resort offers amenities such as a 'super-tube' waterslide, putt-putt course and restaurants. These are currently leased to SMMEs for three-year terms through a competitive bidding process. A feasibility study will be conducted to provide strategic direction for the future use and management of the resort properties. The study will assess the current operational model and facilities, evaluate market potential, and analyse potential opportunities. Its findings are anticipated to provide a clear roadmap for optimising the resort's application, ensuring long-term economic viability and enhancing the contribution to local tourism.

Service delivery highlights for 2024/25

- Developed a maintenance management plan to guide the operational requirements, linked to the budget and timeframe to ensure proactive management.
- The ODM received grant funding as part of the 2024/25 Western Cape Financial Management Capability Grant (WC FMCG) to undertake a feasibility study. The tender for the study will be resubmitted as there were no successful bidders when the tender was advertised in 2025.
- Die Dam resort entrance building and security building lost in a runaway veld fire was redeveloped before the peak holiday season started in December 2024.

Service delivery challenges for 2024/25

- Localised flooding of Uilenkraalsmond

Due to the drainage of stormwater from Franskraal residential area through the Uilenkraalsmond resort, localised flooding has become a regular occurrence during rain events. Communication structures were put in place to relay actions between ODM and Overstrand officials to act proactively.

Table 45: Employees: LED, Tourism and Resorts

| Job Level | Employees: LED, Tourism and Resorts | | | | |
|--------------|-------------------------------------|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 4 | 4 | 4 | 0 | 0.00% |
| 4 - 6 | 7 | 9 | 9 | 0 | 0.00% |
| 7 - 9 | 4 | 5 | 4 | 1 | 20.00% |
| 10 - 12 | 2 | 2 | 2 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 17 | 21 | 20 | 1 | 4.76% |

Table 46: Financial performance: LED, Tourism and Resorts

| Details | Financial Performance: LED, Tourism and Resorts | | | | | | R'000 | |
|---|---|-----------------|-------------------|--------|-----------------------------------|-----------------------------------|-------|--|
| | 2023/24 | | 2024/25 | | | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | Variance to Adjustment Budget (R) | | |
| Total Operational Revenue | 21 241 | 21 133 | 21 782 | 22 666 | 4 | 884 | | |
| Expenditure: | | | | | | | | |
| Employees | 5 839 | 7 490 | 6 691 | 6 424 | -4 | (267) | | |
| Repairs and Maintenance | | | | | | | | |
| Other | 11 362 | 14 339 | 17 597 | 14 767 | -16 | (2 830) | | |
| Total Operational Expenditure | 17 202 | 21 829 | 24 287 | 21 191 | -13 | (3 097) | | |
| Net Operational Surplus/(Deficit) | 4 040 | (696) | (2 505) | 1 475 | -159 | 3 981 | | |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | | |

Table 47: Capital expenditure: LED, Tourism and Resorts

| Capital Projects | Capital Expenditure: LED, Tourism and Resorts | | | | | | R'000 | |
|------------------|---|-------------------|--------------------|---------------------------------|---------------------|-----------------------------------|-------|--|
| | 2024/25 | | | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget | Total Project Value | Variance to Adjustment Budget (R) | | |
| Total All | 1 315 | 1 534 | 1 626 | 5.98% | | | 92 | |

COMMENT ON THE PERFORMANCE OF LED, TOURISM AND RESORTS

The function performance for the reporting period reflects a positive net result for the 2024/25 financial year. Revenue received is allocated based on the semi-permanent residents as well as the renting of municipal resort facilities as main revenue sources.

The function is currently in the process of assessing the long-term feasibility of the resorts. This will be done by procuring an external service provider funded from a provincial grant.

The primary purpose of capital expenditures is to upgrade and improve the resort amenities. Most of these expenditures were allocated to the upgrading of the resort and the purchasing of a vehicle to increase service delivery.

COMPONENT I: CORPORATE FUNCTIONS AND OTHER SERVICES

INTRODUCTION TO CORPORATE FUNCTIONS

The corporate functions include the executive and Council, financial services, human resources, information and communication services, support services, property, legal and risk management, performance management and internal audit.

3.12 EXECUTIVE AND COUNCIL

INTRODUCTION TO EXECUTIVE AND COUNCIL

This component includes the Executive Office (Executive Mayor, Councillors, Municipal Manager, Directors) and Internal Audit.

Throughout the year, Council performs its oversight responsibility regarding financial and performance reporting, compliance and related internal controls. The following committees are functional: Section 80, Municipal Public Account Committee (MPAC), Audit and Performance Audit Committee (APAC) and Fraud and Risk Management Committee (FARMCO).

A healthy and constructive working relationship exists between the governing party and the opposition, which proves to be extremely beneficial to the administration as well as communities in the Overberg. Regular performance reports were submitted to Council and its committees to provide them with information and progress against targets, the implementation of the budget, and policies.

Council reviewed and approved various policies to strengthen the municipality's decision making and management.

Awards were handed out during the Council meeting held on 9 December 2024 to council members and staff who obtained certain achievements during the year. The ceremony honoured the accomplishment of dedicated individuals who reached outstanding achievements, marking a pivotal milestone in the professional journeys and certificates awarded in recognition of long service to the municipality. The municipality also recognised external beneficiaries holders who demonstrated excellence in their respective fields of study.

A strategic planning session was held on 24 February 2025, with the purpose of deliberation on the proposed MTREF 2025/26 budget and the proposed IDP amendment for 2025/26.

The positions of Chief Financial Officer and Director: Community Services became vacant during the year. A recruitment process was followed, and a new Chief Financial Officer was appointed with effect from March 2025. The recruitment process for the position of Director: Community Services was also finalised, and the newly appointed director will start on 1 July 2025.

Audit and Performance Audit Committee meetings were held to fulfil their role as an oversight committee. Continued DCF and DCFTech Committee meetings were held to ensure sound intergovernmental relations and cooperative interaction between the municipalities in the district.

Internal Audit

The internal Audit department is situated in the Office of the Municipal Manager. Audit were executed on projects as identified in the approved Risk Base Audit Plan. Recommendations were made to improve internal control deficiencies, identify red flags to prevent fraud and misuse of assets.

Challenges: The primary challenge the municipality is facing is financial sustainability, which places a limitation on fulfilling its constitutional mandate, optimising service delivery and ensuring the ongoing sustainability of the municipality for the future.

Table 48 Employees: Executive and Council

| Job Level | Employees: Executive and Council | | | | |
|--------------|----------------------------------|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | 2024/25 | | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Sec 57 | 4 | 4 | 3 | 1 | 25.00% |
| Total | 5 | 5 | 4 | 1 | 20.00% |

Table 49: Financial performance: Executive and Council

| Details | Financial Performance: Executive and Council | | | | | | R'000 |
|---|--|--------|-----------------|-------------------|--------|-----------------------------------|----------|
| | 2023/24 | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | |
| Total Operational Revenue | 13 632 | 42 938 | 42 938 | 21 831 | | -49 | (21 108) |
| Expenditure: | | | | | | | |
| Employees | 2 306 | 2 426 | 2 426 | 2 401 | | -1 | (25) |
| Repairs and Maintenance | | | | | | | |
| Other | 8 968 | 8 957 | 9 327 | 8 911 | | -4 | (417) |
| Total Operational Expenditure | 11 273 | 11 383 | 11 753 | 11 311 | | -4 | (441) |
| Net Operational Surplus/(Deficit) | 2 359 | 31 556 | 31 185 | 10 519 | | -66 | (20 666) |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | |

Table 50: Capital expenditure: Executive and Council

| Capital Projects | Capital Expenditure: Executive and Council | | | | | | R'000 |
|------------------|--|-------------------|--------------------|---------------------------------|---------------------|-----------------------------------|-------|
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment Budget | Total Project Value | Variance to Adjustment Budget (R) | |
| Total All | 0 | 0 | 0 | 0 | 0% | | 0 |

COMMENTS ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL

Most of the revenue was allocated from the equitable share and an agency fee on the road function. The project relating to the selling of properties did not materialise due to numerous challenges experienced during execution. This will be reassessed, and a new strategy will be developed. The performance is positively reflected in respect of expenditures, and no risk was experienced for the financial year.

Table 51: Employees: Internal Audit

| Job Level | Employees: Internal Audit | | | | |
|--------------|---------------------------|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 2 | 2 | 2 | 0 | 0.00% |

Table 52: Financial performance: Internal Audit

| Details | Financial Performance: Internal Audit | | | | | | R'000 |
|---|---------------------------------------|----------------|-----------------|-------------------|------------|-----------------------------------|-------|
| | 2023/24 | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | |
| Total Operational Revenue | | | | | | | |
| Expenditure: | | | | | | | |
| Employees | 1 702 | 1 896 | 1 896 | 1 875 | -1 | (21) | |
| Repairs and Maintenance | | | | | | | |
| Other | 35 | 305 | 313 | 52 | -83 | (261) | |
| Total Operational Expenditure | 1 737 | 2 201 | 2 209 | 1 926 | -13 | (282) | |
| Net Operational Revenue/(Expenditure) | (1 737) | (2 201) | (2 209) | (1 926) | -13 | 282 | |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | |

Table 53: Capital expenditure: Internal Audit

| Capital Projects | Capital Expenditure: Internal Audit | | | | | | R' 000 |
|------------------|-------------------------------------|-------------------|--------------------|---------------------------------|---------------------|-----------------------------------|--------|
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment Budget | Total Project Value | Variance to Adjustment Budget (R) | |
| Total All | 0 | 0 | 0 | 0% | | | 0 |

COMMENTS ON THE PERFORMANCE OF INTERNAL AUDIT

Internal audit managed to perform their functions within the budget.

3.13 FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

The Directorate: Financial Services is mandated to ensure sound financial management and compliance with the Municipal Finance Management Act (MFMA), National Treasury regulations, and all applicable legislation.

The directorate comprises the following functional departments:

- Budget and Treasury office
- Supply Chain Management and Asset Administration
- Payroll and Cash Management

Financial Governance and Legislative Compliance

Despite the ongoing challenge of limited financial resources, the municipality made deliberate efforts to diversify and strengthen its revenue base. These efforts included exploring enhanced revenue opportunities and contributing inputs towards the efficient allocation and application of DoRA (Division of Revenue Act) grants assigned to the Overberg District Municipality.

All statutory financial reports were submitted in accordance with the MFMA and within the legislated timeframes. Furthermore, the municipality maintained a 100% compliance rate in settling creditors within 30 days, as prescribed in Section 65 of the MFMA.

Budgeting and Financial Planning

The Medium-Term Revenue and Expenditure Framework (MTREF) for the 2024/25-2026/27 financial period was approved and implemented in line with National Treasury requirements. All in-year financial monitoring reports, including Section 71 and 72 reports, were timeously compiled and submitted to internal and external stakeholders.

A fully participatory budget process was followed. The Budget Steering Committee, along with all municipal departments, was actively involved in compiling the MTREF. All financial policies, including the Cost Containment Policy, were reviewed and updated in the 2024/25 financial year.

Supply Chain Management and Local Economic Empowerment

The municipality remains committed to fostering local economic development through its procurement processes. Suppliers were actively encouraged to register on the municipal supplier database to promote inclusivity and stimulate regional economic growth through preferential procurement from local businesses.

Focus areas under SCM include:

- Strengthening contract management controls
- Enhancing procurement planning and compliance
- Improving expenditure tracking and reporting

mSCOA Compliance and Systems Modernisation

As part of ongoing efforts to modernise financial systems and ensure full compliance with the Municipal Standard Chart of Accounts (mSCOA), the municipality initiated the migration from its legacy system to a web-based financial management system.

The service provider (Solvem Platinum) informed the municipality that the development of the web-based financial management system had been halted, and they are in the process of implementing a new product. Provincial treasury guidance was sought to assist in the way forward. The advice received was that the municipality should complete an ICT due diligence on the current system capabilities and assess whether the system is a “new” system or an “upgrade”. The mSCOA steering committee needs to oversee the assessment with recommendations to Council. National and Provincial Treasury’s input should also be sought in the finalisation of this assessment. This transition is co-funded by the Financial Management Capability Grant (FMCG), and project implementation is underway. The administration is currently reporting quarterly to Council on the mSCOA process as part of the MFMA section 52 reporting.

Financial Oversight and Internal Coordination

The municipality operates a well-functioning and interactive Finance Portfolio Committee, which plays a vital role in oversight, policy evaluation and collaborative solution seeking. Open sessions were held to encourage transparency and explore best practices in financial management.

Additionally, bi-monthly Project Coordinating Committee meetings, chaired by the Finance Department, were instituted to monitor budget implementation across all departments, with a specific emphasis on capital project performance.

Institutional Review and Human Resource Development

As part of the broader organisational review of ODM, the Finance Directorate underwent a structural realignment to optimise staff capacity and improve service delivery.

Table 54: Debt Recovery

| Details of the types of accounts raised and recovered | Debt Recovery | | | | | | R'000 |
|---|------------------------------------|---|----------------|------------------------------------|---|----------------|--|
| | 2022/23 | | 2023/24 | | | 2024/25 | |
| | Actual for accounts billed in year | Proportion of accounts value billed that were collected in the year % | Billed in year | Actual for accounts billed in year | Proportion of accounts value billed that were collected % | Billed in year | Actual outturn for accounts billed in year |
| Municipal and other services | 33 996 | 96.80% | 39 613 | 34 812 | 87.88% | 45 205 | 44 779 |
| | | | | | | | 99.06% |

Table 55: Employees: Finance

| Job Level | Employees: Finance | | | | | Vacancies (as a % of total posts) | |
|--------------|--------------------|----------------|-----------|-----------|--------------|-----------------------------------|--|
| | 2023/24 | | 2024/25 | | | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | | | |
| Job Level | No. | No. | No. | No. | % | | |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% | | |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% | | |
| 7 - 9 | 12 | 13 | 12 | 1 | 7.69% | | |
| 10 - 12 | 7 | 8 | 8 | 0 | 0.00% | | |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% | | |
| 16 - 18 | 3 | 3 | 3 | 0 | 0.00% | | |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% | | |
| Total | 22 | 24 | 23 | 1 | 4.17% | | |

Table 56: Financial performance: Financial Services

| Details | Financial performance: Financial Services | | | | | | R'000 |
|---|---|--------|-----------------|-------------------|--------|-----------------------------------|-------|
| | 2023/24 | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | |
| Total Operational Revenue | 103 429 | 76 456 | 77 945 | 88 989 | 14% | 11 044 | |
| Expenditure: | | | | | | | |
| Employees | 13 250 | 14 984 | 14 283 | 14 978 | 5% | 695 | |
| Repairs and Maintenance | | | | | | | |
| Other | 13 591 | 13 964 | 18 770 | 17 664 | -6% | (1 106) | |
| Total Operational Expenditure | 26 841 | 28 948 | 33 053 | 32 642 | -1% | (411) | |
| Net Operational Surplus/(Deficit) | 76 589 | 47 507 | 44 892 | 56 347 | 26% | 11 455 | |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | |

Table 57: Capital expenditure: Financial Services

| Capital Projects | Capital expenditure: Financial Services | | | | | | R' 000 |
|------------------|---|-------------------|--------------------|-------------------------------------|---------------------|-----------------------------------|--------|
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget (%) | Total Project Value | Variance to Adjustment Budget (R) | |
| Total All | 25 | 25 | 25 | -0.41% | | | (.10) |

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL

Financial Services is administratively responsible for the municipal finances with the important function of budget administration and reporting, as well as supply chain and procurement. The majority of the overperformance of the revenues was equitable share allocations that are reported under finance. Operational spending was 1% below the projections and within the norms. Limited capital projects are funded for the function, as it is a support function.

3.14 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resource Services is primarily responsible for managing personnel within the municipality, with a focus on establishing and maintaining sound policies and systems. A critical role of HR is to balance the organisation's internal practices with obligations arising from collective bargaining agreements and relevant legislative frameworks.

Core functions of the HR Department

The HR Department is entrusted with the following functions and duties:

- Human Resources Administration
- Labour Relations
- Occupational Health and Safety
- Employee Assistance Programme (EAP)
- Recruitment and Selection
- Employment Equity
- Expanded Public Works Programme (EPWP)
- Training and Skills Development
- Leave Management

Reporting and consultation platforms

Progress and updates on the above functions are reported regularly across multiple governance platforms, including:

- Local Labour Forum (LLF)
- Employment Equity Committee
- Training Committee
- Occupational Health and Safety Committee
- Corporate Services Portfolio Committee
- Council
- National Government
- Department of Infrastructure
- Provincial SDF Forum
- Overberg/Cape Winelands District (SDF) Forum
- Overberg District Coordinators (SDF) Forum

The HR Department engages in continuous consultation with representatives from IMATU and SAMWU. These engagements aim to uphold transparency, foster collaboration, and enhance governance practices.

Strategic alignment

The HR Department plays a pivotal role in aligning human resource initiatives with the municipality's Integrated Development Plan (IDP), ensuring that human capital strategies support the attainment of strategic municipal goals. Activities related to this alignment are elaborated upon in Organisational Performance (Chapter 4) of the municipal annual report.

HR policy alignment and updates

HR policies are aligned with the Municipal Staff Regulations (MSR) and applicable legislation to guide employer-employee relations. These policies serve as frameworks that set out acceptable workplace behaviour, health and safety standards, compliance with labour legislation, conflict resolution mechanisms, and disciplinary procedures. The development and revision of HR policies help promote a healthy work environment and define employee rights, responsibilities and obligations. This contributes to improved workplace relations and organisational culture.

Organisational development highlights (2024/25)

The Human Resources Department achieved significant milestones during the 2024/25 financial year, contributing to employee engagement, capacity building, and strategic workforce development.

- The ODM Employment Equity Report for the period 1 October 2023 to 30 September 2024 was submitted to the Department of Employment and Labour on 24 December 2024.
- The Expanded Public Works Programme (EPWP) Business Plan for 2025/26 was submitted to National Government on 23 June 2025.
- Seventeen EPWP workers were permanently appointed within the ODM.
- The ODM Workplace Skills Plan and Annual Training Report were approved and submitted by 22 April 2025.
- Funding was received from the Department of Local Government to assist the municipality with the temporary appointment of an intern to assist with the Skills Audit and one for the Disaster Management Division.
- The Funded Staff Establishment was adopted by Council on 29 May 2025.
- Various statutory training sessions were also provided during the financial year.

Employee engagement and communication

- Four HR roadshows were successfully conducted, aimed at keeping employees informed and engaged on key HR-related developments. The sessions covered the following topics:
 - Employee Benefits
 - Labour Relations and Grievance Procedures
 - Leave Management
 - Skills Development and Training
 - Occupational Health and Safety (OH&S)
 - Employee Assistance Programme (EAP)
 - Recruitment and Selection Processes
 - Municipal Staff Regulations (MSR)
 - Employment Equity
 - Prevention of Sexual Harassment in the Workplace

To improve and ensure further success with the HR Roadshows, supervisors and managers were requested to inform the agenda by providing HR with topics or matters to be addressed during roadshows. This approach has rendered the roadshow much more effective. Matters brought up at the roadshows, which require attention, are escalated accordingly for feedback to the workers.

Strategic appointments

Appointment of a Principal Clerk: HR to strengthen departmental capacity.

Recruitment and equity progress

A total of 29 external applicants were permanently appointed during the year, of which 10 appointments addressed under-representation as per the municipality's Employment Equity Targets.

Workplace learning and exposure

The Municipality continues to promote workplace experience for work-integrated learning (WIL) and University graduate interns. The municipality also appointed three financial interns that rotates within financial divisions.

Recognition of prior Learning (RPL) and trade skills development

- The department created an enabling learning environment, particularly for employees in lower-level roles.
- Five employees were supported through Northlink College's RPL programme in the following trades:
 - Panel Beate
 - Welder
 - Diesel Mechanic
 - Handyman

Financial assistance and bursaries

- Fifteen employees received financial assistance to pursue formal qualifications at academic institutions as part of ongoing personal and professional development.
- External funding was secured from the Provincial Treasury under the Financial Management Capability Grant (FMCG) to assist matriculants in furthering their studies. Unfortunately, National/Provincial Treasury has phased out the Financial Management Capacity Grant Programme.

Talent management and succession planning

- Talent management and succession planning are still in the implementation phase and is an ongoing process within the Department.
- The purpose of this initiative is aimed at:
 - identifying and developing internal talent
 - ensuring structured succession planning
 - improving attraction and sourcing strategies
 - strengthening staff development and retention practices
 - addressing skills gaps as per the Municipal Staff Regulations (MSR)

Organisational development challenges (2024/25)

Despite notable progress during the 2024/25 financial year, the Human Resources Department experienced the following key challenges:

Limited budget for training and development

The availability of funding for training and personal development initiatives remained a significant constraint. As a result, the department faced difficulties in ensuring that employees are fully capacitated with the necessary skills and competencies required in terms of the Municipal Staff Regulations (MSR).

Human resource capacity constraints

The HR Department is currently experiencing understaffing challenges, compounded by a rapid increase in the municipal workforce. The growing service delivery demands have placed considerable pressure on existing staff, limiting the department's ability.

Table 58: Employees: Human Resource Services

| Job Level | Employees: Human Resource Services | | | | |
|--------------|------------------------------------|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | 2024/25 | | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 1 | 2 | 2 | 0 | 0.00% |
| 10 - 12 | 4 | 4 | 4 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 6 | 7 | 7 | 0 | 0.00% |

Table 59: Financial performance: Human Resource Services

| Details | Financial performance: Human Resource Services | | | | | | R'000 | |
|---|--|-----------------|-------------------|----------------|-----------------------------------|-----------------------------------|-------|--|
| | 2023/24 | | 2024/25 | | | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget (%) | Variance to Adjustment Budget (R) | | |
| Total Operational Revenue | | | | | | | | |
| Expenditure: | | | | | | | | |
| Employees | 3 021 | 4 163 | 4 164 | 4 287 | 2.96 | 123 | | |
| Repairs and Maintenance | | | | | | | | |
| Other | 1 508 | 1 174 | 1 927 | 1 076 | -44.18 | (851) | | |
| Total Operational Expenditure | 4 530 | 5 338 | 6 091 | 5 363 | -11.95 | (728) | | |
| Net Operational Surplus/(Deficit) | (4 530) | (5 338) | (6 091) | (5 363) | -11.95 | 728 | | |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | | |

Table 60: Capital expenditure: Human Resource Services

| Capital Projects | Capital expenditure: Human Resource Services | | | | | | R'000 | |
|------------------|--|-------------------|--------------------|-------------------------------------|---------------------|-----------------------------------|-----------|--|
| | 2024/25 | | | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget (%) | Total Project Value | Variance to Adjustment Budget (R) | | |
| Total All | 19 | 33 | 30 | 39% | | | 12 | |

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

Human resources, another support function, mostly accounts for employee-related costs as the biggest component of budget projections. Lower actual performance than budgeted provisions is reported. This is mostly due to the savings experienced relating to spending on contracted services as well as other general savings.

3.15 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT Department is situated in the Corporate Services Directorate and is capacitated with two permanent employees, and one temporary ICT Learner. The unit is responsible for the ICT infrastructure at 19 premises with a total of 180 end-users. The effectiveness of technology and information management is monitored by regularly reporting to the ICT Steering Committee, which has an adopted Terms of Reference in place.

The top priorities of the unit include the revival of a district-integrated ICT Forum, financial and HR systems, cyber security, e-mail and internet access. Backups for all data are performed daily. The financial programme, performance management and the information management system of roads are maintained by external organisations.

ICT Remediation Plan

A professional services agreement has been entered into between Overberg District Municipality and DFA Solutions to provide technical and administrative support, e.g. network design. They have been instrumental in drafting and monitoring progress in relation to the ICT Remediation Plan. The approved ICT Remediation Plan is implemented through deliverable action, attached to timeframes and reported on to the ICT Steering Committee, FARMCO and Corporate Services Portfolio Committee.

ICT policies

ICT policies are developed to provide a framework for ensuring that the municipality's ICT systems and infrastructure are secure and protected. Policies and frameworks are used to govern how we use all aspects of ICT to conduct business and to ensure users understand and follow procedures to ensure the safe and appropriate use of ICT resources. All ICT Policies have been reviewed and were adopted by Council on 30 June 2025.

Table 61: List of ICT policies

| Policy / Framework / Plans | Revised and adopted |
|---|---------------------|
| ICT Disaster Recovery Plan | 30 June 2025 |
| ICT Performance Plan | 30 June 2025 |
| ICT Strategic Plan | 30 June 2025 |
| ICT Change Management Policy | 30 June 2025 |
| ICT User Access Management Policy | 30 June 2025 |
| ICT Operating System Security Controls Policy | 30 June 2025 |
| ICT Security Controls Policy | 30 June 2025 |
| Municipal Corporate Governance of ICT Policy | 30 June 2025 |

Service delivery highlights for 2024/25

- Manager: Contract, ICT, Legal, Building Management and Support Services appointed on 1 September 2024.
- All ICT Job Descriptions were updated and tasked.
- All ICT Policies were reviewed and adopted by Council.
- ICT User Access Control Form and SOP developed and workshopped for implementation on 1 July 2025.
- Implementation of ICT Remediation Plan.
- Replacement of Die Dam ICT network Infrastructure.
- Procurement and implementation of new anti-virus software.
- Significant reduction in the number of risks identified in the ICT Remediation Plan.

Service delivery challenges for 2024/25

- To keep abreast of the ongoing development in the ICT environment.
- Cyber security threats.

Table 62: Employees: ICT

| Job Level | Employees: ICT | | | | |
|--------------|------------------|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 1 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 2 | 2 | 2 | 0 | 0.00% |

Table 63: Financial performance: ICT

| Details | Financial Performance: ICT | | | | | | R'000 |
|---|----------------------------|----------------|-----------------|-------------------|--------------|-------------------------------|-------|
| | 2023/24 | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget | |
| Total Operational Revenue | | | | | | | |
| Expenditure: | | | | | | | |
| Employees | | (25) | | | | | |
| Repairs and Maintenance | | | | | | | |
| Other | 2 717 | 3 430 | 3 351 | 3 288 | -1.87 | (63) | |
| Total Operational Expenditure | 2 692 | 3 430 | 3 351 | 3 288 | -1.87 | (63) | |
| Net Operational Surplus/(Deficit) | (2 692) | (3 430) | (3 351) | (3 288) | -2 | 63 | |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | | |

Table 64: Capital expenditure: ICT

| Capital Projects | Capital Expenditure: ICT | | | | | | R'000 |
|------------------|--------------------------|-------------------|--------------------|-------------------------------------|---------------------|-----------------------------------|-------|
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment budget (%) | Total Project Value | Variance to Adjustment Budget (R) | |
| Total All | 1 410 | 941 | 689 | -27% | | | (252) |

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL

The employee cost relating to the ICT functions is allocated and reported under the support services below. The spending reported is mostly to account for the contractual obligations relating to ICT-related functions and services. The capital budget reflects an underperformance of 27%. This is mostly due to projects reviewed that were implemented within the section.

3.16 SUPPORT SERVICES

INTRODUCTION TO SUPPORT SERVICES

Support Services include Committee Services, Record Management, Legal, Property Management, Risk and Performance Management. Procurement Services forms part of Financial Services.

COMMITTEE SERVICES, RECORD MANAGEMENT AND COUNCILLOR SUPPORT

During the 2024/25 financial year, administrative and secretariat services were provided to Council and its committees, which included the preparation and distribution of agendas, the recording and compilation of minutes, and the coordination of logistical arrangements for meetings. Support was rendered for approximately 105 municipal meetings during the year. In addition, administrative assistance was provided to Councillors to support the day-to-day functioning of Council activities.

Committee Services continued to deliver quality administrative support to Council and its political structures by effectively managing standing committees and ad hoc committee meetings through efficient coordination and secretariat services. Agendas for standing committee meetings were circulated five calendar days prior to meetings, allowing Councillors adequate time to prepare. All agendas were distributed electronically, contributing to cost savings and promoting environmentally sustainable practices.

The division played a pivotal role in ensuring the smooth functioning of governance processes by maintaining accurate records of proceedings, facilitating the follow-up on resolutions, and ensuring that decisions taken by Council and its committees were actioned within prescribed timeframes. Close collaboration was maintained with all directorates to ensure that reports, recommendations and supporting documentation met required quality standards and were submitted within deadlines.

Support was also provided in the planning and execution of special Council meetings, workshops, and strategic planning sessions. This included managing venue arrangements and technical setup for hybrid or virtual meetings.

Records Management

The Records and Archives Division continued to manage the implementation of procedures and systems associated with document flow, including the archiving and maintenance of record-keeping systems in accordance with statutory prescriptions. The division ensured the establishment, evaluation and maintenance of registry procedures for the operation of the main registry office and the regulation of record-keeping processes. Oversight was maintained to ensure compliance with statutory requirements governing the maintenance and application of the filing system and records control schedule.

All records of the Overberg District Municipality were managed in accordance with the Provincial Archives and Record Services of the Western Cape Act (Act 3 of 2005). The Records Management Policy, which was revised and approved by Council on 4 December 2023, remained the guiding framework for all records-related activities.

The municipality continued with the phased implementation of the electronic document management system purchased in 2023. Quarterly progress reports were submitted to the Corporate Services Portfolio Committee to provide updates on implementation progress and system integration.

Service delivery highlights for 2024/25

Committee services

- Effective meeting management: Successfully organised and managed committee meetings, ensuring the timely distribution of agendas, minutes, and supporting documentation.
- Enhanced procedures: Refined procedures for scheduling, conducting and documenting committee meetings, further improving efficiency.
- Resolution tracking: Maintained effective systems for tracking and following up on committee resolutions and action items to ensure their timely completion and implementation.

Council support

- Provided comprehensive administrative support to Council members, including scheduling, correspondence and logistical arrangements for meetings.
- Ensured efficient administrative assistance during emergency situations or urgent Council meetings.

Records management

- Enhanced organisation: Improved the categorisation and indexing of records, enabling faster access and retrieval of critical documents.
- Progress in digital transformation: Advanced the shift towards digital record-keeping systems, further reducing reliance on physical storage and improving operational efficiency.
- Archiving procedures: Continued refining archiving procedures to safeguard historical records and ensure long-term preservation.
- Capacity building: Delivered training sessions for staff on best practices in records management and the use of the electronic document management system.

Service delivery challenges for 2024/25

Committee services

- Increased workload: The growth in the number of committees and activities increased the demand for agenda preparation, minute taking and resolution tracking.
- Technology limitations: Occasional disruptions caused by technical issues with virtual meeting platforms affected meeting efficiency.

Records management

- Archiving in digital formats: The preservation of historical records in digital form, while ensuring long-term accessibility and compliance, remains a complex process.
- Change management: Some resistance to new systems and procedures continues to present a challenge, requiring sustained communication and training to ensure full adoption.

PROPERTY MANAGEMENT

Municipal properties are listed in either the Final Asset Register when utilised for service delivery purposes or in the Investment Asset Register when held for capital growth or revenue opportunities, depending on their classification, location, value, etc.

During the 2024/25 financial year, no investment properties were sold; however, a tender property disposal process was completed on identified properties. Unfortunately, none of the tendered bids were successful and alternative methods for the disposal of such assets are being investigated. These properties form part of the long-term financial sustainability plan of the municipality.

Site visits to ODM properties assist in continuously updating and monitoring any associated risks, hence identifying, and assessing the condition and activities on the properties. Frequent monitoring of properties is crucial to ensure safeguarding of ODM properties and mitigating illegal occupancy and unauthorised use.

Going forward, the municipality anticipates selling or availing the investment properties for opportunities that will benefit the municipality in service delivery enhancement and will assist in economic growth in the region. Optimising these resources will not only benefit the municipality's financial sustainability but also assist the communities it serves.

The municipality established a division to assist with the maintenance of the properties that are used for service delivery.

LEGAL SERVICES

Overberg District Municipality appointed a Manager: Contract, Legal, ICT and Building Management on 1 September 2025. The municipality also appointed a panel of attorneys to assist with legal matters.

The Department provides legal assistance with regard to:

- SCM objections
- Disciplinary hearings
- Legal disputes and claims

The following activities were also performed by the department:

- Coordinated the revision of the delegation register and workshopped it with staff and Council.
- Established the ODM POPIA Committee.
- Contract management (drafted contracts and provide inputs to contracts)
- Reported quarterly to the Solicitor General on all legal cases.

Legal claims

A Labour Court application against the municipality related to TASK job evaluations was finalised.

There are still pending lawsuits against the municipality related to the Betty's Bay and Klein Swartberg fire incidents.

RISK MANAGEMENT

The following activities and actions were performed in relation to Risk Management during the year:

- Coordinated quarterly FARMCO meetings, chaired by an independent Audit and Performance Audit Committee member.
- Comprehensive annual departmental risk assessments involving the heads of department, which contributed to the compilation of the most detailed risk register to date.
- Strategic risk assessment with management and the Executive Mayoral Committee for approval by Council.
- Continuous emphasis on possible fraud and corruption risks and the related risk action plans.
- Monitoring of the risk management implementation plan.
- Engaging and involving all levels of management with the risk management activities.
- Compilation of quarterly combined assurance reports based on the Combined Assurance Policy Framework adopted by Council.
- Improved cooperation between Risk Management and Internal Audit, reducing duplication, increasing the sharing of risk information and improving assurance coverage, while respecting Internal Audit's independence.
- Risk management is a standing agenda item at the Audit and Performance Audit Committee meetings, where feedback regarding the function is provided.
- Quarterly risk reports were submitted to portfolio committee meetings (and if required, to Council).
- The review of risk management documentation by the FARMCO, e.g. Risk Management Policy.
- Ongoing fraud and corruption awareness

PERFORMANCE MANAGEMENT

The municipality has a functional performance management system in place, which includes the Service Delivery and Budget Implementation Plan (SDBIP) and individual performance management. Individual performance agreements were concluded with employees in line with the Local Government Municipal Staff Regulations. The department is also responsible for the compilation of the annual report and to facilitate the performance assessments of the Municipal Manager and directors. Performance bonuses were paid to the municipal manager and directors based on the 2023/24 financial year performance assessment according to their performance contracts.

Performance assessments were done biannually with staff and the performance assessment of the Municipal Manager and directors took place in terms of their performance contracts. Departmental moderation and a municipal moderation committee were established, to review and discuss the individual performance assessment outcome of 2023/24. No performance bonuses were paid to staff on the 2023/24 performance outcome.

To give effect to the performance results on the SDBIP, the quarterly performance report is combined with the Section 52(d) report in terms of the MFMA. The mid-year budget and performance report, compiled in collaboration with the Budget and Treasury Office, resulted in the adjustment of the budget and SDBIP.

No formal evaluation was done by Council of its own performance and that of its committees, the Speaker and its individual members. Performance evaluations may be implemented in the future.

PROCUREMENT SERVICES – Part of Financial Services – point 3.13.

Table 65: Employees: Administrative Services

| Job Level | Employees: Administrative Services | | | | |
|--------------|------------------------------------|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 1 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 2 | 2 | 2 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 4 | 4 | 4 | 0 | 0.00% |

Table 66: Employees: Corporate Support Services

| Job Level | Employees: Corporate Support Services | | | | |
|--------------|---------------------------------------|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 2 | 2 | 2 | 0 | 0.00% |
| 4 - 6 | 3 | 2 | 2 | 0 | 0.00% |
| 7 - 9 | 1 | 2 | 2 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 6 | 7 | 7 | 0 | 0.00% |

Table 67: Employees: Performance and Risk Management

| Job Level | Employees: Performance and Risk Management | | | | |
|--------------|--|----------------|-----------|-----------|-----------------------------------|
| | 2023/24 | | 2024/25 | | |
| | Actual Employees | Approved Posts | Employees | Vacancies | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0.00% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0.00% |
| 7 - 9 | 0 | 2 | 1 | 1 | 50.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 1 | 3 | 2 | 1 | 33.33% |

Table 68: Financial performance: Support Services

| Financial performance: Support Services | | | | | | |
|---|----------|-----------------|-------------------|----------|-------------------------------|-----------------------------------|
| Details | 2023/24 | 2024/25 | | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Adjustment Budget | Variance to Adjustment Budget (R) |
| Total Operational Revenue | 101 | 42 | 44 | 42 | -4.59% | (2) |
| Expenditure: | | | | | | |
| Employees | 8 956 | 11 991 | 11 794 | 9 919 | -15.90% | (1 875) |
| Repairs and Maintenance | | | | | | |
| Other | 3 960 | 5 172 | 9 053 | 8 660 | -4.33% | (392) |
| Total Operational Expenditure | 12 916 | 17 162 | 20 846 | 18 579 | -10.88% | (2 267) |
| Net Operational Surplus/(Deficit) | (12 815) | (17 120) | (20 802) | (18 537) | -10.89% | 2 265 |
| <i>Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget.</i> | | | | | | |

Table 69: Capital expenditure: Support Services

| Capital expenditure: Support Services | | | | | | |
|---------------------------------------|---------|-------------------|--------------------|-------------------------------------|---------------------|-----------------------------------|
| Capital Projects | 2024/25 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from Adjustment Budget (%) | Total Project Value | Variance to Adjustment Budget (R) |
| Total All | 610 | 840 | 464 | -44.75% | | (376) |

COMMENT ON THE PERFORMANCE OF SUPPORT, COMMITTEE SERVICES, RECORD MANAGEMENT, PROPERTY MANAGEMENT, LEGAL, BUILDING MAINTENANCE AND PERFORMANCE AND RISK MANAGEMENT OVERALL

The ICT function's employee cost also formed part of the support services employee cost. The support function's actual performance was below budget projections and reflects a -10% variance. This mainly accounted for savings and other categories of spending that were not required. Capital spending was also lower than budgeted due to challenges experienced with project implementation and specification.

COMPONENT J: ORGANISATIONAL PERFORMANCE

DETAILED PERFORMANCE REPORT FOR 2024/25 PER STRATEGIC OBJECTIVE/GOALS

Strategic Goal 1

To ensure the well-being of all in the Overberg through the provision of efficient basic services and infrastructure (SG1)

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|------|--|--|-------------------------------------|-----------------------|------------------------|-----------------------|---|----|--|-------------------------|
| | | | | | | | Actual | R | Comments | Corrective Measurements |
| TL26 | Take domestic drinking water samples in towns and communities to monitor water quality. | Number of samples taken per annum. | Overberg District Municipality: All | 915 | 1 056 | 1 056 | 1 062 | G2 | 1062 Samples were taken. Additional samples were taken due to non-compliance and additional request for samples. | None required |
| TL27 | Take food samples to monitor the quality of Food to the FCD Act and legislative requirements. | Number of samples taken per annum. | Overberg District Municipality: All | 485 | 576 | 576 | 619 | G2 | 619 Samples were taken. Additional request for sampling resulted in overperformance, e.g. export market. | None required |
| TL28 | Take water sample at Sewerage Final Outflow to monitor water quality. | Number of samples taken per annum. | Overberg District Municipality: All | 196 | 284 | 284 | 298 | G2 | 298 Samples were taken. Extra samples were taken due to non-compliance. | None required |
| TL29 | Report annually to the Community Services Portfolio Committee on the outcome of Karwyderskraal Landfill site adherence to the permit conditions. | Report submitted to the Community Portfolio Committee per annum. | Overberg District Municipality: All | 1 | 1 | 1 | 1 | G | Tabled on 10/03/2025, Item 7.1 Compliance result = 98.97% | None required |
| TL30 | Submit inception report on a feasibility study for a crematorium at Karwyderskraal to Council by June. | Number of reports submitted per annum. | Overberg District Municipality: All | New | 1 | 1 | 1 | G | Report tabled to 30/06/2025, Item A77. | None required |
| TL31 | Table Disaster Risk Management Plan review to Council by June. | Reviewed Disaster Risk Management plan tabled to Council. | Overberg District Municipality: All | 1 | 1 | 1 | 1 | G | Tabled on 30/06/2025, Item A80. | None required |
| TL32 | Table Disaster Management Framework review to Council by June. | Reviewed Disaster Management Framework tabled to Council. | Overberg District Municipality: All | 1 | 1 | 1 | 1 | G | Tabled on 30/06/2025, Item A81. | None required |

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|------|--|--|-------------------------------------|-----------------------|------------------------|-----------------------|---|----|--|---------------|
| | | | | | | | Actual | R | Comments | |
| TL33 | Upgrade roads to permanent surface by 30 June (DR 1206). | Number of kilometres road upgraded per annum. | Overberg District Municipality: All | 2.28 | 3.4 | 3.4 | 3.4 | G | 3.4 Kms of road upgraded to permanent surface. | None required |
| TL34 | Kilometres of gravel roads to be regravelled. | Number of kilometres road regravelled per annum. | Overberg District Municipality: All | 31.44 | 42 | 30.8 | 32.49 | G2 | 32.49 Km of roads were regravelled. Due to the availability of essential plant and ideal weather conditions, more kilometers of road could be regravelled. | None required |
| TL35 | Kilometres of gravel roads to be bladed. | Number of kilometres roads bladed per annum. | Overberg District Municipality: All | 6686.53 | 6 500 | 6 500 | 6 856.18 | G2 | 6856.18 Km of roads were bladed during the year. Due to the availability of essential plant and ideal weather conditions, more kilometers of roads | None required |

Strategic Goal 2

To promote regional economic development by supporting initiatives in the district for the development of a sustainable district economy (SG2)

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|------|---|--|-------------------------------------|-----------------------|------------------------|-----------------------|---|----|--|---|
| | | | | | | | Actual | R | Comments | |
| TL15 | Create temporary work opportunities through the municipality's EPWP programme by 30 June. | Number of temporary EPWP work opportunities created per annum. | Overberg District Municipality: All | 135 | 122 | 131 | 149 | G2 | 149 Work opportunities created through EPWP programme. The availability of additional own funding, resulted in more opportunities be created. | None required |
| TL25 | Invite service providers to register on the suppliers database by 30 June. | Invitation placed on ODM website and in external media. | Overberg District Municipality: All | 1 | 1 | 1 | 1 | G | Suppliers advert place in media 18/06/2025 and notice on web 13/06/2025. | None required |
| TL36 | Review the Regional Economic Development (RED) Strategy and table to Council by 30 June. | Reviewed RED Strategy tabled to Council. | Overberg District Municipality: All | New | 1 | 1 | 1 | G | Tabled to Council on 30 June 2025, Item A79. | None required |
| TL37 | Submit inception report on a feasibility study on the resort function to Council. | Number of reports tabled per annum. | Overberg District Municipality: All | New | 1 | 1 | 0 | R | Target was not met. A bid process was followed but was not awarded due to the available budget. The KPI was amended to inception report on the feasibility study. The municipality is in the process with a new bid process. | KPI to be rolled over to the next financial year. |

Strategic Goal 3

To ensure municipal transformation and institutional development by creating a staff structure that would adhere to the principles of employment equity and promote skills

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|------|--|---|-------------------------------------|-----------------------|------------------------|-----------------------|---|---|---|--|
| | | | | | | | Actual | R | Comments | |
| TL1 | People from employment equity target groups employed in vacancies arise in the three highest levels of management in compliance with the approved Employment Equity Plan for the financial year. (Reg) | Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management per annum. | Overberg District Municipality: All | 1 | 2 | 2 | 4 | B | 4 People were appointed during the year in the three highest levels. Funds were made available for the filling of two additional positions. | None required |
| TL12 | Review and update the Staff Establishment as per the MSR and table to Council by 31 May. | Number of reviewed staff establishment tabled per annum. | Overberg District Municipality: All | 1 | 1 | 1 | 1 | G | Reviewed Staff Establishment tabled to Council on 29/05/2025, Item A66. | None required |
| TL13 | Interact quarterly with staff on strategic HR-related matters. | Number of staff interactions held per annum. | Overberg District Municipality: All | 3 | 4 | 4 | 4 | G | 4 Quarterly interactions were held. | None required |
| TL14 | Percentage of Municipal budget to be spent on the implementation of the Workplace Skills Plan by 30 June (Reg). | % of Municipal Budget spent per annum on the WSP (Actual spent on Training/Total Expenditure Budget). | Overberg District Municipality: All | 0.55% | 0.41% | 0.38% | 0.23% | R | Training spending: R697 166 Total expenditure budget: R300 132 251 Planned training could not be implemented due the unavailability of roads personnel as well training grant return to PT on termination of program. | Training was rescheduled to take place in the new financial year. - KPI to be revised in consideration of potential changes. |
| TL16 | Conduct annual sexual harassment awareness campaigns with staff. | Number of awareness campaigns per annum. | Overberg District Municipality: All | 2 | 1 | 1 | 1 | G | Awareness campaign was held during November and December 2024. | None required |

Strategic Goal 4

To attain and maintain financial viability and sustainability by executing accounting services in accordance with National policy and guidelines (SG4)

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|------|---|--|-------------------------------------|-----------------------|------------------------|-----------------------|---|----|--|---------------------------------------|
| | | | | | | | Actual | R | Comments | Corrective Measurements |
| TL2 | Percentage Capital budget actually spent on capital projects by 30 June. (Reg) | % of capital budget actually spent on capital projects for the annum. (Actual spent on capital projects/Total capital budget) | Overberg District Municipality: All | 85.12% | 80% | 80% | 97.83% | G2 | Budget: R15 748 171 Expenditure: R15 405 465 Overperformance was due to the inclusion of capitalisation of Karwyderskraal - this calculation can only be finalised at year-end in terms of | None required |
| TL19 | Percentage Capital budget actually spent on building maintenance capital projects by 30 June. | % of building maintenance capital budget actually spent on capital projects. (Actual spend on capital projects/Total building capital budget) | Overberg District Municipality: All | New | 80% | 80% | 52.53% | R | Budget: R765 900 Expenditure: R402 357.70 The non-achievement of projects were due to: (1) The delayed building plan approval by Swellendam LM - plan approved in July 2025. (2) Project was impacted by the withdrawal of the service provider and the municipality started to execute the project | To follow the demand management plan. |
| TL21 | Measured financial viability in terms of the municipality's ability to meet it's service debt obligations by 30 June. (Debt coverage) (Reg) | The number of times the municipality was able to meet it's Debt obligation. ((Total operating revenue received - operating grants)/debt service payments)) | Overberg District Municipality: All | 12.06 | 7 | 7 | 12.27 | B | R70 181 831/R1 017 734+R4 703 994= R5 721 729 = 12.27 Loan obligation remains static as no new loans are taken up while operational own revenue increase annually. | None required |
| TL22 | Measured financial viability in terms of the available cash to cover fixed operating expenditure by 30 June. (Cost coverage) (Reg) | Number of months cash were available to cover fixed operating expenditure. ((All available cash at a particular time + investments)/monthly fixed operating expenditure) | Overberg District Municipality: All | 3.48 | 1.5 | 1.5 | 3.21 | B | Cash and Cash Equivalents R78 826 109 /R294 697 341 (Total expenditure)/12 =3.21 Cash flow management resulted in optimal interest received. | None required |
| TL23 | Measured financial viability in terms of percentage outstanding service debtors by 30 June. (Service Debtors) (Reg) | % Outstanding service debtors per annum. (Total outstanding service debtors/annual revenue received for services) | Overberg District Municipality: All | 11.62% | 20% | 20% | 11.00% | B | Outstanding Service Debtors Water R142 710 Electricity R21 839 Waste Disposal R1 892 543 Total R2 057 092 Total annual service charges revenue R19 546 788 = 11% Additional revenue was received i.r.o. waste disposal. | None required |

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|------|--|---|-------------------------------------|-----------------------|------------------------|-----------------------|---|-------|--|---------------|
| | | | | | | | Actual | R | Comments | |
| TL24 | Report bi-annually to Council on the performance of service providers for quotations and tenders above R30000. | Number of reports submitted to Council per annum. | Overberg District Municipality: All | 2 | 2 | 2 | 2 G | Green | Reports submitted to Council on: 09/12/2024, Item A29 29/05/2025, Item A65 | None required |

Strategic Goal 5

To ensure good governance practices by providing a democratic and pro-active accountable government and ensuring community participation through IGR Structures (SG5)

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|-----|--|--|-------------------------------------|-----------------------|------------------------|-----------------------|---|-------|--|---------------|
| | | | | | | | Actual | R | Comments | |
| TL3 | Coordinate the functioning of the Audit & Performance Audit Committee during the financial year. | Number of quarterly meetings held per annum. | Overberg District Municipality: All | 4 | 4 | 4 | 4 G | Green | 4 Quarterly meetings were held. | None required |
| TL4 | Develop a Risk-based Audit Plan for the next financial year and table to the Audit & Performance Audit Committee by 30 June. | Risk-based audit plan developed and tabled. | Overberg District Municipality: All | 1 | 1 | 1 | 1 G | Green | RBAP tabled on 25/06/2025, Item O39 | None required |
| TL5 | Execute audit projects in terms of the Risk Base Audit Plan (RBAP). | Number of audits executed per annum. | Overberg District Municipality: All | 21 | 16 | 22 | 23 G | Green | 23 Audits were executed. Additional requests for audits resulted in over performance. | None required |
| TL6 | Facilitate IDP Awareness initiatives in the district. | Number of IDP awareness initiatives facilitated per annum. | Overberg District Municipality: All | 2 | 2 | 2 | 3 B | Blue | IDP Awareness Initiatives were held on: 21/08/2024 01/11/2024 06/06/2025 Additional awareness opportunity was created through the Career Open Day. | None required |
| TL7 | Facilitate District IGR (IDP Managers & PPComm) engagement with Local Municipalities. | Number engagements facilitated per annum. | Overberg District Municipality: All | 8 | 8 | 8 | 8 G | Green | 8 Engagements were held. | None required |
| TL8 | Publishing quarterly External Newsletter to stakeholders. | Number External Newsletters published per annum. | Overberg District Municipality: All | 2 | 4 | 4 | 4 G | Green | 4 External newsletters were published. | None required |

| Ref | KPI Name | Description of Unit of Measurement | Region | Past Year Performance | Original Annual Target | Revised Annual Target | Overall Performance for Quarter ending September 2024 to Quarter ending June 2025 | | | |
|------|--|---|-------------------------------------|-----------------------|------------------------|-----------------------|---|-------|--|---------------|
| | | | | | | | Actual | R | Comments | |
| TL9 | Prepare Top Layer Service Delivery budget implementation plan for approval by the Mayor within 28 days after the adoption of the Budget. | Top Layer SDBIP Submitted to the Mayor for approval. | Overberg District Municipality: All | 1 | 1 | 1 | 1 G | Green | 2025/2026 Top Layer SDBIP approved on 26/06/2025. | None required |
| TL10 | Review annually the TL SDBIP to inform Council should a revised TL SDBIP be necessary and table the report to Council. | Report (Sec 72) tabled to Council by January. | Overberg District Municipality: All | 1 | 1 | 1 | 1 G | Green | Tabled report to Council on 27/01/2025, Item A36 | None required |
| TL11 | Compilation and submission of Draft Annual Performance Report to the AG by 31 August. | Annual Performance Report submitted. | Overberg District Municipality: All | 1 | 1 | 1 | 1 G | Green | Report was submitted to Auditor-General on 30/08/2024. | None required |
| TL17 | Table quarterly progress report on Electronic Document Management System to Corporate Services Portfolio Committee. | Number of progress reports tabled per annum. | Overberg District Municipality: All | 4 | 4 | 4 | 4 G | Green | Reports tabled on: 09/09/2024, Item 6.2.2 18/11/2024, Item 6.3.2 10/03/2025, Item 6.2.2 23/06/2025, Item 6.2.3 | None required |
| TL18 | Bi-annual submission of updated Remedial Action Plan to WC Archives & Record Services. | Number of updated plans submitted per annum to WCARS. | Overberg District Municipality: All | 2 | 2 | 2 | 2 G | Green | Reports e-mailed on: 11/10/2024 18/06/2025 | None required |
| TL20 | Review and quarterly table ICT Remediation Plan to ICT Steering Committee. | Number of reviewed plans tabled per annum. | Overberg District Municipality: All | 4 | 4 | 4 | 4 G | Green | Plans tabled on: 26/09/2024, Item 7.4 28/11/2024, item 7.4 12/03/2025, Item 7.5 21/05/2025, Item 7.5 | None required |

COMPONENT K: PERFORMANCE ASSESSMENT OF GOODS AND SERVICE PROVIDERS

Performance assessments were done throughout the 2024/25 financial year on providers who tendered or quoted on various tenders or quotations or provided a service or product through other SCM processes (all expenditure above R30 000).

Table 70: Service providers assessed during the year

| Name of Service Provider | Goods and Services Supplied |
|---|---|
| Enviroserv Waste Management | Operation of cell 4 at Karwyderskraal Landfill |
| Hybricode (Pty) Ltd t/a Nashua | Rental of Printers |
| Max Internet Technologies CC t/a Maxitec | Website Hosting and Support |
| Mbele Electrical CC | Supply, delivery, install, commission and maintenance of standby generators and UPS bundles for a three-year period |
| Swift Siliker (Pty) Ltd t/a Merieux Nutrisciences | Food and water sample analysis for the period ending June 2025 |
| Siyanda Business Solutions | Financial management and accounting services for the period ending 30 June 2025 |
| Roadlab Laboratories (Pty) Ltd | Rendering of laboratory test services for civil work for the three-year period ending June 2025 |
| Tech Alliance (Pty) Ltd | Backup server software for a three-year period ending 30 June 2025 |
| Startune (Pty) Ltd | Supply of road signs with road sign bolts and nuts; bolts, nuts and washers for road signs; bolts and nuts for grader and guardrail sheets and poles. Item A: Bolts and nuts for grader blades |
| Through it all signs & Markings (Pty) Ltd | Item A: Bolts and nuts for grader blades |
| Kohler Signs (Pty) Ltd | Item B: Bolts and nuts and washers |
| Southern Ambition 1281 t/a NU Way Enterprises CC | Item B: Bolts and Nuts and washers |
| Kohler Signs (Pty) Ltd | Item C: Road Signs |
| Southern Ambition 1281 t/a NU Way Enterprises CC | Item C: Road Signs |
| Potts Devco (Pty) Ltd | Item D: Guardrail sheets and poles |
| YBT & Associates (Pty) Ltd | Item D: Guardrail sheets and poles |
| CAB Holdings (Pty) Ltd | Printing and distribution of municipal accounts for the period ending 30 June 2025 |
| Tjeka Training Matters (Pty) Ltd | In house competency training and certification of roads employees on the operation of construction/mobile plant in terms of construction regulations 23(1)(d). |
| Delta Built Environment Consultants (Pty) Ltd | Appointment of consulting engineers for solid waste for the Overberg District Municipality for a contract period starting 01 November 2022 and ending 30 June 2025 |
| JPCE (Pty) Ltd | Appointment of consulting engineers for solid waste for the Overberg District Municipality for a contract period starting 01 November 2022 and ending 30 June 2025 |
| NCC Environmental Services (Pty) Ltd | Appointment of a panel of service providers for the provision of a strike team / Taskforce for the period 01 January 2023 to 30 June 2025 |
| Enviro Wildfire (Pty) Ltd | Appointment of a panel of service providers for the provision of ground crews for the period 01 January 2023 to 30 June 2025 |
| Nedbank Limited | Provision of banking services for a five (5) year period from 1 July 2023 to 30 June 2028 |
| Altron Nexus (Pty) Ltd | DMR network maintenance requirement |
| Sleba Enterprises (Pty) Ltd | Supply and delivery of fuel and oils and grease for the period ending 30 June 2026 |

| Name of Service Provider | Goods and Services Supplied |
|---|--|
| Startune (Pty) Ltd | Supply and delivery of grader blades for the period ending 30 June 2026. |
| Leafix (Pty) Ltd | Supply and delivery of herbicide for the period ending 30 June 2026 |
| DK Refrigeration (Pty) Ltd | Maintenance, repair, installation and supply of air-conditioning Units for the period ending 30 June 2026 |
| Gansbaai Aircon and Refrigeration CC | Maintenance, repair, installation and supply of air-conditioning Units for the period ending 30 June 2026 |
| Sebeletsa Operations (Pty) Ltd | Maintenance, repair, installation and supply of air-conditioning Units for the period ending 30 June 2026 |
| Startune (Pty) Ltd | Supply and delivery of road signs and fencing poles for the period ending 30 June 2026 |
| Colas South Africa (Pty) Ltd | Supply of bitumen, bitumen emulsions, prime, MC 3000 cutback, slurry services, laying of asphalt and milling and filling services for the period ending 30 June 2026 |
| Martin and East (Pty) Ltd | Supply of bitumen, bitumen emulsions, prime, MC 3000 cutback, slurry services, laying of asphalt and milling and filling services for the period ending 30 June 2026 |
| Memotek Trading CC | Supply of bitumen, bitumen emulsions, prime, MC 3000 cutback, slurry services, laying of asphalt and milling and filling services for the period ending 30 June 2026 |
| Tosas (Pty) Ltd | Supply of bitumen, bitumen emulsions, prime, MC 3000 cutback, slurry services, laying of asphalt and milling and filling services for the period ending 30 June 2026 |
| Afrimat Aggregates (operations) (Pty) Ltd | Supply and delivery of road surfacing material and layerwork material for the period ending 30 June 2026 |
| Memotek Trading CC | Supply and delivery of road surfacing material and layerwork material for the period ending 30 June 2026 |
| Langeberg Bande (Pty) Ltd t/a Supaquick Swellendam | Supply of new tyres, retreads, tubes, repairs and batteries for the period ending 30 June 2026 (batteries Only) |
| Soetmuis Vier BK t/a Kwik Fit | Supply of new tyres, retreads, tubes, repairs and batteries for the period ending 30 June 2026 (batteries Only) |
| Arina Wilson | Translations and editing and advertisements for the period ending 30 June 2026 Item 1: Translations and editing |
| Arina Wilson | Translations and editing and advertisements for the period ending 30 June 2026 Item 2: Advertisements |
| Boebies Body Works CC | Supply of forms, paper and/or printer ribbons for the period ending 30 June 2026 Item 2: Printing and eyeline paper |
| Silverlake Trading 305 (Pty) Ltd t/a Opulentia Financial Services | Short-term insurance for a three (3) year period ending 30 June 2026 |
| Vida E Sport (Pty) Ltd | Supply and delivery of protective clothing and footwear for the period ending 30 June 2026 Item 1.1 - 1.2: Footwear safety shoes / boots males / females |
| Pienaar Brothers (Pty) Ltd | Item 1.3 - 14: Two-piece overalls - males / females |
| Black Bird Trading 480 CC | Item 1.5 - 1.6: Two-piece overalls for workshops, operators, and supervisors - males / females |
| | Item 1.7 - 1.8: Blue denim type jeans pants - males / females |
| | Item 1.9: Golf t-shirts two-tone navy blue |
| | Item 1.10: Golf t-shirts - two-tone orange/blue |
| | Item 1.11 Rainwear jacket and pants two-tone (combination) |
| Platinum Suppliers (Pty) Ltd | Item 1.12: Reflective collar jacket two-tone |
| Pienaar Brothers (Pty) Ltd | Item 1.13: Wide-rim hat |
| Startune (Pty) Ltd | Item 1.14: Gloves Leather |
| | Item 1.15: Chemical Gloves rubber / Latex |

| Name of Service Provider | Goods and Services Supplied |
|--|---|
| Black Bird Trading 480 CC | Item 1.16: Gloves PVC for wet environment |
| KFC Engineering & Industrial Suppliers | Item 1.17: Black knee-length PVC safety gumboots |
| Kukhulu Plant Hire (Pty) Ltd | The hire of construction plant in the Overberg area for the period ending 30 June 2026 |
| Aqua Transport & Plant Hire (Pty) Ltd | The hire of construction plant in the Overberg area for the period ending 30 June 2026 |
| FG Jacobs Transport CC | The hire of construction plant in the Overberg area for the period ending 30 June 2026 |
| TVM Konstruksie (Pty) Ltd | The hire of construction plant in the Overberg area for the period ending 30 June 2026 |
| Uitkyk Diggers CC | The hire of construction plant in the Overberg area for the period ending 30 June 2026 |
| Sector 6 (Pty) Ltd | The hire of construction plant in the Overberg area for the period ending 30 June 2026 |
| Midmar Plant Hire CC | The hire of construction plant in the Overberg area for the period ending 30 June 2026 |
| Ithuba Industries | Supply and delivery of reinforced concrete pipes, box culverts and bases for the period ending 30 June 2026 |
| Breda Hardware t/a Build It Bredasdorp | Supply of cement for the period ending 30 June 2026 |
| Jacques le Roux | Leasing of building and open area for laundromat at Uilenkraalsmond Resort for the period ending 30 June 2026 |
| Soetmuis Vier BK t/a Kwik 'N Go | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Bantom Performance Centre | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Boebies Bodyworks CC | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Hein's Auto Electrical CC | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Ramcom Cape (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| SWD Motors | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Metsy Motors CC | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| LA Odendaal t/a Cross - Odendaal Auto Electrical | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Worcester Gearbox Centre CC | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |

| Name of Service Provider | Goods and Services Supplied |
|--|---|
| Rola Auto (Pty) Ltd t/a Rola Ford | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| AAD Truck and Bus (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| High Power Equipment Africa (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Hydrafix | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| LA Cranes and Hydraulics | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Kani Motor Repairs | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Barloworld Equipment | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| S & U Truck Parts | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Wearcheck, a division of Synerlytic Services (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Worldwide Spares (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Silverrock Projects CC t/a OTM | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Equipment Spare Parts (Africa) (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Car Boat Truck Spares (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Pex Hydraulics (Pty) Ltd | Panel of accredited service providers for the supply and delivery of spare parts, service, refurbishing, repairs and/or replacement of components for firefighting and motor vehicles, earthmoving and road construction equipment for the period ending 30 June 2026 |
| Brima Logistics | Courier services for the period ending 30 June 2026 |

| Name of Service Provider | Goods and Services Supplied |
|--|---|
| Trigon Travel | Appointment of a travel agency for the period ending 30 June 2026 |
| OHS Care CC | Medical Certificate of Fitness for Fire Services, Resorts, Environmental Management Services, Municipal Health Services and Roads (Maintenance, Construction and Workshop) Employees of the Overberg District Municipality for the period ending 30 June 2026 |
| Lithotech PE/George | Supply of Forms for the period ending 30 June 2026 |
| Esizwe Group | Supply of Forms for the period ending 30 June 2026 |
| Eco Bini (Pty) Ltd | Lease of a portion of the property at Uilenkraalsmond Resort - Aqua slide – Super-tubes – Putt-Putt facility |
| FG Uniforms | Supply and Delivery of Step-outs/Station wear and Various Articles of Human Protective Clothing for the Fire and Rescue Station as well as Wildfire Interface Departments |
| Sparks & Ellis | Supply and Delivery of Step outs/Station wear and Various Articles of Human Protective Clothing for the Fire and Rescue Station as well as Wildfire Interface Departments |
| Johan and Michelle de Kock Familie Trust | Office space for Overstrand Sub-District in Hermanus for a three-year period |
| Piezo Corp (Pty) Ltd | Supply, servicing, refilling of fire extinguishers, hose reels, signage and brackets and supply hoses, nozzles and foam for the period ending 30 June 2026 Item 2: Supply of hoses, nozzles and foam |
| Hermanus Extinguisher Services | Supply, servicing, refilling of fire extinguishers, hose reels, signage and brackets and supply hoses, nozzles and foam for the period ending 30 June 2026 Item 2: Supply of hoses, nozzles and foam |
| Ramcom Cape (Pty) Ltd | Supply, servicing, refilling of fire extinguishers, hose reels, signage and brackets and supply hoses, nozzles and foam for the period ending 30 June 2026 Item 2: Supply of hoses, nozzles and foam |
| Bidvest Services (Pty) Ltd t/a Bidvest Project | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Kwapele Basadi - Cleanit CC | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| AWV Project Management | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Isaico General Dealers (Pty) Ltd | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Boebies Body Works CC | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| 100 Percent Accurate | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Hazgiene (Pty) Ltd t/a Haztech | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Caprichem Saccia (Pty) Ltd | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Torzee Agricultural Solutions | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Memotek Trading CC | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| KFC Engineering & Industrial Supplies | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Xenocorp 279 CC | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |
| Manyene Holdings (Pty) Ltd | Supply and delivery of cleaning material, toilet paper, and black refuse bags for the period ending 30 June 2026 |

| Name of Service Provider | Goods and Services Supplied |
|--|---|
| Mthatos Trading & Project (Pty) Ltd | Personal protective gear and various articles for human protective equipment for the Fire Department |
| Charnaud and Company | Personal protective gear and various articles for human protective equipment for the Fire Department |
| Invuyani Safety | Personal protective gear and various articles for human protective equipment for the Fire Department |
| Roadsaver Group | Supply and delivery of cold mix asphalt pothole filler (roadsaver type) for the period ending 30 June 2026 |
| Enviro Wildfire (Pty) Ltd | Veldfire cause and origin investigation for a three (3) year period |
| Spinning your Web (Pty) Ltd | Disaster and fire incident information management system for a three-year period |
| AJ Tyres Overstrand | Supply of new tyres, retreads, tubes, repairs for a three-year period |
| Caledon Tyre Retreading Factory (Pty) Ltd t/a Supa Quick Caledon | Supply of new tyres, retreads, tubes, repairs for a three-year period |
| Econo Tyres (Pty) Ltd | Supply of new tyres, retreads, tubes, repairs for a three-year period |
| Fantastic Investments 456 CC t/a Hi-Q Bredasdorp | Supply of new tyres, retreads, tubes, repairs for a three-year period |
| Langeberg Bande (Pty) Ltd | Supply of new tyres, retreads, tubes, repairs for a three-year period |
| Soetmuis Vier BK | Supply of new tyres, retreads, tubes, repairs for a three-year period |
| Unitread (Pty) Ltd | Supply of new tyres, retreads, tubes, repairs for a three-year period |
| Bredasdorp Armed Response CC | Guarding and security services at the Overberg District Municipality's Bredasdorp, Caledon and Swellendam premises for the period 01 May 2024 to 30 June 2026 |
| Genadendal Jackies Bazaar | Hiring of honey sucker, super sucker or liquid ring unit for sewerage removal; combination unit for the maintenance of sewerage and stormwater infrastructure of the Overberg District Municipality for the period 01 July 2024 to 30 June 2027 |
| Juno Corp (Pty) Ltd | Hiring of honey sucker, super sucker or liquid ring unit for sewerage removal; combination unit for the maintenance of sewerage and stormwater infrastructure of the Overberg District Municipality for the period 01 July 2024 to 30 June 2027 |
| Rex Investments (Pty) Ltd | Hiring of honey sucker, super sucker or liquid ring unit for sewerage removal; combination unit for the maintenance of sewerage and stormwater infrastructure of the Overberg District Municipality for the period 01 July 2024 to 30 June 2027 |
| Greystone Trading 389 CC t/a City Security Services CC | Security, patrol, and access control services at Die Dam and Uilenkraalsmond Resorts sites of the Overberg District Municipality for the period 01 July 2024 to 30 June 2027 |
| Payday Software System (Pty) Ltd (operational performance) | Provision of an electronic leave system for the Overberg District Municipality |
| Payday Software System (Pty) Ltd (technical performance) | Provision of an electronic leave system for the Overberg District Municipality |
| Kruger & Blignaut Attorneys | Appointment of a legal panel for three municipal financial years |
| Timothy and Timothy Inc | Appointment of a legal panel for three municipal financial years |
| Nkosi Sabelo Incorporated | Appointment of a legal panel for three municipal financial years |
| African Online Scientific Information Systems (AOSIS) (Pty) Ltd | Online training for Environmental Health Practitioners continuous professional development (CPD) for a three-year period |
| The Grail Centre Trust | Office space in Kleinmond for Municipal Health Services for a three-year period |
| Cyote Fire Services Enterprise (Pty) Ltd | Supply, servicing and refilling of fire extinguishers, and supply of fire extinguishers signage and brackets |

| Name of Service Provider | Goods and Services Supplied |
|--|---|
| Samvix Trading & Development (Pty) Ltd | Supply of road marking paint, reflective glass beads and thinners for the period ending 30 June 2027 Solvent borne Bright White: Per 5 Litre sealed container Bright White: Per 20 Litre sealed container Bright White: per 2 000 litre sealed container Solvent borne Yellow: Per 5 Litre sealed container Yellow: Per 20 Litre sealed container Yellow: per 2 000 litre sealed container Solvent borne Red: Per 5 Litre sealed container Red: Per 20 Litre sealed container Red: per 2 000 litre sealed container Solvent borne: Black: Per 5 Litre sealed container Black: Per 20 Litre sealed container Black: per 2 000 litre sealed container |
| Xeracote (Pty) Ltd t/a Olympia International Paints & Coatings | Water borne Bright White: Per 5 Litre sealed container Bright White: Per 20 Litre sealed container Bright White: per 2 000 litre sealed container Water borne Yellow: Per 5 Litre sealed container Yellow: Per 20 Litre sealed container Yellow: per 2 000 litre sealed container Water borne Red: Per 5 Litre sealed container Red: Per 20 Litre sealed container Red: per 2 000 litre sealed container |
| Samvix Trading & Development (Pty) Ltd | Water borne: Black: Per 5 Litre sealed container Black: Per 20 Litre sealed container Black: per 2 000 litre sealed container |
| Breda Hardware t/a Build It Bredasdorp | Drop on retroreflective beads: Per 25kg sealed bag Thinners: Per 5 litre sealed container Per 20 litre sealed container Per 200 litre sealed container |
| Sector 6 (Pty) Ltd | Hiring of construction plant in the Overberg area for the period ending 30 June 2026 |
| TVM Konstruksie (Pty) Ltd | Hiring of construction plant in the Overberg area for the period ending 30 June 2026 |
| Aqua Transport & Plant Hire (Pty) Ltd | Hiring of construction plant in the Overberg area for the period ending 30 June 2026 |
| Kishugu Aviation (Pty) Ltd | Ad-hoc aerial firefighting services - Overberg District Municipality - for the period 01 December 2024 to 30 November 2026 Type 1 Helicopter |
| Leading Edge Aviation | Ad-hoc aerial firefighting services - Overberg District Municipality - for the period 01 December 2024 to 30 November 2026 Type 1 Helicopter |
| Kishugu Aviation (Pty) Ltd | Type 2 Helicopter |
| Leading Edge Aviation | Type 2 Helicopter |
| Kishugu Aviation (Pty) Ltd | Type 3 Helicopter |
| Leading Edge Aviation | Type 3 Helicopter |
| Kishugu Aviation (Pty) Ltd | Type 3 Helicopter Command and Control |
| Leading Edge Aviation | Type 3 Helicopter Command and Control |

| Name of Service Provider | Goods and Services Supplied |
|--|---|
| Kishugu aviation (Pty) Ltd | Bomber Aircraft |
| Kishugu aviation (Pty) Ltd | Spotter Aircraft |
| WB Tipper Truck and Plant Hire | Supply and delivery of 7ft grader blades for the period ending 30 June 2026, Bredasdorp |
| WB Tipper Truck and Plant Hire | Caledon |
| Luntus Electrical Services and Engineering (Pty) Ltd | Provision of electrical services for the Overberg District Municipality for the period ending 30 June 2027 |
| Telkom SA SOC LTD | 25 Mobile data contracts for the period ending 30 June 2027 |
| Umkai Building and Civil Works (Pty) Ltd | Electrical services at the resorts (Die Dam and Uilenkraalsmond) of the Overberg District Municipality for the period ending 30 June 2027 |
| Delta Built Environment Consultants (Pty) Ltd | Feasibility study and business plan development for the establishment and management of a crematorium for the Overberg District Municipality |
| Rassol Projects (Pty) Ltd | Supply, maintenance and repairs on all pumps and related water reticulation equipment at the Overberg District Municipality's resorts for the period ending 30 June 2027 |
| Sharp Eye Security and Construction | Security and guarding services at the Overberg District Municipality's Bredasdorp, Caledon and Swellendam premises for the period ending 30 June 2027, Bredasdorp and Swellendam |
| Rola Ford | Supply and delivery of Sedan, light and heavy commercial vehicles, busses, motorcycles, agricultural tractors, construction plant and equipment to the state for the period 01 July 2023 - 30 June 2026 |
| Deon Ferrier & Associates (Pty) Ltd | ICT Support Services and Licensing for a period of 3 years |
| TWK Communications (Pty) Ltd | ICT Access Network and VOIP Services for period of 3 years |
| Business Engineering | Electronic Records System |
| Ignite Advisory Services | SDBIP and Risk |
| Solvem | Financial System - Web implementation |
| | Financial System - Technical |

Results: One service provider's rating was negative and all other performance ratings made on service providers were positive and services and goods rendered to the municipality were satisfactory and of an acceptable standard.

The following process was followed where services provider rating was negative.

- Informal Communication
- Formal Meetings
- Formal Communication on the outcome of the meeting

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION

The municipality's organisational structure, approved on 29 May 2025, is as follows:

| | | |
|---|--|---|
| Office of the Municipal Manager <ul style="list-style-type: none"> Internal Audit IDP and Communication Performance and Risk Management | | |
| Directorate Finance <ul style="list-style-type: none"> Finance Payroll, Bank and Cash Investment Supply Chain Management and Assets | Directorate Corporate Services <ul style="list-style-type: none"> Human Resources Administrative Services Corporate Support Services | Directorate Community Services <ul style="list-style-type: none"> Municipal Health Services Environmental Management Emergency Services Roads Services LED, Tourism and Resorts |

The Overberg District Municipality employs 389 (excluding temporary employees) officials who individually and collectively contribute to the achievement of the municipality's objectives.

Employees are appointed through a recruitment and selection process. Qualifications and experience are matched with the job requirements to ensure that the candidates have the necessary skills, knowledge and competencies to fulfil their duties.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS: TURNOVER AND VACANCIES

Table 71: Employees total

| Description | Employees | | | | | |
|---|------------|----------------|------------|-----------|-----------|---|
| | 2023/24 | | 2024/25 | | | |
| | Employees | Approved Posts | Employees | Vacancies | Vacancies | % |
| Roads Services | 228 | 240 | 229 | 11 | 5% | |
| Planning (IDP/Communications) | 2 | 2 | 2 | 0 | 0% | |
| Environmental Management | 4 | 4 | 4 | 0 | 0% | |
| Municipal Health Services | 22 | 22 | 20 | 2 | 9% | |
| Emergency (Fire and Disaster Management) Services | 62 | 65 | 63 | 2 | 3% | |
| LED, Tourism and Resorts | 17 | 21 | 20 | 1 | 5% | |
| Office of Municipal Manager/Executives | 5 | 5 | 4 | 1 | 20% | |
| Internal Audit | 2 | 2 | 2 | 0 | 0% | |
| Finance | 22 | 24 | 23 | 1 | 4% | |
| Human Resources | 6 | 7 | 7 | 0 | 0% | |
| Contract, Legal and Building Management | 6 | 7 | 7 | 0 | 0% | |
| Support Services, Committee Services, Records Management and Councillor Support | 4 | 4 | 4 | 0 | 0% | |
| ICT Services | 2 | 2 | 2 | 0 | 0% | |
| Performance Management and Risk Management | 1 | 3 | 2 | 1 | 33% | |
| Totals | 383 | 408 | 389 | 19 | 5% | |
| <i>Calculation: Employees and approved posts on 30 June 2025</i> | | | | | | |

Occupational levels

The total number of **employees (including employees with disabilities)** at each of the following **occupational levels**.
 Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Table 72: Occupational levels

| Occupational Levels | Male | | | | Female | | | | Foreign Nationals | | Total |
|---|------------|------------|----------|-----------|-----------|-----------|----------|-----------|-------------------|----------|------------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Top Management (Level 23-26) | 0 | 2 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 3 |
| Senior Management (Level 16-22) | 0 | 1 | 0 | 6 | 1 | 2 | 0 | 1 | 0 | 0 | 11 |
| Professionally qualified and experienced specialists and mid-management (Level 14-15) | 0 | 2 | 0 | 4 | 1 | 2 | 0 | 0 | 0 | 0 | 9 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Level 9-13) | 11 | 35 | 0 | 11 | 10 | 20 | 0 | 4 | 0 | 0 | 91 |
| Semi-skilled and discretionary decision making (Level 4-8) | 57 | 47 | 0 | 12 | 14 | 19 | 0 | 3 | 0 | 0 | 152 |
| Unskilled and defined decision making (Level 1-3) | 24 | 42 | 0 | 6 | 22 | 27 | 0 | 2 | 0 | 0 | 123 |
| TOTAL PERMANENT | 92 | 129 | 0 | 39 | 48 | 71 | 0 | 10 | 0 | 0 | 389 |
| *Temporary employees | 15 | 45 | 0 | 5 | 27 | 28 | 0 | 1 | 0 | 0 | 121 |
| GRAND TOTAL | 107 | 174 | 0 | 44 | 75 | 99 | 0 | 11 | 0 | 0 | 510 |

*The number of EPWP and intern programme employees on 30 June 2025 forms part of the temporary employees.

Table 73: Turnover rate

| Turnover Rate | | | |
|---------------|--------------------------------|--|----------------|
| Year | Number of employees at yearend | Number of terminations during the year | Turnover Rate* |
| 2021/22 | 363 | 14 | 3.86% |
| 2023/24 | 383 | 17 | 4.44% |
| 2024/25 | 389 | 19 | 4.88% |

* Calculation: Terminations/by total number of permanent employees on 30 June 2025

COMMENT ON VACANCIES AND TURNOVER

The turnover rate experienced was the result of retirements, ill health, death and resignations.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Local Labour Forum serves as a tool to ensure effective working relations between the workforce, management and Council. The workforce is represented by trade union members who serve on various committees. The workforce is also governed by collective agreements.

4.2 POLICIES

Table 74: Human Resource policies and plans

| HR Policies and Plans | | | | |
|-----------------------|--|-------------|------------|---|
| | Name of Policy | Completed % | Reviewed % | Date adopted/reviewed by Council or comment on failure to adopt |
| 1 | Bursary Policy (Internal) | 100.00% | 100.00% | 28 June 2021 |
| 2 | Cellular Phones, Tablet and Data Card Policy | 100.00% | 100.00% | 27 July 2015 |
| 3 | Dress Code Policy | 100.00% | 100.00% | 28 June 2021 |
| 4 | Study Aid Policy | 100.00% | 100.00% | 28 June 2021 |
| 5 | Employee Assistance Programme | 100.00% | 100.00% | 27 July 2015 |
| 6 | Education, Training and Development Policy | 100.00% | 100.00% | 22 August 2022 |
| 7 | Employment Equity Policy | 100.00% | 100.00% | 22 August 2022 |
| 8 | Exit Interview Policy | 100.00% | 100.00% | 22 August 2022 |
| 9 | External Bursary Aid Policy | 100.00% | 100.00% | 22 August 2022 |
| 10 | Grievance Procedure Policy | 100.00% | 100.00% | 22 August 2022 |
| 11 | Induction and Orientation Policy | 100.00% | 100.00% | 22 August 2022 |
| 12 | Human Resources Policy Framework | 100.00% | 100.00% | 22 August 2022 |
| 13 | Financial Support for Driving Lessons | 100.00% | 100.00% | 5 December 2017 |
| 14 | HIV/Aids Policy | 100.00% | 100.00% | 18 June 2012 |
| 15 | Occupational Health and Safety | 100.00% | 100.00% | 28 June 2021 |
| 16 | Overtime Policy | 100.00% | 100.00% | 18 June 2018 |
| 17 | Recruitment and Selection Policy | 100.00% | 100.00% | 22 August 2022 |
| 18 | Sexual Harassment Policy | 100.00% | 100.00% | 6 December 2019 |
| 19 | Skills Retention Policy | 100.00% | 100.00% | 27 July 2015 |
| 20 | Smoking Policy | 100.00% | 100.00% | 27 July 2015 |
| 21 | Substance Abuse Policy | 100.00% | 100.00% | 6 December 2019 |
| 22 | Task Job Evaluation Policy | 100.00% | 100.00% | 3 December 2012 |
| 23 | Travel and Subsistence Policy | 100.00% | 100.00% | 29 May 2025 |
| 24 | Private work (Employees) | 100.00% | 100.00% | 5 December 2017 |
| 25 | Performance and Development Policy Framework | 100.00% | 100.00% | 22 August 2022 |
| 26 | Time-off to attend funerals Policy | 100.00% | 100.00% | 24 May 2021 |
| 27 | Remuneration Policy | 100.00% | 100.00% | 28 May 2018 |
| 28 | Acting, Secondment and Additional Allowance Policy | 100.00% | 100.00% | 24 May 2024 |
| 29 | COVID-19 Policy | 100.00% | 100.00% | 24 May 2021 |
| 30 | Housing Subsidy Policy | 100.00% | 100.00% | 5 December 2022 |

| Name of Policy | | Completed % | Reviewed % | Date adopted/reviewed by Council or comment on failure to adopt |
|----------------|--|-------------|------------|---|
| 31 | Expanded Public Works Programme | 100.00% | 100.00% | 29 May 2023 |
| 32 | Protection of Personal Information (POPI) Policy | 100.00% | 100.00% | 5 December 2022 |
| 33 | Medical Aid Policy | 100.00% | 100.00% | 30 June 2025 |
| 34 | Transport allowance Policy (Perk Scheme) | 100.00% | 100.00% | 10 June 2024 |
| 35 | Transport allowance Policy (Essential User) | 100.00% | 100.00% | 10 June 2024 |
| 36 | Promotion Policy (Emergency Department) | 100.00% | 100.00% | 22 August 2022 |

COMMENT ON WORKFORCE POLICY DEVELOPMENT

The Human Resource policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the management of staff. The HR Department reviewed Human Resource policies when needed and developed new policies to align with the Local Government: Staff Regulations and required legislations.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 75: Number of days of sick leave (excluding injuries on duty)

| Number of days of sick leave (excluding injuries on duty) | | | | |
|---|------------------|--|-------------------------|---------------------------------|
| Salary band | Total sick leave | Proportion of sick leave without medical certification | Total employees in post | Average sick leave per employee |
| | Days | % | No. | Days |
| Unskilled and defined decision making (Levels 1-3) | 2032 | 27.66% | 123 | 16.52 |
| Semi-skilled and discretionary decision making (Levels 4-8) | 1472 | 31.05% | 152 | 9.68 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Level 9-13) | 834 | 21.28% | 91 | 9.16 |
| Professionally qualified and experienced specialists / mid-management (Levels 14-15) | 76 | 13.16% | 9 | 8.44 |
| Senior management (Level 16-22) | 91 | 15.38% | 11 | 8.27 |
| Top management/ executive (Level 23-26) | 3 | 33.33% | 3 | 1.00 |
| Total | 4508 | 23.64% | 389 | 8.85 |

Figure 29: Average number of days sick leave (excl IOD)

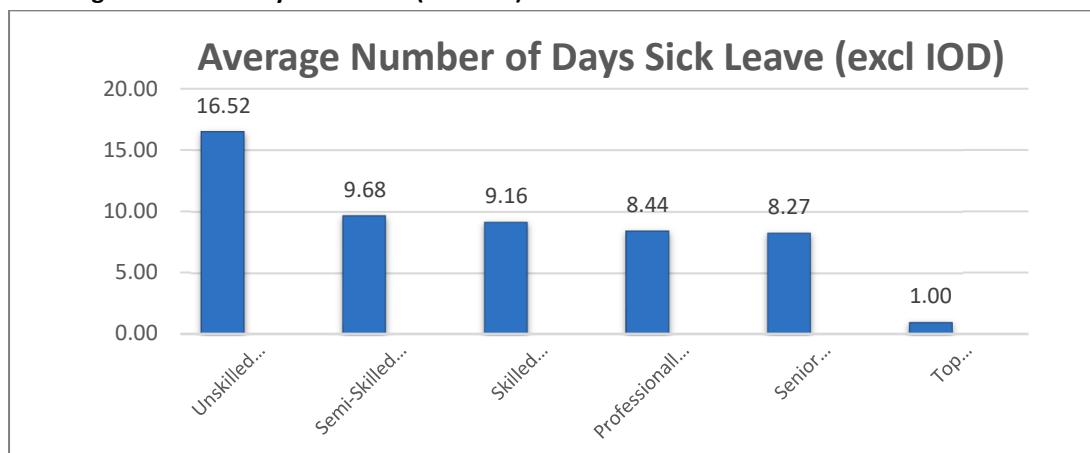


Table 76: Number of leave days due to Injury on Duty

| Number of leave days due to Injury on Duty | | | | |
|--|-----------------------------------|--|--|--|
| Type of injury | Number of Injury Leave days taken | Number of Employees using injury leave | Average Injury Leave days per employee | Percentage of total employees using Injury Leave |
| Required basic medical attention only | 160 | 21 | 8 | 5.48% |
| Temporary total disablement | 0 | 0 | 0 | 0.00% |
| Permanent disablement | 0 | 0 | 0 | 0.00% |
| Fatal | 0 | 0 | 0 | 0.00% |
| Total | 160 | 21 | 7.6 | 5.48% |

COMMENT ON INJURY AND SICK LEAVE

Sick leave taken by staff has service delivery and cost implications. By monitoring the record for sick leave and leave for injuries on duty, the employer can detect patterns or trends. The sick leave days increased from the previous year (2024 – 3 627 days) due to increased dread diseases. During the year, 21 injuries on duty were reported, with no fatalities.

Table 77: Suspensions

| Number and Period of Suspensions | | | | |
|----------------------------------|------------------------------|---------------------------------|--|-------------------------------|
| Position | Nature of Alleged Misconduct | Date of Suspension | Status of Case | Date Finalised |
| Senior Fire Fighter | Petrol theft | 12 July 2024 – 28 February 2025 | Disciplinary hearing commenced on a few occasions but was not concluded. The reason for not finalising was because of outstanding information required. The next disciplinary session is scheduled for 31 July 2025. | Finalised after 30 June 2025. |

Table 78: Disciplinary action taken in cases of financial misconduct

| Disciplinary Action Taken in Cases of Financial Misconduct | | | |
|--|---|---------------------------|----------------|
| Position | Nature of Alleged Misconduct and Rand value of any loss to the Municipality | Disciplinary action taken | Date Finalised |
| None | | | |

4.4 PERFORMANCE REWARDS**COMMENT ON PERFORMANCE REWARDS**

There is no performance incentive system in place for employees. However, the performance agreements of the Municipal Manager and directors specify whether a performance bonus is payable. Performance bonuses were paid to the Municipal Manager and the directors based on their 2023/24 performance outcome.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Skills Development Act (Act 81 of 1998) and the Local Government: Municipal Systems Act (Act 32 of 2000) as amended, require employers to provide employees with the necessary training in order to develop their human resource capacity. Section 55(1)(f) of the Municipal Systems Act states that, as the Head of Administration, the Municipal Manager is responsible for the management, utilisation and training of staff. Additionally, the MSR provides the municipality with guidelines on the implementation of staff development.

4.5 SKILLS DEVELOPMENT AND TRAINING

The table below indicates the number of employees who received training in the year under review.

Table 79: Skills matrix

| Occupational Categories | Gender | Employees in post as at 30 June 2025 and Councillors | Skills Matrix | | | | |
|--|--------|--|--|----------------|------------------------------------|----------------|----------------|
| | | | Number of skilled employees required and actual as of 30 June 2025 | | Other forms of training Unemployed | | Total |
| | | | No. | Target 2024/25 | Actual 2024/25 | Target 2024/25 | Actual 2024/25 |
| MM and s57 | Female | 1 | 1 | 1 | 0 | 0 | 1 |
| | Male | 3 | 0 | 0 | 0 | 0 | 0 |
| Councillors | Female | 8 | 0 | 0 | 0 | 0 | 0 |
| | Male | 15 | 0 | 0 | 0 | 0 | 0 |
| Snr managers and middle managers | Female | 4 | 7 | 12 | 0 | 0 | 7 |
| | Male | 13 | 17 | 20 | 0 | 0 | 17 |
| Professionals | Female | 16 | 13 | 15 | 1 | 0 | 14 |
| | Male | 4 | 8 | 5 | 0 | 0 | 8 |
| Technicians and associate professionals | Female | 12 | 5 | 12 | 0 | 0 | 5 |
| | Male | 14 | 6 | 8 | 0 | 0 | 6 |
| Clerical support workers | Female | 17 | 10 | 14 | 0 | 0 | 10 |
| | Male | 23 | 2 | 5 | 0 | 0 | 2 |
| Services and sales workers | Female | 20 | 5 | 5 | 0 | 0 | 5 |
| | Male | 49 | 12 | 31 | 0 | 0 | 12 |
| Skilled agricultural, forestry, fishery, craft and related trade workers | Female | 0 | 0 | 0 | 0 | 0 | 0 |
| | Male | 7 | 5 | 5 | 0 | 0 | 5 |
| Plant and machine Operators and Assemblers | Female | 7 | 5 | 6 | 0 | 0 | 5 |
| | Male | 69 | 23 | 52 | 0 | 0 | 23 |
| Elementary occupations | Female | 52 | 39 | 26 | 0 | 0 | 39 |
| | Male | 78 | 60 | 58 | 0 | 0 | 60 |
| Subtotal | Female | 137 | 85 | 91 | 1 | 0 | 86 |
| | Male | 275 | 133 | 184 | 0 | 0 | 133 |
| Total | | 412 | 218 | 275 | 1 | 0 | 219 |
| | | | | | | | 275 |

Table 80: Financial Competency Development: Progress Report

| Financial Competency Development: Progress Report 30 June 2025 | | | | | | |
|--|---|---|--------------------------------|--|--|--|
| Description | A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)) | Consolidated: Total of A and B | Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d)) | Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)) | Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
| Financial Officials | | | | | | |
| Accounting officer | 1 | 0 | 1 | 1 | 1 | 1 |
| Chief financial officer | 1 | 0 | 1 | 1 | 1 | 1 |
| Senior managers | 1 | 0 | 1 | 1 | 1 | 1 |
| Any other financial officials | 22 | 0 | 22 | 16 | 0 | 16 |
| Supply Chain Management Officials | | | | | | |
| Heads of supply chain management units | 1 | 0 | 1 | 1 | 0 | 1 |
| Supply chain management senior managers | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 26 | 0 | 26 | 20 | 3 | 20 |

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

In terms of sections 83(1) and 119(1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the MFMA. National Treasury has prescribed such financial management competencies in Government Notice R493 dated 15 June 2007, as amended. The regulation requires that newly appointed managers who are not in possession of the qualification must obtain the municipal minimum competency levels within 18 months after appointment.

During the 2024/25 financial year, employed beneficiaries and unemployed beneficiaries participated in various training and skills development programmes, including but not limited to structured skills programmes, internal and short courses. Where gaps are identified, the municipality addressed these gaps through the Workplace Skills Plan.

The ODM reported on its Workplace Skills Plan to LGSETA on 22 April 2025, which included the training plan for 2025/26.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

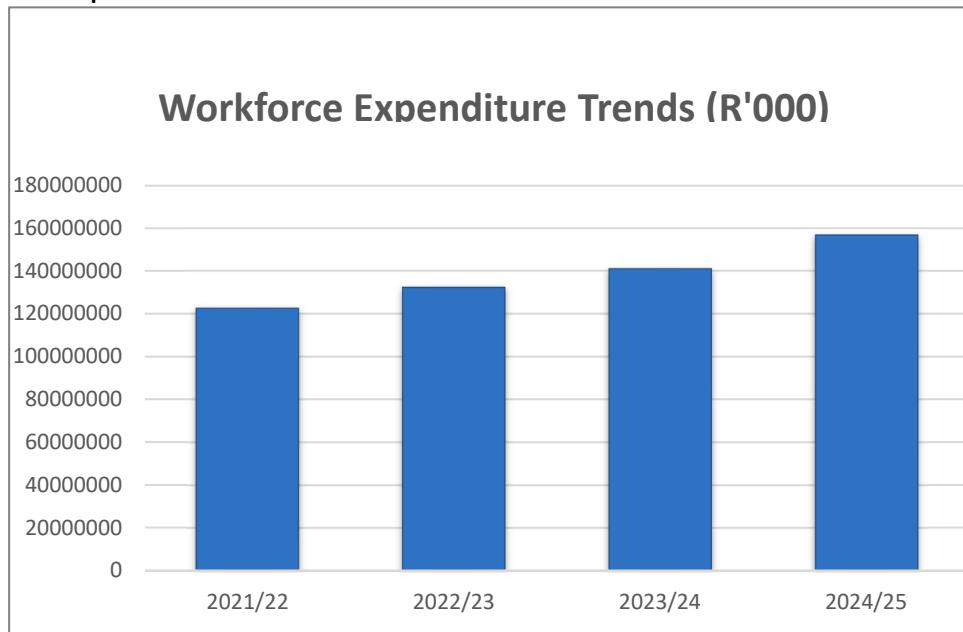
The workforce expenditure is controlled by means of an approved staff establishment and a salary budget. Internal factors that influenced remuneration are the organisational structure, job evaluation system and policies. Salaries are controlled by Bargaining Council Collective Agreements, legislation and a ministerial determination on the payment of Expanded Public Works Programme (EPWP) participants. The ODM also has a grant funding directive in place for EPWP. The Human Resource policies do not allow variable remuneration incentive schemes.

In the general course of business, Council does not need to vote on the remuneration policy, the implementation report and the measures taken in response thereto. Consultants were not used for matters relating to remuneration. Detailed disclosure of the remuneration of Council and executive management is included in the annual financial statements.

Council adopted a remuneration policy and relied on legislation and Bargaining Council Collective Agreements. Salaries of the Municipal Manager, CFO and directors are regulated by legislation.

4.6 EMPLOYEE EXPENDITURE

Figure 30: Workforce expenditure trends



COMMENT ON WORKFORCE EXPENDITURE

The workforce expenditure for the year amounted to 52.51% of the total expenditure budget, which is above the norm of 25–40%. The reason for the high percentage is that most of the functions are labour intensive, e.g. the roads services, emergency services and municipal health services that require higher staff levels to operate.

Table 81: Employees appointed to posts not approved

| Employees appointed to posts not approved | | | | |
|---|-------|---------------------|---------------|--|
| Department | Level | Date of appointment | No. appointed | Reason for appointment when no established post exists |
| None | | | | |

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE

No permanent appointments were made to posts not approved.

DISCLOSURES OF FINANCIAL INTERESTS

Financial disclosures were made by the Municipal Manager, CFO, directors and Councillors. See **Appendix H**.

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Budget outcome / Operational performance

During the period under review the municipality budgeted for a surplus of R6.2m, but the outcome was a surplus of R5.6m, as reported in the annual financial statements. The overall actual performance was less than 3.5% of budgeted projections. This performance was achieved despite key projects (that could have significantly improved the overall operational performance) not materialising. The strategy of the Council to sell some of the investment properties to improve the overall cash position of the municipality did not materialise, and the project is being reviewed for the next financial year. A key municipal resource – revenue from services related to the Karwyderskraal regional landfill site – also positively impacted the final information reported.

The importance of the road management function is in the ‘spotlight’, as the Department of Infrastructure is currently in the process of reviewing the functions performed by all districts. This is to determine whether the department is still receiving ‘value for money’. To date, the department is satisfied with the municipality performance of the roads function.

Capital performance

Capital spending of 97.8% is reflected for the financial year. This is a significant improvement compared to the previous financial year and is mostly due to the improved overall implementation and monitoring of capital projects. The capital projects were funded by a mix of resources, with the bulk of the funding still accounted for as internal reserves. For the period under review, a significant increase was also recorded for additional grants as well as donated assets compared to the previous year.

Cash/Liquidity position

The cash position is stable compared to the previous financial year, with a slight increase in the cash position for 2024/25, although prudent financial controls need to be implemented to ensure sustainability in the future. The overall current ratio decreased slightly from the previous year, but this is no cause for concern at present.

Overview

The overall financial remains stable, although risk exists with the high level of dependency on government grants. The slow percentage growth in the equitable share allocation compared with the general increases in expenditure categories above inflation is placing a significant risk on the municipal finances. The continued discussions related to the roads functions performed on behalf of the department as well as the final clarity relating to the treatment of the VAT transactions of the roads will also impact the financial position going forward.

This chapter comprises 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

INTRODUCTION TO FINANCIAL STATEMENTS

The financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless specified otherwise. The financial statements have also been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations and directives issued by the Accounting Standards Board (ASB) in accordance with section 122(3) of the MFMA.

Statements of Revenue Collection Performance by vote and by source are included in **Appendix I**.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Table 82: Financial summary

| Description | Financial Summary | | | | | |
|---|-------------------|-----------------------|----------------|-----------------------------|-------------------------------|-----------------|
| | 2023/24 | Current Year: 2024/25 | | | 2024/25 | |
| Actual | Original Budget | Adjusted Budget | Actual | Variance to Original Budget | Variance to Adjustment Budget | R' 000 |
| Financial Performance | | | | | | |
| Service charges | 16 576 | 16 055 | 18 444 | 19 547 | 21.75% | 5.98% |
| Investment revenue | 8 163 | 7 600 | 8 600 | 8 052 | 5.94% | -6.38% |
| Transfers recognised - operational | 91 147 | 97 229 | 96 688 | 91 964 | -5.41% | -4.89% |
| Other own revenue | 167 636 | 182 174 | 187 036 | 180 080 | -1.15% | -3.72% |
| Total Revenue (excluding capital transfers and contributions) | 283 521 | 303 058 | 310 768 | 299 642 | -1.13% | -3.58% |
| Employee costs | 141 018 | 167 493 | 155 567 | 156 681 | -6.46% | 0.72% |
| Remuneration of councillors | 6 763 | 6 796 | 6 796 | 6 883 | 1.29% | 1.29% |
| Depreciation & asset impairment | 4 263 | 3 681 | 3 681 | 4 756 | 29.22% | 29.22% |
| Finance charges | 3 006 | 4 682 | 7 610 | 7 066 | 50.92% | -7.15% |
| Inventory Consumed and Bulk Purchases | 495 | 330 | 635 | 635 | 92.41% | 0.03% |
| Transfers and grants | 2 300 | 1 000 | 5 151 | 4 973 | 100.00% | -3.44% |
| Other expenditure | 110 804 | 119 076 | 131 329 | 119 137 | 0.05% | -9.28% |
| Total Expenditure | 268 649 | 303 058 | 310 768 | 300 132 | -0.97% | -3.42% |
| Surplus/(Deficit) | 14 872 | – | (0) | (490) | -100.00% | -100.00% |
| Transfers recognised - capital | 1 961 | 2 700 | 3 800 | 3 031 | 12.26% | -20.23% |
| Contributions recognised - capital & contributed | 17 | – | 2 461 | 3 099 | 100.00% | 100.00% |
| Surplus/(Deficit) after capital transfers & contributions | 16 850 | 2 700 | 6 261 | 5 640 | 108.88% | -9.93% |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – |
| Surplus/(Deficit) for the year | 16 850 | 2 700 | 6 261 | 5 640 | 108.88% | -9.93% |
| Capital expenditure & funds sources | | | | | | |
| Capital expenditure | | | | | | |
| Transfers recognised - capital | 1 961 | 2 700 | 3 800 | 3 031 | 12.26% | -20.23% |
| Public contributions & donations | 17 | – | 2 461 | 3 099 | 100.00% | 100.00% |
| Borrowing | 4 487 | 1 500 | 1 500 | 265 | 100.00% | -82.32% |
| Internally generated funds | 5 725 | 7 305 | 7 987 | 9 010 | 23.35% | 12.81% |
| Total sources of capital funds | 12 191 | 11 505 | 15 748 | 15 405 | 33.91% | -2.18% |
| Financial position | | | | | | |
| Total current assets | 92 116 | 86 209 | 86 209 | 93 523 | 8.48% | 8.48% |
| Total non current assets | 115 368 | 128 305 | 128 305 | 127 173 | -0.88% | -0.88% |
| Total current liabilities | 33 807 | 35 597 | 35 597 | 38 464 | 8.05% | 8.05% |
| Total non current liabilities | 56 611 | 55 623 | 55 623 | 59 527 | 7.02% | 7.02% |
| Community wealth/Equity | 117 066 | 123 294 | 123 294 | 122 705 | -0.48% | -0.48% |
| Cash flows | | | | | | |
| Net cash from (used) operating | 6 917 | 1 331 | 1 331 | 16 824 | 1164.28% | 1164.28% |
| Net cash from (used) investing | (11 902) | (3 387) | (3 387) | (10 878) | 221.19% | 221.19% |
| Net cash from (used) financing | (5 367) | (3 204) | (3 204) | (4 704) | 46.82% | 46.82% |
| Cash/cash equivalents at the year end | 77 584 | 72 325 | 72 325 | 78 826 | 8.99% | 8.99% |
| Cash backing/surplus reconciliation | | | | | | |
| Cash and investments available | 77 585 | 72 325 | 72 325 | 78 826 | 8.99% | 8.99% |
| Application of cash and investments | 31 575 | 14 741 | 26 067 | 31 575 | 114.19% | 21.13% |
| Balance - surplus (shortfall) | 46 010 | 57 584 | 46 257 | 47 252 | -17.94% | 2.15% |
| Asset management | | | | | | |
| Asset register summary (WDV) | 94 491 | 90 339 | 82 283 | 94 491 | 4.60% | 14.84% |
| Depreciation & asset impairment | 4 263 | 3 681 | 3 681 | 4 756 | 29.22% | 29.22% |
| Renewal of Existing Assets | 7 225 | 3 725 | 8 906 | 7 225 | 93.96% | -18.88% |
| Repairs and Maintenance | 5 391 | 10 557 | 6 972 | 6 624 | -37.26% | -4.99% |
| <i>Variances are calculated by dividing the difference between actual and original/adjustment budget by the original/adjustment budget.</i> | | | | | | |

Table 83: Financial performance of operational services

| Description | Financial Performance of Operational Services | | | | | |
|---------------------------------------|---|-----------------|-------------------|----------------|------------------|-------------------|
| | 2023/24 | | 2024/25 | | 2024/25 Variance | |
| | Actual | Original Budget | Adjustment Budget | Actual | Original Budget | Adjustment Budget |
| Operating Cost | | | | | | |
| Waste Management | 8 932 | 9 287 | 9 182 | 9 538 | 2.70% | 3.87% |
| Component A: subtotal | 8 932 | 9 287 | 9 182 | 9 538 | 2.70% | 3.87% |
| Roads | 120 627 | 132 490 | 134 496 | 131 880 | -0.46% | -1.94% |
| Component B: subtotal | 120 627 | 132 490 | 134 496 | 131 880 | -0.46% | -1.94% |
| Planning | 1 588 | 1 766 | 1 772 | 1 774 | 0.44% | 0.08% |
| Component C: subtotal | 1 588 | 1 766 | 1 772 | 1 774 | 0.44% | 0.08% |
| Human Development | | | | | | |
| Component D: subtotal | – | – | – | – | – | – |
| Environmental Management | 3 210 | 3 759 | 3 769 | 3 439 | -8.52% | -8.77% |
| Component E: subtotal | 3 210 | 3 759 | 3 769 | 3 439 | -8.52% | -8.77% |
| Health | 18 094 | 22 298 | 20 497 | 19 080 | -14.43% | -6.91% |
| Component F: subtotal | 18 094 | 22 298 | 20 497 | 19 080 | -14.43% | -6.91% |
| Fire Services and Disaster Management | 40 738 | 44 963 | 45 067 | 45 079 | 0.26% | 0.03% |
| Component G: sub-total | 40 738 | 44 963 | 45 067 | 45 079 | 0.26% | 0.03% |
| Sport and Recreation | 17 202 | 21 829 | 24 287 | 21 191 | -2.92% | -12.75% |
| Component H: subtotal | 17 202 | 21 829 | 24 287 | 21 191 | -2.92% | -12.75% |
| Executive and Council | 11 273 | 11 383 | 11 753 | 11 311 | -0.62% | -3.76% |
| Internal Audit | 1 737 | 2 201 | 2 209 | 1 926 | -12.47% | -12.79% |
| Financial Services | 26 841 | 28 948 | 33 053 | 32 642 | 12.76% | -1.24% |
| Human Resource Services | 4 530 | 5 338 | 6 091 | 5 363 | 0.47% | -11.95% |
| Support Services | 11 188 | 15 366 | 15 241 | 13 621 | -11.36% | -10.63% |
| Performance Management | – | – | – | – | – | – |
| ICT Services | 2 692 | 3 430 | 3 351 | 3 288 | -4.14% | -1.87% |
| Component G: subtotal | 58 260 | 66 666 | 71 697 | 68 152 | 2.23% | -4.94% |
| Total Expenditure | 268 649 | 303 058 | 310 768 | 300 132 | -0.97% | -3.42% |

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

5.2 GRANTS

Table 84: Grant performance

| Description | Grant Performance | | | | | | R'000 | |
|---|-------------------|-----------------|-----------------|------------------|-----------------|-----------------|-------|--|
| | 2024/25 | | | 2024/25 Variance | | | | |
| | Actual | Original Budget | Adjusted Budget | Actual | Original Budget | Adjusted Budget | | |
| Operating Transfers and Grants | | | | | | | | |
| National Government: | | | | | | | | |
| Local Government Equitable Share | 87 458 | 92 989 | 90 991 | 88 909 | -4.39% | -2.29% | | |
| Finance Management | 84 437 | 86 644 | 86 644 | 86 644 | 0.00% | 0.00% | | |
| MSIG | 1 000 | 1 000 | 1 000 | 1 000 | 0.00% | 0.00% | | |
| EPWP Incentive | - | 1 106 | - | - | 100.00% | 0.00% | | |
| Rural Roads Asset Management Grant | 1 000 | 1 265 | 1 265 | 1 265 | 0.00% | 0.00% | | |
| 1 021 | 2 974 | 2 082 | - | 100.00% | 100.00% | | | |
| Provincial Government: | | | | | | | | |
| Roads Subsidy | 127 259 | 140 129 | 143 992 | 143 582 | 2.46% | -0.29% | | |
| Seta | 123 763 | 132 490 | 134 496 | 137 496 | 3.78% | 2.23% | | |
| Health Subsidy | 483 | 250 | 250 | 243 | -2.97% | -2.97% | | |
| <i>Human Capacity Building Grant</i> | 168 | 182 | 182 | 183 | 0.52% | 0.52% | | |
| Safety Initiative Implementation - WOSA | 1 | 700 | 700 | 130 | -81% | -81% | | |
| 1 668 | 1 000 | 1 109 | 1 036 | 3.59% | -6.59% | | | |
| CDW Operational Support Grant | 54 | 57 | 60 | 60 | 5.40% | 0.00% | | |
| Load Shedding Mitigation Grant | 2 | - | - | - | - | - | | |
| Joint District and Metro Approach Grant | 500 | - | - | - | - | -- | | |
| Fire Safety | | 1 500 | 2 000 | 1 908 | 27.17% | -4.62% | | |
| Grant WCFMC Capability | 446 | 2 750 | 3 316 | 1 096 | -60.15% | -66.96% | | |
| Grant Intervention | 96 | - | 79 | 79 | 100.00% | 0.00% | | |
| Municipal Water Resilience Grant | 80 | 1 200 | 1 800 | 1 352 | 12.7% | -24.9% | | |
| Total Operating Transfers and Grants | 214 717 | 233 119 | 234 984 | 232 491 | -0.27% | -1.06% | | |

Variances are calculated by comparing the actual and the original/adjustment budget.

COMMENT ON OPERATING TRANSFERS AND GRANTS

The municipality received a total of R232.4m in grants from the National and Provincial departments. This corresponds with an 8.3% increase compared to the previous financial year. The bulk of these funds is accounted for by the road's subsidy for the function performed on behalf of the Department of Infrastructure. The municipalities are administering and managing the grants well with limited unspent grants at the end of the financial year. This is also evident and supported by the additional allocation received from the provincial department for the 2024/25 financial year compared to the previous year.

The only risk currently reported relates to the national allocation received for the RRAMS grant. This was mainly due to the capacity experienced within the Roads department in managing the project. However, it has been mitigated with the appointment of a service provider for future project funding.

Appendix J indicates conditional grants received.

Table 85: Grants received from sources other than the Division of Revenue Act

| Grants received from Sources other than the Division of Revenue Act (DoRA) | | | | | R |
|--|--------------|--------------|-----------------------|--|---|
| Details of Donor | Actual Grant | Actual Grant | Date Grant terminates | Nature and benefit from the grant receive include description of any contributions in kind | |
| | 2023/24 | 2024/25 | | | |
| Parastatals | | | | | |
| SETA Training Fund | 482 676 | 242 567 | On-going | Training as per WSP | |
| CDW Operational Support Grant | 56 000 | 57 000 | Once-off | Provincial allocation for capacity building | |
| Human Capacity Building Grant | 300 000 | - | Once-off | Provincial allocation for community development workers | |
| Financial Management Capacity Grant | 500 000 | 700 000 | Once-off | Provincial allocation (Roll over portion) | |
| Safety Initiative Implementation - WOSA | 1 500 000 | 1 109 000 | On-going | Emergency Services capacity and mediation (Roll over portion) | |
| Fire Services Capacity Building Grant | - | 1 800 000 | Once-off | PPE Bunker Clothing | |
| Joint District and Metro Approach Grant (Sanitation) | 1 000 000 | - | Once-off | Sanitation SWD and TWK (Roll over portion) | |
| Load Shedding Mitigation Grant | 1 600 000 | - | Once-off | Back up electricity (Roll over portion) | |
| Municipal Intervention Grant | 300 000 | 100 000 | Once-off | Disaster Internship (Roll over portion) | |
| Municipal Water Resilience Grant | - | 1 200 000 | On-going | Water Truck | |

COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

These grants are received by means of the submission of a business plan as funding becomes available from the different provincial departments. As can be seen from the table, the municipality is proactive by ensuring submission of business plans for funding to reduce the burden on the municipality's own revenue resources.

Credit for the management of these grants has to be given to the Community Services Directorate for ensuring that project spending is prioritised, and funds are spent per planning cycles. This should also be a positive indicator for future project funding, once available.

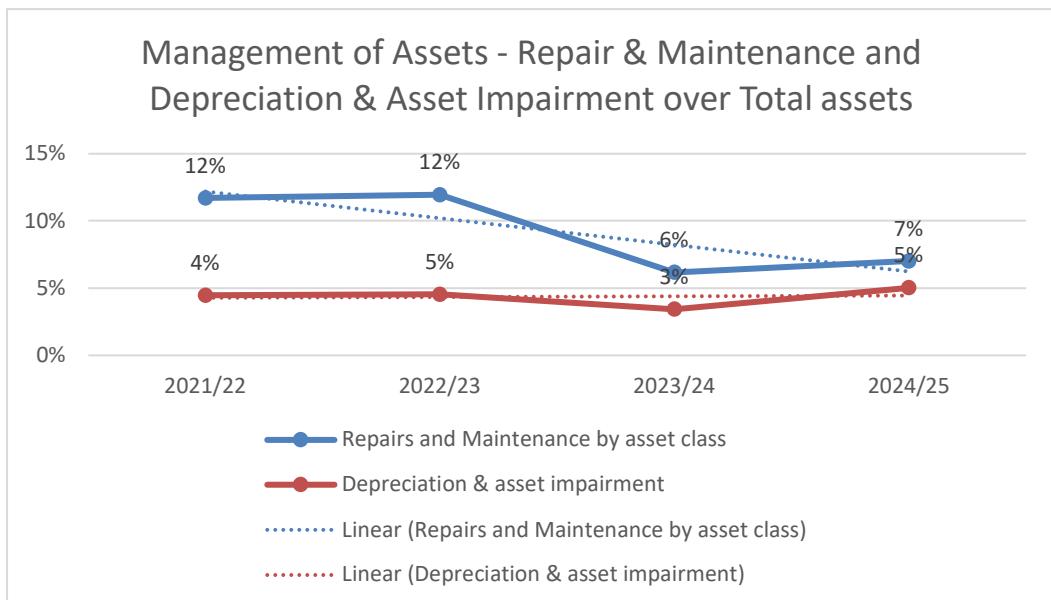
The spending on emergency services projects – fire services capacity building / WOSA initiatives – is per project plan and ongoing. Funds were also received for the purchasing of capital equipment due to fiscal dumping from the provincial department.

5.3 ASSET MANAGEMENT

Table 86: Asset management

| R thousands | Asset Management 2024/25 | | | | | |
|---|--------------------------|-----------------|-----------------|-----------------|-------------------|-----------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | | |
| | Audited outcome | Audited outcome | Audited outcome | Original budget | Adjustment budget | Audited outcome |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | |
| Infrastructure | — | — | — | — | — | — |
| Infrastructure - Road transport | — | — | — | — | — | — |
| Infrastructure - Electricity | — | — | — | — | — | — |
| Infrastructure - Water | — | — | — | — | — | — |
| Infrastructure - Sanitation | — | — | — | — | — | — |
| Infrastructure - Other | — | — | — | — | — | — |
| Community | — | — | — | — | — | 3 |
| Heritage assets | — | — | — | — | — | — |
| Investment properties | — | — | — | — | — | — |
| Other assets | 4 584 | 7 873 | 5 888 | 2 630 | 5 416 | 4 867 |
| Agricultural assets | — | — | — | — | — | — |
| Biological assets | — | — | — | — | — | — |
| Intangibles | — | — | — | — | — | 96 |
| TOTAL CAPITAL EXPENDITURE ON NEW ASSETS | 4 584 | 7 873 | 5 888 | 2 630 | 5 416 | 4 966 |
| Capital expenditure on renewal/upgrading of existing assets by Asset Class/Sub-class | | | | | | |
| Infrastructure | 22 421 | — | 367 | — | 4 536 | 4 226 |
| Infrastructure - Road transport | — | — | — | — | — | — |
| Infrastructure - Electricity | — | — | — | — | — | — |
| Infrastructure - Water | — | — | — | — | — | — |
| Infrastructure - Sanitation | — | — | — | — | — | — |
| Infrastructure - Other | — | — | 367 | — | 4 536 | 4 226 |
| Community | — | — | — | — | — | — |
| Heritage assets | — | — | — | — | — | — |
| Investment properties | — | — | — | — | — | — |
| Other assets | 452 | 1 665 | 1 416 | 3 725 | 4 370 | 2 999 |
| Agricultural assets | — | — | — | — | — | — |
| Biological assets | — | — | — | — | — | — |
| Intangibles | — | — | — | — | — | — |
| TOTAL CAPITAL EXPENDITURE ON RENEWAL/UPGRADING OF EXISTING ASSETS | 22 874 | 1 665 | 1 783 | 3 725 | 8 906 | 7 225 |
| Total capital expenditure | | | | | | |
| Infrastructure | — | — | 367 | — | 4 536 | 4 226 |
| Infrastructure - Road transport | — | — | — | — | — | — |
| Infrastructure - Water | — | — | — | — | — | — |
| Infrastructure - Sanitation | — | — | — | — | — | — |
| Infrastructure - Other | — | — | 367 | — | 4 536 | 4 226 |
| Community | — | — | — | — | — | — |
| Other assets | 5 036 | 9 537 | 7 304 | 6 355 | 9 786 | 7 866 |
| Intangibles | — | — | — | — | — | 96 |
| Total capital expenditure - asset class | 5 036 | 9 537 | 7 671 | 6 355 | 14 322 | 12 191 |
| Asset register summary | | | | | | |
| Infrastructure | 30 044 | 29 162 | 28 656 | 34 046 | 32 910 | 31 980 |
| Infrastructure - Road transport | 1 927 | 1 871 | 1 815 | 1 370 | 1 017 | 1 760 |
| Infrastructure - Electricity | 314 | 305 | 296 | 186 | 138 | 287 |
| Infrastructure - Water | 837 | 813 | 788 | 2 023 | 1 502 | 765 |
| Infrastructure - Sanitation | 2 547 | 2 472 | 2 398 | 1 344 | 998 | 2 326 |
| Infrastructure - Other | 24 418 | 23 702 | 23 359 | 29 124 | 29 254 | 26 844 |
| Community | 11 | 11 | 10 | 11 | 10 | 13 |
| Investment properties | 12 811 | 12 797 | 12 797 | 12 769 | 12 783 | 12 797 |
| Other assets | 36 840 | 42 271 | 45 920 | 51 976 | 52 351 | 49 627 |
| Intangibles | 12 | 8 | 5 | 3 | 3 | 74 |
| TOTAL ASSET REGISTER SUMMARY | 79 718 | 84 249 | 87 388 | 98 805 | 98 057 | 94 491 |
| EXPENDITURE OTHER ITEMS | | | | | | |
| Depreciation & asset impairment | 3 558 | 3 831 | 3 006 | 3 681 | 3 681 | 4 756 |
| Repairs and Maintenance by asset class | 9 324 | 10 063 | 5 391 | 10 557 | 6 972 | 6 624 |
| Infrastructure | — | — | — | — | — | — |
| Infrastructure - Road transport | — | — | — | — | — | — |
| Infrastructure - Electricity | — | — | — | — | — | — |
| Infrastructure - Water | — | — | — | — | — | — |
| Infrastructure - Other | — | — | — | — | — | — |
| Community | — | — | — | — | — | — |
| Other assets | 9 324 | 10 063 | 5 391 | 10 557 | 6 972 | 6 624 |
| TOTAL EXPENDITURE OTHER ITEMS | 12 882 | 13 894 | 8 397 | 14 238 | 10 652 | 11 380 |

Figure 31: Management of assets – Repairs and maintenance and depreciation and asset impairment over total assets



COMMENT ON ASSET MANAGEMENT

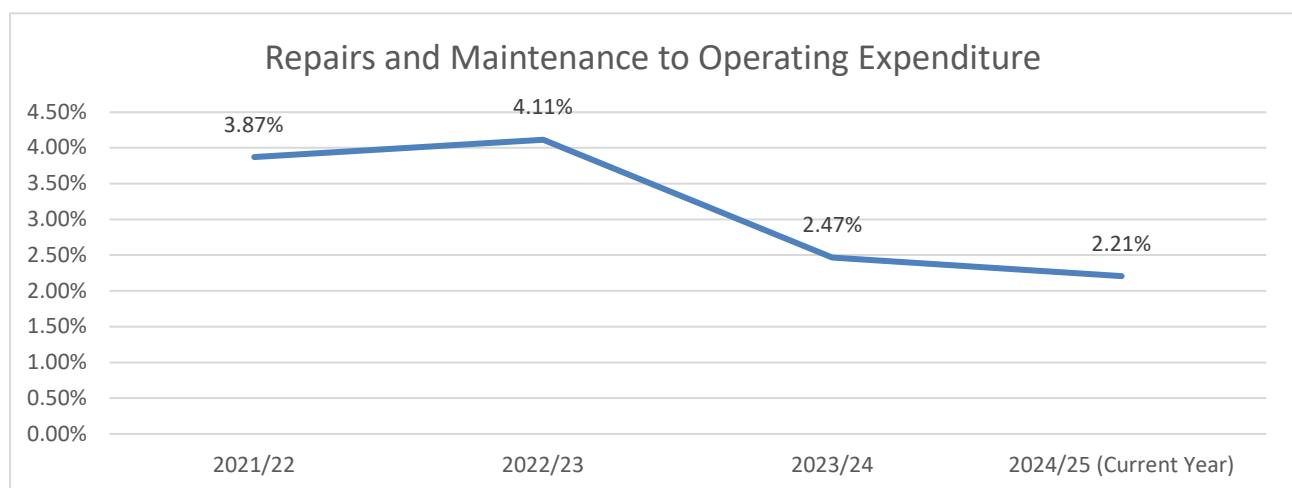
The above ratio only reflects spending on ODM's own assets and excludes the road assets. The spending of the assets is prioritised specifically for the service delivery departments, with the bulk of the expenditure within the Solid Waste function, emergency services and municipal resorts. The spending is consistent with the previous financial year, although below the National Treasury norm of 8%.

Depreciation and asset impairment are based on the total assets of the municipality and will fluctuate yearly due to different factors.

Table 87: Repairs and maintenance expenditure

| Repairs and Maintenance Expenditure: 2024/25 | | | | | R' 000 |
|--|-----------------|-------------------|--------|----------------------------|--------|
| | Original Budget | Adjustment Budget | Actual | Adjustment Budget variance | |
| Repairs and maintenance expenditure | 10 557 | 6 972 | 6 624 | -4.99% | |

Figure 32: Repairs and maintenance to operating expenditure



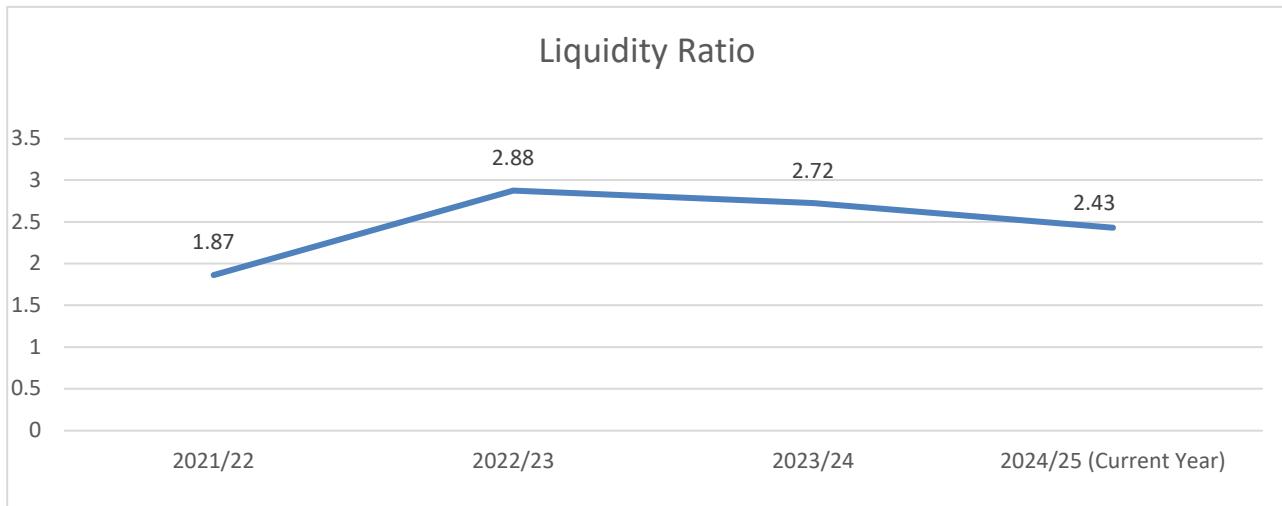
Repairs and maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance by total operating expenditure.

COMMENT ON REPAIRS AND MAINTENANCE EXPENDITURE

Investigating the implementation of an asset maintenance plan will significantly improve and enhance the spending on repairs and maintenance going forward. This is something that needs to be investigated to ensure optimal use of assets. The municipal asset maintenance spending is currently reactive, and implementing a proactive strategy will improve spending going forward. The ratio report reflects below the national norm, but this should also improve with the implementation of the asset maintenance plan, once implemented.

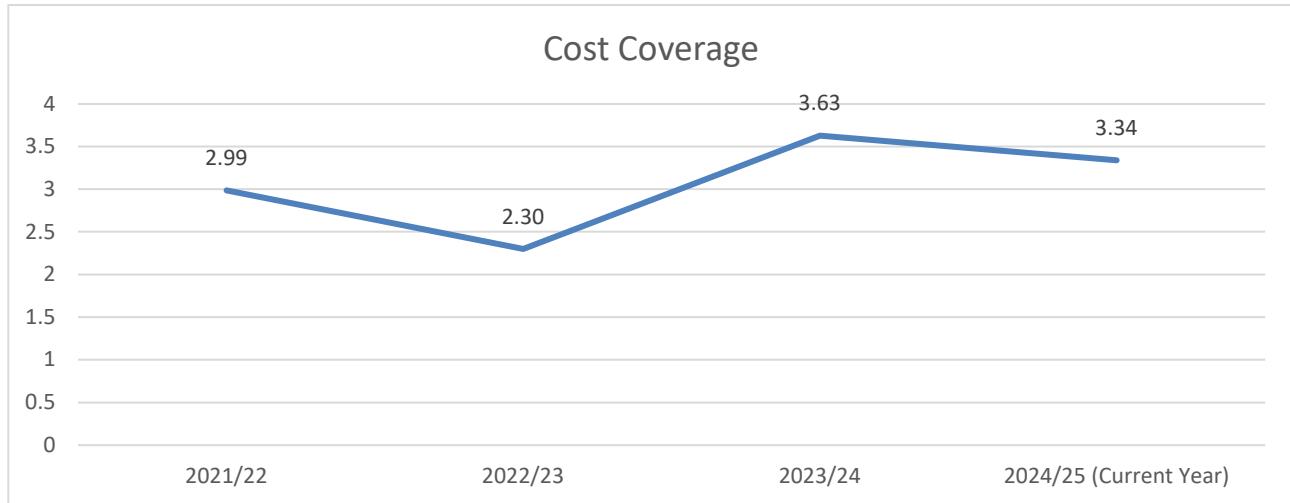
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Figure 33: Liquidity ratio



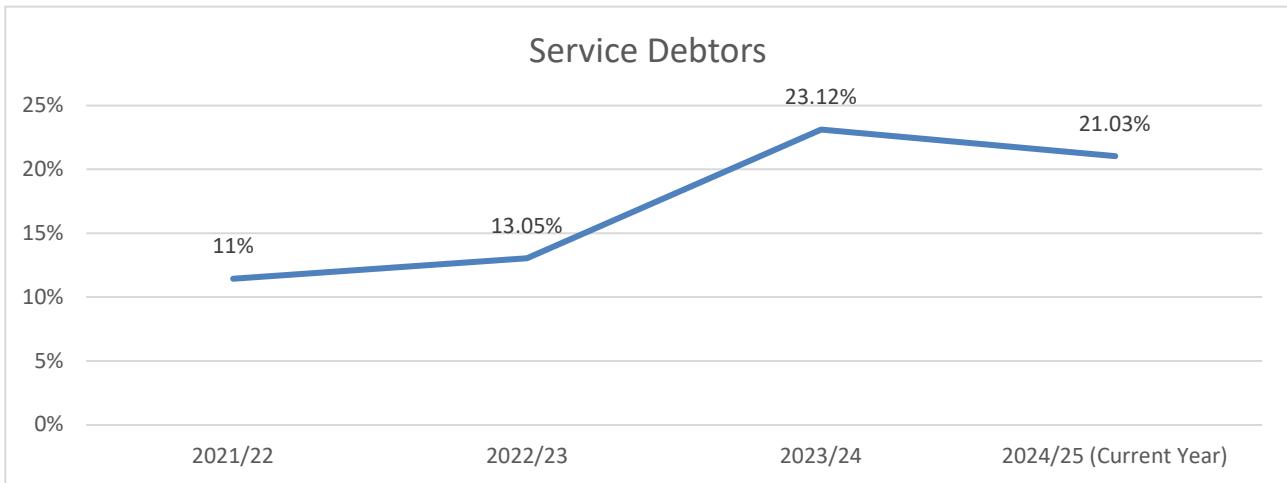
Liquidity ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

Figure 34: Cost coverage ratio



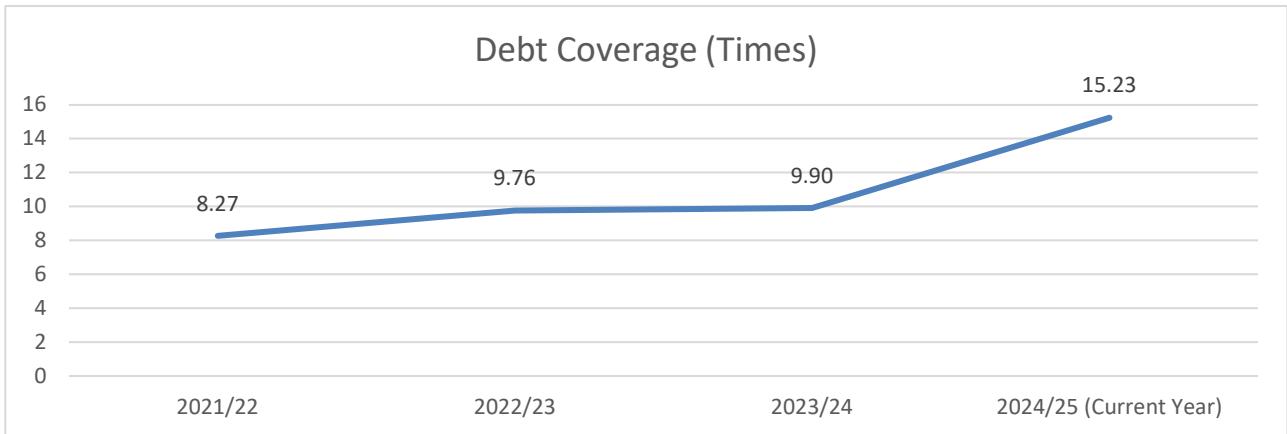
Cost coverage ratio – Explains how many months' expenditure can be covered by the cash and other liquid assets available to the municipality, excluding utilisation of grants.

Figure 35: Service debtors ratio



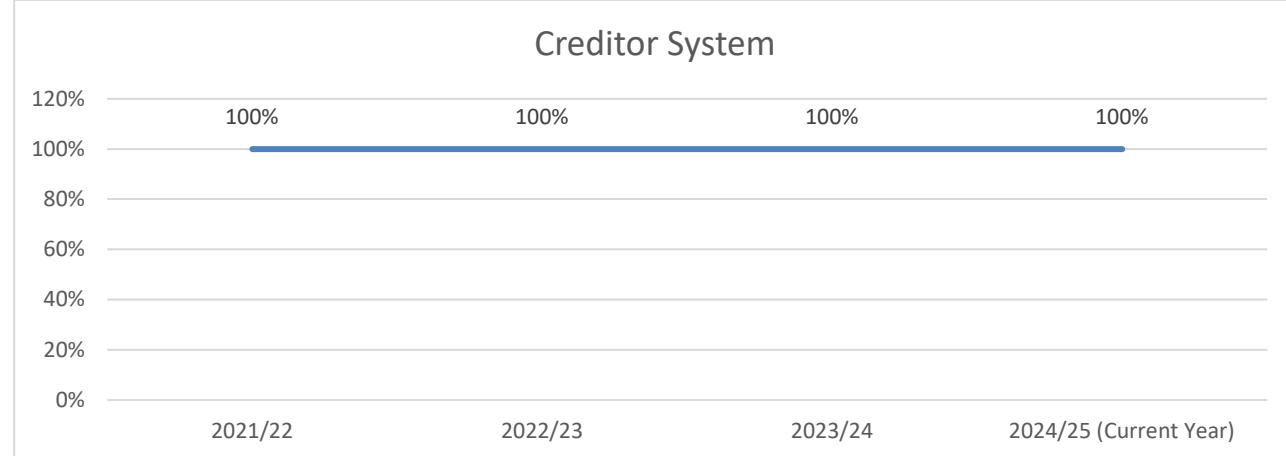
Total outstanding service debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Figure 36: Debt coverage ratio



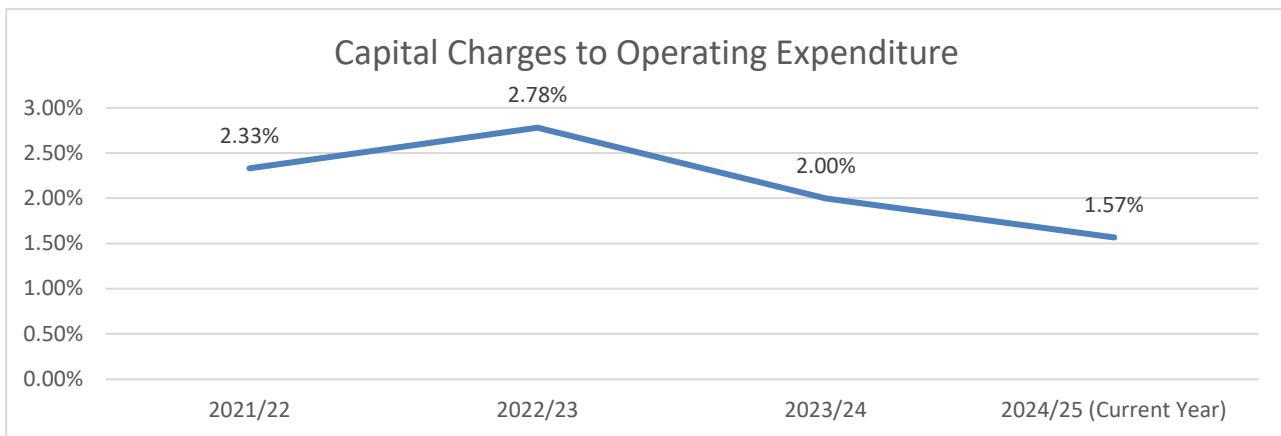
Debt coverage – The number of times debt payments can be accommodated within operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the municipality.

Figure 37: Creditor system efficiency ratio



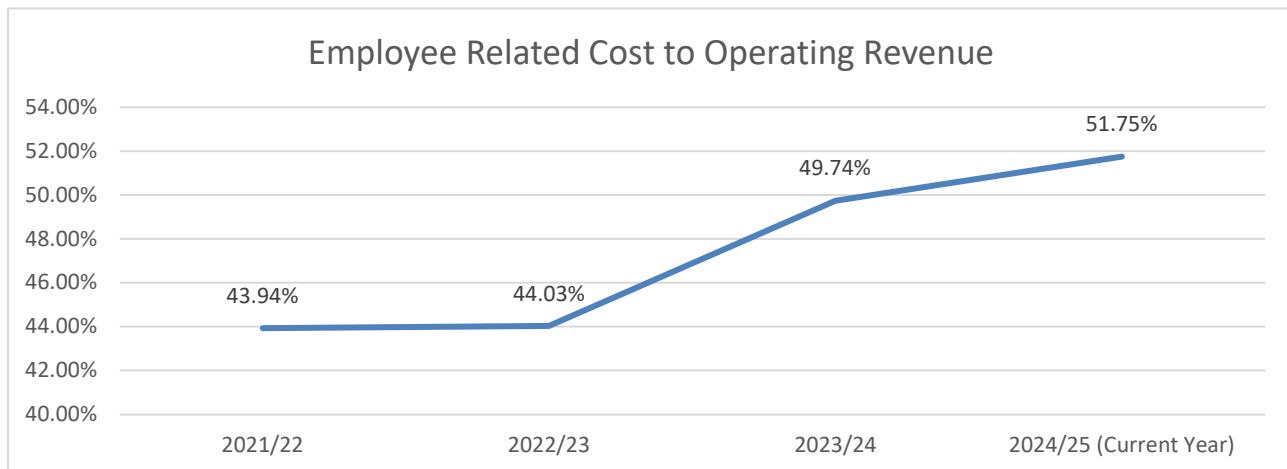
Creditor system efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases.

Figure 38: Capital charges to operating expenditure ratio



Capital charges to operating expenditure ratio is calculated by dividing the sum of capital interest and principal paid by the total operating expenditure.

Figure 39: Employee-related cost to operating revenue



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

COMMENT ON FINANCIAL RATIOS

Liquidity ratio

The liquidity ratio reduced slightly from the previous financial year. The reported ratio of 2.43 is still healthy and above the National Treasury norm of 1.5-2 : 1. This means for every R1 in liabilities (creditors) the municipality have between R1.50 to R2.00 cash available. The interpretation is that for every R1 in current liabilities, the municipality has R2.43 in current assets. This in effect means that the municipality will be able to settle its short-term obligations if due on the reporting date.

Cost coverage ratio

The cost coverage ratio measures the ability of the municipality to continue with operations with no additional cash inflows. The norm is 1-3 months and although the municipality is slightly above the norm of 3 months, caution should be exercised with the management of cash reserves. The dependency of the municipality on government grants can also significantly impact the ratios if delays are experienced in receiving the funds. This is, however, monitored by means of daily cash flow management by the finance department.

Service debtors ratio

The service debtors ratio slightly decreased compared to the previous financial year. The ratio is, however, still significantly higher compared to the 2022/23 and 2021/22 financial years. This can be due to several factors that will require further investigations. The ratio is, however, also an indicator of growth in the service revenues reported. This correlate with the above budget performance reported for the waste revenues in the operating performance.

Debt coverage ratio

The ratio reports a significant improvement from the previous financial year. That is positive and indicates that more resources are available to repay obligations when due. The reduction in the outstanding balance for external borrowing and the principle that borrowing will only be for infrastructure-related projects also contributed to the positive performance reported.

Creditors' system efficiency ratio

The municipality is still in a favourable financial position, where all creditors are paid within 30 days, as required by the MFMA.

Capital charges to operational expenditure ratio

The positive effect of the reduced external borrowing balance and the principle of no borrowing undertaken unless for infrastructure-related assets, significantly contributes to the positive ratio reported. Currently no risk exists of defaulting on payments of loan obligations when due.

Employee-related cost to operating revenue

The biggest risk to the municipal operational budget is the employee related cost category. The national norm is between 25% and 40%, and the ratio reported is above the norm. The municipal operational environment is also labour intensive and a huge administrative contributor to the above norm ratio. To address this ratio, the municipality will need to review the staff structure and ensure that only service delivery functions are prioritised and funded. This should be done on a yearly basis. Addressing the ratio should be prioritised over an MTREF period with positive support from all role-players within the municipal sphere, that is, administration, Council and organised labour.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

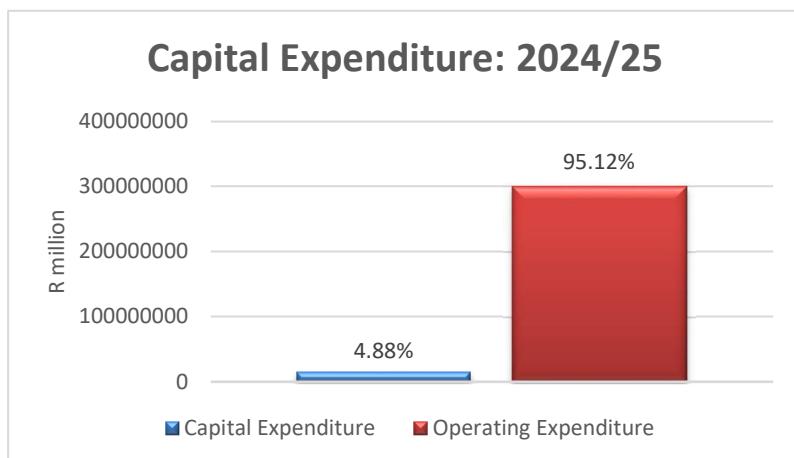
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The National Treasury norm for capital is between 10% and 20% of the total expenditure budget. The nature of the district municipality's limited infrastructure for service delivery contributes to the low capital spending compared to the norm.

No risk has been experienced to date, but this needs to be evaluated going forward.

5.5 CAPITAL EXPENDITURE

Figure 40: Capital expenditure

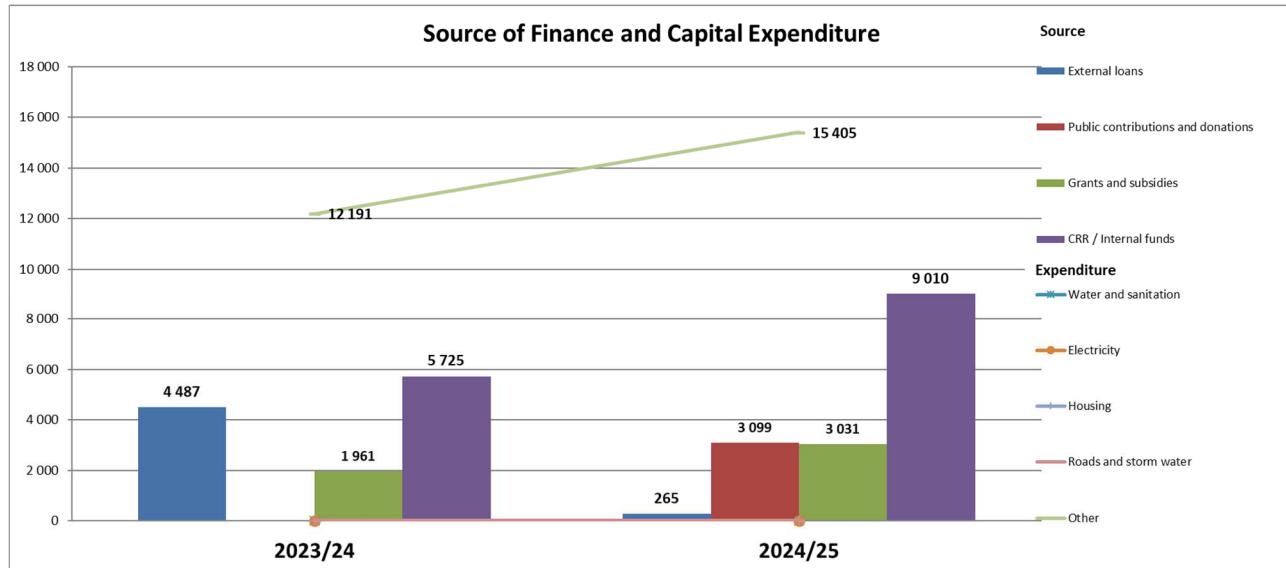


5.6 SOURCES OF FINANCE

Table 88: Capital expenditure – Funding sources

| Capital Expenditure - Funding Sources: Year 2023/24 to 2024/25 | | | | | | |
|--|---------------|----------------------|-------------------|---------------|---------------------------|-----------------------|
| Details | 2023/24 | | 2024/25 | | | R'000 |
| | Actual | Original Budget (OB) | Adjustment Budget | Actual | Adjustment to OB Variance | Actual to OB Variance |
| Source of finance | | | | | | |
| External loans | 4 487 | 1 500 | 1 500 | 265 | 100.00% | -82.32% |
| Public contributions and donations | 17 | | 2 461 | 3 099 | 100.00% | 100.00% |
| Grants and subsidies | 1 961 | 2 700 | 3 800 | 3 031 | 12.26% | -20.23% |
| Other | 5 725 | 7 305 | 7 987 | 9 010 | 23.35% | 12.81% |
| Total | 12 191 | 11 505 | 15 748 | 15 405 | 33.91% | -2.18% |
| Percentage of finance | | | | | | |
| External loans | 36.81% | 13.04% | 9.52% | 1.72% | 100.00% | -81.93% |
| Public contributions and donations | 0.14% | 0.00% | 15.63% | 20.12% | 100.00% | 100.00% |
| Grants and subsidies | 16.09% | 23.47% | 24.13% | 19.68% | -16.16% | -18.46% |
| Other | 46.97% | 63.49% | 50.72% | 58.49% | -7.88% | 15.32% |
| Capital expenditure | | | | | | |
| Water and sanitation | | | | | 0.00% | 0.00% |
| Electricity | | | | | 0.00% | 0.00% |
| Housing | | | | | 0.00% | 0.00% |
| Roads and stormwater | | | | | 0.00% | 0.00% |
| Other | 12 191 | 11 505 | 15 748 | 15 405 | 33.91% | -2.18% |
| Total | 12 191 | 11 505 | 15 748 | 15 405 | 33.91% | -2.18% |
| Percentage of expenditure | | | | | | |
| Water and sanitation | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Electricity | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Housing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Roads and stormwater | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Other | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Figure 41: Source of Finance and Capital Expenditure



COMMENT ON SOURCES OF FUNDING

All projects were funded either from own funding, donations, conditional grants received or borrowings. A healthy funding mix was implemented in the financial year, with 58% of spending financed from internal reserves, 20% from government grants and 20% funded from contributed assets. This is positive and reduces the burden of depletion of own reserves that can be used for future needs and requirements.

5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Table 89: Capital expenditure on five largest projects

| Name of Project | Capital Expenditure on five largest projects* | | | | | R | |
|------------------------------|---|-------------------|--------------------|-----------------------|-------------------------|---|--|
| | 2024/25 | | | | | | |
| | Original Budget | Adjustment Budget | Actual Expenditure | Original Variance (%) | Adjustment variance (%) | | |
| Vehicle Replacement | 1 800 000.00 | 1 692 000.00 | 1 600 769.34 | 11% | 5% | | |
| Bunker Gear (PPE) | 600 000.00 | 1 440 000.00 | 1 298 668.35 | 116% | 10% | | |
| Water Truck | 1 200 000.00 | 1 800 000.00 | 1 231 500.92 | 3% | 32% | | |
| Fire Service Capacity Grant | 1 500 000.00 | 1 500 000.00 | 1 407 559.25 | -6% | 6% | | |
| Emergency Vehicle (Donation) | - | 2 461 445.00 | 2 461 445.00 | 100% | 0% | | |

* Projects with the highest capital expenditure in 2024/25

COMMENT ON CAPITAL PROJECTS

The bulk of the capital projects, reflected as the largest project for the financial year, is towards the service delivery departments. This is positive and reflects the prioritising of service delivery, with the administrative and support functions receiving a lower rating on the priority list. All the projects were successfully completed except for the one project that could not be finalised by year-end due to the timing of receiving the funds. The project is funded from a grant, and the municipality will ensure that an application for rollover is submitted to ensure completion of the project.

Appendix L refers to the procurement of other capital assets as per the capital programme per department.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Not applicable.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality is still significantly grant dependent and needs to ensure that prudent financial and cash flow management practices are upheld going forward. The biggest risk relating to the grant dependency is the slow and reduced increases in grant funding compared to the above inflation increases of other expenditures.

5.9 CASH FLOW

Table 90: Cash flow outcomes

| Description | Cash Flow Outcomes | | | | R'000 | |
|--|--------------------|-----------------|-----------------|-----------------|-------|--|
| | 2023/24 | 2024/25 | | | | |
| | Audited Outcome | Original Budget | Adjusted Budget | Actual | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | |
| Receipts | | | | | | |
| Service charges | 15 290 | 17 559 | 17 559 | 19 461 | | |
| Other revenue | 149 226 | 178 153 | 178 153 | 177 369 | | |
| Government - operating | 92 417 | 95 698 | 95 698 | 96 392 | | |
| Government - capital | 1 620 | 3 300 | 3 300 | 3 072 | | |
| Interest | 8 405 | 8 900 | 8 900 | 8 341 | | |
| Dividends | | | | | | |
| Payments | | | | | | |
| Suppliers and employees | (256 144) | (298 580) | (298 580) | (282 745) | | |
| Finance charges | (1 596) | (1 500) | (1 500) | (1 019) | | |
| Transfers and Grants | (2 300) | (2 200) | (2 200) | (4 047) | | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 6 917 | 1 331 | 1 331 | 16 824 | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| Receipts | | | | | | |
| Proceeds on disposal of PPE | – | 9 900 | 9 900 | – | | |
| Decrease (Increase) in non-current debtors | – | – | – | – | | |
| Decrease (increase) other non-current receivables | – | – | – | – | | |
| Decrease (increase) in non-current investments | – | – | – | – | | |
| Payments | | | | | | |
| Capital assets | (11 902) | (13 287) | (13 287) | (10 878) | | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | (11 902) | (3 387) | (3 387) | (10 878) | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| Receipts | | | | | | |
| Short term loans | – | 1 500 | 1 500 | – | | |
| Borrowing long term/refinancing | – | – | – | – | | |
| Increase (decrease) in consumer deposits | – | – | – | – | | |
| Payments | | | | | | |
| Repayment of borrowing | (5 367) | (4 704) | (4 704) | (4 704) | | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | (5 367) | (3 204) | (3 204) | (4 704) | | |
| NET INCREASE/ (DECREASE) IN CASH HELD | (10 352) | (5 260) | (5 260) | 1 242 | | |
| Cash/cash equivalents at the beginning of the year | 87 936 | 77 585 | 77 585 | 77 584 | | |
| Cash/cash equivalents at the year-end | 77 584 | 72 325 | 72 325 | 78 826 | | |

COMMENT ON CASH FLOW OUTCOMES

Net cash flow from operating activities significantly improved from R6.9m for 2023/24 to R16.8m for the 2024/25 financial year. The bulk of the positive increase is due to the increase in service revenue from service charges (27% year-on-year increase) as well as the roads maintenance services (20% year-on-year increase). The positive service charges are mainly due to the introduction of the third municipality to the SLA for the regional landfill site as well as other private usage at the facility. The excellent management of the facilities also reflects the positive performance.

The investment activities, although on par with the previous year, the non-achievement of the sale of land posed a significant risk going forward. The administration will need to ensure that this is addressed due to the additional pressure it can place on other funding sources to fund expenditures if not materialised.

Overall, a slight increase was experienced in the cash and cash equivalents at year-end, and although there is no cause for concern at this stage, it needs to be monitored going forward.

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Borrowing consists of an annuity loan of R25m for the construction of cell 4 at the Karwyderskraal Regional Landfill Site. No risk is reported with the loan at this stage, and the loan is nearing its full settlement date.

Table 91: Actual borrowings: Year 2022/23 to 2024/25

| Instrument | Actual borrowings Year 2022/23 to 2024/25 | | |
|--|---|---------------|--------------|
| | 2022/23 | 2023/24 | 2024/25 |
| Municipality | | | |
| Long-Term Loans (annuity/reducing balance) | 15 232 | 11 112 | 6 519 |
| Long-Term Loans (non-annuity) | - | - | - |
| Local registered stock | - | - | - |
| Instalment Credit | - | - | - |
| Financial Leases | 1 357 | 112 | - |
| PPP liabilities | - | - | - |
| Finance Granted By Cap Equipment Supplier | - | - | - |
| Marketable Bonds | - | - | - |
| Non-Marketable Bonds | - | - | - |
| Bankers Acceptances | - | - | - |
| Financial derivatives | - | - | - |
| Other Securities | - | - | - |
| Municipality Total | 16 589 | 11 225 | 6 519 |

Figure 42: Actual borrowing

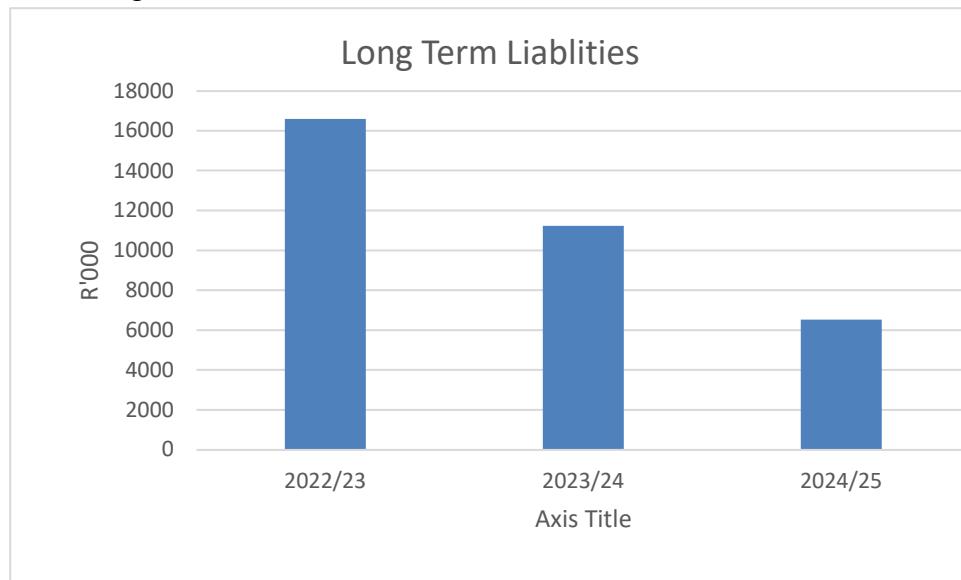


Table 92: Municipal investments

| Investment type | Municipal Investments | | |
|--|-----------------------|---------------|---------------|
| | 2022/23 | 2023/24 | 2024/25 |
| Municipality | Actual | Actual | Actual |
| Deposits - Bank | 44 930 | 75 424 | 76 543 |
| Deposits - Public Investment Commissioners | | | |
| Deposits - Corporation for Public Deposits | | | |
| Bankers Acceptance Certificates | | | |
| Negotiable Certificates of Deposit - Banks | | | |
| Guaranteed Endowment Policies (sinking) | | | |
| Repurchase Agreements - Banks | | | |
| Municipal Bonds | | | |
| Other | | | |
| Municipality subtotal | 44 930 | 75 424 | 76 543 |
| | | | |
| Consolidated total | 44 930 | 75 424 | 76 543 |

COMMENT ON BORROWING AND INVESTMENTS

The deposits included all bank balances and investments as detailed in note 2 of the Annual Financial Statements.

5.11 PUBLIC-PRIVATE PARTNERSHIPS

PUBLIC-PRIVATE PARTNERSHIPS

The municipality has no Public-Private Partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

All Supply Chain Management (SCM) policies have been reviewed, and the unit is operating efficiently. Monthly, quarterly and annual SCM reports have been submitted as required. Service provider performance was assessed monthly, with formal evaluations conducted monthly and bi-annually. Reports were submitted following each evaluation.

Amendments to the SCM Regulations were published in the *Gazette* in May 2025. The municipality amended the SCM policy to reflect these changes.

SCM employees achieved the required qualifications for their roles by fulfilling the necessary MMC unit standards, and the newly appointed SCM employees have been registered for the necessary MMC unit standard.

No Councillors are involved in the bid process.

Challenge/future focus

The biggest challenge with the SCM implementation is that no electronic system is currently in operation. This is placing significant risk on the officials with mostly a manual process of operation of the function. The administration will need to ensure that this is addressed as a matter of urgency due to the nature of and all compliance challenges experienced with the supply chain process. Future Focus: To follow a phase-in approach on the upgrading of the SCM modules to an automated system.

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognised **A**ccounting **P**ractice, and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders.

The municipality has fully implemented GRAP. The financial statements are compiled according to GRAP standards, as prescribed by the MFMA, and are audited as such.

CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS

INTRODUCTION

In terms of section 188(1)(b) of the Constitution of the Republic of South Africa (Act 108 of 1996), the functions of the Auditor-General include the auditing of and reporting on the accounts, financial statements and financial management of all municipalities. Section 45 of the Local Government: Municipal Systems Act (Act 32 of 2000) stipulates that the results of performance management must be audited annually by the Auditor-General.

The Auditor-General conducted the audit of this municipality. The financial statements were submitted within the prescribed timeframes as determined by section 126 (1)(a) of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

COMPONENT A: AUDITOR-GENERAL OPINION ON FINANCIAL STATEMENTS 2023/24

6.1 AUDITOR-GENERAL REPORT 2023/24

Table 93: Auditor-General Report on financial performance year 2023/24

| Auditor-General Report on Financial Performance Year 2023/24 | |
|---|--|
| Audit Report Status* | Unqualified Audit with no findings (Clean) |
| Non-Compliance Issues | Remedial Action Taken |
| No material non-compliance with selected legislative requirements were identified. | None |
| Internal Control Deficiencies | Remedial Action Taken |
| No significant deficiencies in internal control were identified | None |
| Emphasis of matters | Remedial Action Taken |
| <u>Restatement of corresponding figures</u> As disclosed in note 40 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements. | None |

Table 94: Auditor-General Report on service delivery performance 2023/24

| Auditor-General Report on Service Delivery Performance 2023/24 | |
|--|------------------------------------|
| Audit Report Status | Unqualified Audit with no findings |
| Non-Compliance Issues | Remedial Action Taken |
| There were no material findings on the reported performance information for the selected strategic goal (Strategic goal 1). | |
| Achievement of planned targets – refer to the 2023/24 annual report on pages 83-84 for information on the achievement of audited planned targets for the year. | |

COMPONENT B: AUDITOR-GENERAL OPINION 2024/25

6.2 AUDITOR-GENERAL REPORT 2024/25

Table 95: Auditor-General Report on financial performance year 2024/25

| Auditor-General Report on Financial Performance Year 2024/25 | |
|--|---|
| Audit Report Status* | Unqualified Audit with no findings (Clean) |
| Non-Compliance Issues | Remedial Action Taken |
| No material non-compliance with selected legislative requirements were identified. | None |
| Internal Control Deficiencies | Remedial Action Taken |
| No significant deficiencies in internal control were identified | None |
| Emphasis of matters | Remedial Action Taken |
| As disclosed in note 42 of the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements. Attention is drawn to note 55 of the financial statements, which deals with contingent liabilities and specifically the possible effects of the VAT treatment by the municipality. | This was rectified in the adjusted annual financial statements. |

Table 96: Auditor-General Report on service delivery performance 2024/25

| Auditor-General Report on Service Delivery Performance 2024/25 | |
|--|------------------------------|
| Audit Report Status | No findings |
| Non-Compliance Issues | Remedial Action Taken |
| There were no material findings on the reported performance information for the selected strategic goal (Strategic goal 1). Achievement of planned targets – refer to the annual report on pages 91-92 for information on the achievement of audited planned targets for the year. The report includes information on reported achievements against planned targets and provides measures taken to improve performance. | |

AUDITOR-GENERAL REPORT ON THE FINANCIAL STATEMENTS 2024/25

See **Appendix N** for the Auditor-General Report.

COMMENTS ON AUDITOR-GENERAL'S OPINION 2024/25

The Municipality received an unqualified audit outcome with no findings (clean). This recognition indicates to the citizens of the Overberg that the municipality is well managed. The clean administration entails good leadership, assurance levels and effective teamwork amongst all departments and keeping people accountable for their area of responsibility. Effective leadership, accountability, good governance and political stability serve as the municipality's foundation.

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES

Section 71 of the MFMA requires municipalities to return a series of financial performance data to Provincial and National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets were returned according to the reporting requirements.

Appendix O – Declaration of returns not made in due time.

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. These include 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 the 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 for 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 | Include 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. |
| 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 “ <i>what we use to do the work</i> ”. These include finances, personnel, equipment and buildings. |
| Integrated Development Plan (IDP) | Sets out municipal goals and development plans. |
| National key performance areas | <ul style="list-style-type: none"> • Service delivery and infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation |
| Outcomes | 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 “ <i>what we wish to achieve</i> ”. |
| Outputs | The final products, or goods and services produced for delivery. Outputs may be defined as “ <i>what we produce or deliver</i> ”. An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunisation, 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 | 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 |

| | |
|--|---|
| | 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. |
| Performance targets | The level of performance that municipalities and their 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 and Budget Implementation Plan | 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. |
| Vote | <p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a vote as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.</i></p> |

APPENDICES

APPENDIX A (I) – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

| Councillors, Committees Allocated and Council Attendance | | | | | |
|--|------------------------|---|----------------------|---|--|
| Council Members | Fulltime/ Part-time | Committees Allocated | Party Represented | Percentage Council Meetings Attended | Percentage Apologies for non- attendance |
| | | | | % | % |
| Andries Erwee Franken (Executive Mayor) (Alderman) | FT | Mayoral Committee | DA | 100% | 0 |
| Lincoln Milton de Bruyn (Speaker) (Alderman) (Resigned on 14 August 2024) | FT | Council - Speaker | DA | 100% | 0 |
| Caroll Benjamin (Replaced Ald. De Bruyn and Sworn in on 30 September 2024) | PT | Member: Community Services Portfolio | DA | 100% | 0 |
| Helen Coetzee (Deputy Mayor) | FT | Chairperson: Strategic Services Portfolio / Mayco Member | DA | 100% | 0 |
| Johan Nieuwoudt (Alderman) | FT | Mayco Member / Chairperson: Finance Portfolio | DA | 100% | 0 |
| Steven Hendrikus Fourie | FT | Mayco Member / Chairperson: Community Services Portfolio | DA | 100% | 0 |
| Archibald Gabriel Klaas (Resigned on 24 April 2025) | PT | Mayco Member / Chairperson: Corporate Services Portfolio | DA | 100% | 0 |
| Anna Rabie (Dr) (Replaced Cllr Klaas and sworn in on 21 May 2025) | PT | Member: Community Services Portfolio | DA | 100% | 0 |
| Msa Nomatiti (Resigned on 30 April 2025) | PT | Member: Finance Portfolio | DA | 100% | 0 |
| Lindile Ntsabo (Replaced Cllr Nomatiti and sworn in on 21 May 2025) | FT | Council – Speaker (Elected on 21 May 2025 as fulltime Speaker) | DA | 100% | 0 |
| Theresa Els | PT | Member: Strategic Services Portfolio Chairperson: Corporate Services Portfolio | DA | 100% | 0 |
| Ronald Brinkhuys (Alderman) | PT | Member: Community Services Portfolio | DA | 100% | 0 |
| Unathi Mabulu | PT | Member: Finance Services Portfolio | DA | 100% | 0 |
| Yvonne Marie van Tonder (Resigned on 10 December 2024) | PT | Member: Corporate Services Portfolio and Strategic Services Portfolio | DA | 100% | 0 |
| Jonathan Smit (Replaced Cllr. Van Tonder and sworn in on 27 Jan 2025) | PT | Member: Corporate Services Portfolio and Strategic Services Portfolio | DA | 100% | 0 |
| Dawid Julius | PT | Member: Corporate Services | DA | 100% | 0 |
| Mlamleli Raymond Mokotwana | PT | Member: Corporate Services Portfolio | ANC | 86% | 14% |
| Melanie Gertrude du Plessis | PT | Council | ANC | 100% | 0 |
| Ntombizine Michell Sapepa (Alderman) | PT | Member: Community Services Portfolio | ANC | 93% | 7% |
| Roland Theo Olivier (Alderman) | PT | Member: Finance Services Portfolio | ANC | 100% | 0% |

Table continued from previous page

| Council Members | Fulltime/ Part-time | Committees Allocated | Party represented | Percentage Council Meetings Attended | Percentage Apologies for non- attendance |
|---|------------------------|--|----------------------|---|--|
| | | | | % | % |
| Constancy Connie Tafu- Nwonkwo | PT | Member: Strategic Services Portfolio | ANC | 71% | 29% |
| Mbogeni Alfred Nomkoko | PT | Member: Corporate Services Portfolio | ANC | 100% | 0% |
| Bongiwe Blossom Mkhwibiso (Alderman) | PT | Member: Finance Services Portfolio | ANC | 93% | 7% |
| Derick Appel (Alderman) (Replaced Cll. Mathews and sworn in on 21 May 2025) | PT | Member: Finance Services Portfolio | ANC | 100% | 0 |
| Michele Mathews (Resigned on 18 July 2024, Council meeting was held on 23 July 2024) | PT | Member: Community Services | GOOD | 0% | 0% |
| Cynthia Clayton (Alderman) (Resigned on 14 October 2024) | PT | Member: Strategic Services Portfolio | GOOD | 50% | 50% |
| Bongani Sonqwenqwe (Replaced Ald Clayton and sworn in on 09 December 2024) | PT | Member: Strategic Services Portfolio Member: Employment Equity | GOOD | 75% | 25% |
| Cuan Hedley Elgin | PT | Council | VF+ | 100% | 0 |
| Jacobus Adriaan van Staden | PT | Member: Strategic Services | VF+ | 100% | 0 |

Number of meetings held during the year:

Executive Mayoral Committee meetings: 11

Council meetings (Ordinary and Special meetings): 14

Section 80 Committees (Strategic, Finance, Corporate and IGR and Community Services) meetings: 16

APPENDIX A (II) – COUNCILLORS REPRESENTING COUNCIL ON STATUTORY COMMITTEES AND OTHER GOVERNING BODIES

| Councillors representing Council on Statutory Committees and other governing bodies | |
|--|---|
| Council Members | Representing Council on Statutory Committees and other governing bodies |
| Andries Erwee Franken (Executive Mayor) | <ul style="list-style-type: none"> – Representative: WESGRO – Representative: Provincial Development Council – Representative: SALGA – Representative: Governance and IGR – Representative: GIGR – Representative: Provincial Health Council |
| Helen Coetzee (Deputy Mayor) | <ul style="list-style-type: none"> – Chairperson: Alleged Breaches Committee – Chairperson: Strategic Services Portfolio – Representative: Economic Development and Job Creation – Representative: Economic Development Plan / Rural Development – Representative: Development Planning and rural Development – Secundi: Bredasdorp Shipwreck Museum – Secundi: Financial Portfolio Committee |
| Lindile Ntsabo (Speaker) | <ul style="list-style-type: none"> – Speaker of Council |
| Caroll Benjamin | <ul style="list-style-type: none"> – Member: Community Services Portfolio Committee – Secundi: Corporate Services Portfolio Committee – Secundi: SALGA Women's Commission |
| Johan Nieuwoudt | <ul style="list-style-type: none"> – Chairperson: Financial Services Portfolio Committee – Representative: SALGA Finance – Representative: Municipal Finance and Fiscal Policy |
| Anna Rabie (Dr) | <ul style="list-style-type: none"> – Member: Financial Services Portfolio Committee |
| Dawid Julius | <ul style="list-style-type: none"> – Member: Corporate Services Portfolio Committee – Member: Local Labour Forum – Secundi: WESGRO – Secundi: Provincial Development Council – Secundi: Drostdy Museum Swellendam – Secundi: Municipal Digital Solutions |
| Theresa Els | <ul style="list-style-type: none"> – Member: Strategic Services Portfolio Committee – Chairperson: Corporate Services Portfolio Committee – Representative: SALGA Women's Commission – Representative: Digital Solutions – Representative: Capacity Building and Institutional Resilience – Member: Local Labour Forum – Member: Employment Equity Committee – Secundi: Biodiversity and Climate Change Forum – Secundi: Kogelberg Biosphere Reserve Company |
| Steven Hendrikus Fourie | <ul style="list-style-type: none"> – Chairperson: Community Services Portfolio Committee – Member: Alleged Breaches Committee – Representative: Public Transport, Environmental Management and Climate Change Resilience and Roads – Representative: Electricity Energy Provision, Public Works, Water and Sanitation – Representative: Emergency Services and Disaster Management – Representative: Community Development / Safety Health, Emergency Services – Representative: Firework Group Representative: Regional Waste Committee – Representative: Municipal Coastal Committee – Representative: Karwyderskraal Monitoring Committee – Secundi: Community Development Security and Health |
| Unathi Nicholas Mabulu | <ul style="list-style-type: none"> – Member: Financial Services Portfolio Committee – Member: Municipal Public Accounts Committee – Secundi: Local Labour Forum – Secundi: Employment Equity Committee – Secundi: Economic Development and Job Creation – Secundi: Municipal Finance and Fiscal Policy – Secundi: Human Settlements, Environmental Management – Secundi: Human Settlement and Urban – Secundi: Strategic Services Portfolio |

| Council Members | Representing Council on Statutory Committees and other governing bodies |
|-------------------------------|--|
| Jonathan Smit | <ul style="list-style-type: none"> - Member: Corporate Services Portfolio Committee - Member: Strategic Services Portfolio - Member: Local Labour Forum - Member: Employment Equity Committee - Representative: Caledon Museum - Secundi: Community Services Portfolio - Secundi: Municipal Public Accounts Committee - Secundi: Digital Solutions - Secundi: Development Planning and Rural Development - Observer: Training Committee |
| Mlamleli Raymond Mokotwana | <ul style="list-style-type: none"> - Member: Corporate Services Portfolio Committee - Member: Local Labour Forum - Representative: Bredasdorp Shipwreck Museum - Member: Employment Equity Committee - Secundi: Western Cape Provincial Transport |
| Melanie Gertrude du Plessis | <ul style="list-style-type: none"> - Representative: Drostdy Museum Swellendam - Observer: Training Committee - Secundi: Employment Equity Committee |
| Ntombizine Michell Sapepa | <ul style="list-style-type: none"> - Member: Community Services Portfolio - Secundi: Regional Waste Committee |
| Roland Theo Olivier | <ul style="list-style-type: none"> - Member: Financial Services Portfolio Committee - Member: Alleged Breaches Committee - Secundi: Strategic Services Portfolio Committee - Secundi: Local Labour Forum - Secundi: Municipal Public Accounts Committee |
| Constancy Connie Tafu-Nwonkwo | <ul style="list-style-type: none"> - Member: Strategic Services Portfolio Committee - Secundi: Finance Portfolio Committee - Representative: Old Harbour Hermanus |
| Mbogeni Alfred Nomkoko | <ul style="list-style-type: none"> - Member: Corporate Services Portfolio Committee - Secundi: Community Services Portfolio Committee - Secundi: Karwyderskraal Monitoring Committee |
| Bongiwe Blossom Mkhwibiso | <ul style="list-style-type: none"> - Member: Financial Services Portfolio Committee - Secundi: Caledon Museum |
| Derick Appel | <ul style="list-style-type: none"> - Member: Strategic Services Portfolio Committee |
| Bongani Songwenqwe | <ul style="list-style-type: none"> - Member: Community Services Portfolio Committee - Member: Employment Equity Committee - Representative: Genadendal Museum - Secundi: Alleged Breaches Committee - Secundi: Corporate Services Portfolio Committee |
| Cuan Hedley Elgin | <ul style="list-style-type: none"> - Chairperson: Municipal Public Accounts Committee - Representative: Biodiversity and Climate Change Forum - Representative: Kogelberg Biosphere Reserve Company |
| Jacobus Adriaan van Staden | <ul style="list-style-type: none"> - Member: Strategic Services Portfolio Committee - Secundi: Municipal Coastal Committee |
| Ronald Brinkhuys | <ul style="list-style-type: none"> - Member: Community Services Portfolio Committee - Member: Municipal Public Accounts Committee (MPAC) - Representative: Community Development Security and Health Representative: Human Settlements, Environmental Management Representative: Western Cape Provincial Transport - Secundi: Disciplinary Committee - Secundi: Electricity Energy Provision, Public Works, Water and Sanitation - Secundi: Emergency Services and Disaster Management - Secundi: Electricity, Water, Public Transport - Secundi: Community Development/Safety, Health, Emergency Services - Secundi: Genadendal Museum |

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

| Committees (other than Mayoral / Executive Committee) and Purposes of Committees | | | |
|--|---|---|--|
| Municipal Committees | Purpose of Committee | Composition | Number of meetings held during the year |
| Section 80 Committee | The Section 80 Committees assist the Executive Mayor and Executive Mayoral Committee in respect of Community Services, Financial Services, Corporate and IGR Services and Financial Services. These committee have no statutory powers and report to the Executive Mayoral Committee. | Councillors | 16 |
| Audit and Performance Audit Committee | In terms of section 166 of the MFMA - To advise the municipal council, the political office-bearers, the accounting officer and the management staff of the Municipality relating to matters listed in the MFMA, section 166. | Independent members | 7 |
| Municipal Public Accounts Committee (MPAC) | In assisting the council with its oversight function, a Municipal Public Accounts and Oversight Committee was established in terms of section 79 of the Municipal Structures Act (Act 117 of 1998) and section 129(4)(b) of the MFMA. The MPAC also serves as the Oversight Committee of the Annual Report. | Councillors and invitees | 3 |
| Training Committee | In terms of the Skills Development Act (Act 97 of 1998) - To promote skills development in the workplace. | Councillors, Management and Union member | 4 |
| Employment Equity | In terms of the Employment Equity Act - To promote equal opportunities and fair treatment to all in the workplace. | Councillors, Management and Union member | 4 |
| Local Labour Forum | According to the SALGBC Main Collective Agreement - To promote sound Labour Relations. | Councillors, Management and Union member | 10 |
| Health and Safety Committee | In terms of the Occupational Health and Safety Act (Act 85 of 1993) - To promote a healthy and safe working environment for employees and the community | Officials | Four meetings scheduled but two could not take place due to lack of a quorum |
| Alleged Breaches Committee | It is a special committee established by Council to assist in the discipline of Councillors. | Councillors | 0 |
| Fraud and Risk Management Committee | The Fraud and Risk Management Committee serves as a forum to assist the accounting officer in addressing its oversight requirements of fraud and risk management and evaluating and monitoring the Municipality's performance with regard to risk management. | Municipal Manager, Directors, IDP Manager, Performance Management, Member of the Audit and Performance Audit Committee Invitees: Internal Audit and CRO | 4 |
| Disciplinary Board | It is an ad-hoc committee established accordance to the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings. | Head Internal Audit, Chairperson of Audit and Performance Audit Committee, Senior official Responsible for legal, Representation of Provincial and National Treasury | 0 |
| Budget Steering Committee | To provide technical assistance to the mayor in discharging the Responsibilities set out in section 53 of the MFMA. | Chairperson Finance Portfolio Committee, Municipal Manager, CFO, Director Community Services, Director: Corporate Services, Sr. Manager Finance and Manager: IDP & Communications | 3 |
| Information and Communication Technology Committee | The ICT Steering Committee facilitates the use of ICT in enabling business in its service delivery. | Officials | 4 |

APPENDIX C – THIRD-TIER ADMINISTRATIVE STRUCTURE

| Third-tier Structure on 30 June 2025 | |
|--------------------------------------|--|
| Office of the Municipal Manager | Senior Manager: Internal Auditor – Mr WP Coetze |
| | Manager: IDP and Communication – Mr F Ruiters |
| | Coordinator: Performance Management – Ms M Dunn |
| Directorate: Finance | Manager: Payroll, Banking and Investments – Mr S Zikmann |
| | Senior Manager: Finance – Mr W Crafford |
| | Manager: SCM and Assets – Ms D Kapot-Witbooi |
| Directorate: Corporate Services | Manager: Contract, Legal, ICT and Building Management – Ms C Domingo |
| | Senior Manager: Human Resources – Ms S Mdewu |
| | Manager: Council Support and Records – Ms A Thompson-Rossouw |
| Directorate: Community Services | Manager: Municipal Health – Ms M Mukoma |
| | Manager: Environmental Management – Mr F Kotze |
| | Manager: Emergency Services – Mr R Geldenhuys |
| | Senior Manager: Roads Services – Mr H Uys |
| | Manager: LED, Tourism and Resorts – Ms F Lloyd |

APPENDIX D – FUNCTIONS OF MUNICIPALITY/ENTITY

| Municipal/Entity Functions | | |
|--|--|--|
| Municipal Functions | Function Applicable to Municipality (Yes / No) | Function Applicable to Entity (Yes / No) |
| Constitution Schedule 4, Part B functions: | | |
| Air pollution | Yes | |
| Building regulations (Fire and Municipal Health) | Yes | |
| Childcare facilities (Environmental Health Certificate to the application of the facility) | Yes | |
| Electricity and gas reticulation | No | |
| Firefighting services | Yes | |
| Local tourism (Regional) | Yes | |
| Municipal airports | No | |
| Municipal planning | Yes | |
| Municipal health services | Yes | |
| Municipal public transport | No | |
| Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under the Constitution or any other law | Integrated Transport Plan for the district | |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto | Yes, only a ferry at Malgas | |
| Stormwater management systems in built-up areas | No | |
| Trading regulations | No | |
| Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems | Yes | |
| Beaches and amusement facilities | Yes | |
| Billboards and the display of advertisements in public places | Only related to Roads Agency function | |
| Cemeteries, funeral parlours and crematoria | No | |
| Cleansing | No | |
| Control of public nuisances | Yes | |
| Control of undertakings that sell liquor to the public | No | |
| Facilities for the accommodation, care and burial of animals | No | |
| Fencing and fences | Only related to Roads Agency function | |
| Licensing of dogs | No | |
| Licensing and control of undertakings that sell food to the public | Yes | |
| Local amenities (Uilenkraalsmond and Die Dam resorts) | Yes | |
| Local sports facilities | No | |
| Markets | No | |
| Municipal abattoirs | No | |
| Municipal parks and recreation | No | |
| Municipal roads | Only related to Roads Agency function | |
| Noise pollution | Yes | |
| Pounds | No | |
| Public places | No | |
| Refuse removal, refuse dumps and solid waste disposal | Yes | |
| Street trading | No | |
| Street lighting | No | |
| Traffic and parking | No | |

Not applicable

APPENDIX E – REPORT OF AUDIT AND PERFORMANCE AUDIT COMMITTEE

OVERBERG DISTRICT MUNICIPALITY (ODM): ANNUAL OVERSIGHT REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

INTRODUCTION

The APAC presents its report for the year ended 30 June 2025 in terms of its responsibilities and duties set out in the relevant legislation and the APAC Charter.

The Committee serves as both the Audit Committee in accordance with section 166 of the *Municipal Finance Management Act, 2003* and the Performance Audit Committee in terms of the *Municipal Planning and Performance Management Regulations, 2001*. In terms of regulation 14(4)(a)(iii) of the same regulations, a Performance Audit Committee must at least twice during the financial year submit an audit report to the municipal council concerned. This report is also submitted in compliance with that requirement.

AUDIT COMMITTEE MEMBERS

The following independent persons served as members of the APAC during the year:

*Mr T Blok (re-appointed for second term from 29 November 2023)
Mr D Smith (appointed as Chairperson and re-appointed for second term from 1 June 2024)
Mr J Steyl (new member appointed from 29 November 2023)
Mr J Fairbairn (new member appointed from 29 November 2023)

*Mr T Blok (Reappointed as Chairperson of the Fraud and Risk Management Committee (FARMCO) from 1 July 2024)

The APAC met seven times during the 2024/25 financial year.

| Committee meetings | |
|--------------------|--|
| 27 August 2024 | Special Committee meeting (review the AFS and Annual Performance report) |
| 10 September 2024 | Special Committee meeting (AGSA Engagement letter and Audit Strategy) |
| 27 September 2024 | Quarterly meeting |
| 26 November 2024 | Quarterly meeting |
| 17 January 2025 | Special Committee meeting (2023/24 Draft Annual Report) |
| 26 March 2025 | Quarterly meeting |
| 25 June 2025 | Quarterly meeting |

The abovementioned meetings were well attended by the Accounting Officer and the other Executive Management team members.

AUDIT COMMITTEE RESPONSIBILITIES

The APAC has complied with its responsibilities in terms of section 166(2) of the MFMA and regulation 121(4)(g) of the Performance Management Regulations respectively.

Despite being understaffed in the Internal Audit department due to excessive illnesses, the following internal audit engagements were conducted and reviewed by the Audit and Performance Audit Committee:

- Compliance Report – DoRA
- Constraint Fire Services
- Financial Sustainability
- Fuel Card Management
- ICT General Controls 2023/2024
- MFMA Compliance – Financial Services
- New GIAS - Internal Audit Charter
- New tariffs – 2024/2025
- Other Revenue – Resorts
- Other Revenue - Resorts Follow up
- Other Revenue and bookings Resorts
- Performance Management 1st quarter of 2024/2025

- Performance Management 2nd quarter for 2024/2025
- Performance Management 3rd quarter 2024/2025
- Performance Management 4th quarter of 2023/2024
- POE Performance assessment reports for Municipal Manager, CFO and Directors
- Quarterly OPCAR reports for 2023/2024 audit
- SCM – Panel of Service Providers
- SCM – Procurement Process not started within 6 months before contract ends
- SCM Compliance – Formal written price quotations
- SCM PPR Compliance
- Service Delivery Protests
- Year-end stock count procedures

The APAC also attended to the following matters during the year:

- AGSA Report for 2023/2024
- Annual Report
- APAC mid-year report
- Approval of Risk-based Internal Audit Plan for 2025/2026
- Combined Assurance
- Internal Audit's assistance to Swellendam Municipality
- Mid-year Budget and Performance Assessment Report;
- Minutes of quarterly APAC meetings
- New financial web-based system
- New Global Internal Audit Standards (GIAS)
- Progress reports on Risk-based Internal Audit Plan
- Quarterly and Monthly financial reports
- Quarterly Internal Audit Findings Status Reports
- Quarterly Risk Management Committee meetings minutes and feedback on activities
- Review Internal Audit and APAC Charters
- Review of 2024/2025 Draft Annual Financial Statements in August 2025
- Revised top layer SDBIP
- Risk Management
- Roads Agency function VAT situation
- Uilenkraalsmond ownership
- Vacancies of senior staff members

The APAC regulated its affairs in compliance with the Audit Committee Charter and has performed its responsibilities as described therein.

THE EFFECTIVENESS OF INTERNAL CONTROL

In accordance with the MFMA and the King IV Reports on Corporate Governance and Reporting requirements, Internal Audit provides the APAC and management with assurance regarding the effectiveness of internal controls. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested improvements to the controls and processes.

FRAUD AND RISK MANAGEMENT

The APAC was satisfied with the progress achieved in integrating risk management throughout the municipality. During the scheduled quarterly meetings, the FARMCO Chairperson and the official responsible for risk management, provided comprehensive feedback to APAC on risk management activities, based on the quarterly FARMCO meetings. In addition, the APAC reviewed the following documents pertaining to fraud and risk management:

- Quarterly Combined Assurance reports,
- Risk Management Implementation Plan,
- Risk Management Strategy
- Combined Assurance Policy
- Risk Management Policy
- FARMCO minutes
- Fraud Register

PERFORMANCE MANAGEMENT

In terms of regulations, the APAC has the responsibility to:

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

As the Council's Performance Audit Committee, the APAC executed its responsibilities in terms of the approved APAC charter. Quarterly reports, conducted by the Internal Audit Unit on performance information and predetermined objectives, were reviewed and the necessary recommendations were made to management in order to improve the adequacy and effectiveness of the internal control environment and corrective measures. The committee also reviews quarterly performance reports and makes the necessary recommendations for corrections and improvements.

The APAC reviewed the 2023/2024 Annual Financial Statements and Performance Report and made recommendations for improvement before it was submitted to the Auditor-General. The committee conducted a thorough and detailed review of the 2023/2024 Draft Annual Report, ensuring that it meets all regulatory and compliance standards, as well as the principle of transparency, accountability and good governance.

Performance evaluation of Section 56/57 employees

The annual performance agreements of the Section 56/57 employees were in alignment with the IDP and budget.

The annual performance appraisal, as well as the mid-year evaluation of the Municipal Manager and the officials directly accountable to him, are carried out annually in accordance with the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, R805 of 2006 as amended by Government Notice no 21 dated 17 January 2014.

The annual appraisal of the Municipal Manager, Chief Financial Officer, Director: Corporate Services and Director: Community Services for 2023/24 was carried out by a properly constituted panel on 21 November 2024 and attended by the chairperson, Mr. D Smith. The 2024/25 mid-year appraisal of both the Municipal Manager, Director: Community Services and the Director: Corporate Services was carried out on 3 March 2025 and attended by the chairperson, Mr. D Smith. The member of the APAC served on the panels with the purpose of oversight over the process.

The appraisal sessions were conducted in a professional manner, ably chaired by the Executive Mayor and the Municipal Manager, respectively.

EXTERNAL AUDIT (AUDITOR-GENERAL OF SOUTH AFRICA)

The Management Report for the 2023/2024 financial year was submitted to the APAC for review and inputs.

QUARTERLY REPORTING TO COUNCIL

The APAC provides quarterly reports to Council regarding matters specified in section 166 (2) of the Municipal Finance Management Act. These reports include detailed minutes of each quarterly APAC meeting held. Additionally, quarterly reports on findings are presented to the Municipal Public Accounts Committee (MPAC) for review and discussion.

CONCLUSION

Vacancies of senior positions stretched the remaining staff members, who performed well under pressure. The management and staff can be proud of the clean external audit result achieved. The APAC is satisfied with the progress made by the ODM in respect of risk management as well as overall governance.

D. Smith

CHAIRPERSON

APPENDIX F – RECOMMENDATIONS OF THE MUNICIPAL AUDIT AND PERFORMANCE AUDIT COMMITTEE 2024/25

The information only refers to broader recommendations based on findings raised in internal audit reports.

| Municipal Audit and Performance Audit Committee Recommendations | | |
|---|---|--|
| Date of Committee meetings | Committee recommendations during 2024/25 | Recommendations adopted (enter Yes - If not adopted (provide explanation)) |
| 27 September 2024 | Performance Management quarter 4 of 2023/24 | Yes |
| 27 September 2024 | Follow-up Resorts Bookings | Yes |
| 26 March 2025 | Performance Management quarter 1 of 2024/25 | Yes |
| 26 March 2025 | Panel of Service Providers | Yes |
| 26 March 2025 | Performance Management quarter 2 of 2024/25 | Yes |
| 25 June 2025 | Fuel Card Management | Yes |

APPENDIX G – LONG-TERM CONTRACTS (LARGEST CONTRACTS)

| Long-term contracts (largest contracts entered into 2024/25) | | | | | |
|--|--|------------------------|-------------------------|---------------------|----------------------------|
| Name of service provider | Description of services rendered by the service provider | Start date of contract | Expiry date of contract | Project manager | Estimated monetary value R |
| JPCE (Pty) Ltd | Appointment Of Consulting Engineers for Solid Waste for the Overberg District Municipality for A Contract Period Ending 30 June 2035 | 1 July 2025 | 30 June 2035 | F Kotze | R20 000 000.00 |
| Sharp Eye Security and Construction | Guarding And Security Services at the Overberg District Municipality's Bredasdorp, And Swellendam Premises for the Period Ending 30 June 2027 | 01 June 2025 | 30 June 2027 | D Prick / C Domingo | R1 100 000.00 |
| Kishugu Aviation (Pty) Ltd | Ad-hoc aerial firefighting services - Overberg District Municipality - for the period 01 December 2024 to 30 November 2026 | 1 November 2024 | 31 October 2026 | R Geldenhuys | R996 899.68 |
| Leading Edge Aviation | Security, patrol, and access control services at Die Dam and Uilenkraalsmond Resorts sites of the Overberg District Municipality for the period 01 July 2024 to 30 June 2027 | 1 August 2024 | 30 June 2027 | C Cloete | R3 220 644.00 |
| Greystone Trading 389 Services CC | Security, patrol, and access control services at Die Dam and Uilenkraalsmond Resorts sites of the Overberg District Municipality for the period 01 July 2024 to 30 June 2027 | 1 August 2024 | 30 June 2027 | C Cloete | R3 220 644.00 |

APPENDIX H – DISCLOSURES OF FINANCIAL INTERESTS

| Disclosures of Financial Interests 2024/25 at year-end | | |
|--|----------------------------|---|
| Position | Name | Description of financial interests (nil or details) |
| Executive Mayor (Alderman) | Andries Erwee Franken | Property, livestock, trustee, shareholder, directorship, investment, business |
| Deputy Mayor (Alderman) | Helen Coetzee | Property, directorship |
| Speaker (Alderman) | Lindile Ntsabo | Nil |
| Member of Mayco (Alderman) | Johan Nieuwoudt | Property, pension |
| Member of Mayco | Steven Hendrikus Fourie | Nil |
| Member of Mayco | Theresa Els | Shareholder |
| Alderman | Ronald Brinkhuys | Shareholder, business |
| Councillor | Theresa Els | Nil |
| Councillor | Unathi Mabulu | Shareholder, directorship, |
| Alderman | Anna Louise Rabie | Business, trustee, shareholder, directorship, property, investment |
| Councillor | Dawid Julius | Nil |
| Alderman | Roland Theo Olivier | Trustee |
| Councillor | Mlamleli Raymond Mokotwana | Property, shareholder, directorship, business |
| Alderman | Ntombizine Michelle Sapepa | Shareholder, property |
| Councillor | Melanie du Plessis | Shareholder, business |
| Councillor | Constancy Tafu-Nwonkwo | Nil |
| Councillor | Mbongeni Nomkoko | Nil |
| Alderman | Bongiwe Mkwibiso | Business, property |
| Alderman | Derrick Anthony Appel | Business, property |
| Councillor | Johnathan Smit | Business |
| Councillor | Cuan Elgin | Investment, property, pension, employment salary |
| Councillor | Jacobus van Staden | Shareholder, trustee, directorship, property, investment, employment salary |
| Councillor | Bongani Onke Sonqwenqwe | Business, property |
| Municipal Manager | R Bosman | Investment, property |
| Chief Financial Officer | S Stanley | Property |
| Director: Corporate Services | VS Zeeman | Investment, property |
| Director: Community Services | Vacant | |

APPENDIX I – REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX I (I) – REVENUE COLLECTION PERFORMANCE BY SOURCE

| Description | Revenue Collection Performance by Source | | | | | |
|---|--|-----------------|--------------------|----------------|-----------------|-------------------|
| | 2023/24 | 2024/25 | | | 2024/25 | |
| | Actual | Original Budget | Adjustments Budget | Actual | Original Budget | Adjustment Budget |
| Service charges - Electricity | 812 | 885 | 885 | 750 | -15.20% | -15.20% |
| Service charges - Water | 40 | – | – | 58 | 100.00% | 100.00% |
| Service charges - Wastewater Management | 765 | 220 | 150 | 798 | 262.95% | 432.33% |
| Service charges - Waste Management | 14 959 | 14 950 | 17 409 | 17 939 | 20.00% | 3.05% |
| Sale of Goods and Rendering of Services | 127 990 | 136 690 | 138 752 | 141 607 | 3.60% | 2.06% |
| Agency services | 12 909 | 13 825 | 13 825 | 13 825 | 0.00% | 0.00% |
| Interest earned from Receivables | 222 | 300 | 300 | 212 | -29.44% | -29.44% |
| Interest earned from Current and Non-Current Assets | 8 163 | 7 600 | 8 600 | 8 052 | 5.94% | -6.38% |
| Rental from Fixed Assets | 13 812 | 14 062 | 14 722 | 14 677 | 4.37% | -0.31% |
| Licences and permits | 758 | 1 250 | 1 350 | 1 251 | 0.05% | -7.36% |
| Operational Revenue (Exchange) | 8 008 | 6 147 | 7 896 | 7 790 | 26.72% | -1.34% |
| Transfer and subsidies - Operational | 91 147 | 97 229 | 96 688 | 91 964 | -5.41% | -4.89% |
| Operational Revenue (Non-Exchange) | 675 | – | 290 | 454 | 100.00% | 100.00% |
| Gains on disposal of Assets | – | 9 900 | 9 900 | – | 0.00% | 0.00% |
| Other Gains | 3 261 | – | (0) | 264 | 100.00% | 100.00% |
| Total Revenue (excluding capital transfers and contributions) | 283 521 | 303 058 | 310 768 | 299 642 | -1.13% | -3.58% |
| <i>Variances are calculated by dividing the difference between actual and original/adjustment budget by the original/adjustment budget.</i> | | | | | | |

APPENDIX I (II) – REVENUE COLLECTION PERFORMANCE BY VOTE

| Vote Description | Revenue Collection Performance by Vote | | | | | |
|---|--|-----------------|-----------------|----------------|-----------------|-------------------|
| | 2023/24 | 2024/25 | | | 2024/25 | |
| | Actual | Original Budget | Adjusted Budget | Actual | Original Budget | Adjustment Budget |
| Municipal Manager | 13 632 | 42 938 | 42 938 | 21 831 | -49.16% | -49.16% |
| Corporate Services | 101 | 42 | 44 | 42 | -0.06% | -4.59% |
| Finance | 103 429 | 76 456 | 77 945 | 88 989 | 16.39% | 14.17% |
| Community Services | 168 337 | 186 322 | 196 102 | 194 910 | 4.61% | -0.61% |
| Total Revenue by Vote | 285 500 | 305 758 | 317 030 | 305 772 | 0.00% | -3.55% |
| <i>Variances are calculated by dividing the difference between actual and original/adjustment budget by the original/adjustment budget.</i> | | | | | | |

APPENDIX J – CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

| Conditional Grants: excluding MIG - 2024/25 | | | | | | | R'000 |
|---|---------------|---------------------------|---------------|---------------|---------------------------|---|-------|
| Details | Budget | Adjust- ment Budget | Actual | Variance | | Major conditions applied by donor (continue below if necessary) | |
| | | | | Budget | Adjust- ment Budget | | |
| Equitable Share | 86 644 | 86 644 | 86 644 | 0.00% | 0.00% | Division of Revenue Act | |
| Financial Management Grant (FMG) | 1 000 | 1 000 | 1 000 | 0.00% | 0.00% | Interns and Financial Management Programme | |
| Expanded Public Works Programme (EPWP) | 1 265 | 1 265 | 1 265 | 0.00% | 0.00% | Extended Public Works Programme | |
| Rural Roads Asset Management System | 2 974 | 2 082 | 0 | 100.00% | 100.00% | Assessment of roads in the district | |
| Seta | 250 | 250 | 243 | -2.97% | -2.97% | Training | |
| Health Subsidy | 183 | 183 | 183 | 0.00% | 0.00% | Comprehensive Health Services | |
| CDW Operational Support Grant | 57 | 57 | 57 | 0.00% | 0.00% | Provincial allocation for community development workers | |
| Fire Safety Plan Grant | 1 000 | 1 000 | 927 | -7.33% | -7.33% | Safety Plan Implementation (WOSA) | |
| Fire Services Capacity Building Grant | 1 500 | 1 500 | 1 408 | -6.16% | -6.16% | Fire services capacity grant | |
| Financial Management Capacity Grant - Revenue enhancement (Crematorium) | 200 | 200 | 200 | 0.00% | 0.00% | Revenue enhancement - Crematorium project | |
| Financial Management Capacity Grant - Revenue enhancement (Municipal Health services) | 1 000 | 1 000 | 473 | -52.72% | -52.72% | Revenue enhancement - Municipal health services | |
| Financial Management Capacity Grant - Revenue enhancement (Collaborator Enhancement) | 300 | 300 | 0 | -100.00% | -100.00% | Revenue enhancement - Collaborator Enhancement | |
| Financial Management Capacity Grant - Revenue enhancement (Feasibility study - Resorts) | 750 | 750 | 0 | -100.00% | -100.00% | Revenue enhancement - Feasibility study - Resorts | |
| Financial Management Capacity Grant - Bursaries | 200 | 200 | 74 | -63.20% | -63.20% | Revenue enhancement - Bursaries | |
| Total | 97 324 | 96 432 | 92 473 | -4.98% | -4.11% | | |

APPENDIX K – CAPITAL EXPENDITURE – NEW AND UPGRADE/RENEWAL PROGRAMMES

APPENDIX K (I) – CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

| Description | Capital Expenditure - New Assets Programme* | | | | | | |
|---|---|-----------------|-------------------|-----------------------------|---------|---------|---------|
| | 2023/24 | 2024/25 | | Planned Capital expenditure | | | |
| | Actual | Original Budget | Adjustment Budget | Actual Expenditure | 2024/26 | 2026/27 | 2027/28 |
| Capital expenditure by Asset Class | | | | | | | |
| Infrastructure - Total | - | - | - | - | - | - | |
| Infrastructure: Road transport - Total | - | - | - | - | - | - | |
| <i>Roads, Pavements & Bridges</i> | - | - | - | - | - | - | |
| <i>Storm water</i> | - | - | - | - | - | - | |
| Infrastructure: Electricity - Total | - | - | - | - | - | - | |
| <i>Generation</i> | - | - | - | - | - | - | |
| <i>Transmission & Reticulation</i> | - | - | - | - | - | - | |
| <i>Street Lighting</i> | - | - | - | - | - | - | |
| Infrastructure: Water - Total | - | - | - | - | - | - | |
| <i>Dams & Reservoirs</i> | - | - | - | - | - | - | |
| <i>Water purification</i> | - | - | - | - | - | - | |
| <i>Reticulation</i> | - | - | - | - | - | - | |
| Infrastructure: Sanitation - Total | - | - | - | - | - | - | |
| <i>Reticulation</i> | - | - | - | - | - | - | |
| <i>Sewerage purification</i> | - | - | - | - | - | - | |
| Infrastructure: Other - Total | - | - | - | - | - | - | |
| <i>Waste Management</i> | - | - | - | - | - | - | |
| <i>Transportation</i> | - | - | - | - | - | - | |
| <i>Gas</i> | - | - | - | - | - | - | |
| <i>Other</i> | - | - | - | - | - | - | |
| Community - Total | - | - | - | 3 | - | - | |
| <i>Parks & gardens</i> | - | - | - | - | - | - | |
| <i>Sportsfields & stadia</i> | - | - | - | - | - | - | |
| <i>Swimming pools</i> | - | - | - | - | - | - | |
| <i>Community halls</i> | - | - | - | - | - | - | |
| <i>Libraries</i> | - | - | - | - | - | - | |
| <i>Recreational facilities</i> | - | - | - | - | - | - | |
| <i>Fire, safety & emergency</i> | - | - | - | - | - | - | |
| <i>Security and policing</i> | - | - | - | - | - | - | |
| <i>Buses</i> | - | - | - | - | - | - | |
| <i>Clinics</i> | - | - | - | - | - | - | |
| <i>Museums & Art Galleries</i> | - | - | - | - | - | - | |
| <i>Cemeteries</i> | - | - | - | - | - | - | |
| <i>Social rental housing</i> | - | - | - | - | - | - | |
| <i>Other</i> | - | - | - | 3 | - | - | |

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| Capital Expenditure - New Assets Programme* | | | | | | | |
|--|--------------|-----------------|-------------------|--------------------|-----------------------------|------------|----------|
| Description | 2023/24 | | 2024/25 | | Planned Capital expenditure | | |
| | Actual | Original Budget | Adjustment Budget | Actual Expenditure | 2024/26 | 2026/27 | 2027/28 |
| Capital expenditure by Asset Class | | | | | | | |
| Heritage assets - Total | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Investment properties - Total | - | - | - | - | - | - | - |
| Housing development | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Other assets | 5 888 | 2 630 | 5 416 | 4 867 | 4 690 | 800 | - |
| General vehicles | 3 952 | 2 500 | 3 513 | 3 413 | 3 660 | 500 | - |
| Specialised vehicles | - | - | - | - | - | - | - |
| Plant & equipment | 1 363 | 100 | 1 597 | 892 | 600 | 300 | - |
| Computers - hardware/equipment | 520 | - | 96 | 129 | 180 | - | - |
| Furniture and other office equipment | 54 | 30 | 27 | 287 | - | - | - |
| Abattoirs | - | - | - | - | - | - | - |
| Markets | - | - | - | - | - | - | - |
| Civic Land and Buildings | - | - | - | - | - | - | - |
| Other Buildings | - | - | 183 | 145 | 250 | - | - |
| Other Land | - | - | - | - | - | - | - |
| Surplus Assets - (Investment or Invento | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Agricultural assets | - | - | - | - | - | - | - |
| <i>List sub-class</i> | | | | | | | |
| Biological assets | - | - | - | - | - | - | - |
| <i>List sub-class</i> | | | | | | | |
| Intangibles | - | - | - | 96 | 400 | - | - |
| Computers - software & programming | - | - | - | 96 | 400 | - | - |
| Other (list sub-class) | - | - | - | - | - | - | - |
| Total Capital Expenditure on new assets | 5 888 | 2 630 | 5 416 | 4 966 | 5 090 | 800 | - |
| Specialised vehicles | - | - | - | - | - | - | - |
| Refuse | - | - | - | - | - | - | - |
| Fire | - | - | - | - | - | - | - |
| Conservancy | - | - | - | - | - | - | - |
| Ambulances | - | - | - | - | - | - | - |

APPENDIX K (II) – CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMMES

| Capital Expenditure - Upgrade/Renewal Programme | | | | | | | |
|---|---------|-----------------|-------------------|--------------------|-----------------------------|---------|---------|
| Description | 2023/24 | | 2024/25 | | Planned Capital expenditure | | |
| | Actual | Original Budget | Adjustment Budget | Actual Expenditure | 2024/26 | 2026/27 | 2027/28 |
| Capital expenditure by Asset Class | | | | | | | |
| Infrastructure - Total | - | - | 4 536 | 4 226 | 1 650 | 28 650 | - |
| Infrastructure: Road transport -Total | - | - | - | - | - | - | - |
| <i>Roads, Pavements & Bridges</i> | - | - | - | - | - | - | - |
| <i>Storm water</i> | - | - | - | - | - | - | - |
| Infrastructure: Electricity - Total | - | - | - | - | 150 | 150 | - |
| <i>Generation</i> | | | | | 150 | 150 | - |
| <i>Transmission & Reticulation</i> | | | | | | | |
| <i>Street Lighting</i> | | | | | | | |
| Infrastructure: Water - Total | - | - | - | - | - | - | - |
| <i>Dams & Reservoirs</i> | | - | - | | | | |
| <i>Water purification</i> | | - | - | | | | |
| <i>Reticulation</i> | | - | - | | | | |
| Infrastructure: Sanitation - Total | - | - | - | - | - | - | - |
| <i>Reticulation</i> | - | - | - | - | - | - | - |
| <i>Sewerage purification</i> | - | - | - | - | - | - | - |
| Infrastructure: Other - Total | - | - | 4 536 | 4 226 | 1 500 | 28 500 | - |
| <i>Waste Management</i> | - | - | 4 536 | 4 226 | 1 500 | 28 500 | - |
| <i>Transportation</i> | - | - | - | - | - | - | - |
| <i>Gas</i> | - | - | - | - | - | - | - |
| <i>Other</i> | - | - | - | - | - | - | - |
| Community | - | - | - | - | - | - | - |
| <i>Parks & gardens</i> | | | | | | | |
| <i>Sportsfields & stadia</i> | | | | | | | |
| <i>Swimming pools</i> | | | | | | | |
| <i>Community halls</i> | | | | | | | |
| <i>Libraries</i> | | | | | | | |
| <i>Recreational facilities</i> | | | | | | | |
| <i>Fire, safety & emergency</i> | | | | | | | |
| <i>Security and policing</i> | | | | | | | |
| <i>Buses</i> | | | | | | | |
| <i>Clinics</i> | | | | | | | |
| <i>Museums & Art Galleries</i> | | | | | | | |
| <i>Cemeteries</i> | | | | | | | |
| <i>Social rental housing</i> | | | | | | | |
| <i>Other</i> | | | | | | | |
| Heritage assets | - | - | - | - | - | - | - |
| <i>Buildings</i> | | | | | | | |
| <i>Other</i> | | | | | | | |

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| Capital Expenditure - Upgrade/Renewal Programme | | | | | | | |
|--|--------------|-----------------|-------------------|--------------------|-----------------------------|---------------|--------------|
| Description | 2023/24 | | 2024/25 | | Planned Capital expenditure | | |
| | Actual | Original Budget | Adjustment Budget | Actual Expenditure | 2024/26 | 2026/27 | 2027/28 |
| Capital expenditure by Asset Class | | | | | | | |
| Investment properties | | | | | | | |
| Housing development | - | - | | - | - | - | - |
| Other | | | | | | | |
| Other assets | 1 416 | 3 725 | 4 370 | 2 999 | 4 765 | 3 528 | 2 470 |
| General vehicles | 90 | 500 | 1 170 | 670 | 2 200 | 950 | 1 300 |
| Specialised vehicles | - | - | - | - | - | - | - |
| Plant & equipment | 8 | 900 | 983 | 467 | 390 | 220 | 120 |
| Computers - hardware/equipment | 341 | 794 | 1 079 | 1 067 | 1 260 | 250 | 250 |
| Furniture and other office equipment | 406 | 991 | 701 | 471 | 635 | 1 633 | 300 |
| Abattoirs | - | - | - | - | - | - | - |
| Markets | - | - | - | - | - | - | - |
| Civic Land and Buildings | - | - | - | - | - | - | - |
| Other Buildings | 572 | 540 | 437 | 256 | 280 | 475 | 500 |
| Other Land | - | - | - | 68 | - | - | - |
| Surplus Assets - (Investment or Invento | - | - | - | - | - | - | - |
| Other | - | | - | - | - | - | - |
| Agricultural assets | - | - | - | - | - | - | - |
| <i>List sub-class</i> | | | | | | | |
| Biological assets | - | - | - | - | - | - | - |
| <i>List sub-class</i> | | | | | | | |
| Intangibles | - | - | - | - | - | - | 150 |
| Computers - software & programming | - | | | - | - | - | 150 |
| Other (list sub-class) | | | | - | - | - | - |
| Total Capital Expenditure on renewal of existing assets | 1 416 | 3 725 | 8 906 | 7 225 | 6 415 | 32 178 | 2 620 |
| Specialised vehicles | - | - | - | - | - | - | - |
| Refuse | | | | | | | |
| Fire | | | | | | | |
| Conservancy | | | | | | | |
| Ambulances | | | | | | | |

APPENDIX L – CAPITAL PROGRAMME BY PROJECT 2024/25

| Capital Programme by Project: 2024/25 | | | | | |
|--|-----------------|-------------------|--------|--------------------------|----------------------------------|
| Capital Project | Original Budget | Adjustment Budget | Actual | Variance (Actual - OB) % | Variance (Actual - Adjustment) % |
| Support Service | 610 | 840 | 464 | -23.93% | -44.75% |
| Biodiversity and Landscape | 481 | 477 | 475 | -1.29% | -0.41% |
| Budget and Treasury Office | 25 | 25 | 25 | -0.41% | -0.41% |
| Corporate-wide Strategic Planning (IDPs, LEDs) | 15 | 15 | 14 | -9.13% | -9.13% |
| Executive and Council | | | | 0.00% | 0.00% |
| Firefighting and Protection | 5 600 | 10 115 | 8 975 | 60.27% | -11.27% |
| Health Services | 530 | 268 | 180 | -66.01% | -32.77% |
| Human Resources | 19 | 33 | 30 | 63.24% | -7.28% |
| Information Technology | 1 410 | 941 | 689 | -51.12% | -26.78% |
| Recreational Facilities | 1 315 | 1 534 | 1 626 | 23.66% | 5.98% |
| Solid Waste Disposal (Landfill Sites) | 1 500 | 1 500 | 2 927 | 100.00% | 95.15% |

APPENDIX M – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

| Declaration of Loans and Grants made by the municipality: 2024/25 | | | | |
|---|-------------------|--------------------------------|---------------------|---|
| All Organisations or persons in receipt of Loans */Grants* provided by the municipality | Nature of project | Conditions attached to funding | Value 2024/25 R'000 | Total amount committed over previous and future years |
| None | | | | |

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Overberg District Municipality set out on pages 4 to 114, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Overberg District Municipality as at 30 June 2025 and its financial performance and cash flows for the year ended in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and Division of Revenue Act 24 of 2024 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.
7. As disclosed in note 42 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements for the municipality at, and for the year ended 30 June 2025.
8. I draw attention to note 55 to the financial statements, which deals with contingent liabilities and specifically the possible effects of the VAT treatment on the municipality. Our opinion is not modified in respect of this matter.

Other matters

9. I draw attention to the matters below. My opinion is not modified in respect of these matters.
10. In terms of sections 125 (2) (e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.
11. The supplementary information set out on pages 115 to 128 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. 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 to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. 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.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 6, forms part of my auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected strategic goal presented in the

annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following strategic goal presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected the strategic goal that measure the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

| Strategic goal | Page numbers | Purpose |
|------------------------|--------------|---|
| Strategic goal 1 (SG1) | 91 – 92 | To ensure the wellbeing of all in the Overberg District Municipality through provision of efficient basic services and infrastructure |

18. I evaluated the reported performance information for the selected strategic goal 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.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the strategic goal.

Other matter

22. I draw attention to the matter below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

Report on compliance with legislation

24. 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.

25. 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.

26. 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.

27. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

28. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected strategic goal presented in the annual performance report that have been specifically reported on in this auditor's report.

29. My opinion on the financial statements, and my reports on the audit of the annual performance report and 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.

30. 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 strategic goal presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

31. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report on that fact.

32. I have nothing to report in this regard.

Internal control deficiencies

33. 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.

34. I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town

28 November 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected strategic goal and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality, to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

| Legislation | Sections or regulations |
|---|---|
| Municipal Finance Management Act 56 of 2003 | Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)a, 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b) |
| MFMA: Municipal budget and reporting regulations, 2009 | Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c) |
| MFMA: Municipal Investment Regulations, 2005 | Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3) |
| MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014 | Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1) |
| MFMA: Municipal Supply Chain Management Regulations, 2017 | Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f) |
| Construction Industry Development Board Act 38 of 2000 | Section: 18(1) |
| Construction Industry Development Board Regulations, 2004 | Regulations: 17, 25(7A) |
| Division of Revenue Act | Sections: 11(6)(b), 12(5), 16(1); 16(3) |
| Municipal Property Rates Act 6 of 2004 | Section: 3(1) |
| Municipal Systems Act 32 of 2000 | Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b) |
| MSA: Disciplinary Regulations for Senior Managers, 2011 | Regulations: 5(2), 5(3), 5(6), 8(4) |
| MSA: Municipal Planning and Performance Management Regulations, 2001 | Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii) |

| Legislation | Sections or regulations |
|---|---|
| MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006 | Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i) |
| MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014 | Regulations: 17(2), 36(1)(a) |
| MSA: Municipal Staff Regulations | Regulations: 7(1), 19, 31, 35(1) |
| MSA: Municipal Systems Regulations, 2001 | Regulation: 43 |
| Prevention and Combating of Corrupt Activities Act 12 of 2004 | Section: 34(1) |
| Preferential Procurement Policy Framework Act 5 of 2000 | Sections: 2(1)(a), 2(1)(f) |
| Preferential Procurement Regulations, 2017 | Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2) |
| Preferential Procurement Regulations, 2022 | Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4) |

APPENDIX O – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

| MFMA section 71 returns not made during year 2024/25 according to reporting requirements | |
|--|--|
| Return | Reason return has not been properly made on due date |
| None | N/A |

APPENDIX P – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

| National and provincial outcomes for local government | | |
|--|--|-------------------------------|
| Outcome/output | Progress to date | Number or percentage achieved |
| Output: Improving access to basic services. | Do not render basic services, e.g. water and electricity. See Annual Reports of local municipalities. | N/A |
| Output: Implementation of the Community Works Programme (CWP). | The municipality only implemented EPWP programmes and has not participated in the CWP. | N/A |
| Output: Deepen democracy through a refined Ward Committee model. | Only applicable to local municipalities. See Annual Reports of local municipalities. | N/A |
| Output: Administrative and financial capability. | Continuous improvement of administrative and financial capabilities and systems have been carried out. | Not measured or quantifiable |

VOLUME II: ANNUAL FINANCIAL STATEMENTS 2024/25

Annual Financial Statements 2024/25