

Ordinary Council (OPEN) Meeting

31 July 2023

Addendum 1:

11.

SECTION 1: OFFICE OF THE MUNICIPAL MANAGER			
ITEM NO	SUBJECT	FIL REF	PG
C/1/238/07/24	STATUS REPORT: AIRPORT BUSINESS AND LONG-TERM LEASE OF THE PLETTENBERG BAY AIRPORT	17/12/2	3
SECTION 2: FINANCE			
ITEM NO	SUBJECT	FIL REF	PG
C/2/222/07/24	SECTION 52(d) REPORT FOR THE QUARTER ENDING JUNE 2024	9/1/3/4	77
SECTION 3: CORPORATE SERVICES			
ITEM NO	SUBJECT	FIL REF	PG
C/3/214/07/24	NOMINATION OF POLITICAL REPRESENTATIVE AND SECONDI TO THE PROVINCIAL SALGA WOMENS COMMISSION	12/2/1/3/1	154

SECTION 1

**OFFICE OF THE MUNICIPAL
MANAGER**

ITEM C/1/238/07/24

STATUS REPORT: AIRPORT BUSINESS AND LONG-TERM LEASE OF THE PLETTENBERG BAY AIRPORT

Portfolio Comm: Strategic Services & Office of the MM **Demarcation:** All Wards
File Ref: 17/12/2 **Delegation:** Council

Attachments: **Annexure “A”:** - Legal Opinion on tender SCM/2023/130/EDP
 Annexure “B”: - Combine Service Level Agreement
 Annexure “C”: - Civil Aviation Authority Report dated 26 July 2024
 Annexure “D”: - Status Report to Council with Resolution Number C/1/234/06/24
 Annexure “E”: - BOQ Engineering Services

Report from: **Acting Chief Financial Services**

Author: **Acting Director: Corporate Services**

Date: **30 July 2024**

PURPOSE OF THE REPORT

The purpose of this report is to update Council on the steps taken to resolve the issues previously brought to Council attention regarding the airport tender awarded to RSA Aero Ltd under tender number SCM/2023/130/EDP.

BACKGROUND

The team established by Council to negotiate with RSA Aero, obtain external legal opinion and technical assessment report after issues with the previous agreements were identified.

1. It was identified by the appointed legal practitioners that the agreement entered into with Garden Route Aero was incorrectly concluded as RSA Aero Ltd won the bid. A new agreement has been drawn up in line with the tender specifications, with the correct parties.
2. Written notice of intention to suspend the Aerodrome Licence was received from the South African Civil Aviation Authority on 26 July 2024 indicating that if no corrective action plan is submitted by Bitou Municipality within 72 (seventy two) hours from date of letter the Aerodrome Licence would be suspended for non-compliance.
3. Should Bitou Municipality remain non-compliant with the regulations of the South African Civil Aviation Authority the Aerodrome license will ultimately be revoked and the airport closed down.

4. No formal technical evaluation of the runway has been obtained from the consultant by Director Engineering Services.

LEGISLATIVE REQUIREMENTS

Constitution of the Republic of South Africa, 1996

Local Government: Municipal Finance Management Act 56, 2003 as amended and Regulations

Local Government: Municipal Systems Act, Act 32 of 2000 as amended and Regulations
Civil Aviation Regulations 2011.

Comments: Acting Director: Corporate Services

The Legal issues found in the current airport tender are being addressed, see the legal opinion and the draft SLA.

Comments: Director Engineering Service

Visual assessment of the airport runway was done by the Director Engineering Services, a BOQ was subsequently drafted and a cost estimate of R12 228 992,19 was established.

RECOMMENDED BY THE ACTING MUNICIPAL MANAGER

1. That Council note content of the progress report.
2. That Council authorise the team established to negotiate the terms of the new agreement with RSA Aero ltd, including the best method to repair the runway for compliance with the South African Civil Aviation Authority.
3. That Council authorise the Municipal Manager to enter into the new agreement once the terms have been negotiated.

MEMORANDUM TO INSTRUCTING ATTORNEY

DATE: 05 JULY 2024
TO: BOQWANA BURNS ATTORNEYS
ATTENTION: MR HARDY MILLS
RE: LEGAL OPINION TO BE PROVIDED TO BITOU MUNICIPALITY
TENDER NUMBER SCM/2023/130/EDP
ATTAINMENT OF AIRPORT BUSINESS & LONG-TERM LEASE:
PLETTENBERG BAY AIRPORT

Dear Mr Mills,

1. As per the instruction received from your offices on 2 June 2024, you required a detailed legal opinion which is to be presented to the **BITOU MUNICIPALITY** (hereinafter referred to as "Bitou") regarding various urgent contractual issues relating to **TENDER NUMBER SCM/2023/130/EDP - ATTAINMENT OF AIRPORT BUSINESS & LONG-TERM LEASE: PLETTENBERG BAY AIRPORT** (hereinafter referred to as "the Tender").
2. The legal opinion on the contracts entered into by the parties related to the tender and as expressed herein is based solely on the limited documentation and information which has been provided to me thus far and to which I will refer herein.
3. Please note that the opinion expressed herein may be amended once any further relevant documentation and information as required is provided to me, which could alter my view substantially on same.

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4. The following documentation was provided to or obtained by me:

- 4.1. Annexure "A": Bitou Tender Notice for the Tender as published on 21 July 2023 obtained from Bitou website at <https://www.bitou.gov.za/node/1016>. The closing date for bids was later extended.
- 4.2. Annexure "B": Page 24 to 35 of the Bitou Tender Specifications for the Tender as provided to all bidders.
- 4.3. Annexure "C": Bitou Open Day Notice for 5 September 2023 related to the Tender as obtained from the Bitou website at <https://www.bitou.gov.za/node/1069>.
- 4.4. Annexure "D": Tender Opening Results indicating all bids received by Bitou by the closing date of 27 October 2023, obtained by me from the Bitou website at <https://www.bitou.gov.za/node/1667> in which the bid of RSA Aero Ltd with Registration Number 2022/234852/06 (hereinafter referred to as "RSA Aero") of R116,134,906.00 (One Hundred and Sixteen Million One Hundred and Thirty-Four Thousand Nine Hundred and Six Rand) is reflected.
- 4.5. Annexure "E": Agreement of Sale of Business (hereinafter referred to as the "Sale Agreement") of the Aerodrome, Plettenberg Bay Airport (hereinafter referred to as "the Airport"), as entered into between Bitou and Gardenroute Aero (Pty) Ltd with Registration Number: 2021/747369/07 (hereinafter referred to as "GRA") dated 16 February 2024 and which included:
 - 4.5.1. Annexure "1": Final Award Letter by Bitou to RSA Aero dated 9 February 2024.
 - 4.5.2. Annexure "2": Various Aeronautical Information Publication AIP documents dated 15 April 2022 and 15 April 2023.

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- 4.5.3. Annexure “3”: The South African Civil Aviation Authority (hereinafter referred to as “SACAA”) Aerodrome Licence as issued and provided to Bitou for the period of 1 February 2024 to 31 January 2025.
- 4.5.4. Annexure “4”: Employees List (Blank).
- 4.6. Annexure “F”: Long Term Development Lease Agreement of the Airport (hereinafter referred to as “the Lease Agreement”), as entered into between the Bitou and GRA dated 16 February 2024.
 - 4.6.1. Annexure “1”: Proposed Redevelopment Diagrams - Plettenberg Bay Airport
 - 4.6.2. Annexure “2”: Bitou Final Award Letter to RSA Aero dated 9 February 2024
- 4.7. Annexure “G”: *“Plett Airport Tender Takes Off”* News Article dated 16 February 2024.
- 4.8. Annexure “H”: Ad-Hoc/Unannounced Audit Inspection Report provided by SACAA to Bitou on 27 June 2024.
- 4.9. Annexure “I”: Resolution C/1/234/06/24 adopted by the Special Council In-Committee of Bitou convened on 28 June 2024, as adjourned and reconvened on 1 July 2024.
- 4.10. Annexure “J”: Minutes of the Meeting held on 2 July 2024 between Bitou and GRA.
- 4.11. Annexure “K”: E-mails exchanged between Bitou and SACAA between 28 June 2024 and 3 July 2024.
- 4.12. Annexure “L”: Draft Addendum to Sale Agreement as provided by Mr Ralph Links.
- 5. Additional information taken into consideration which is not attached hereto:
 - 5.1. Local Government: Municipal Financial Management Act 56 of 2003 (hereinafter referred to as “the MFMA”) and related Municipal Asset Transfer Regulations

(hereinafter referred to as "the MFMA Regulations") as mentioned in Clause 2.1 of the Tender Specifications (Annexure "B").

- 5.2. Supply Chain Management Regulations as available on the National Treasury website and as mentioned in clause 5.1 on page 31 of the Tender Specifications (Annexure "B").
- 5.3. Bitou Supply Chain Management Policy as available on the Bitou website at <https://www.bitou.gov.za/Docs/Contracts> and as mentioned in clause 5.2 on page 31 of the Tender Specifications (Annexure "B").
- 5.4. Preferential Procurement Regulations, 2022 as available on the National Treasury website and as mentioned in clause 5.3 on page 31 of the Tender Specifications (Annexure "B").
6. I have not been provided with nor am I able to locate the following relevant and required documents online:
 - 6.1. The Resolution passed by the Bitou Council in 2022 in terms of Section 14(2) of the MFMA, which confirmed that Bitou would no longer operate the Airport as a Municipal Service and could remove the Airport from the jurisdiction of the Municipal Systems Act to allow same to be dealt with under the Asset Transfer Regulations of the MFMA and the National Treasury Practice Note SCM 11 of 2008/9.
 - 6.2. The valuation which was supposed to have been conducted in terms of the MFMA Regulations on the Airport and all other assets forming part of the Airport as well as the Airport land which was allowed to be sold in terms of the Sale Agreement (Annexure "E") and/or leased in terms of the Lease Agreement (Annexure "F") by Bitou to GRA.

- 6.3. Page 1 to 23 of the Bitou Tender Document for Tender No: SCM/2023/130/EDP (Annexure "B").
- 6.4. The relevant tender documents and information including the Business Plan mentioned on page 26 of the Tender Specifications (Annexure "B") submitted by RSA Aero to Bitou during the tender process.
- 6.5. The required Service Level Agreement (hereinafter referred to as "the SLA") which was required to be entered into between RSA Aero and Bitou in accordance with Clause 3.6 on page 25 of the Tender Specifications (Annexure "B") as well as per the Final Award Letter from Bitou to RSA Aero as per Annexure "1" as appended to Annexure "E" and Annexure "2" as appended to Annexure "F".
- 6.6. The above documents are required to be inspected, given that I have noted some contractual irregularities, contradictions and conflicts between the Tender Specifications (Annexure "B"), the Sale Agreement (Annexure "E") and the Lease Agreement (Annexure "F"). I will specify only the most important contractual irregularities, contradictions and conflicts below, which may very well be fully explained and resolved if the above documentation and information is provided by the parties.

7. **THE TENDER PROCESS (ANNEXURE "A", "B", "C" & "D")**

- 7.1. Based on the information and documents provided above Bitou published the above tender on 21 July 2023 and bidding was closed on 27 October 2023 (Annexure "A") for the *"Attainment of Airport Business and long-term lease: The Plettenberg Bay Airport"*.
- 7.2. The relevant tender documents and specifications were provided to all prospective bidders as per Annexure "B".

- 7.3. An open day was held on 5 September 2023 as per Annexure “C” for a site inspection and assessments to be done by prospective bidders and for prospective bidders to ascertain the condition and requirements of the Airport as per Annexure “B” before bidding and submitting the required documents and business plan.
- 7.4. The relevant clauses of the Tender Specifications (Annexure “B”) which should be noted given the contractual issues which are of particular concern now were as follows:

“1. BACKGROUND

- 1.1. *An improved airport will serve a large portion of the Garden Route market in Plettenberg Bay, Knysna and their environs and if growth is sustained, will create up to 2,000 local jobs.*

2. CURRENT STATE

- 2.1. *The airport remains at risk of non-compliance with SACAA safety standards and there is inadequate provision for maintenance and improvement.*

3. SCOPE OF WORK

- 3.1. *Successful bidder is to apply to the SACAA for a new Airport Operator's Licence in terms of Part 139 of the SA Civil Aviation Regulations (CARS). This will ensure that the obligation and cost of complying with the CARS in future is transferred to the successful bidder, and the licence currently held by the municipality will lapse.*
- 3.2. *Successful bidder to provide the necessary funding for the upgrade of essential airport top structures, including a new passenger terminal,*

extended runway, expanded apron and upgraded fire, rescue and emergency service to ICAO Cat 6 standards.

- 3.5. *Successful bidder, through a Development Lease to be concluded over the airport property, will acquire exclusive rights to develop and run supporting aviation-related and commercial developments on airport land, further catalysing demand and importantly providing a way in which to earn fair returns on investment.*
- 3.6. *Successful bidder to enter into a Service Level Agreement ("SLA" with the Municipality in addition to the Development Lease. This SLA will not only address operational matters such as the use, management and development of the airport property but will also include the following:*
- Details pertaining to the appointment of local people in accordance with the organograms provided.*
 - Details of the ancillary services and/or concessions that will be provided and/or available and measures that will be implemented to ensure that economic opportunities are created for local and previously disadvantaged persons.*
- 3.9. *The transaction terms to provide for an initial payment to Council for the acquisition of the Airport Business and property development rights*
- 3.10. *The transaction to allow compliance with CARS to be restored through essential infrastructure improvements required on the runway, aprons and fire services of the airport.*
- 3.12. *The leasing agreement will be for 30 years upon the contract sign-off.*

4. **FUNCTIONALITY CRITERIA**

4.1 *Bidders have to score a minimum of 70% (or 70) points for functionality.*

....

4.3.1. **Written explanation of the experience of the bidder:**

The bidder must explain and provide documentation showing its experience and ability to execute, run and manage an airport (or more than one airport, if applicable).

4.3.5. **Business Plan**

The Plan must also cover (but should not be limited to):

- *The approach of the bidder towards the preparation (and implementation) of a Facilities Maintenance Plan of all assets to deliver an acceptable standard of service to both airport customers and users, with a recognition that the bidder will be responsible for all aspects of the upgrading, development, maintenance and insuring of facilities at the airport in ownership of the Municipality (inclusive of services, infrastructure, runway, taxiways, apron, parking and buildings) during the lease period;*
- *A clear indication of the actions required for transfer of the airport function in the short term (0-2 years), inclusive of a project plan indicating timelines, roles, responsibilities, specific action items and milestones.*
- *The proposed lease period (not exceeding 30 years)”*

7.5. Based on the tender specifications provided (Annexure “B”) and with all parties having understood the above specifications and criteria, five companies submitted bids in respect of the Tender ranging from R500,000 to R224,066,115.00 as can be seen from Annexure “D”.

7.6. Bitou in a letter addressed directly to RSA Aero on 9 February 2024 as per Annexure “1” to Annexure “E” informed them that their bid of R116,134,906.00 (One Hundred and Sixteen Million One Hundred and Thirty-Four Thousand Nine Hundred and Six Rand) was accepted and finally awarded. The letter stated:

“Implementation: The Bitou Municipality will enter into both a Lease Agreement as well as a Service Level Agreement with the successful bidder, which will address all management, operational and financial aspects of the business transfer as well as the use and development of the property.

End date: The leasing agreement will be for 30 years upon the contract sign-off.”

7.7. I am unfortunately not in possession of the tender documents submitted by RSA Aero as accepted by Bitou in awarding the final bid to them, to ascertain what the amount of R116,134,906.00 (One Hundred and Sixteen Million One Hundred and Thirty-Four Thousand Nine Hundred and Six Rand) included in terms of the scope of work as required in terms of the Tender Specifications (Annexure “B”), nor whether they made provision within this amount for the requirements as per clause 3.1, 3.2, 3.10 and 4.3.5 (para 4). This is important, especially given that they were made aware of the existing state of the facilities and runway, and what would be required to be done to restore compliance by the successful bidder with CARS through the tender transaction.

7.8. Please take note that I have also not been provided with any of the documents submitted by RSA Aero during the tender process or thereafter in which the role of GRA and/or the level of involvement of GRA in the tender process or project going forward after the bid was awarded was explained or set out.

8. **THE SALE AGREEMENT (ANNEXURE "E") & LEASE AGREEMENT (ANNEXURE "F")**

The following is of most concern relating to the Sale Agreement and Lease Agreement:

8.1. **THE PARTIES**

8.1.1. As per Annexure "D", Annexure "1" to Annexure "E" and Annexure "2" to Annexure "F" it is clear that based on the tender documents submitted by RSA Aero, their bid was subsequently accepted by Bitou. GRA did not feature as a party at all during the bidding process as far as I am aware nor was the final bid awarded to GRA.

8.1.2. Based on Windeed Searches conducted, I was able to ascertain that both RSA Aero and GRA have a somewhat similar board of directors, however, they remain separate juristic entities and their affiliation to each other is in no way explained in any of the documents provided or available to me. No form of security or guarantee has been provided by RSA Aero to Bitou in the event of non-fulfilment by GRA of any of the requirements of the Tender Specifications as which was to be provided by RSA Aero.

8.1.3. I am therefore concerned, given the strict legislation, regulations and policies relating to the award of tenders by Municipalities that the manner in which GRA simply substituted RSA Aero in both the Sale Agreement and Lease Agreement, would be considered as non-compliant in terms thereof.

- 8.1.4. The Sale Agreement and Lease Agreement, as they currently stand, leaves Bitou, RSA Aero and GRA open to legal action and can be declared invalid by an aggrieved third party or other bidders given that the subsequent agreements between the parties were not entered into in accordance with the Tender Specifications (Annexure "B") or successful bid by RSA Aero and does not adhere to the relevant legislation, regulations and policies.
- 8.1.5. RSA Aero was the only successful bidder, and it should also be remembered that the bid was accepted based on the information submitted by RSA Aero, financial, experience and otherwise, during the tender process.
- 8.1.6. It is also of concern why the media and public were informed and made to believe as is clear from Annexure "G" and all other articles available on the internet related to the award of this tender that it was RSA Aero that entered into the Agreement with Bitou on 16 February 2024 and not GRA. This can lead to considerable problems for Bitou and all parties involved down the line.
- 8.1.7. I am not sure whether any due diligence process was done on the affairs of GRA by Bitou prior to entering into the agreement with GRA alone and by excluding RSA Aero entirely which, if not, may pose a significant risk to Bitou should GRA not be able to fulfil in the required obligations which was to be fulfilled by RSA Aero as per the Tender Specifications and bid submitted.
- 8.1.8. Unfortunately, an addendum to the agreement cannot rectify an agreement where the parties are cited incorrectly, especially given the legislative requirements in terms of tenders. It is therefore my suggestion that a new agreement be drafted and entered into as soon as possible where the parties are cited correctly.

- 8.1.9. Please note that there will be no restriction on either Bitou or RSA Aero to make GRA an additional party to the agreement in respect of a delegation of the performance of certain duties and responsibilities on behalf of RSA Aero. However, RSA Aero needs to remain legally obliged to perform the duties as per the bid submitted in the event of failure by GRA to do so and therefore to be the main contracting party with Bitou.

8.2. **SALE AGREEMENT INSTEAD OF SERVICE LEVEL AGREEMENT**

- 8.2.1. I have further and carefully perused all documents in terms of the Tender which was made available to me. I have also thoroughly searched the website of Bitou and I am unable to find any mention of the intention by Bitou to enter into an outright Sale Agreement with any party to purchase the the Airport business as a whole which is located on the Airport land which are both considered to be a capital assets of Bitou.
- 8.2.2. In order to sell a capital asset of a Municipality, certain processes had to be followed in terms of the MFMA Regulations, which I am unable to find any proof of having occurred prior to the Sale Agreement and Lease Agreement having been entered into.
- 8.2.3. The Tender Specifications (Annexure "B") and the Final Award Letter as per Annexure "1" to Annexure "E" point only to the successful bidder acquiring the right to enter into an SLA and Lease Agreement with Bitou to use, control and manage based on the Tender Specifications and accepted bid, but not for the parties to enter into an outright Sale Agreement.
- 8.2.4. I am therefore particularly concerned, especially given that I understand that staff turnover at Municipalities may often lead to confusion with regard to the

original intention behind tenders, that the actual intention of the Tender was not for the purpose of outright sale of the Airport but instead was intended only to allow a successful bidder to acquire the rights to use, control and manage the Airport business over an extended period if one is to read Clause 3.5 of the Tender Specifications as quoted below with Section 34, 35, 36, 40, 41 and 42 of the MFMA Regulations.

“3.5. Successful bidder, through a Development Lease to be concluded over the airport property, will acquire exclusive rights to develop and run supporting aviation-related and commercial developments on airport land, further catalysing demand and importantly providing a way in which to earn fair returns on investment.

3.6. Successful bidder to enter into a Service Level Agreement (“SLA” with the Municipality in addition to the Development Lease. This SLA will not only address operational matters such as the use, management and development of the airport property”

8.2.5. The current Sale Agreement as read with the Lease Agreement further does not make provision in the event of breach or non-fulfilment by GRA of the duties and requirements as per the original Tender Specifications and requirements based on the bid submitted by RSA Aero and instead does not place any obligation whatsoever on GRA to upgrade or develop the Airport whatsoever, but instead GRA is even allowed to remove existing assets and infrastructure as can be seen in Clause 1.3, 1.4, 7.2 and 7.3 and 18.1 of the Lease Agreement:

"1.3. This document and the documents referred to in this AGREEMENT are the sole memorandum of the agreement reached between the PARTIES with respect to the subject matter referred to herein and no conditions, stipulations, warranties, or representations shall be binding between the PARTIES other than those as specifically recorded in this AGREEMENT.

1.4. No amendment of this AGREEMENT shall be binding on the PARTIES unless reduced to writing and signed by the authorised representatives of the PARTIES.

7.3. The TENANT is granted the rights to use, operate, manage, maintain, rehabilitate, redesign, remove, improve and expand the existing assets and infrastructure for the duration of the Agreement.

7.4. The TENANT is entitled at any time whilst the lease endures, but not obliged, to develop the Land. If the TENANT undertakes development, it shall be done in accordance with Annexure 1 as attached hereto or any other approved development, site development plan, building plans and specification approved by the Relevant Authority and the LANDLORD who shall not unreasonably withhold consent. The TENANT shall at its own cost commence the building works from the date by the Relevant Authority.

18.1. This Agreement constitutes the entire agreement between the PARTIES and no warranties, representations or conditions not recorded herein shall be binding upon either PARTY unless

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recorded in writing and signed by the PARTIES hereto. Likewise, any variations of the terms of the conditions hereto shall be of no force or effect unless reduced to writing and signed by both PARTIES hereto."

- 8.2.6. In terms of how the Sale Agreement and Lease Agreement were drafted and entered into which excluded RSA Aero as a party thereto, neither RSA Aero nor GRA can also be held legally liable for any form of non-fulfilment of the Tender Specifications or requirements as per Annexure "B", or the bid submitted by RSA Aero with regard to job creation, upgrading the facility or restoring compliance as required in terms of Annexure "H" and "K" much less the upgrade of the Airport to a Class 6 facility.
- 8.2.7. The Sale Agreement further does not make provision that the rights, duties and obligations acquired by GRA in terms of the Sale Agreement may not be transferred or sold to another party during the lease period without such a party also being bound to the Lease Agreement or original Tender Specifications and requirements. This is of major concern.
- 8.2.8. Given that RSA Aero is not a party to the agreements at all as required, although they are briefly mentioned in clause 1.1.17 of the Sale Agreement, it places no contractual obligation on RSA Aero in terms of the Sale or Lease Agreement, nor any contractual obligation on GRA to perform in terms of the Tender given that they were not the original bidder and therefore not bound to the bid submitted.
- 8.2.9. Bitou has further gone from receiving and accepting a bid of R116,134,906.00 (One Hundred and Sixteen Million One Hundred and Thirty-Four Thousand Nine Hundred and Six Rand) to upgrade the Aiport to

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a mere purchase price of R4,950,000 (Four Million Nine Hundred and Fifty Thousand Rand) granting GRA full rights and ownership over the Airport with little to no guarantee of any nature that any of the requirements in terms of the Tender Specifications will be met.

- 8.2.10. In addition, it is now required that (despite the contrary being expressed in the Tender Specifications) that Bitou also be held responsible for ensuring the required compliance with CARS at a cost of no less than R35,000,000 (Thirty-Five Million Rand) as per Annexure "L" to be paid to GRA and not GRA being held responsible for same as which was a specific requirement as per Clause 3.10 of the Tender Specifications (Annexure "B") quoted above, nor taking into account Clause 3.2 of the Lease Agreement which states:

"3.2. The LANDLORD hereby leases to the TENANT the Land and all improvements, as it stands without any guarantee against latent or patent defects."

- 8.2.11. A further consideration to be borne in mind is that should there be any breach of the agreement by GRA, the Sale Agreement has passed all rights and ownership of the assets mentioned in Clause 1.1.3 therein to GRA, including but not limited to all equipment and infrastructure as well as improvements on the property, customers and even the right to the name Plettenberg Bay Airport. This means that should any event occur where the lease is terminated or comes to an end, Bitou has no right to once again take possession of the assets provided to GRA which was originally intended, based on what can be interpreted from the documents to only have been a right to use, manage and control the assets and not outright sell same.

- 8.2.12. This would effectively leave Bitou in the position of not being able to continue the business of the Airport under its own name or be able to allow any other party the right to use, manage and control same for the benefits which were originally intended in terms of the Tender Specifications (Annexure "B").
- 8.2.13. The original Tender Specifications (Annexure "B") also only allowed for the Lease Agreement to endure for a period of 30 years, whereas Clause 4.2 of the current Lease Agreement (Annexure "F") effectively grants the right to GRA to choose whether or not to renew the Lease Agreement for up to a total of 90 years, giving no right to Bitou whatsoever to terminate or refuse any renewal thereof even if GRA does not fulfil on the original Tender Specifications and Requirements.
- 8.2.14. As stated above, the Airport and the land on which same is located are considered Capital Assets of Bitou and the rights to the same need to be fully protected and dealt with in terms of the relevant legislation and in accordance with the original Tender Specifications as per (Annexure "B").

9. **PROPOSED STEPS GOING FORWARD**

- 9.1. I am aware from the various meeting held as per Annexure "I" and "J" that the parties have expressed a true desire to in good faith continue with the transaction between them in terms of the bid awarded to RSA Aero, however, I am of the opinion that to do so effectively the Sale Agreement and Lease Agreement in their current form has to be cancelled and that new Agreements need to be drawn up to give effect to the original intention of the Tender and Tender Specifications.
- 9.2. There is simply no manner in which an addendum such as Annexure "L" or any other Addendum can rectify the contractual issues as pointed out above. New agreements

would need to be drafted to ensure compliance. Taking the necessary steps now to rectify the problems with the Agreements will not only allow the agreements to be compliant with relevant legislation, regulations and policy framework but will in effect avoid what can only be seen as inevitable litigation between the parties later on.

9.3. Despite the parties both having acted in good faith up to this point which is not doubted at all, I would rather err on the side of caution by ensuring that the agreements between the parties set out all requirements and responsibilities of the parties, instead of leaving any grey areas which would ultimately and unavoidably lead to disputes and expensive legal action and financial losses for both parties going forward.

9.4. Should you require any assistance with the drafting of the necessary agreements I will assist to ensure that the rights of both parties are protected and that they benefit from the originally intended Tender and subsequent agreements going forward.

Kind Regards,



ADV. C.L.H. HARMS

Signed Electronically on 5 July 2024

COMBINED SERVICE LEVEL AGREEMENT

(INCLUDING LONG-TERM DEVELOPMENT LEASE)

as entered into by and between

BITOU LOCAL MUNICIPALITY

represented herein by Dr Ralph Roland Links with ID No: [REDACTED]

in his capacity as Acting Municipal Manager

(hereinafter referred to as “**Bitou**”)

and

RSA AERO LIMITED

Registration No: 2022/234852/06

represented herein by Mr Nicholas Scott Ferguson with ID No: [REDACTED]

duly authorised thereto by a resolution passed by the Board of Directors on ____ July 2024

(hereinafter referred to as “**RSA Aero**”)

and

GARDENROUTE AERO (PTY) LTD

Registration No: 2021/747369/07

represented herein by Mr Nicholas Scott Ferguson with ID No: 710516 5080 086

duly authorised thereto by a resolution passed by the Board of Directors on ____ July 2024

(hereinafter referred to as “**GRA**”)

in respect of

TENDER NO: SCM/2023/130/EDP

ATTAINMENT OF AIRPORT BUSINESS AND LONG-TERM LEASE
(AERODROME - PLETTENBERG BAY AIRPORT)

PLEASE INITIAL BELOW TO ACKNOWLEDGE HAVING READ, UNDERSTOOD & AGREED TO THE CONTENT OF THIS PAGE

BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

THE FOLLOWING ANNEXURES ARE ATTACHED TO AND FORM PART OF THIS AGREEMENT:

ANNEXURE "A"	TENDER SPECIFICATIONS FOR TENDER NO: SCM/2023/130/EDP
ANNEXURE "B"	FINAL AWARD LETTER
ANNEXURE "C"	RSA AERO BUSINESS PLAN
ANNEXURE "D"	PLANNED MILESTONES AND PHASES OF DEVELOPMENT
ANNEXURE "E"	AERODROME ASSET LIST
ANNEXURE "F"	AERONAUTICAL INFORMATION PUBLICATION (AIP)
ANNEXURE "G"	WINDEED PROPERTY REPORT
ANNEXURE "H"	BITOU AERODROME LICENCE (SACAA)
ANNEXURE "I"	EMPLOYEES LIST
ANNEXURE "J"	SACCAA COMPLIANCE NOTICE

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

SCHEDULE OF INFORMATION

1. NAME/S & IDENTIFICATION OF THE PARTIES

1.1	Name of Company / Entity:	BITOU LOCAL MUNICIPALITY
	Physical Address: (<i>Domicilium citandi et executandi</i>)	MAIN BUILDING 4 SEWELL STREET PLETTENBERG BAY WESTERN CAPE PROVINCE 6600
	Postal Address:	PRIVATE BAG X1002 PLETTENBERG BAY WESTERN CAPE PROVINCE 6600
	Represented herein by:	RALPH ROLAND LINKS
	Identity Number:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
	Position:	ACTING MUNICIPAL MANAGER
	Telephone / Contact Number:	
	E-mail Address:	

1.2	Name of Company / Entity:	RSA AERO LIMITED
	Company Reg No:	2022/234852/06
	Physical Address: (<i>Domicilium citandi et executandi</i>)	CAPE WINELANDS AIRPORT LICHTENBURG ROAD R312 DURBANVILLE WESTERN CAPE 7550
	Postal Address:	P O BOX 12449 MILL STREET GARDENS WESTERN CAPE 8010
	Represented herein by:	NICHOLAS SCOTT FERGUSON
	Identity Number:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
	Position:	DIRECTOR / CHIEF EXECUTIVE OFFICER
	Telephone / Contact Number:	
	E-mail Address:	

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

1.3	Name of Company / Entity:	GARDENROUTE AERO (PTY) LTD
	Company Reg No:	2021/747369/07
	Physical Address: (<i>Domicilium citandi et executandi</i>)	CAPE WINELANDS AIRPORT LICHTENBURG ROAD R312 DURBANVILLE WESTERN CAPE 7550
	Postal Address:	P O BOX 12449 MILL STREET GARDENS WESTERN CAPE 8010
	Represented herein by:	NICHOLAS SCOTT FERGUSON
	Identity Number:	[REDACTED]
	Position:	DIRECTOR / CHIEF EXECUTIVE OFFICER
	Telephone / Contact Number:	
	E-mail Address:	

2. THE AIRPORT PROPERTY

2.1	Deeds Office Description:	PORTION 105 OF THE FARM ROODEFONTEIN NO 440, KNYSNA RD, PLETTENBERG BAY, WESTERN CAPE MEASURING 65,9984 HECTARES IN EXTENT HELD BY BITOU UNDER TITLE DEED NO: T52974/2010
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3. LEASE INFORMATION

3.1	Lease Period:	30 (THIRTY) YEARS
3.2	Lease Start Date:	
3.3	Lease Expiry Date:	
3.4	Periodic Review of Agreement:	EVERY THREE YEARS
3.5	Lease Renewal Period (if any):	3 TO 9 YEARS
3.6	Monthly Rental:	R45,834.00 (FORTY-FIVE THOUSAND EIGHT HUNDRED & THIRTY-FOUR RAND)
3.7	Monthly Rental Due and Payable by:	MONTHLY IN ADVANCE ON OR BY 1ST DAY
3.8	Annual Rental Escalation Percentage:	10% (TEN PERCENT)

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

4. DEPOSIT INFORMATION

4.1	Deposit Amount:	NONE
4.2	Deposit Due and Payable by:	N/A

5. REVENUE SHARING BY RSA AERO / GRA WITH BITOU:

5.1	Aeronautical Income payable to Bitou	8% (EIGHT PERCENT) OF TOTAL AERONAUTICAL INCOME
5.2	Due and Payable By:	MONTHLY IN ARREARS ON OR BY 7 TH DAY
5.3	Other Aerodrome Business Income payable to Bitou:	_____% (_____ PERCENT) OF TOTAL OTHER AERODROME BUSINESS INCOME
5.4	Due and Payable By:	ANNUALLY IN ARREARS

6. OTHER GENERAL MONTHLY CHARGES & FEES PAYABLE BY RSA AERO

6.1	Refuse Collection Fee	AS CHARGED BY SERVICE PROVIDER
6.2	Sewerage & Related Fee:	AS CHARGED BY SERVICE PROVIDER
6.3	Water Usage & Related Fees:	AS CHARGED BY SERVICE PROVIDER
6.4	Electricity Usage & Related Fees:	AS CHARGED BY SERVICE PROVIDER
6.5	Due and Payable By:	MONTHLY BY DUE DATE INDICATED

7. REPORTS & NOTICES TO BE PROVIDED BY RSA AERO / GRA TO BITOU

7.1	Development Progress Report	EVERY THREE MONTHS
7.2	Monthly Maintenance Report	MONTHLY BY 7 TH OF THE NEW MONTH
7.3	Incident Reports (theft, fire, security, etc)	MONTHLY BY 7 TH OF THE NEW MONTH
7.4	Monthly Financials (Income & Expenses)	MONTHLY BY 7 TH OF THE NEW MONTH
7.5	Insurance Claim Reports:	MONTHLY BY 7 TH OF THE NEW MONTH
7.5	Aeronautical Revenue Sharing Report:	MONTHLY BY 7 TH OF THE NEW MONTH
7.6	Audited Financial Statements:	ANNUALLY WITHIN 60 DAYS OF THE CLOSE OF EACH FINANCIAL YEAR
7.7	SACAA Inspection Reports	IMMEDIATELY UPON RECEIPT
7.8	SACAA Compliance Notices	IMMEDIATELY UPON RECEIPT

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

PREAMBLE

WHEREAS Bitou required and needed to appoint a Service Provider for the supply and delivery of specialised services according to **Tender No: SCM/2023/130/EDP Attainment of Airport Business and Long-Term Lease** (hereinafter referred to as “the Tender”) in respect of the **Aerodrome, Plettenberg Bay Airport** (hereinafter referred to as “the Aerodrome”) as published by Bitou on 21 July 2023 under Tender Notice 247/2023.

AND WHEREAS RSA Aero actively participated in the tender process and had an opportunity to inspect the Airport, Airport Property and the Aerodrome prior to compiling and submitting their bid in the amount of **R116,134,906.00 (One Hundred and Sixteen Million One Hundred and Thirty-Four Thousand Nine Hundred and Six Rand)** and as per the requirements as set out in the Tender Specifications appended hereto as Annexure “**A**”.

AND WHEREAS Bitou considered, approved, accepted and finally awarded the Tender to RSA Aero on **9 February 2024** based on the formal bid received from RSA Aero and as per the final award letter appended hereto as Annexure “**B**”.

AND WHEREAS the parties have agreed to enter into this Combined Service Level Agreement which includes a Long-Term Development Lease (hereinafter referred to as “the Agreement”) for the purpose of setting out all terms and conditions related to the provision of the intended services by RSA Aero and/or their agents and/or representatives and/or subcontractors to Bitou in respect of the Tender Specifications appended hereto as Annexure “**A**”, the RSA Aero Business Plan appended hereto as Annexure “**C**” and the Planned Milestones and Phases of Development as per Annexure “**D**”.

AND WHEREAS the formalisation of this agreement will ensure compliance with the provisions and requirements of Section 45 of the Municipal Asset Transfer Regulations of the Local Government: Municipal Finance Management Act 56 of 2003, by granting and transferring the rights held by Bitou to RSA Aero for the use, control and management of the Airport, Airport Property and Aerodrome for the period as specified in this agreement in exchange for RSA Aero to provide services as required and specified herein.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

AND WHEREAS the parties hereto agree and understand that by entering into this agreement Bitou has neither expressed nor implied any intention to permanently dispose of, transfer or sell Bitou’s right of ownership, use, control and management of the Airport, Airport Property and Aerodrome as specified or transferred herein to RSA Aero.

AND WHEREAS the parties agree and understand that ownership of all rights to the Airport, Airport Property and Aerodrome will at all times remain vested in Bitou and that any rights which are transferred to and granted to RSA Aero through this agreement for the use, control and management of the Airport, Airport Property and Aerodrome may at any time be revoked by Bitou should RSA Aero neglect, fail or refuse to provide the services as specified herein or neglect, fail or refuse to adhere to the terms and conditions of this agreement.

AND WHEREAS RSA Aero appointed GRA, a subsidiary company of RSA Aero, as its agent to perform some of the services and functions as set out in this Agreement as per the Tender Specifications appended hereto as Annexure “A”, the RSA Aero Business Plan appended hereto as Annexure “C” and the Planned Milestones and Phases of Development appended hereto as Annexure “D” for and on behalf of RSA Aero.

AND WHEREAS RSA Aero will at all times remain directly liable to Bitou for compliance with the requirements and delivery of the services as set out in the Tender Specifications appended hereto as Annexure “A”, the RSA Aero Business Plan appended hereto as Annexure “C” and the Planned Milestones and Phases of Development appended hereto as Annexure “D” whether such is provided by RSA Aero and/or GRA and/or any other agent, representative or subcontractor as which may be appointed by RSA Aero with the written permission of Bitou after the conclusion of this agreement.

AND WHEREAS the parties agree that all prior agreements whether oral or written which may have been entered into by and/or between any of the parties in respect of or related to the Tender, the Airport, the Airport Property and/or the Aerodrome and other than as agreed to by RSA Aero as contained in their bid documentation submitted, is hereby cancelled with immediate effect and replaced in full by this agreement.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

1. DEFINITIONS & INTERPRETATION OF AGREEMENT

1.1. The headings to the clauses of this agreement are for reference purposes only and shall in no way govern or affect the interpretation of, nor modify, nor amplify the terms of this agreement nor any clause hereof, and unless the context dictates otherwise, the words and expressions set forth below shall bear the following meanings and cognate expressions shall bear corresponding meanings:

1.1.1. **“Aerodrome Asset List”** means the list of all furniture, equipment, software and systems, moveable assets and infrastructure currently in place and/or utilised in and/or near the Aerodrome as owned by Bitou as on the effective date as required in terms of Section 42(1) of the MFMA Asset Transfer Regulations and appended hereto as Annexure **“E”**.

1.1.2. **“Aeronautical Income”** means all income generated from activities directly linked to air traffic such as flights, including Passenger Fees, Airplane Parking Fees and Airplane Landing Fees (scheduled and non-scheduled aircraft) as received by RSA Aero in respect of the Aerodrome Business.

1.1.3. **“Agreement”** or **“this agreement”** or **“the agreement”** means this Combined Service Level Agreement which includes a Long-Term Development Lease, all annexures appended hereto, and all amendments affected hereto from time to time as read and interpreted together with the National Treasury General Conditions of Contract published in July 2010 (hereinafter referred to as “the GCC”) and any other relevant legislation and related regulations.

1.1.4. **“AIP”** means the Aeronautical Information Publication appended hereto as Annexure **“F”**.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 1.1.5. **"Aircraft"** means any machine that can derive support in the atmosphere from the reactions of the air other than the reactions of the air against the earth's surface.
- 1.1.6. **"Airport"** means the Plettenberg Bay Airport (FAPG) as established by and as licensed to Bitou as on the signature date hereof in terms of the Civil Aviation Regulations (hereinafter referred to as "the CAR"), as amended and promulgated in terms of the Civil Aviation Act 13 of 2009 (hereinafter referred to as "the Aviation Act") which includes the airspace as promulgated in the relevant AIP and the area on land used or intended to be used for the arrival, departure and/or parking of aircraft and includes all buildings, installations and equipment within such area and/or to be constructed and/or contained in such area in the future which is used for or intended to be used in connection with the arrival, departure and/or parking of aircraft.
- 1.1.7. **"Airport Property"** means Portion 105 of the Farm Roodefontein No 440, Knysna RD, Plettenberg Bay, Western Cape measuring 65,9984 hectares in extent held by Bitou under Title Deed No: T52974/2010 as indicated on the Windeed Property Report appended hereto as Annexure **"G"** "including:
- 1.1.7.1. all buildings, structures and improvements thereon; and
- 1.1.7.2. all water usage rights associated with the Airport Property.
- 1.1.8. **"Aerodrome"** means the going concern and aerodrome business conducted as an Airport on the Airport Property and which business includes:
- 1.1.8.1. The use of the Airport Property for conducting an airport business with much the same Aerodrome services as described in the current Aerodrome Licence which was issued by the South African Civil Aviation Authority (hereinafter referred to as

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

“SACAA”) to Bitou on 31 January 2024 and appended hereto as Annexure “H”.

- 1.1.8.2. All frequencies, licences, rights and titles as required for the provision of and to conduct the business of an Aerodrome.
- 1.1.8.3. All customers of, service providers to, services provided, product sales and related business activities conducted by the Aerodrome which includes but is not limited to Airlines, Hangar Rentals, Fuel Sales, Advertising Sales, and/or any other services offered or products sold resulting in revenues generated within the boundaries of the Airport Property.
- 1.1.8.4. all furniture, equipment, software and systems, moveable assets and infrastructure currently in place and/or utilised in and/or near the Aerodrome as owned by Bitou on the effective date and as shown in the Aeronautical Information Publication AIP appended hereto as Annexure “F” and as contained in the Aerodrome Asset List appended hereto as Annexure “G”.
- 1.1.8.5. Any other assets owned by Bitou and utilised by the Aerodrome, whether tangible or intangible including the name "Plettenberg Bay Airport".
- 1.1.9. **“Aerodrome Business”** means the current aerodrome enterprise, products sold and Aerodrome-related services provided at the Airport Property.
- 1.1.10. **“Aerodrome Licence”** means the licence as held by Bitou on the signature date which was issued by the SACAA to Bitou on 31 January 2024 appended hereto as Annexure “H” and/or the new licence to be applied for by and issued to RSA Aero and/or GRA at their own cost in terms of Part 139 of the Civil Aviation Regulations, as amended and promulgated in terms of the Civil

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

Aviation Act as which will be required by RSA Aero and/or GRA to take transfer of the rights offered by Bitou to RSA Aero to use, control and manage the Aerodrome.

1.1.11. **“Aviation Act”** means the Civil Aviation Act 13 of 2009

1.1.12. **“AVGAS”** and **“JETA1”** means any aviation fuel stock owned by Bitou and on hand at the Airport Property on the effective date.

1.1.13. **“Bid”** means the winning bid in the amount of R116,134,906.00 (One Hundred and Sixteen Million One Hundred and Thirty-Four Thousand Nine Hundred and Six Rand) submitted by RSA Aero as per the requirements of the Tender Specifications of Tender No: SCM/2023/130/EDP Attainment of Airport Business and Long-Term Lease appended hereto as Annexure **“A”** and as set out in the RSA Aero Business Plan appended hereto as Annexure **“C”** and the Planned Milestones and Phases of Development appended hereto as Annexure **“D”** for and on behalf of RSA Aero in respect of the Aerodrome, Plettenberg Bay Airport.

1.1.14. **“Bitou”** means Bitou Local Municipality a local municipality as established in terms of Section 12 of the Local Government: Municipal Structures Act 117 of 1998 as read with Section 155 of the Constitution of the Republic of South Africa, 1996 with its principal place of business located at 4 Sewell Street, Plettenberg Bay, Western Cape Province, 6600.

1.1.15. **“Bitou SCM Policy”** means the Bitou Supply Chain Management Policy.

1.1.16. **“Bond Holder”** means any financial institution or bank that grants a loan to RSA Aero and/or GRA to finance the costs of maintaining, upgrading or developing the Airport Property and Aerodrome as from the commencement date and during the lease period as required and envisaged as per the Tender Specifications appended hereto as Annexure **“A”**, the RSA Aero

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

Business Plan appended hereto as Annexure “C” and the Planned Milestones and Phases of Development appended hereto as Annexure “D” and who has been furnished with security for the repayment of such loan in the form of a bond over any assets owned by RSA Aero and/or GRA and/or cession of any income to be derived from any one or more sub-leases of any part of the Airport Property and/or cession of the income earned from the Aerodrome Business to be conducted by RSA Aero and/or GRA on the Airport Property.

1.1.17. “**Business Day**” or “**Business Days**” means any day/s excluding Saturdays, Sundays and South African public holidays.

1.1.18. “**Business Expenses**” means any expenses related to conducting the Aerodrome Business on the Airport Property including but not limited to municipal services, electrical supply and usage, water usage, stock purchases, service provider fees, licencing fees, salaries, etc.

1.1.19. “**Business Income**” means all income generated from conducting the Aerodrome Business on the Airport Property such as fuel sales, rental income, etc. and the Aeronautical Income.

1.1.20. “**Business Plan**” means the Business Plan submitted by RSA Aero to Bitou and which formed part of the bid documentation of RSA Aero in respect of Tender No: SCM/2023/130/EDP Attainment of Airport Business and Long-Term Lease appended hereto as Annexure “C”.

1.1.21. “**CAR**” means the Civil Aviation Regulations.

1.1.22. “**Combined Agreement**” means this Combined Service Level Agreement which includes a Long-Term Development Lease between Bitou, RSA Aero and GRA.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 1.1.23. **"Commencement Date"** means the date of commencement of any activities by RSA Aero and/or GRA relating to the services as which are to be provided by RSA Aero to Bitou in terms of this agreement for the purpose of ensuring and/or restoring compliance with the CAR in an effort by RSA Aero and/or GRA to obtain the required Aerodrome Licence.
- 1.1.24. **"Debts"** means all the claims of and receivables due to Bitou from any Debtors of the Aerodrome up until the effective date.
- 1.1.25. **"Development"** or **"Developments"** means the upgrading and developments on any portion of the Airport Property from time to time as required in terms of the Tender Specifications appended hereto as Annexure **"A"**, and as set out in the RSA Aero Business Plan appended hereto as Annexure **"C"** and the Planned Milestones and Phases of Development appended hereto as Annexure **"D"** and/or as approved by Bitou.
- 1.1.26. **"Effective Date"** means the 1st day of the month following the date of issue of the Aerodrome Licence as applied for, granted and issued in the name of RSA Aero, which date shall be as close as possible to, on or before 1 September 2024 or upon fulfilment of all suspensive conditions as referred to in the agreement, whichever is the latter.
- 1.1.27. **"Employees"** means all persons currently employed by Bitou at the Aerodrome on the signature date as defined in and appended hereto as Annexure **"I"**.
- 1.1.28. **"Existing Buildings"** means all buildings and structures erected on the Airport Property prior to the commencement date.
- 1.1.29. **"GCC"** means the National Treasury General Conditions of Contract published in July 2010.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 1.1.30. **“GRA”** means Gardenroute Aero (Pty) Ltd with Registration No: 2021/747369/07 a private company, duly incorporated in accordance with the laws of the Republic of South Africa with its principal place of business situated at Cape Winelands Airport, Lichtenburg Road, Cape Town as appointed by RSA Aero as its agent to perform any actions or services on behalf of RSA Aero and as approved by Bitou in fulfilment of the terms and conditions of this Agreement.
- 1.1.31. **“Improvements”** means all buildings, structures and services erected on the Airport Property by the commencement date, or any buildings, structures and services to be erected on the Airport Property and any other development of the Airport Property by RSA Aero and/or GRA as stipulated in the Tender Specifications appended hereto as Annexure **“A”**, and as set out in the RSA Aero Business Plan appended hereto as Annexure **“C”** and the Planned Milestones and Phases of Development appended hereto as Annexure **“D”** after the commencement date.
- 1.1.32. **“Initial Period”** means the initial lease period commencing on the effective date being the first day of the month which follows the date upon which SACCAA issues an Aerodrome Licence in the name of RSA Aero and/or GRA to conduct the Aerodrome Business which will continue for a period not exceeding 30 (thirty) years.
- 1.1.33. **“Interim Period”** means the period commencing on the date of signing of this agreement up until the effective date.
- 1.1.34. **“Lease Period”** means a period not exceeding 30 (thirty) years to be calculated as from the effective date of the agreement during which Bitou will grant RSA Aero the right to use, manage and control the Airport, Airport Property and Aerodrome and during which period the required development/s will take place as stipulated in the Tender Specifications appended hereto as Annexure **“A”**, and as set out in the RSA Aero Business

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

Plan appended hereto as Annexure “C” and the Planned Milestones and Phases of Development appended hereto as Annexure “D”.

1.1.35. “**Letter of Award**” means the formal letter of award of Tender No: SCM/2023/130/EDP Attainment of Airport Business and Long-Term Lease as sent by Bitou to RSA Aero on 9 February 2024 appended hereto as Annexure “B”.

1.1.36. “**Liabilities**” means all the liabilities of whatsoever nature or kind due by Bitou and having arisen from conducting the Aerodrome Business prior to the effective date.

1.1.37. “**MFMA**” means the Local Government: Municipal Finance Management Act 56 of 2003 and related regulations;

1.1.38. “**MFMA Asset Transfer Regulations**” means the Municipal Asset Transfer Regulations of the Local Government: Municipal Finance Management Act 56 of 2003.

1.1.39. “**Month**” means a calendar month and more specifically:

1.1.39.1. in reference to a number of months from a specific date, a calendar month commencing on that date or the same date of any subsequent month; and

1.1.39.2. in any other context, a calendar month, that is, one of the 12 (twelve) months of the calendar, and “**monthly**” has the corresponding meaning.

1.1.40. “**NEMA**” means the National Environmental Management Act 107 of 1998.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 1.1.41. **“NEMBA”** means the National Environmental Management: Biodiversity Act 10 of 2004.
- 1.1.42. **“Notarial Lease”** means the notarial lease agreement which shall be registered by RSA Aero with the Deeds Office in terms of this agreement, which costs shall be borne by RSA Aero.
- 1.1.43. **“Parties”** means Bitou, RSA Aero and GRA as referred to in this agreement.
- 1.1.44. **“Relevant Authority”** means any authority which shall include but is not limited to Bitou or any other body whose consent or approval of any aspect of the Development/s will be required by law.
- 1.1.45. **“Periodic Review”** means the review process to be conducted by Bitou every three years for as long as this agreement endures and as required in terms of Section 45(3)(a)(iii) MFMA Asset Transfer Regulations to ensure compliance by RSA Aero and/or GRA with the terms and conditions as contained herein.
- 1.1.46. **“PPR”** means the National Treasury Preferential Procurement Regulations.
- 1.1.47. **“Rental”** means the monthly rental amount payable by RSA Aero to Bitou on or by the due dates specified herein and as from the effective date in respect of the long-term development lease agreement relating to the use, control and management of the Airport, Airport Property and Aerodrome.
- 1.1.48. **“RSA Aero”** means RSA Aero Ltd with Registration No: 2022/234852/06 a public company, duly incorporated in accordance with the laws of the Republic of South Africa with its principal place of business situated at Cape Winelands Airport, Lichtenburg Road, Cape Town.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 1.1.49. **“Revenue Sharing”** means the percentage of revenue to be received by Bitou from the total revenue which will be earned by RSA Aero and/or GRA from having obtained the right to use, control and manage the Airport, Airport Property and Aerodrome from the effective date and as which will be shared with and paid to Bitou by RSA Aero and/or GRA on or by the due dates specified herein.
- 1.1.50. **“SACAA”** means the South African Civil Aviation Authority.
- 1.1.51. **“SARS”** means the South African Revenue Services.
- 1.1.52. **“Schedule of Information”** or **“the Schedule”** means the relevant information as set out in the schedule contained on page 4 to 6 of this agreement and which contains all relevant information related to the parties, dates, rental, revenue sharing percentages, etc.
- 1.1.53. **“SCM Regulations”** means the National Treasury Supply Chain Management Regulations.
- 1.1.54. **“Signature Date”** shall mean the date of signature of this agreement by the last party signing.
- 1.1.55. **“Sub-Lease”** shall include any lease entered into by Bitou, RSA Aero and/or GRA with a third party in regard to any portion of the Airport Property which is subject to or which is made available for use to a person, legal or otherwise, including the hanger buildings, offices, etc. for the purpose of receiving rental income.
- 1.1.56. **“Tender”** shall mean Tender No: SCM/2023/130/EDP Attainment of Airport Business and Long-Term Lease in respect of the Aerodrome, Plettenberg Bay Airport.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

1.1.57. **"Tender Specifications"** means page 24 to 32 of the tender documents as set out in Annexure **"A"** with regard to Tender No: SCM/2023/130/EDP Attainment of Airport Business and Long-Term Lease in respect of the Aerodrome, Plettenberg Bay Airport.

1.1.58. **"Unremedied material breach"** means a breach of an obligation or duty in terms of this agreement which has not been remedied within the period allowed and which is not the subject of a corrective action plan agreed to Bitou.

1.1.59. **"VAT"** shall mean value-added tax payable in terms of the Value Added Tax Act 1991, as amended;

1.1.60. **"VAT Act"** means the Value Added Tax Act 89 of 1991, as amended.

1.2. In this Agreement, except where the context otherwise requires:

1.2.1. the masculine includes the feminine regarding gender sensitivity.

1.2.2. the singular includes the plural.

1.2.3. any reference to natural persons includes juristic entities (incorporated or unincorporated).

1.2.4. any reference to the parties shall include their respective heirs, executors, trustees and permitted assigns.

1.2.5. the headings to the clauses of this agreement are included for reference purposes only and shall not affect the interpretation of the provisions to which they relate.

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- 1.2.6. words and phrases defined in any clause shall bear the meanings assigned thereto.
- 1.2.7. the annexures to the agreement as well as any documentation pertaining to the agreement are deemed to be incorporated herein and form an integral part of this agreement.
- 1.2.8. the various parts and clauses of the agreement are severable and may be interpreted as such.
- 1.2.9. the expressions listed in one clause bear the meaning as assigned hereto and cognate expressions bear corresponding meanings.
- 1.2.10. the rule of construction that in the event of ambiguity, the contract shall be interpreted against the party responsible for the drafting thereof, shall not apply in the interpretation of this Agreement.
- 1.2.11. the termination of this Agreement shall not affect any provisions of this Agreement which expressly provide that they will operate after any such termination or which of necessity must continue to have effect after such termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 1.2.12. if any provision in a definition is a substantive provision conferring rights and imposing obligations on any party, notwithstanding that it appears only in this interpretation clause, effect shall be given to it as if it were a substantive provision of this Agreement.
- 1.2.13. any reference to any statute, legislation or regulations shall be deemed to include any lawful amendments thereto or re-enactments thereof.

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1.2.14. Expressions defined in this agreement shall bear the same meanings in schedules and Annexures to this agreement, which do not themselves contain their own definitions.

1.2.15. In the event of any inconsistency between the provisions of this Agreement and the terms and conditions contained in the Annexures, the provisions of this Agreement shall prevail over the terms and conditions contained in the Annexures.

1.3. This agreement along with its annexures should be read and interpreted together with the GCC as if specifically incorporated herein along with the MFMA and related regulations, the MFMA Asset Transfer Regulations, the SCM Regulations, the Bitou SCM Policy, the PPR, the Aviation Act, the CAR, NEMA and NEMBA as and where applicable.

2. **PURPOSE OF THIS AGREEMENT**

2.1. It is recorded that Bitou is the sole owner of the Airport Property and the Aerodrome and that all rights to use, control and manage the Airport, Airport Property and Aerodrome are vested in Bitou.

2.2. Bitou hereby wishes to transfer the rights as held by Bitou to RSA Aero for the use, control and management of the Airport, Airport Property and Aerodrome for the period as specified in this agreement in exchange for RSA Aero to provide the services and capital investment needed to restore and ensure compliance with the Aviation Act and related regulations as well as to upgrade and develop the Airport Property and Aerodrome as required and specified herein to boost tourism, sustain local jobs and create new jobs.

2.3. The parties hereto agree and understand that by entering into this agreement that Bitou has neither expressed nor implied any intention to permanently dispose of, transfer or sell Bitou's right of ownership, use, control and

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management of the Airport, Airport Property and Aerodrome as specified or transferred herein to RSA Aero.

- 2.4. The parties further agree and understand that ownership of all rights to the Airport, Airport Property and Aerodrome will at all times continue to remain vested in Bitou and that any rights which are transferred to and granted to RSA Aero through this agreement for the use, control and management of the Airport, Airport Property and Aerodrome may at any time be revoked by Bitou should RSA Aero neglect, fail or refuse to provide the services as specified and agreed to herein or neglect, or fail or refuse to adhere to any of the terms and conditions of this agreement.

3. **SUSPENSIVE CONDITIONS**

- 3.1. The operation of this Agreement shall be subject to and conditional upon the following:

3.1.1. RSA Aero being able to provide the initial necessary funding to improve the infrastructure such as the runway, aprons and fire services of the airport to restore and ensure compliance with CAR for the purpose of applying for a new Aerodrome Licence as required in terms of Clause 3.10 of the Tender Specifications.

3.1.2. The issue of a new Category 5 Aerodrome Licence by the SACAA to RSA Aero and/or GRA to operate the Aerodrome with the same services as allowed by Bitou under licence number 0234 appended hereto as Annexure “H” as required in terms of Clause 3.1 of the Tender Specifications.

3.1.3. RSA Aero being able to provide proof that they would be able to provide the necessary funding to develop the Airport Property including but not limited to upgrading essential airport top structures, including a new passenger terminal, extended

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runway, expanded apron and upgraded fire, rescue and emergency service to ICAO Category 6 Standards as required in terms of Clause 3.2 of the Tender Specifications.

- 3.1.4. RSA Aero registering a notarial lease based on the terms and conditions of this agreement with the Deeds Office, which costs shall borne by RSA Aero.

4. **VALUE OF THE AIRPORT PROPERTY & AERODROME**

- 4.1. The Airport Property and Aerodrome are considered as capital assets of Bitou of which the rights to use, control and manage as well as to enter into any lease agreements regarding same is governed through the MFMA Asset Transfer Regulations.
- 4.2. The current value of the Airport Property as defined in clause 1.1.7 has been determined as required in terms of the MFMA Asset Transfer Regulations to be **AMOUNT.**
- 4.3. The current value of the Aerodrome as defined in clause 1.1.8 has been determined as required in terms of the MFMA Asset Transfer Regulations to be **AMOUNT.**
- 4.4. The Aerodrome Asset List as required to be compiled and provided in terms of Section 42(1) of the MFMA Asset Transfer Regulations is appended hereto as Annexure “E”.
- 4.5. The revenue generated by Bitou from the Airport Property and Aerodrome over the last three years was as follows:

- 4.5.1. 2021 Financial Year: **AMOUNT**

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4.5.2. 2022 Financial Year: **AMOUNT**

4.5.3. 2023 Financial Year: **AMOUNT**

5. **THE LEASE PERIOD & RENEWAL**

- 5.1. Bitou hereby lets the Airport Property and Aerodrome to RSA Aero, who hereby hires the Airport Property and Aerodrome from Bitou for a period not exceeding 30 (thirty) years and as stipulated in clause 3.1 of the Schedule, or the purpose of development of the Airport Property and Aerodrome and to allow RSA Aero the exclusive rights to use, control and manage the Airport Property and Aerodrome.
- 5.2. The Lease shall commence on the effective date and shall endure for an initial period not exceeding 30 (thirty) years, upon condition that RSA Aero and/or GRA will not unnecessarily delay the effective date or the process of obtaining the required Aerodrome license to operate the Aerodrome in the name of RSA Aero and/or GRA nor delay the intended development of the Airport Property and Aerodrome.
- 5.3. This Agreement may be renewed after the initial period at the sole discretion of Bitou and upon such conditions as which may be renegotiated by the parties within 12 (twelve) months before the expiry date of this agreement.
- 5.4. Should Bitou agree to renew the agreement and should RSA Aero agree to such renewal, each subsequent renewal period shall not be less than 3 (three) years, nor shall such renewal exceed a period of 9 (nine) years in each instance, unless otherwise agreed to by the parties.
- 5.5. Negotiations relating to the renewal of this agreement must be completed at least six (6) months prior to the expiry date of this agreement, failing which the agreement will not be renewed.

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6. **BASIC CONDITIONS FOR GRANTING AND CONTINUANCE OF LEASE**

6.1. The following basic conditions will apply to the granting of and continuance of the lease:

6.1.1. That RSA Aero accepts the Airport, Airport Property and Aerodrome as it stands at the signature date; and

6.1.2. That Bitou provides no guarantee to RSA Aero against any latent or patent defects of the Airport, Airport Property and Aerodrome which may hamper or impede the business activities of the Aerodrome or result in suspension of the Aerodrome Licence after signature date; and

6.1.3. That based on the compliance notice issued by SACAA to Bitou on 27 June 2024, appended hereto as Annexure “J”, that the parties are aware that there are urgent runway and other maintenance issues which are to be attended to by RSA Aero as soon as possible and as which was required in terms of clause 3.10 of the Tender Specifications appended hereto as Annexure “A”, to restore compliance and to allow RSA Aero to apply for an Aerodrome Licence as per Clause 3.1 of the Tender Specifications before being able to take over the rights to use, operate and manage the Aerodrome from Bitou; and

6.1.4. That Bitou provides no guarantee relating to the level of business income to be earned or business expenses which may be incurred by RSA Aero through the day-to-day operations of the Aerodrome, nor relating to the profitability of the use, operation and management of the Airport, Airport Property and Aerodrome; and

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- 6.1.5. That RSA Aero timeously delivers the services and performs all required actions as set out and required as per Clause 3 and Clause 4.3.5 of the Tender Specifications appended hereto as Annexure “**A**”, and as set out in the RSA Aero Business Plan appended hereto as Annexure “**C**” and the Planned Milestones and Phases of Development appended hereto as Annexure “**D**” according to approved standards and after obtaining any necessary written approval from Bitou prior to commencement of any major construction, upgrades, maintenance work and development to be done and/or in the event of any deviation from original plans and timelines submitted; and
- 6.1.6. That RSA Aero make all payments as due to Bitou in terms of this Agreement and as per Clause 3.6 to 3.8 and Clause 5.1 to 6.5 of the Schedule and by the stipulated due dates as agreed to between the parties from time to time; and
- 6.1.7. That RSA Aero and/or GRA at all times inform Bitou prior to applying to any Bond Holder for any loans and also upon being granted any loans for the purpose of funding the maintenance, upgrades and development of the Airport, Airport Property and Aerodrome; and
- 6.1.8. That RSA Aero and/or GRA under no circumstances attempt to transfer or cede any rights, pledge or encumber any assets belonging to Bitou including the Airport Property and Aerodrome for the purpose of obtaining a loan from a bond holder.
- 6.1.9. That RSA Aero pays all amounts due to their bond holder/s in respect of any loan amounts advanced by RSA Aero for the purpose of purpose of funding the maintenance, upgrades and development of the Airport, Airport Property and Aerodrome as and when they become due; and

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- 6.1.10. That RSA Aero and/or GRA provide the required monthly reports to Bitou as specified in Clause 7.1 to 7.8 of the Schedule with regard to all important aspects of the Airport Property and Aerodrome which include development progress reports, maintenance reports, incident reports, financial reports, etc; and
- 6.1.11. That RSA Aero strictly adhere to all notices and legislative requirements and regulations, especially such contained in the Aviation Act, or provided by SACAA and the CAR to ensure compliance in respect of the aforementioned and required Aerodrome Licence to be obtained and kept; and
- 6.1.12. That RSA Aero and GRA at no time conduct their business recklessly, negligently and/or in any manner whatsoever that could have a negative impact on or which may result in any claims against Bitou, the Airport Property or the Aerodrome
- 6.1.13. RSA Aero will at all times ensure that the Airport, Airport Property and Aerodrome are properly insured as required which insurance policy should provide the same benefits as the current insurance policy as held in the name of by Bitou.
- 6.1.14. That RSA Aero and GRA will at all times do and cause to be done all actions to protect the Airport, Airport Property and Aerodrome from any damages or loss which can be prevented.
- 6.1.15. That RSA Aero and GRA strictly adhere to all other terms and conditions of this agreement.

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7. **TRANSITIONAL PERIOD UP UNTIL EFFECTIVE DATE**

- 7.1. RSA Aero and/or GRA will as soon as possible after the signature date of this agreement proceed to do and perform all actions required in order to have the necessary Aerodrome Licence issued in their name.
- 7.2. Should it be required by the SACAA that all compliance issues as contained in the compliance notice issued by SACAA to Bitou on 27 June 2024, appended hereto as Annexure “J”, first be resolved prior to the issue of the new Aerodrome Licence to RSA Aero, it will be incumbent on RSA Aero to immediately upon receiving such notice, proceed with any required maintenance and upgrades to the Airport Property and/or Aerodrome as soon as possible to ensure that compliance is restored in order to obtain the necessary Aerodrome Licence.
- 7.3. Bitou will assist RSA Aero in any manner reasonably possible by providing the necessary access to the Airport Property for RSA Aero and/or GRA to proceed with the necessary maintenance and upgrade activities as from the commencement date up until the completion date thereof.
- 7.4. Once RSA Aero obtains the Aerodrome Licence, Bitou will proceed to hand over all relevant documents and information and provide the necessary initial support related to the use, operation and management of the Aerodrome to RSA Aero who will take over all rights to use, operate and manage the Airport, Airport Property and Aerodrome as from the 1st day of the month following the date of issue of the Aerodrome Licence by SACAA in the name of RSA Aero and/or GRA.
- 7.5. It is specifically recorded that RSA Aero will not take over any of the Employees of Bitou as employed at the Aerodrome and as listed in the Employees list appended hereto as Annexure “I”, unless otherwise agreed to in writing by the parties. Any leave pay or accruals, or any benefits due to

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any employees of Bitou taken over by RSA Aero as at the effective date, will be for the account of Bitou.

8. **DEBTS, CASH, INVESTMENTS & LIABILITIES UP UNTIL EFFECTIVE DATE**

- 8.1. It is specifically agreed between the parties that all debts owed to Bitou from the operation and business activities related to the Airport Property and Aerodrome prior to the effective date are excluded from the operation of this agreement and shall be for the benefit of Bitou who shall remain entitled to collect same.
- 8.2. Any cash in the bank or cash held in an investment for Bitou specifically related to the Airport, Airport Property and Aerodrome is excluded from the operation of this agreement and shall be for the benefit of Bitou.
- 8.3. All liabilities incurred by Bitou are expressly excluded from the operation of this Agreement which liabilities Bitou undertakes to discharge as soon as possible after the effective date and hereby indemnifies RSA Aero and holds RSA Aero harmless against any claims by any third party in respect of any liabilities with regard to the Airport, Airport Property and Aerodrome the cause of action which arose prior to and including on the effective date. Should such liabilities arise, and RSA Aero is forced to settle such liabilities to continue the Aerodrome business, then RSA Aero will be entitled to deduct such amounts from any amounts due and payable to Bitou in terms of this Agreement.
- 8.4. The value of the AVGAS AND JETA1 stock on hand at the effective date will be added to the first rental payment due to be paid by RSA Aero to Bitou and transferred to Bitou should this be applicable.

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9. **RENTAL & OTHER AMOUNTS DUE TO BITOU**

9.1. The rental and other amounts payable by RSA Aero to Bitou in terms of this agreement shall be the following:

9.1.1. the monthly rental as stipulated in Clause 3.6 of the Schedule payable monthly in advance on or by the 7th day of each month for the entire lease period subject to the stipulated annual escalation of the monthly rental as per Clause 3.8 of the Schedule which escalation shall automatically be applied without notice after every 12 (twelve) months; and

9.1.2. the percentage of the Gross Aeronautical Income excluding VAT as stipulated in Clause 5.1 of the Schedule, as earned by RSA Aero and/or GRA payable to Bitou monthly in arrears on or by the 7th day of each month for the entire lease period; and

9.1.3. the percentage of total annual revenue earned by RSA Aero and/or GRA from all other Aerodrome business activities excluding VAT save for any percentages already paid in respect of aeronautical income as stipulated in Clause 5.3 of the Schedule, shall be payable every 12 (twelve) months as from the effective date, for the entire lease period.

9.1.4. all amounts as due and payable by RSA Aero and/or GRA to Bitou including municipal and other services related to the Airport property including electricity, water usage, refuse collection, sanitation, and related service fees shall be paid by no later than on the due date specified on such monthly accounts.

9.2. All revenue earned from the use, operation and management of the Airport, Airport Property and Aerodrome whether such was earned by RSA Aero

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and/or GRA will be calculated jointly and seen as to have been earned by RSA Aero directly for the purpose of calculation of the above percentages related to Bitou's share payable by RSA Aero from the joint revenue earned.

- 9.3. Annual Financial Statements must therefore be prepared by the Auditors of RSA Aero and GRA and provided to Bitou in terms of Clause 7.6 of the Schedule no later than 3 (three months) after the completion thereof for each year and/or part of the first year of the lease in which the abovementioned amounts of shared revenue should be clearly indicated.
- 9.4. For the purpose of Clause 9.3 above, Bitou shall accept the annual financial statements and amounts indicated as payable by RSA Aero to Bitou as certified by the Auditors of RSA Aero and/or GRA, upon condition that Bitou may at any time request an inspection and review of the accounts and records of RSA Aero and/or GRA.
- 9.5. The rental and all other amounts payable in terms of this agreement shall be paid by RSA Aero to Bitou on the due dates as specified without deduction or set-off and into a banking account as nominated by the Municipal Manager of Bitou.
- 9.6. Should RSA Aero neglect to make any payment as due to Bitou in terms of this agreement, on or before the due dates specified, RSA Aero will be liable for payment of interest on the outstanding amount, compounded monthly and calculated daily from the due date at a rate of 2% (two percent) above the prime lending rate established from time to time by the Standard Bank of South Africa Limited (hereinafter referred to as "Standard Bank") in respect of overdrawn accounts and the aforementioned rate changes on the same date as such prime rate changes.
- 9.7. A certificate containing details of the prime lending rate(s) for any appropriate period shall be signed by a person professing to be a manager of any branch

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of Standard Bank, and if submitted by Bitou during any legal proceedings shall be accepted as *prima facie* proof as to the correctness of the contents thereof by RSA Aero and/or GRA , and RSA Aero and/or GRA therefore agrees to the submission and admissibility of such certificate during any legal proceedings arising from this agreement.

- 9.8. Non-payment or late payment of any amounts due by RSA Aero and/or GRA to Bitou in terms of this agreement on or by the due dates specified will be considered a material breach of the provisions of this agreement and may lead to early termination of this Agreement if RSA Aero and/or GRA fails to timeously remedy such breach.

10. **USE OF AIRPORT PROPERTY**

- 10.1. The Airport Property and Aerodrome shall be used exclusively by RSA Aero and/or GRA for the purpose of the operation of an Aerodrome and related business activities.
- 10.2. RSA Aero is hereby granted an exclusive right by Bitou to use, operate, maintain, rehabilitate, redesign, improve, expand, control and manage the Airport, Airport Property and Aerodrome for the period stipulated in Clause 3.1 of the Schedule and upon the conditions as set out in this agreement.
- 10.3. No buildings, structures, improvements or moveable assets owned by Bitou and utilised by the Aerodrome or located on the Airport Property may be disposed of, removed and/or altered without the prior written consent of Bitou and RSA Aero will be liable for any removal, damages or losses caused to same unless prior written agreement was obtained.
- 10.4. RSA Aero is obliged in terms of this Agreement to timeously perform all maintenance, upgrades and development/s of the Airport Property and Aerodrome during the lease period as required and envisaged as per the

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Tender Specifications appended hereto as Annexure “**A**”, the RSA Aero Business Plan appended hereto as Annexure “**C**” and the Planned Milestones and Phases of Development appended hereto as Annexure “**D**” in return for the financial and other benefits which will be enjoyed by RSA Aero and/or GRA from the right to use, operate and manage the Airport Property and Aerodrome in terms of this agreement.

- 10.5. RSA Aero may under no circumstances deviate from the requirements, plans, timelines and specifications as agreed to between the parties herein unless specifically agreed to by Bitou in writing.

11. **DEVELOPMENT DELIVERABLES**

- 11.1. The development deliverables as required in terms of the Tender Specifications appended hereto as Annexure “**A**” is set out in the RSA Aero Business Plan appended hereto as Annexure “**C**” and the Planned Milestones and Phases of Development appended hereto as Annexure “**D**” which includes the diagrams and images related to the proposed and accepted development plans and upgrades.
- 11.2. RSA Aero and/or GRA will at all times be required to adhere to the development plans and timelines as set out in the RSA Aero Business Plan appended hereto as Annexure “**C**” and the Planned Milestones and Phases of Development appended hereto as Annexure “**D**”.
- 11.3. Bitou will conduct a periodic review process every three years as per Clause 3.4 of the Schedule for as long as this agreement endures and as required in terms of Section 45(3)(a)(iii) of the MFMA Asset Transfer Regulations to ensure compliance by RSA Aero and GRA with the terms and conditions as of this agreement.

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- 11.4. Failure by RSA Aero to timeously deliver the services and develop the Airport Property and Aerodrome accordingly to the RSA Aero Business Plan appended hereto as Annexure “C” and the Planned Milestones and Phases of Development appended hereto as Annexure “D”, without the prior written approval of Bitou will be considered a material breach of the agreement which may, if it remains an unremedied material breach, result in the early termination of the Agreement.

12. **NATIONAL ENVIRONMENTAL BIO DIVERSITY ACT 10 OF 2004**

- 12.1. The Parties confirm that RSA Aero has acquainted itself with what plants grow upon the Airport Property, accepts that some plants may be alien invasive plants as defined in NEMBA, understands the legal implications thereof and accepts the situation as it is and will deal with the situation at its own time and cost.

13. **RATES, TAXES, UTILITIES & SERVICE FEES**

- 13.1. Bitou will be responsible for payment of the monthly rates and taxes related to the Airport Property.
- 13.2. RSA Aero will be responsible for payment of all municipal services related to the Airport property and Aerodrome including electricity, water usage, refuse collection, sanitation, and related service fees to be paid by no later than on the due date specified on such monthly accounts.

14. **SUBLETTING**

- 14.1. RSA Aero may not sublet any part of the Airport Property to a third party without the prior written consent of Bitou, unless such is done in the ordinary course of business and for the purpose of providing services related to the Aerodrome.

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14.2. Bitou must however all times be provided with an updated and detailed list of the Lessees of any Sub-Lease related to any part or portion of the Airport Property which stipulates their contact details, lease period and the monthly rental amounts as payable.

14.3. In the event of any part of the Airport Property being sublet, RSA Aero and GRA will ensure that their tenants comply with all rules, legislation and regulations related to an Aerodrome and will ensure that their tenants comply with all relevant provisions of this Agreement.

14.4. No lease may be entered into between RSA Aero with any third party for a period exceeding 12 (twelve) months unless prior written approval is obtained from Bitou.

15. **REGISTRATION OF NOTARIAL LEASE**

15.1. RSA Aero may proceed to have a notarial lease registered with the Deeds Office in terms of this agreement, which costs shall be borne by RSA Aero.

16. **COSTS OF AGREEMENT**

16.1. The Parties will each be responsible for their own costs as incurred in the drafting, amendment and execution of this agreement.

17. **TERMINATION OR EXPIRY OF THIS AGREEMENT**

17.1. Upon expiration of or termination of this agreement for any reason whatever, RSA Aero and/or GRA and/or any of their representatives and subcontractors shall vacate the Airport Property immediately leaving it and all assets of the Aerodrome in the same condition in which it was received, fair wear and excepted, subject to the following –

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- 17.1.1. The Airport Property and all rights to use, operate and manage the Aerodrome including any rights to any sub-leases entered into by RSA Aero and/or GRA with third parties shall immediately revert back to Bitou along with all improvements of an immovable nature as which was erected by RSA Aero and/or GRA as from the commencement date and during the lease period, without any compensation whatsoever being payable by Bitou to RSA Aero and/or GRA.
- 17.1.2. RSA Aero shall, however, be entitled, subject to any claim by Bitou to rental or otherwise, to remove any movable property as which belongs to RSA Aero and/or GRA and which did not form part of any upgrades to the Airport Property and Aerodrome or moveable items which were delivered or formed part of the required deliverables in terms of the Tender Specifications appended hereto as Annexure “A”, the RSA Aero Business Plan appended hereto as Annexure “C” and the Planned Milestones and Phases of Development appended hereto as Annexure “D”.
- 17.1.3. Should RSA Aero and/or GRA fail to remove or complete the removal of any of their movable property (including within three months after the expiration or termination of this agreement, or after any such extended period agreed to as determined by Bitou for the removal of such movable property but which period shall not exceed 6 (six) months, RSA Aero and/or GRA shall have no right to claim any payment or compensation in respect of movable property provided, however, that Bitou may at its sole discretion require that RSA Aero and/or GRA undertake or complete such removal. Should RSA Aero and/or GRA fail to comply with this requirement, Bitou may undertake the removal and may dispose of all movable property of RSA Aero and/or GRA and may then recover the cost of such removal and disposal from RSA Aero and/or GRA.

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17.1.4. Should RSA Aero and/or GRA remain in occupation of the Airport Property after the expiry or termination of this agreement for the purpose of removing any movable property referred to herein, RSA Aero shall be liable for the payment of the rental in terms of this Agreement in respect of such period of occupation as well as compensation for any damages or loss suffered by the Bitou as a result thereof.

17.2. Bitou may at any time terminate the agreement by giving written notice to RSA Aero and GRA is either RSA Aero or GRA becomes bankrupt or otherwise insolvent. In this event, termination of the agreement will be without compensation to RSA Aero and/or GRA, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter.

18. **BREACH OF AGREEMENT**

18.1. Should either Bitou, RSA Aero or GRA (the "Defaulting Party") commit a breach of any provision of this Agreement and fail to remedy such breach within a period of 10 (ten) business days after receiving written notice from the other party (the Aggrieved Party") calling for the remedy thereof, the Aggrieved Party shall be entitled, without prejudice to any right to claim damages arising from such breach, or such other rights as it may have, either:

18.1.1. sue for due compliance by the Defaulting Party with all its obligations in terms of this Agreement, including the right to institute action for the payment of any money due to the Aggrieved Party.

18.1.2. to cancel this Agreement without further notice to the Defaulting Party, and in the event of the Defaulting Party being RSA Aero,

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

that Bitou as the aggrieved party shall be entitled to retake possession of all rights to use, operate and manage the Airport Property and Aerodrome and/or to proceed for the recovery of such damages as the Aggrieved Party may have sustained, at the election of the Aggrieved Party.

- 18.2. In the event that RSA Aero and/or GRA fail to deliver the services as required in terms of this agreement, and where such breach remains an unremedied material breach despite RSA Aero and/or GRA having received notice to remedy such breach, Bitou may forthwith cancel this agreement and will not be obligated to compensate RSA Aero and/or GRA for any work already done or completed and will under no circumstances be liable to RSA Aero and/or GRA and/or any bondholder of RSA Aero and/or GRA in respect of any loans granted to RSA Aero and/or GRA for the purpose of performing the services mentioned herein.
- 18.3. The remedies referred to in this clause and available to the Aggrieved Party are not exhaustive and are in addition to any other remedies the Aggrieved Party may have, whether under this Agreement or otherwise.
- 18.4. If any dispute or difference of any kind whatsoever arises between the Parties in connection with or arising out of the Agreement, the Parties shall make every effort to resolve the dispute amicably by mutual consultation.
- 18.5. If, after thirty (30) days, the Parties have failed to resolve their dispute or difference by such mutual consultation, then any one of the Parties may give notice to the other Party of his intention to commence with mediation. No meditation in respect of this matter may be commenced unless such notice is given to the other Party.
- 18.6. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African Court of Law.

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 18.7. Notwithstanding any reference to mediation and/or court proceedings herein, the Parties shall continue to perform their respective obligations under the Agreement unless they otherwise agree.

19. **DOMICILIUM AND NOTICES**

- 19.1. The Parties choose their *domicilium citandi et executandi* ("domicilium") for the purpose of the giving of any notice, demand, consent, authorisation or communication, the payment of any sum, or the serving of any legal process and for any purpose arising from the Agreement the address as indicated by each respective party as contained in Clause 1.1, 1.2 and 1.3 of the Schedule.

- 19.2. Any of the Parties shall be entitled from time to time, by written notice to the others, to vary its contact details and domicilium to any other address within the Republic of South Africa which is not a post office box or poste restante, and at which address legal processes can be served.

- 19.3. Any notice, demand, consent, authorisation, or communication required to be given or any payment required to be made in terms of this Agreement shall be in the form of a written document addressed to the addressee ("the addressee") which

- 19.3.1. If delivered by hand during the normal business hours of the addressee at the addressee's domicilium shall be deemed, until the contrary is proved, to have been received by the addressee at the time of delivery;

- 19.3.2. If posted by pre-paid registered post from an address within the Republic of South Africa to the addressee at the addressee's domicilium shall be deemed, until the contrary is proved, to have

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

been received by the addressee on the fourth day after the date of posting;

19.3.3. If sent by email, on the date of sending the email, until the contrary is proved, to have been received by the addressee on the date of sending.

19.4. Notwithstanding anything to the contrary contained in this Agreement a written notice or communication received by a Party shall be an adequate written notice or communication to it, notwithstanding that such notice or communication was not sent to or delivered at the addressee's domicile.

20. **JURISDICTION**

20.1. The construction, interpretation, validity, and performance in terms of this Agreement shall in all respects be governed by the laws of the Republic of South Africa and the Parties irrevocably submit to the jurisdiction of the Courts of the Republic of South Africa.

20.2. The Parties consent in terms of Section 45 of the Magistrates Court Act No. 32 of 1944 to the jurisdiction of the Magistrate's Court for the determination of any action or dispute which may arise between them under this Agreement, but this shall not affect the right of any of the Parties at their election to proceed against the other of than in respect of such action or dispute by way of action or motion in the High Court having jurisdiction.

21. **WAIVERS & INDULGENCES**

21.1. The remission or late acceptance of any payment, grant of any concession or condonation of any breach of any of the conditions contained in this Agreement, or other act of relaxation, indulgence, or grace on the part of any Party shall not in any way constitute or operate as or be deemed to be a

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

waiver or compromise by such Party of any rights in terms of this Agreement or be construed as a novation thereof.

22. **NO CESSION AND ASSIGNMENT**

22.1. Neither RSA Aero or GRA shall under any circumstances cede, transfer, makeover or dispose of any rights granted to RSA Aero or GRA under this Agreement or assign or delegate any obligations imposed under this Agreement unless specifically agreed to by Bitou in writing, nor shall RSA Aero and/or GRA attempt to sell, dispose of, hypothecate, encumber or pledge the Airport Property, Aerodrome or any of the other assets of the Aerodrome,

23. **INDEMNITIES**

23.1. Without prejudice to any of the rights of any of the parties arising from any of the provisions of this Agreement, RSA Aero hereby indemnifies Bitou against all loss, liability, damage or expense which Bitou may suffer as a result of, or which may be attributable to:

23.1.1. Any liability of RSA Aero and/or GRA in connection with the Airport Property or the Aerodrome, whether actual or contingent, after the signature date.

23.1.2. any claims or liabilities caused to Bitou as a direct result of any material breach of the agreement by RSA Aero and/or GRA.

23.2. Without prejudice to any of the rights of any of the parties arising from any of the provisions of this Agreement, Bitou hereby indemnifies RSA Aero and GRA against all loss, liability, damage or expense which RSA Aero and GRA may suffer as a result of, or which may be attributable to:

PLEASE INITIAL BELOW TO ACKNOWLEDGE HAVING READ, UNDERSTOOD & AGREED TO THE CONTENT OF THIS PAGE

BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 23.2.1. Any liability of Bitou in connection with the Airport Property or the Aerodrome, whether actual or contingent, before the signature date.
- 23.2.2. any claims or liabilities caused to RSA Aero or GRA as a direct result of any material breach of the agreement by Bitou.

24. **GENERAL**

- 24.1. This Agreement constitutes the entire agreement between the Parties and no warranties, representations or conditions not recorded herein shall be binding upon either party unless recorded in writing and signed by the Parties hereto. Likewise, any variations of the terms and conditions hereof shall be of no force or effect unless reduced to writing and signed by all parties.
- 24.2. The parties warrant that their tax affairs with SARS are up to date.
- 24.3. The signatories on behalf of the parties warrant their authority to sign and have ensured that the required resolutions have been passed.
- 24.4. In the event that any of the provisions of this Agreement are found to be invalid, unlawful, or unenforceable, such terms shall be severable from the remaining terms, which shall continue to be valid and enforceable.

25. **FORCE MAJEURE**

- 25.1. "Force Majeure" means an event beyond the control of the Party concerned, that is not caused by the fault of such party and could not reasonably have been foreseen by and that renders such Party unable to perform its obligations in terms of this Agreement and such events shall include, but not be limited to. –

PLEASE INITIAL BELOW TO ACKNOWLEDGE HAVING READ, UNDERSTOOD & AGREED TO THE CONTENT OF THIS PAGE

BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

- 25.1.1. fire, flood, storm, lightning or any natural disaster, civil disturbance, explosion, power failure or reduction of power supply, acts, orders or regulations of any governmental or regulatory authority, agency or department, lack or shortage of materials or ability to procure equipment and material.
- 25.1.2. A Covid-19 National Disaster Event, means any declared state of disaster associated with or similar to the Covid-19 pandemic declared in terms of section 23(1)(b) of the Disaster Management Act, 2002 (Act 57 of 2002) (Disaster Management Act), the National Health Act, 2003 (Act 61 of 2003) or any similar legislation regulating Covid-19 related measures, as may be regulated from time to time.
- 25.1.3. War, invasion, acts of a foreign enemy, hostilities (whether war be declared or not), terrorism, civil war, rebellion, revolution, criminal action, theft, or vandalism, and strikes, lock-outs and labour disputes causing cessation (whether complete or partial) of work, interruption or slowdown of work, whether of the Party concerned or any third party service provider of such.
- 25.1.4. Should any of the Parties be unable to perform their obligations in terms of this Agreement by reason of Force Majeure, such Party ("the affected Party") shall be excused from any liability therefore, whether direct or contingent or of any nature whatsoever the invoking Party shall be entitled to such extension of time as may be reasonably required by it for the performance of its obligations in terms of this Agreement
- 25.1.5. The invoking Party shall advise the other Party ("the Other Party") of the occurrence of Force Majeure and shall use all reasonable endeavours to minimise the effect of any delay occasioned

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BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

thereby and to continue with the performance of its obligations in terms of this AGREEMENT at the earliest possible opportunity.

- 25.1.6. Should the event of Force Majeure continue for a period of 60 (sixty) calendar days, the other Party shall be entitled to terminate this Agreement with immediate effect.

26. **SPECIAL TERMS & CONDITIONS**

PLEASE INITIAL BELOW TO ACKNOWLEDGE HAVING READ, UNDERSTOOD & AGREED TO THE CONTENT OF THIS PAGE

BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

SIGNATURES

Thus done and signed at _____ on this the _____ day of July 2024.

_____ NICHOLAS SCOTT FERGUSON DULY AUTHORISED TO ACT ON BEHALF OF RSA AERO LTD	_____ WITNESS _____ WITNESS
--------------------------------------------------------------------------------------------------------------	------------------------------------------

Thus done and signed at _____ on this the _____ day of July 2024.

_____ NICHOLAS SCOTT FERGUSON DULY AUTHORISED TO ACT ON BEHALF OF GARDEN ROUTE AERO (PTY) LTD	_____ WITNESS _____ WITNESS
-----------------------------------------------------------------------------------------------------------------------------	------------------------------------------

Thus done and signed at _____ on this the _____ day of July 2024.

_____ RALPH ROLAND LINKS DULY AUTHORISED TO ACT ON BEHALF OF BITOU LOCAL MUNICIPALITY	_____ WITNESS _____ WITNESS
---------------------------------------------------------------------------------------------------------------------	------------------------------------------

PLEASE INITIAL BELOW TO ACKNOWLEDGE HAVING READ, UNDERSTOOD & AGREED TO THE CONTENT OF THIS PAGE					
BITOU	WITNESSES	RSA AERO	WITNESSES	GRA	WITNESSES

SOUTH AFRICAN

CIVIL AVIATION
AUTHORITY

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1685

Telephone
Number:
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Fax Number:
+27 11 545 1465

E-mail Address:
mail@caa.co.za

Website Address:
www.caa.co.za

Southern Region
Office:
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International Airpo
Tel. Number:
+27 21 934 4744
Fax Number:
+27 21 934 1326

Reference: CA 15/1/234

Enquiries: Joseph Mtsweni
E-mail: mtswenij@caa.co.za
Tel: +27 11 545 1288
Date: 26 July 2024

Bitou Local Municipality
Plettenberg Bay Airport
Robberg Road
Plettenberg Bay
6600

Attention: Wendoll Davidson and Ms Esmeralda Barnes

Via: WDavidson@plett.gov.za / esmaralda@gardenroute.aero

Dear Sirs,

**RE: NOTICE OF INTENDED SUSPENSION OF PLETTENBERG BAY AERODROME LICENCE
NO 234**

1. This letter serves as to notify you of the intention of the South African Civil Aviation Authority (SACAA) to suspend your Aerodrome Operating Licence.
2. On 22 June 2023, 29 November 2023 and 27 June 2024, the SACAA conducted an ad-hoc inspection, renewal audit as well as another ad-hoc inspection, respectively, of your aerodrome in Plettenberg Bay.
3. The Audit revealed that, amongst others, the surface of the runway and apron of the aerodrome is breaking in multiple places. As a result, in June 2023, the aerodrome was issued with one level 3 finding and afforded an opportunity to submit a corrective action plan (CAP). Your CAP indicated that there was a project plan for the rehabilitation of the runway surface and road markings. The implementation date of the project was indicated to be 30 September 2023.
4. Despite this undertaking by yourselves, on 29 November 2023, during the renewal audit, it was found, amongst others, that the road surface was still breaking up. The level 3 finding issued in June 2023 was then escalated as a level 2 finding. You were further given an opportunity to

Board Members: Mr Ernest Khosa (Chairperson); Mr Suren Sooklal; Ms Bulelwa Koyana;
Ms Tshitshi Phewa; Adv Mpati Lebakeng and Mr Tshepo Peege
DCA: Ms Poppy Khoza; Company Secretary: Ms Nivashnee Naraindath



submit a CAP, wherein you indicated that the Bitou Municipality Maintenance workers had fixed the road surface of the runway and apron.

5. However, on 26 June 2024, our ad-hoc inspection revealed that, despite your two previous CAPs, the runway surface was still breaking up, with signs of structural deterioration in multiple areas. During this audit of June 2024, you were issued, amongst others, with a 1 level one finding and 3 level 3 findings. In the audit report, you were advised that a level 1 finding needs to be addressed immediately or mitigation measures to reduce the risk to an acceptable level must be put in place. A meeting was held between yourselves and the SACAA officials during which you undertook to appoint a professional consultant to conduct assessment of the runway with the aim to appoint the civil contractor to scope the work, once the assessment is complete. You have further advised us on 11 July 2024 that SMEC has been appointed to do assessment.
6. While we appreciate all the efforts you are taking to address the Level 1 finding, we are of the view that there are no steps that have been undertaken to immediately address or mitigate the risk associated with the level 1 finding as advised in the audit report. You have also not been able to indicate the duration of the repairs and the safety risk remains.
7. We also note that a NOTAM was issued as a precautionary measure, however, this also does not mitigate the finding.
8. We are also mindful of the fact that there are scheduled flights that continue to take off and land in your aerodrome whilst the runway surface does not meet the required safety standards.
9. The non-compliances referred to above point out to non-adherence with the following provisions of the Civil Aviation Regulations, 2011, (CARs):

139.02.23(2)(t)

A holder of aerodrome license shall ensure that the surface of a runway is maintained in condition such as to prevent formation of harmful irregularities.

SA CATS

139.02.10 (1)(4)(a)

Runway surfaces

The surface of runways shall –

- (a) be constructed without irregularities that shall impair the runway surface friction characteristics or otherwise adversely affect the take-off or landing of an aircraft.

Board Members: Mr Ernest Khosa (Chairperson), Mr Suren Sooklal; Ms Bulelwa Koyana;

Ms Tshitshi Phewa, Adv Mpati Lebakeng and Mr Tshepo Peege

DCA: Ms Poppy Khoza; Company Secretary: Ms Nivashnee Naraindath

**139.02.23 8(2)(a)(b)(c)****(2) Pavement surface condition and friction characteristics**

(a) In adopting tolerances for surface irregularities, the standard of construction set out in Table A1 is achievable for short distances of 3m and conforms to good engineering practice; except across the crown of a chamber or across drainage channels, where the finished surface of the wearing course is to be of such regularity that when tested with a 3m straight-edge placed anywhere in any direction on the surface, there is no deviation greater than 3mm between the bottom of the straight-edge and the surface of the pavement anywhere along the straight edge.

(c) The operation of aircraft and differential settlement of the surface foundations will eventually lead to increases in surface irregularities. Small deviations in the above tolerances will not seriously hamper aircraft operations. In general, isolated irregularities of the order of 2.5mm to 30mm over a 45m distance are tolerable.

(d) Corrective surface maintenance action shall be taken when the friction characteristics of a runway or portion thereof, are below the minimum friction level specified in the Table below:

Table A1

Test Equipment	Test tyre type	Pressure (kPa)	Test speed (km/h)	Test water depth	Design objective for new surface	Maintenance planning level	Minimum friction level
Mu-meter Trailer	A	70	65	1.0	0.72	0.52	0.42
	A	70	95	1.0	0.66	0.38	0.26
Skiddometer Trailer	B	210	65	1.0	0.82	0.60	0.50



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Treur Close
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Bekker Street
Midrand

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1685

Telephone
Number:
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Fax Number:
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E-mail Address:
mail@caa.co.za

Website Address:
www.caa.co.za

Southern Region
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PO Box 174
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International Airpo
Tel. Number:
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	B	210	95	1.0	0.74	0.47	0.34
Surface friction tester vehicle	B	210	65	1.0	0.82	0.60	0.50
	B	210	95	1.0	0.74	0.47	0.34
Runway friction tester vehicle	B	210	65	1.0	0.82	0.60	0.50
	B	210	95	1.0	0.74	0.54	0.41
TATRA friction tester vehicle	B	210	65	1.0	0.76	0.57	0.48
	B	210	95	1.0	0.67	0.52	0.42
Griptester Trailer	C	140	65	1.0	0.74	0.53	0.43
	C	140	95	1.0	0.64	0.36	0.24

Offences

185.01.2 A person commits an offence if that person—

(f) does or causes, or permits to be done or caused, any act contrary to, or fails to comply with, any provision of the regulations, or a direction given or a prohibition made or a condition imposed or a rule, order or directive made in terms thereof;

(m) contravenes any provision of the Act and these Regulations.

10. The contraventions referred to above amount to severe violations of the CAR's, as referenced. They further pose a very serious threat to aviation safety and security. Due to the severity and continued nature of these non-compliances, the SACAA intends to suspend the licence of Plettenberg Bay Aerodrome due to the determined inability to meet the requirements for operations as licenced.



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11. The Bitou Municipality, as the holder of the aerodrome licence, is hereby afforded an opportunity in terms of Section 117 of the Civil Aviation Act, 2009 (Act No. 13 of 2009), to submit representations to the SACAA, **within 72 hours** from date of this letter, to state the reasons as to why, under the circumstances, the Plettenberg Bay aerodrome licence should not be suspended, due to the severe non-compliances referred to above. The Bitou Municipality has a right to be legally represented when making such representations.
12. Should we not receive representations as required, the SACAA will proceed to consider and/or implement applicable enforcement action against the Bitou Municipality as the licence holder, without further notice.
13. The representations to the SACAA may be made in writing.

Yours Sincerely,

**Joseph Mtsweni
Enforcement Specialist
Legal and Aviation Compliance Division**

EXTRACT FROM THE UNCONFIRMED MINUTES OF THE SPECIAL COUNCIL IN-COMMITTEE MEETING OF BITOU LOCAL MUNICIPALITY HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON FRIDAY, 28 JUNE 2024 AT 12H29, SUBSEQUENTLY ADJOURNED AT 12H47 TO RECONVENED ON MONDAY, 1st JULY 2024 AT 12H29

Resolution C/1/234/06/24

STATUS REPORT: AIRPORT BUSINESS AND LONG-TERM LEASE OF THE PLETTENBERG BAY AIRPORT

Portfolio Comm: Strategic Services & Office of the MM **Demarcation:** All Wards
File Ref: 17/12/2 **Delegation:** Council

Resolved

1. That Council note the content of the Status Report on the Airport Business and Long-Term Lease of the Plettenberg Bay Airport.
2. That Council established a team consisting of the Director Corporate Services, Director Engineering Services and Acting Director Financial Services to enter into negotiations with RSA Aero Limited after considering both the technical assessment report and the external legal opinion.
3. That detailed information be obtained from Civil Aviation Authority (CAA) with regards to the requirements for the upgrade to address level 1 findings.
4. That the Municipal Manager be authorised to submit an interim progress report to CAA one week following the meeting date.
5. That the external legal opinion and the draft agreement negotiated as in 2. above, be submitted to Council.

Proposed: Councillor D J Swart
Seconded: Councillor C N-J Terblanche

EXECUTION: Municipal Manager, Director Corporate Services, Director Financial Services and Director Engineering Services

Item No	Payment Clause	Short Description	Unit	TENDER		
				Quantity	Rate	Amount
A1	SANS 1200 DM	SECTION A : ROADs, HARDSTAND & STORMWATER Subgrade				
A1.1	8.3.7	Cut (in all materials) to spoil	m ³	3 300	150,00	495 000,00
A1.2	8.3.7	Replace unsuitable with G8 material from commercial sources and compact to 93% of MAMDD	m ³	825	450,00	371 250,00
A1.3	8.3.5	Selected layer in layers of 150 mm compacted to 93% of MAMDD from commercial sources (G7)	m ³	825	500,00	412 500,00
A2	1200 ME	Subbase from commercial sources				
A2.1	8.3.3	G5 subbase layer, 150 mm thick compacted to 95% of MAMDD	m ³	825	600,00	495 000,00
A3	1200 MFL	Base from commercial sources				
A3.1		G2 base layer, 150 mm thick compacted to 98% of MAMDD	m ³	825	650,00	536 250,00
A4	1200 MH	Bituminous surfacing				
A4.1	8.5.1	Prime coat using MC30 @ 0,7 l/m ²	m ²	5 500	50,00	275 000,00
A4.2	8.5.4	Asphalt:				
A4.2.1		40 mm thick	m ²	5 500	400,00	2 200 000,00
A5	1200 DB 8.1.2 8.3.2	Trench excavations Excavate in all materials, backfill and compact to 93% of MAMDD, including disposal of surplus/unsuitable material for:				
A5.1		Stormwater pipelines: Diameters up to 450 mm for depths:				
		Over and Up to				
A5.1.1		1,20 m 2,00 m	m	1 000	150,00	150 000,00
A5.2		Subsoil drains				
		Over and Up to				
A5.2.1		0,0 m 1,20 m	m	2 000	100,00	200 000,00
Carried forward / ...						5 135 000,00

Item No	Payment Clause	Short Description	Unit	TENDER		
				Quantity	Rate	Amount
		Brought forward / ...				5 135 000,00
A6	1200 LB	Bedding				
A6.1	8.2.2	Supply only of bedding from commercial sources:				
A6.1.1	1200 DB	Selected granular material	m ³	733	750,00	549 750,00
A7	8.3.3.1	Supply from commercial sources G7 subgrade quality fill (Provisional)	m ³	73	500,00	36 500,00
A8	1200 DB	Excavation ancillaries				
A8.1	8.3.3.3	Compaction of all trench back- fill to 93% MAMDD (100% for granular material)	m ³	500	25,00	12 500,00
A9	1200 LE	Stormwater drainage				
A9.1	8.2.1	Supply, lay, bed (bedding Class C) and joint reinforced concrete pipes:				
A9.1.1		450 mm dia Class 100D	m	1 000	1 000,00	1 000 000,00
A9.2	8.2.8	Type C grid inlet CP, 1160 mm x 930 mm complete as per PEM std for depths:				
		Over and Up to				
A9.2.1		1,5 m 2,0 m	No	10	25 000,00	250 000,00
A10		Subsoil drainage				
A10.1		Supply, lay, bed subsoil drainage pipes complete including stone layer and bidum:				
A10.1.1		110mm dia	m	2 000	500,00	1 000 000,00
A11		Provisional Sum Items				
A11.1		Additional testing ordered by the Engineer	Prov Sum			15 000,00
A11.2		Runway markings	Prov Sum			10 000,00
Subtotal A						8 008 750,00
Add 25% for Preliminary and General Items						2 002 187,50
Subtotal B						10 010 937,50
Add 10% for Professional Fees						1 001 093,75
Subtotal B						11 012 031,25
Add 15% for VAT						1 651 804,69
TOTAL						12 663 835,94

SECTION 2

FINANCE

Section 2: Finance

ITEM C/2/222/07/24

SECTION 52(d) REPORT FOR THE QUARTER ENDING JUNE 2024

Portfolio Comm: Finance & Corporate Services

Demarcation: All Wards

File Ref: 9/1/3/4

Delegation: Council

Attachment: Annexure “A” – Quarterly Budget Statement Q4
Annexure “B” – C Schedule Q4
Annexure “C” – SDBIP Q4

Report from: Director: Financial Services

Author: Manager Budget and Treasury

Date: 29 July 2024

PURPOSE OF THE REPORT

The purpose of this report is to inform Council on the implementation of the budget and the financial state of affairs of the municipality for the Quarter that ended 30 June 2024.

BACKGROUND/DISCUSSION

This report deals with the Quarter that ended 30 June 2024, and reflects the implementation of the budget, and the state of the municipality’s financial affairs

The in-year reports was prepared in terms of the Local Government: Municipal Finance Management Act, (Act 56 of 2003): Municipal Budget and reporting regulations, Government Gazette 32141, 17 April 2009

The quarterly report to council was drafted in accordance with the budget and reporting regulations and corresponds with the quarterly Section 52(d) reporting, Schedule “C” as submitted to Treasury as per the MFMA reporting timeline.

SUMMARY OF FINANCIAL STATE OF AFFAIRS FOR THE QUARTER ENDED 30 JUNE 2024

The report as attached hereto can be summarized as follows:

1. Financial Position

Assets

Current Assets for the quarter ending amounts to R 596,5 Million, consisting of the major contributors which is Receivables from exchange and non-exchange, as well as Cash and Cash equivalents.

Section 2: Finance

Cash and cash equivalents amount to R 184,4 Million as at 30 June 2024, which is made up of cash amounting to R 76,2 Million and short term investments of R 108,2 Million.

Non-current assets, which includes Property Plant and equipment amounts to R 1,320 Billion as at 30 June 2024.

In total assets, including the cash and cash equivalent anomaly, amount to R 1,917 Billion as at end June 2024.

Liabilities

Current liabilities amount to R 454,2 Million consisting of the major contributors such as the current Borrowing Costs, Provisions and Trade Creditors.

Non-current liabilities amount to R183,7 Million as at 30 June 2024. It consists of Long-Term Borrowing and Provisions.

Net Assets

Net assets at the quarter ending amounts to R1,279 Billion as at 30 June 2024.

Conclusion on financial position

The financial position as at 30 June 2024 is below the best practice benchmark at 1.31:1 meaning current assets are 1.31 times more than current liabilities. (The best practice benchmark is between 2 and 3).

2. Financial Performance

Revenue

Total YTD revenue received for quarter 3 R 868,4 million which represents 95.56% of the total operating revenue budget for the year.

The following is highlighted with regards to the variances in Revenue:

Property Rates: The YTD actual, amount to R178,2 million, compared to the YTD budget of R179,8 million that was anticipated, this indicates that the revenue source is performing adequately.

Service Charges – Revenue from electricity as at the end of quarter 3 amounts to R228.2 million. Anticipated budgeted revenue amounted to R232.7 million, which is an under performance of 2%. Electricity revenue is influenced by fluctuating consumption during peak and off-peak periods. A point of concern remains the effect of SSEG on our Electricity sales.

Service Charges – Water Revenue: Water revenue as at end of June 2024 amounts to R85.6 million while the YTD budget amounts to R82.9 million. This represents a 3% over-performance, consistent with the previous months report. Looking at the current season and anticipating the colder months ahead, consumption generally decreases.

Service Charges – Sanitation Revenue: The YTD actuals amount to R67.4 million while YTD budget amounts to R66.9 million, meaning this revenue source is performing adequately. The

Section 2: Finance

revenue item is still being monitored to ensure its performance remains adequate through the revenue enhancement program which is underway to ensure that the revenue targets will be met.

Service Charges – Refuse revenue: This revenue source is under-performing by 4%. This revenue source forms part of the focus areas of the revenue enhancement programme and a concerted effort will be made in the current financial year to ensure this revenue source is performing adequately as the municipality has invested a sizeable amount of capital for improving this function.

Rental from Fixed Assets – A positive YTD variance of 21% is reported. Revenue from this source is dependent on the community's need to make use of municipality's various facilities and it can be difficult to predict.

Interest earned – outstanding debtors: A negative YTD variance of 14% is recorded. Although the interest on outstanding debtors is over performing, it is doubtful that the municipality would be able to collect it.

Fines, penalties and forfeits: A negative YTD variance of 17%. Revenue recognition for the remainder of the revenue will be done as part of the Year end Annual Financial Statement preparation, as the service provider has to give a final report for the entire financial year. Taking the revenue still to be accounted for into consideration, the revenue source will be adequately performing.

Sale of Goods and rendering of Services: A negative YTD variance of 36%. This revenue source includes items such as building plan approval fees, town planning, fire services, staff housing etc.

Expenditure

The total expenditure to date at the end of quarter 3 is R770,4 Million which represents 85.02% of the total operating expenditure budget for the year.

With regards to the variances in respect of expenditure the following is highlighted:

Employee cost: A negative YTD budget variance of 2% is reflected. The main factor contributing to the under-spending remains the vacant positions that have not been filled to date.

Debt Impairment: No Debt Impairment was done for the quarter.

Bulk Purchases - Electricity: Bulk purchases relate to payments made to Eskom for electricity, the expenditure as at end of June 2024 amounts to R175.8 million compared to R196.2 million YTD budget, thus reporting an under performance of 10%. Eskom payments are based on the consumption of the month and are normally due in the following month which will equate to R14 million. Considering the final invoices still to be paid, we anticipate the revenue source to come more in-line with the budgeted figure.

Contracted services: Expenditure as at end of June 2024 amounts to R62.5 million and is under-performing by 36% when compared to the YTD budget of R97.9 million. It is expected that this category of expenditure will increase once all invoices are paid as part of the year-end financial payments.

Transfers and Subsidies: Expenditure as at end of June 2024 amounts R9.1 million compared to the YTD budget of R12.7 million. An under-performance of 29% is reported for the month.

Section 2: Finance

Expenditure falling under this category include Grant-in-aid, payment to the Shark Spotter programme and our contribution to the regional landfill site.

Operational Cost: A negative YTD budget variance of 23% is recorded. This includes items such as the rental expenses for offices, accommodation, insurance, travel and subsistence and telephone accounts. Some of the major contributors to this expenditure category is postage cost, external audit fees, bank charges and commission on prepaid electricity. It is also anticipated that this category of expenditure will gradually increase as all invoices are paid as part of the year-end financial payments.

Conclusion on financial performance

In total the quarter 3 revenue is slightly under-performing compared to the year-to-date budget; however expenditure is well below the anticipated year-to-date budget, which is expected to increase as final year end payments are processed. Based on the current trend an operating surplus is still anticipated for this financial year.

The current cash flow is sufficient to meet the short and medium-term operational requirements however, it is still not sufficient to sustain operations in the long term. The current ratio is below the best practice norms.

3. Debtors Management

The debtors' book of the municipality reflects R 273.9 million as outstanding debt older than 121 days with a total outstanding amount of R 335.6 million.

The contributors to the outstanding debt remain the household debt which represent 96.32% of total debt, followed by businesses with 2.98% and organs of state contributing 0.70%.

The municipality has monthly debt collection strategies to help ensure that outstanding revenue is collected, which includes blocking prepaid electricity for users in arrears and applying water restrictions in arrears where Eskom is the electricity distributor. Customers are informed prior to these actions being implemented by way of a disconnection notice. Disconnection notices are sent monthly out to all customers with outstanding accounts after the due date which is 7th of every month.

The collection rate for the month of June 2024 is 93%, resulting in an average payment rate of just 90% for the financial year to date

4. Creditors Management

The municipality reports a total amount of R27.5 million on trade creditors in June 2024.

FINANCIAL IMPLICATIONS

Financial implications are attached on Annexures A&B

Section 2: Finance

RELEVANT LEGISLATION

The Municipal Finance Management Act – No. 56 of 2003 Section 52(d) quarterly budget statements. Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations (MBRR)

RECOMMENDED BY THE ACTING MUNICIPAL MANAGER

That the Section 52(d) report for the quarter ending 30 June 2024, be noted.

BITOU LOCAL MUNICIPALITY



**Quarterly Budget Statement in
accordance with MFMA Section
52(d), for the quarter ended 30 June
2024**

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BITOU LOCAL MUNICIPALITY

Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may adjust its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timing. For example, when an invoice is received by the Municipality it is shown as expenditure in the Quarter it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day-to-day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

BITOU LOCAL MUNICIPALITY

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising monthly performance targets and monthly budget estimates.

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, is spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – 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 (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

BITOU LOCAL MUNICIPALITY

Legislative Framework

This report has been prepared in terms of the following enabling legislation. The Municipal Finance Management Act – No. 56 of 2003 Section 52(d) Quarterly budget statements. Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations (MBRR)

PART 1 – IN-YEAR REPORT

Section 1 – Quarter 4 Report

1.1 In-Year Report – Quarterly Budget Statement

The report outlines the financial performance and position of the municipality for the quarter ended 30 June 2024. The budget of the municipality is compiled with the objective that Bitou Municipality remains a financially viable and sustainable institution. The latter could be achieved if the municipality spends its budget prudently.

The financial viability is measured through the liquidity ratio, current ratio and quick ratio. These ratios are critical in terms of evaluating the ability of the municipality to meet its short-term obligations.

As can be seen on the C7 Cash flow statement, the current cash, and cash equivalents as at end of the quarter amounts to R184.4 million. The municipality on average requires an amount in excess of R65 million to cover its monthly operational expenditure, this includes the cost associated with the payment of employee cost and suppliers. It however excludes payments made to suppliers for capital assets.

Section 2 – Resolutions

IN-YEAR REPORTS 2023/2024

This is the resolution that will be presented to Council when the In-Year Report is tabled:

RECOMMENDATION:

- That Council notes the quarterly budget statement and supporting documentation for the quarter ended 30 June 2024.

Section 3 – Executive Summary

3.1 Introduction

The quarterly budget statement has been prepared in terms of the Municipal Budget and Reporting Regulations and section 52(d) of the Municipal Finance Management Act 56 of 2003.

BITOU LOCAL MUNICIPALITY

Consolidated performance

WC047 Bitou - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue		461 083	500 877	485 088	37 050	474 307	485 088	(10 781)	-2%	485 088
Service charges - Electricity		210 201	241 830	232 677	18 138	228 201	232 677	(4 476)	-2%	232 677
Service charges - Water		86 449	86 725	82 972	6 926	85 581	82 972	2 608	3%	82 972
Service charges - Waste Water Management		78 406	77 663	66 874	2 076	67 358	66 874	484	1%	66 874
Service charges - Waste management		45 502	58 016	46 784	1 827	44 964	46 784	(1 820)	-4%	46 784
Sale of Goods and Rendering of Services		6 867	11 571	11 559	764	7 385	11 559	(4 174)	-36%	11 559
Agency services		2 501	3 014	2 803	156	2 342	2 803	(460)	-16%	2 803
Interest earned from Receivables		17 120	13 282	15 483	875	13 243	15 483	(2 240)	-14%	15 483
Interest earned from Current and Non Current Assets		8 035	4 950	12 325	4 077	13 231	12 325	906	7%	12 325
Rental from Fixed Assets		1 124	1 030	1 117	138	1 354	1 117	237	21%	1 117
Licence and permits		1 196	589	1 269	82	1 428	1 269	159	13%	1 269
Operational Revenue		3 683	2 207	11 226	1 990	9 220	11 226	(2 006)	-18%	11 226
Non-Exchange Revenue		378 896	400 177	423 668	28 280	394 094	423 668	(29 574)	-7%	423 668
Property rates		151 445	179 779	179 802	14 736	178 229	179 802	(1 574)	-1%	179 802
Surcharges and Taxes		-	1 500	1 500	119	1 538	1 500	38	3%	1 500
Fines, penalties and forfeits		46 722	31 699	45 096	3 076	37 266	45 096	(7 830)	-17%	45 096
Licence and permits		-	696	696	-	-	696	(696)	-100%	696
Transfer and subsidies - Operational		155 970	163 277	175 758	3 490	161 475	175 758	(14 283)	-8%	175 758
Interest		4 242	3 759	2 130	184	2 292	2 130	161	8%	2 130
Operational Revenue		2 064	15 518	14 735	6 675	13 295	14 735	(1 441)	-10%	14 735
Gains on disposal of Assets		441	3 950	3 950	-	-	3 950	(3 950)	-100%	3 950
Other Gains		18 011	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		839 979	901 055	908 756	65 330	868 401	908 756	(40 355)	-4%	908 756
Expenditure By Type										
Employee related costs		286 329	333 063	345 596	28 918	336 995	345 596	(8 601)	-2%	345 596
Remuneration of councillors		6 721	7 674	7 675	584	7 300	7 675	(376)	-5%	7 675
Bulk purchases - electricity		162 599	206 241	196 241	14 695	175 840	196 241	(20 401)	-10%	196 241
Inventory consumed		15 349	19 543	20 501	2 225	16 111	20 501	(4 390)	-21%	20 501
Debt impairment		28 623	18 270	18 270	-	-	18 270	(18 270)	-100%	18 270
Depreciation and amortisation		36 393	40 059	40 059	3 065	37 429	40 059	(2 630)	-7%	40 059
Interest		19 740	13 428	13 428	5 008	10 751	13 428	(2 677)	-20%	13 428
Contracted services		72 886	95 793	97 954	19 371	62 535	97 954	(35 419)	-36%	97 954
Transfers and subsidies		5 626	12 230	12 774	1 602	9 095	12 774	(3 679)	-29%	12 774
Irrecoverable debts written off		88 945	64 900	64 900	5 286	45 966	64 900	(18 934)	-29%	64 900
Operational costs		72 058	89 075	88 809	13 714	68 422	88 809	(20 387)	-23%	88 809
Losses on Disposal of Assets		1 515	-	-	-	-	-	-		-
Other Losses		9	-	-	-	-	-	-		-
Total Expenditure		796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	-15%	906 207
Surplus/(Deficit)		43 185	780	2 549	(29 138)	97 958	2 549	95 409	0	2 549
Transfers and subsidies - capital (monetary allocations)		36 567	37 468	59 278	6 495	29 454	59 278	(29 823)	(0)	59 278
Surplus/(Deficit) after capital transfers & contributions		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826
Surplus/(Deficit) after income tax		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826

BITOU LOCAL MUNICIPALITY

Revenue by Source

Property Rates

Property rates for the end of quarter amounts to R178.2 million. When comparing the YTD actuals with the YTD budget, the revenue source is performing adequately and the annual budgeted revenue target will be met.

Electricity

YTD Revenue from electricity amounts to R228.2 million. Anticipated budgeted revenue amounted to R232.7 million, which is an under performance of 2%. Electricity revenue is influenced by fluctuating consumption during peak and off-peak periods. The prolonged load shedding remains a point of concern, coupled with the effect of SSEG.

Water Service

Water revenue as at end of June 2024 amounts to R85.6 million while the YTD budget amounts to R82.9 million. This represents a 3% over-performance, consistent with the previous months report. Looking at the current season and anticipating the colder months ahead, consumption generally decreases.

Sanitation Service

Sanitation revenue amounts to R67.4 million while YTD budget amounts to R66.9 million, meaning this revenue source is performing adequately. The revenue item was adjusted downward and is still being monitored to ensure its performance remains adequate through the revenue enhancement program.

Refuse Service

Refuse revenue as at the end of June 2024 amounts R44.9 million while the YTD budget amounts to R46.8 million, which represents a 4% underperformance. This revenue source forms part of the focus areas of the revenue enhancement programme and a concerted effort will be made in the current financial year and the next to ensure this revenue source is performing adequately as the municipality has invested a sizeable amount of capital for improving this function.

Rental from Fixed Assets

The revenue for rental from fixed assets for June 2024 amounts to R 1.4 million. This source of revenue is over performing by 21%. Revenue from this source is dependent on the community's need to make use of municipality's various facilities and it can be difficult to predict.

Interest earned on external investment and outstanding debtors

Interest earned on external investment and outstanding debtors' revenue amounts to R 13.2 million and R 13.2 million respectively, which in turn equates to an overperformance of 9% and a under-performance 14% respectively for this revenue source. The interest on outstanding debtors remains doubtful to be collected by the municipality and provision for irrecoverable debt is therefore made as part of the annual financial statement processes.

Revenue for fines, penalties and forfeits

Revenue from Fines as at end of June 2024 amounts to R37.3 million compared to the anticipated budgeted revenue of R45.1 million. This is an underperformance of 17%. Revenue recognition for the remainder of the revenue will be done as part of the Year end Annual Financial Statement preparation, as the service provider has to give a final report for the entire financial year. Taking the revenue still to be accounted for into consideration, the revenue source will be adequately performing.

BITOU LOCAL MUNICIPALITY

Transfers and Subsidies

Revenue from Transfers and Subsidies amounts to R161.5 as at end of June 2024. This revenue source has an under-performance of 8%. It is anticipated that this result may come in-line with the budgetary predictions as the final revenue recognitions are done as part of the finalisation of the Grant Reconciliation.

Sale of Goods and Rendering of Services

Revenue collected as at end June 2024 amounts to R7.4 million compared to an anticipated R11.6 million. This revenue source includes items such as building plan approval fees, town planning, fire services, staff housing etc.

Operational revenue

Revenue collected as at end June 2024 amounts to R9.2 million compared to an anticipated R11.2 million. The major contributor of the revenue development charges, and landing fees.

Total revenue at the end of the quarter amounts to R65.3 million. YTD revenue compared to YTD anticipated budgeted revenue for the quarter amounts to an under-performance of 4%. This, however, exclude revenue from capital contributions.

Expenditure

Employee related cost

Employee related cost the YTD budget amounts to June 2024 amounts to R37.1 million. The YTD budget amounts to R345.6 million and YTD actuals equates to R336.9 million. In totality it translates to an under-performance of 2%, bearing in mind that the final employee benefit provisions still need to be concluded as part of the Financial Statement preparation.

Remuneration of councillors

Remuneration of councillors as at end of June 2024 amounts to R 7.3 million. This expenditure item is underperforming by 5%.

Debt Impairment

No Debt Impairment was done for the quarter, this will be done as part of the year end processes.

Bulk Purchases

Bulk purchases relate to payments made to Eskom for electricity, the expenditure as at end of June 2024 amounts to R175.8 million compared to R196.2 million YTD budget, thus reporting an under performance of 10%. Eskom payments are based on the consumption of the month and are normally due in the following month which will equate to R14 million. Considering the final invoices still to be paid, we anticipate the revenue source to come more in-line with the budgeted figure.

Depreciation

Depreciation as at end June 2024 amounts to R37.4 million which translates to an under-performance of 7%. This expenditure line will even out, after the capitalisation as part of the year end processes, with the anticipated budget.

Inventory Consumed

Expenditure related to this item as at the end of June 2024 amounts to R16.1 million while the YTD budget amounts to R20.5 million. This expenditure item is under-performing by 21% when compared to the YTD budget.

BITOU LOCAL MUNICIPALITY

Contracted Services

Expenditure as at end of June 2024 amounts to R62.5 million and is under-performing by 36% when compared to the YTD budget of R97.9 million. It is expected that this category of expenditure will increase once all invoices are paid as part of the year-end financial payments.

Transfers and subsidies

Expenditure as at end of June 2024 amounts R9.1 million compared to the YTD budget of R12.7 million. An under-performance of 29% is reported at the end of the quarter. Expenditure falling under this category include Grant-in-aid, payment to the Shark Spotter programme and our contribution to the regional landfill site.

Operational Cost

Operational Cost YTD actuals after June 2024 amounts to R68.4 million while the YTD budget amounts to R88.8 million, which translates to an under performance of 23%. This includes items such as the rental expenses for offices, accommodation, insurance, travel and subsistence and telephone accounts. Some of the major contributors to this expenditure category is postage cost, external audit fees, bank charges and commission on prepaid electricity. It is also anticipated that this category of expenditure will gradually increase as all invoices are paid as part of the year-end financial payments.

Total expenditure for the quarter end of June 2024 amounts to R94.5 million.

Conclusion on Financial Position and performance

The municipality is reporting a year-to-date operating surplus of R127.4 million. The current cash flow is sufficient to meet the short and medium-term operational requirements however, it is still not sufficient to sustain operations in the long term. The current ratio is below the best practice norms. The liquidity position remains below the best practise norm and a concerted effort is still necessary to ensure the financial turnaround of the municipality.

The implementation of the financial recovery plan, especially the revenue enhancement strategy, receives dedicated attention to aid in the financial turnaround and to ensure that financial viability and long-term sustainability will be attained.

Section 4 – In-year budget statement tables

4.1 Quarterly budget statements

The tables included in section 4 to the end of this report are from the ‘C Schedule quarterly Budget Statement legislated as part of the MBRR.

Below tables analyse the income and expenditure by Function and the performance of each sub function. As mentioned above the performance will be increased with the implementation of the SDBIP.

Table below relates to the budget performance by municipal vote. Most of the departments has underspent on their expenditure budget and collection on their revenue budget is starting to improve as per below.

See tables below C1 and C3 for the quarter ended 30 June 2024.

BITOU LOCAL MUNICIPALITY

WC047 Bitou - Table C1 Monthly Budget Statement Summary - Q4 Fourth Quarter

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	151 445	179 779	179 802	14 736	178 229	179 802	(1 574)	-1%	179 802
Service charges	420 558	464 234	429 307	28 967	426 104	429 307	(3 203)	-1%	429 307
Investment revenue	8 035	4 950	12 325	4 077	13 231	12 325	906	7%	12 325
Transfers and subsidies - Operational	155 970	163 277	175 758	3 490	161 475	175 758	(14 283)	-8%	175 758
Other own revenue	103 971	88 815	111 563	14 061	89 363	111 563	(22 201)	-20%	111 563
Total Revenue (excluding capital transfers and contributions)	839 979	901 055	908 756	65 330	868 401	908 756	(40 355)	-4%	908 756
Employee costs	286 329	333 063	345 596	28 918	336 995	345 596	(8 601)	-2%	345 596
Remuneration of Councillors	6 721	7 674	7 675	584	7 300	7 675	(376)	-5%	7 675
Depreciation and amortisation	36 393	40 059	40 059	3 065	37 429	40 059	(2 630)	-7%	40 059
Interest	19 740	13 428	13 428	5 008	10 751	13 428	(2 677)	-20%	13 428
Inventory consumed and bulk purchases	177 949	225 784	216 742	16 920	191 951	216 742	(24 791)	-11%	216 742
Transfers and subsidies	5 626	12 230	12 774	1 602	9 095	12 774	(3 679)	-29%	12 774
Other expenditure	264 036	268 038	269 934	38 372	176 923	269 934	(93 010)	-34%	269 934
Total Expenditure	796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	-15%	906 207
Surplus/(Deficit)	43 185	780	2 549	(29 138)	97 958	2 549	95 409	3743%	2 549
Transfers and subsidies - capital (monetary allocations)	36 567	37 468	59 278	6 495	29 454	59 278	(29 823)	-50%	59 278
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	79 752	38 248	61 826	(22 642)	127 412	61 826	65 586	106%	61 826
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	79 752	38 248	61 826	(22 642)	127 412	61 826	65 586	106%	61 826
Capital expenditure & funds sources									
Capital expenditure	84 807	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793
Capital transfers recognised	33 505	34 335	57 821	16 133	43 650	57 821	(14 170)	-25%	57 821
Borrowing	32 098	45 150	38 998	8 010	35 265	38 998	(3 733)	-10%	38 998
Internally generated funds	19 203	29 947	31 974	12 291	23 664	31 974	(8 309)	-26%	31 974
Total sources of capital funds	84 806	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793
Financial position									
Total current assets	428 647	429 672	476 234		596 487				476 234
Total non current assets	1 255 346	1 335 112	1 331 844		1 320 498				1 331 844
Total current liabilities	391 275	426 612	412 629		454 166				412 629
Total non current liabilities	162 293	190 333	181 699		183 665				181 699
Community wealth/Equity	1 151 923	1 147 839	1 213 749		1 279 154				1 213 749
Cash flows									
Net cash from (used) operating	-	76 938	101 658	(269 789)	165 734	101 658	(64 075)	-63%	744 446
Net cash from (used) investing	-	(98 470)	(117 831)	(36 435)	(102 580)	131 541	234 121	178%	131 541
Net cash from (used) financing	-	40 150	40 150	36 403	26 190	40 150	13 960	35%	40 150
Cash/cash equivalents at the month/year end	-	78 358	119 055	-	184 421	368 427	184 006	50%	1 011 215
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	35 121	10 874	7 875	7 717	273 990	-	-	-	335 577
Creditors Age Analysis									
Total Creditors	22 378	5 120	-	-	-	-	-	-	27 498

BITOU LOCAL MUNICIPALITY

Financial Performance Expenditure by Municipal Vote

Revenue by vote

The performance of revenue by vote as at end June 2024 amounts to R897.9 million, this is an under-performance of 7.2%. The detail on revenue per item can be seen on executive summary.

Expenditure by vote

The expenditure by vote as at June 2024 amounts R770.4 million. The total expenditure budget is under-performing by 15.0%.

WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q4 Fourth Quarter										
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Council		18	2 918	2 918	–	–	2 918	(2 918)	-100,0%	2 918
Vote 2 - Office of the Municipal Manager		131 670	62 081	62 149	137	101 047	62 149	38 898	62,6%	62 149
Vote 3 - Community Services		116 837	137 471	139 665	10 700	113 648	139 665	(26 017)	-18,6%	139 665
Vote 4 - Corporate Services		3 910	19	541	25	130	541	(411)	-75,9%	541
Vote 5 - Financial Services		170 985	207 447	213 905	20 010	205 073	213 905	(8 832)	-4,1%	213 905
Vote 6 - Economic Development & Planning		20 989	21 821	47 383	4 158	18 008	47 383	(29 375)	-62,0%	47 383
Vote 7 - Engineering Services		431 662	506 765	501 474	36 796	459 950	501 474	(41 524)	-8,3%	501 474
Total Revenue by Vote	2	876 072	938 523	968 034	71 826	897 856	968 034	(70 178)	-7,2%	968 034
Expenditure by Vote	1									
Vote 1 - Council		8 072	13 229	13 174	950	11 804	13 174	(1 370)	-10,4%	13 174
Vote 2 - Office of the Municipal Manager		28 233	24 180	30 607	3 015	33 539	30 607	2 932	9,6%	30 607
Vote 3 - Community Services		224 314	220 646	219 448	23 880	194 133	219 448	(25 315)	-11,5%	219 448
Vote 4 - Corporate Services		61 082	81 193	81 522	7 881	60 840	81 522	(20 683)	-25,4%	81 522
Vote 5 - Financial Services		47 102	67 121	68 967	6 065	56 622	68 967	(12 345)	-17,9%	68 967
Vote 6 - Economic Development & Planning		45 203	43 237	50 366	6 257	41 772	50 366	(8 594)	-17,1%	50 366
Vote 7 - Engineering Services		382 787	450 669	442 124	46 420	371 735	442 124	(70 389)	-15,9%	442 124
Total Expenditure by Vote	2	796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	-15,0%	906 207
Surplus/ (Deficit) for the year	2	79 278	38 248	61 826	(22 642)	127 412	61 826	65 586	106,1%	61 826

BITOU LOCAL MUNICIPALITY

Capital expenditure

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q4 Fourth Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 3 - Community Services		1 685	3 430	3 836	2 982	3 334	3 836	(502)	-13%	3 836
Vote 4 - Corporate Services		2 086	1 016	1 138	423	1 063	1 138	(75)	-7%	1 138
Vote 7 - Engineering Services		40 411	46 159	50 890	18 520	41 221	50 890	(9 670)	-19%	50 890
Total Capital Multi-year expenditure	4,7	44 182	50 605	55 864	21 926	45 617	55 864	(10 247)	-18%	55 864
Single Year expenditure appropriation	2									
Vote 2 - Office of the Municipal Manager		-	1 000	880	142	150	880	(730)	-83%	880
Vote 3 - Community Services		5 563	2 185	1 486	300	1 021	1 486	(465)	-31%	1 486
Vote 4 - Corporate Services		59	561	785	608	761	785	(23)	-3%	785
Vote 5 - Financial Services		1	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		435	304	304	(22)	198	304	(106)	-35%	304
Vote 7 - Engineering Services		34 567	54 777	69 474	13 482	54 832	69 474	(14 642)	-21%	69 474
Total Capital single-year expenditure	4	40 625	58 827	72 929	14 509	56 963	72 929	(15 966)	-22%	72 929
Total Capital Expenditure	3	84 807	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793
Capital Expenditure - Functional Classification										
Governance and administration		2 549	20 857	19 767	1 329	17 599	19 767	(2 169)	-11%	19 767
Executive and council		-	1 000	880	142	150	880	(730)	-83%	880
Finance and administration		2 549	19 857	18 887	1 186	17 448	18 887	(1 439)	-8%	18 887
Community and public safety		5 607	4 265	4 471	3 267	3 878	4 471	(592)	-13%	4 471
Community and social services		2 352	2 880	4 086	3 238	3 607	4 086	(479)	-12%	4 086
Sport and recreation		921	1 000	-	-	-	-	-	-	-
Public safety		2 334	385	385	29	271	385	(114)	-29%	385
Economic and environmental services		9 570	13 973	18 258	870	12 053	18 258	(6 205)	-34%	18 258
Planning and development		435	304	304	(22)	198	304	(106)	-35%	304
Road transport		9 135	13 669	17 954	893	11 855	17 954	(6 099)	-34%	17 954
Trading services		67 081	70 337	86 296	30 969	69 050	86 296	(17 246)	-20%	86 296
Energy sources		25 395	23 741	23 321	9 221	18 405	23 321	(4 917)	-21%	23 321
Water management		25 002	27 350	39 711	11 496	33 254	39 711	(6 458)	-16%	39 711
Waste water management		15 302	17 896	23 214	10 237	17 365	23 214	(5 849)	-25%	23 214
Waste management		1 382	1 350	50	15	27	50	(23)	-46%	50
Total Capital Expenditure - Functional Classification	3	84 807	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793
Funded by:										
National Government		26 721	23 581	29 407	9 766	28 629	29 407	(778)	-3%	29 407
Provincial Government		6 741	10 754	28 414	6 368	15 021	28 414	(13 393)	-47%	28 414
District Municipality		43	-	-	-	-	-	-	-	-
Transfers recognised - capital		33 505	34 335	57 821	16 133	43 650	57 821	(14 170)	-25%	57 821
Borrowing	6	32 098	45 150	38 998	8 010	35 265	38 998	(3 733)	-10%	38 998
Internally generated funds		19 203	29 947	31 974	12 291	23 664	31 974	(8 309)	-26%	31 974
Total Capital Funding	7	84 806	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793

BITOU LOCAL MUNICIPALITY

Capital Expenditure Analysis

Capital Expenditure at the end of the quarter amounts to R 36.4 million. Comparing the YTD budget and actual YTD expenditure we are looking at a 80% spending of the total capital budget.

It is crucial to prioritise spending on grants as historic trends in slow spending has shown us that departments tend to go for rollover applications process as they did not fully spend on their projects and these applications, at times, get rejected.

Capital Grants Analysis

Grants	Original Budget	Adjusted Budget	Q1-YTD Expenditure	Q2-YTD Expenditure	Q3-YTD Expenditure	Q4-YTD Expenditure
MIG	20 299 130.00	27 118 522.00	2 080 264.87	8 661 760.89	13 522 423.34	25 802 536.77
INEP	3 281 739.00	3 281 739.00	0	1 240 610.85	1 240 610.85	2 826 761.29
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT	10 000 000.00	8 659 471.00	200 319.83	683 254.71	683 254.71	1 600 424.71
HUMAN SETTLEMENTS DEVELOPMENT PARTNERSHIP GRANT	0	16 000 000.00	0	0	1 811 055.01	12 948 953.62
LIBRARY CONDITIONAL GRANT	450 000.00	450 000.00	0	0	408 716.90	273 415.59
RSEP	304 348.00	304 348.00	1 278 489.74	0	52 366.57	198 388.32
BORROWINGS	45 150 000.00	46 871 649.00	516 040.91	12 347 536.56	17 759 447.78	35 265 299.62
AFR	29 946 887.00	33 778 624.00	4 075 115.35	4 929 855.88	7 432 171.83	23 664 462.10
TOTAL	109 432 104.00	136 464 353.00	25 343 024.25	27 863 018.92	42 501 329.99	102 580 242.02

Chart C1 2023/24 Capital Expenditure Monthly Trend: actual v target

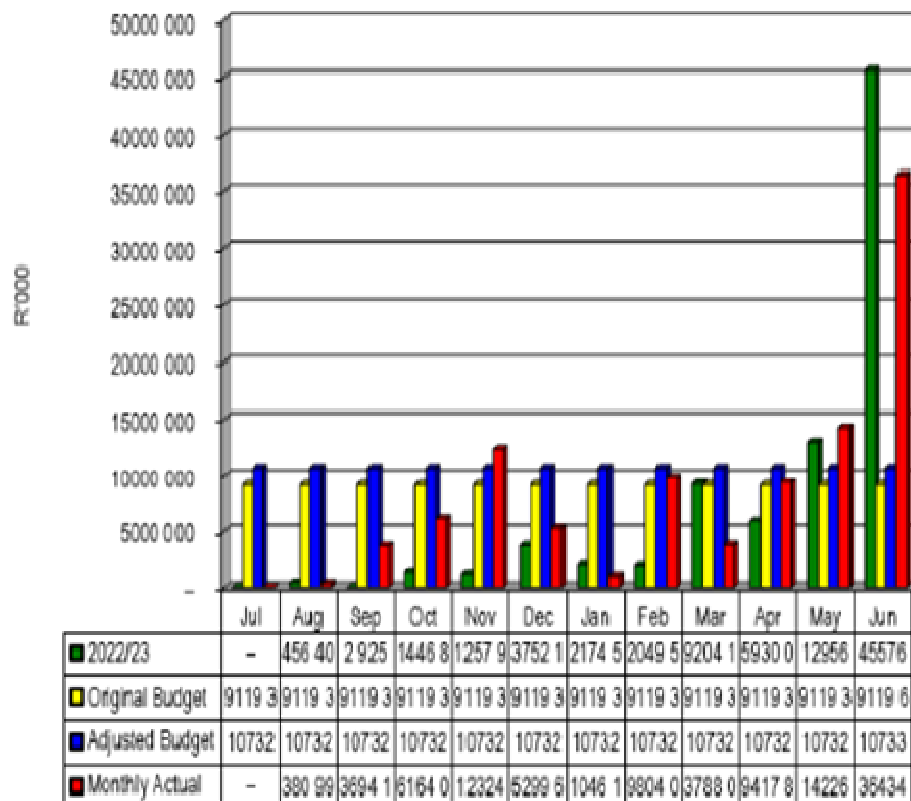
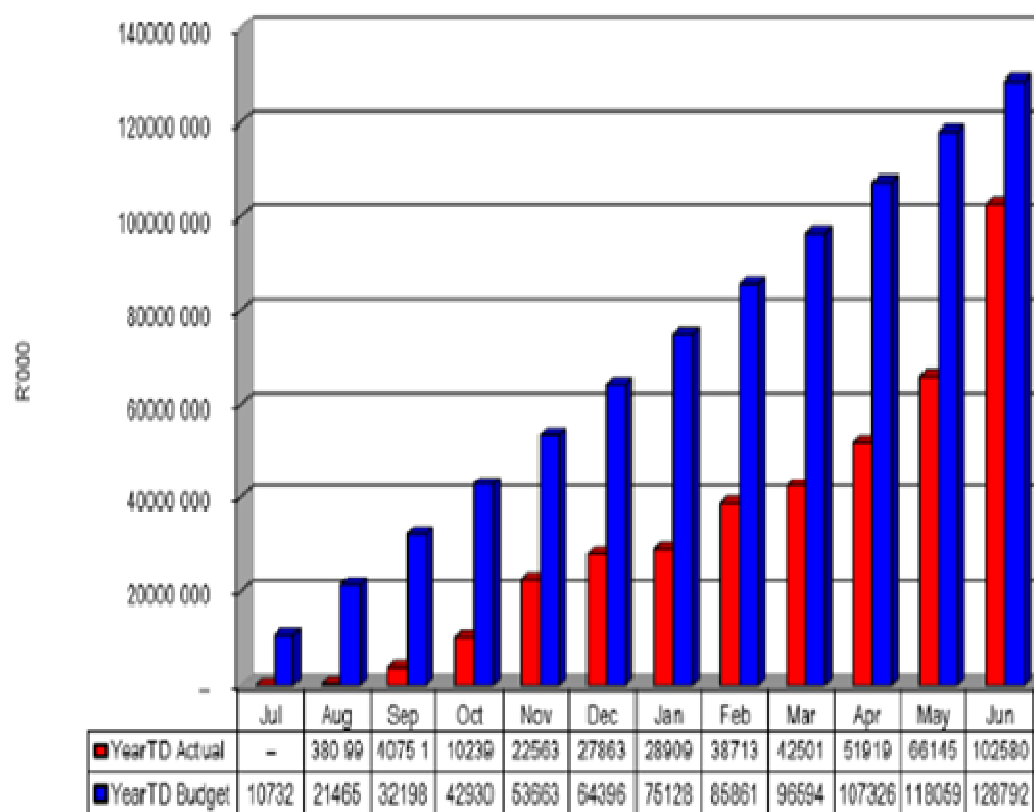


Chart C2 2023/24 Capital Expenditure: YTD actual v YTD target



BITOU LOCAL MUNICIPALITY

Statement of Financial Position

WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		95 078	55 750	104 582	184 421	104 582
Trade and other receivables from exchange transactions		50 064	43 839	12 534	69 774	12 534
Receivables from non-exchange transactions		11 450	100 771	87 987	58 616	87 987
Current portion of non-current receivables		9	11	9	9	9
Inventory		15 357	16 538	14 433	14 885	14 433
VAT		256 271	212 584	256 271	268 136	256 271
Other current assets		418	180	418	646	418
Total current assets		428 647	429 672	476 234	596 487	476 234
Non current assets						
Investment property		12 692	12 692	12 692	12 691	12 692
Property, plant and equipment		1 242 619	1 322 385	1 319 117	1 307 771	1 319 117
Heritage assets		35	35	35	35	35
Total non current assets		1 255 346	1 335 112	1 331 844	1 320 498	1 331 844
TOTAL ASSETS		1 683 993	1 764 784	1 808 078	1 916 985	1 808 078
LIABILITIES						
Current liabilities						
Financial liabilities		19 531	0	19 507	20 425	19 507
Consumer deposits		10 793	9 848	10 793	11 359	10 793
Trade and other payables from exchange transactions		92 089	79 612	117 756	77 286	117 756
Trade and other payables from non-exchange transactions		(17 007)	(15 640)	(43 719)	(3 081)	(43 719)
Provision		39 585	113 636	62 008	70 895	62 008
VAT		246 284	239 157	246 284	277 282	246 284
Total current liabilities		391 275	426 612	412 629	454 166	412 629
Non current liabilities						
Financial liabilities		82 764	121 558	102 170	107 718	102 170
Provision		13 052	10 320	13 052	10 754	13 052
Other non-current liabilities		66 477	58 456	66 477	65 194	66 477
Total non current liabilities		162 293	190 333	181 699	183 665	181 699
TOTAL LIABILITIES		553 568	616 946	594 329	637 831	594 329
NET ASSETS	2	1 130 425	1 147 839	1 213 749	1 279 154	1 213 749
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 121 973	1 099 339	1 183 799	1 249 204	1 183 799
Reserves and funds		29 950	48 500	29 950	29 950	29 950
TOTAL COMMUNITY WEALTH/EQUITY	2	1 151 923	1 147 839	1 213 749	1 279 154	1 213 749

The table above reflects the statement of financial position of the municipality. The total current assets at the end of June 2024 amounts to R596.5 million. The municipality reports total short-term investments at R 108.2 million and cash of R76.2 million for the month. The municipality reports a positive cashbook balance of R76.2 million.

The current liabilities for the month amounts R454.2 million. The current ratio for the month equates 1.31:1, which is below best practice norms. The higher the current ratio, the more capable the municipality will be to pay its current or short-term obligations.

BITOU LOCAL MUNICIPALITY

Cash flow analysis

WC047 Bitou - Table C7 Monthly Budget Statement - Cash Flow - Q4 Fourth Quarter										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	163 156	163 105	27 512	190 989	163 105	27 884	17%	163 105
Service charges		-	422 573	418 554	45 008	422 282	418 554	3 728	1%	418 554
Other revenue		-	22 595	23 655	23 170	55 352	23 655	31 698	134%	23 655
Transfers and Subsidies - Operational		-	163 277	167 745	0	170 385	167 745	2 640	2%	167 745
Transfers and Subsidies - Capital		-	37 468	48 907	-	34 470	48 907	(14 437)	-30%	48 907
Interest		-	8 221	15 596	9 283	32 362	15 596	16 766	108%	15 596
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		-	(714 694)	(710 246)	(368 378)	(721 512)	(710 246)	11 266	-2%	(67 458)
Interest		-	(13 428)	(13 428)	(5 008)	(10 735)	(13 428)	(2 693)	20%	(13 428)
Transfers and Subsidies		-	(12 230)	(12 230)	(1 376)	(7 860)	(12 230)	(4 370)	36%	(12 230)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	76 938	101 658	(269 789)	165 734	101 658	(64 075)	-63%	744 446
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	10 962	10 962	-	-	10 962	(10 962)	-100%	10 962
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		-	(109 432)	(128 793)	(36 435)	(102 580)	120 579	223 159	185%	120 579
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(98 470)	(117 831)	(36 435)	(102 580)	131 541	234 121	178%	131 541
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	40 150	40 150	45 150	45 150	40 150	5 000	12%	40 150
Increase (decrease) in consumer deposits		-	-	-	34	565	-	565	0%	-
Payments										
Repayment of borrowing		-	-	-	(8 781)	(19 526)	-	19 526	0%	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	40 150	40 150	36 403	26 190	40 150	13 960	35%	40 150
NET INCREASE/ (DECREASE) IN CASH HELD		-	18 618	23 977	(269 820)	89 343	273 349			916 137
Cash/cash equivalents at beginning:		-	59 740	95 078		95 078	95 078			95 078
Cash/cash equivalents at month/year end:		-	78 358	119 055		184 421	368 427			1 011 215

The municipality is reporting a negative R269.8 million on monthly actual net cash from operating activities. These are mostly month to month operating expenses and operating income.

Monthly actual net cash (used) on investing activities is reported at R36.4 million which is mostly influenced by spending on capital projects.

The net cash (used) for financing activities are mostly influenced by the repayment of loans and amounts to R36.4 million for the month. The bi-annual redemption was done in June 2024.

BITOU LOCAL MUNICIPALITY

December 2023 Future Payments:						R	14 497 761,88
Bank/ Loan Reference	Amortisation Date	Future Payment Date	Interest Amount	Redemption Amount	Total Instalment		
ABSA - 2015/2016	Friday, 29 December 2023	22 December 2023	R 432 735,63	R 1 215 459,53	R	1 648 195,16	
ABSA - 2016/2017	Friday, 29 December 2023	22 December 2023	R 657 971,02	R 1 355 611,19	R	2 013 582,21	
Sub for Financial Institution				R 2 571 070,72	R	3 661 777,37	
DBSA - 103437/1	Friday, 29 December 2023	22 December 2023	R 819 487,88	R 879 304,74	R	1 698 792,62	
DBSA - 103437/2	Friday, 29 December 2023	22 December 2023	R 20 390,30	R 174 975,51	R	195 365,81	
Sub for Financial Institution				R 1 054 280,25	R	1 894 158,43	
Ref: 537504	STANDARD BANK - 282024913	Friday, 29 December 2023	R 293 512,09	R 1 173 158,69	R	1 466 670,78	
Ref: 536665	STANDARD BANK - 082602247	Friday, 29 December 2023	R 107 618,74	R 917 973,73	R	1 025 592,47	
Sub for Financial Institution				R 2 091 132,42	R	2 492 263,25	
NEDBANK - 2017/2018	Friday, 29 December 2023	22 December 2023	R 1 015 517,53	R 1 520 885,97	R	2 536 403,50	
NEDBANK - 2022/2023	Friday, 29 December 2023	22 December 2023	R 2 086 669,46	R 970 848,91	R	3 057 518,37	
NEDBANK - 2022/2023	Monthly	Debit Order	R 161 879,12	R 693 761,84	R	855 640,96	
Sub for Financial Institution					R	6 449 562,83	
June 2024 Future Payments:						R	14 497 662,83
Bank/ Loan Reference	Amortisation Date	Future Payment Date	Interest Amount	Redemption Amount	Total Instalment		
ABSA - 2015/2016	Wednesday, 28 June 2023	24 June 2023	R 365 243,68	R 1 282 951,48	R	1 648 195,16	
ABSA - 2016/2017	Wednesday, 28 June 2023	24 June 2023	R 582 953,94	R 1 430 628,31	R	2 013 582,25	
Sub for Financial Institution					R	3 661 777,41	
DBSA - 103437/1	Wednesday, 28 June 2023	24 June 2023	R 761 649,62	R 937 143,00	R	1 698 792,62	
DBSA - 103437/2	Wednesday, 28 June 2023	24 June 2023	R 10 361,98	R 184 883,47	R	195 245,45	
Sub for Financial Institution					R	1 894 038,07	
Ref: 537504	STANDARD BANK - 282024913	Wednesday, 28 June 2023	R 55 300,26	R 970 313,50	R	1 025 613,76	
Ref: 536665	STANDARD BANK - 082602247	Wednesday, 28 June 2023	R 226 164,74	R 1 240 506,04	R	1 466 670,78	
Sub for Financial Institution					R	2 492 284,54	
NEDBANK - 2017/2018	Wednesday, 28 June 2023	24 June 2023	R 951 008,17	R 1 585 395,30	R	2 536 403,47	
NEDBANK - 2022/2023	Wednesday, 28 June 2023	24 June 2023	R 2 006 908,42	R 1 050 609,96	R	3 057 518,38	
NEDBANK	Wednesday, 28 June 2023	24 June 2023	R 120 296,45	R 735 344,51	R	855 640,96	
Sub for Financial Institution					R	6 449 562,81	

BITOU LOCAL MUNICIPALITY

Section 5 – Debtors’ analysis

5.1 Supporting Table SC3

WC047 Bitou - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q4 Fourth Quarter													
Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5 697	3 030	2 553	2 805	81 469	-	-	-	95 554	84 273	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	11 409	1 389	681	459	15 293	-	-	-	29 231	15 752	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	9 453	1 975	1 324	1 107	42 103	-	-	-	55 962	43 210	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	3 214	1 576	1 281	1 285	55 591	-	-	-	62 947	56 876	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 051	2 225	1 948	1 947	93 297	-	-	-	104 469	95 244	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	297	679	87	114	(13 763)	-	-	-	(12 585)	(13 649)	-	-
Total By Income Source	2000	35 121	10 874	7 875	7 717	273 990	-	-	-	335 577	281 707	-	-
2022/23 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	464	151	133	96	1 493	-	-	-	2 336	1 589	-	-
Commercial	2300	4 027	638	346	324	4 678	-	-	-	10 013	5 002	-	-
Households	2400	30 629	10 086	7 396	7 297	267 820	-	-	-	323 228	275 117	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	35 121	10 874	7 875	7 717	273 990	-	-	-	335 577	281 707	-	-

Debtor’s age analysis

The debtors’ book of the municipality reflects R 273.9 million as outstanding debt older than 121 days with a total outstanding amount of R 335.6 million.

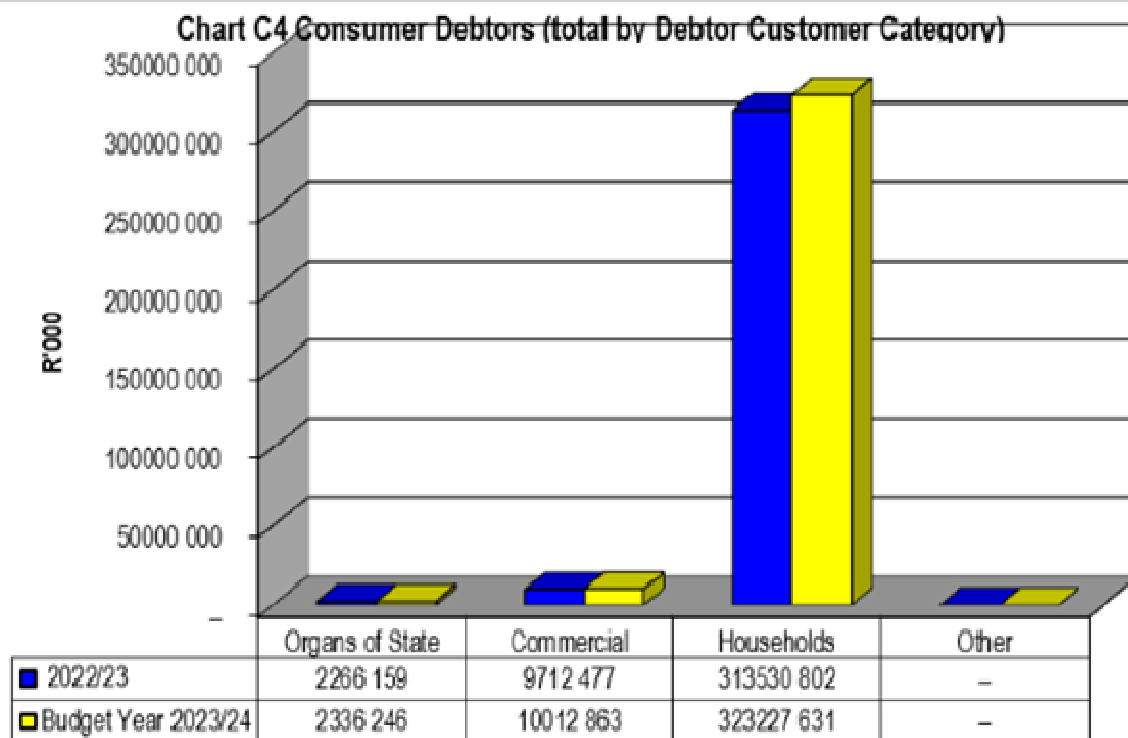
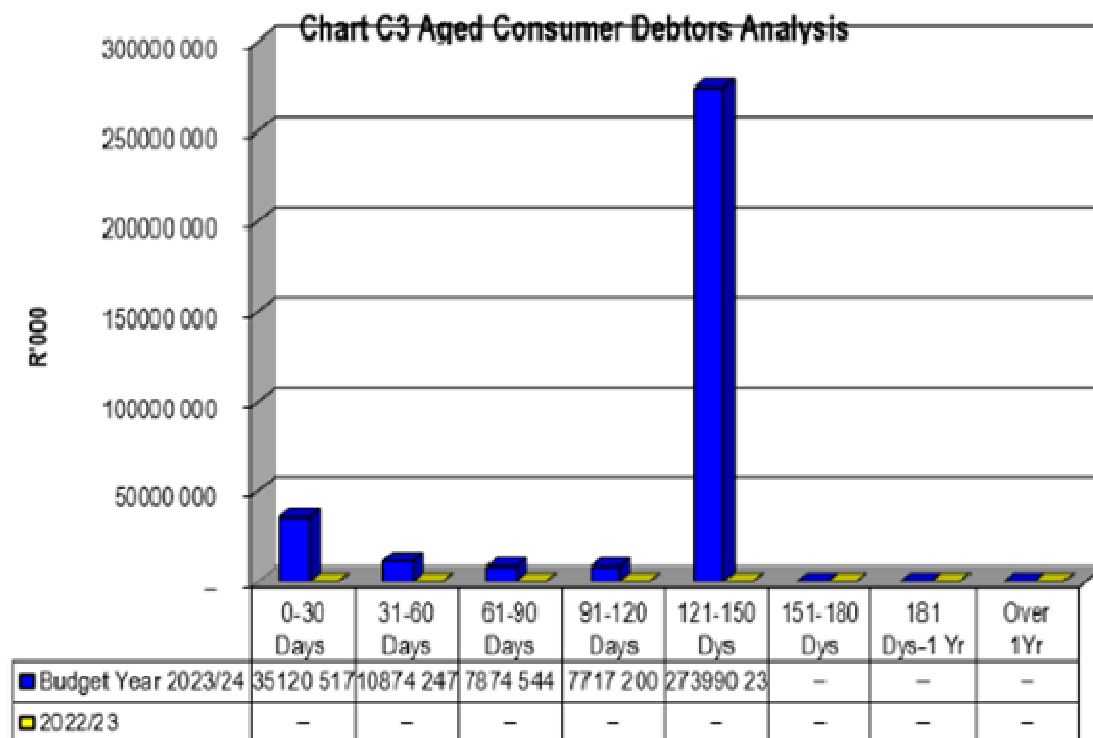
The contributors to the outstanding debt remain the household debt which represent 96.32% of total debt, followed by businesses with 2.98% and organs of state contributing 0.70%.

The municipality has monthly debt collection strategies to help ensure that outstanding revenue is collected, which includes blocking prepaid electricity for users in arrears and applying water restrictions in arrears where Eskom is the electricity distributor. Customers are informed prior to these actions being implemented by way of a disconnection notice. Disconnection notices are sent monthly out to all customers with outstanding accounts after the due date which is 7th of every month.

The collection rate for the month of June 2024 is 93%, resulting in an average payment rate of just 90% for the financial year to date. See below debtor payment percentage breakdown achieved from April 2024 to June 2024.

DEBTOR PAYMENT % ACHIEVED				
DETAILS	Apr-24	May-24	Jun-24	Annual
Gross Debtors Opening Balance	327 090 662.17	333 176 656.94	337 484 101.66	311 714 712.48
Billed Revenue	65 862 187.14	61 386 737.90	60 423 619.35	754 415 148.26
Gross Debtors Closing Balance	333 176 656.94	337 484 101.66	336 576 739.61	337 484 101.66
Bad Debt Written off	2 722 581.46		5 910 741.08	51 400 067.02
Payment received	57 053 610.91	57 079 293.18	56 420 240.32	677 245 692.06
Billed Revenue	65 862 187.14	61 386 737.90	60 423 619.35	754 415 148.26
% Debtor payment achieved	87%	93%	93%	90%

BITOU LOCAL MUNICIPALITY



BITOU LOCAL MUNICIPALITY

Section 6 – Creditors' age analysis

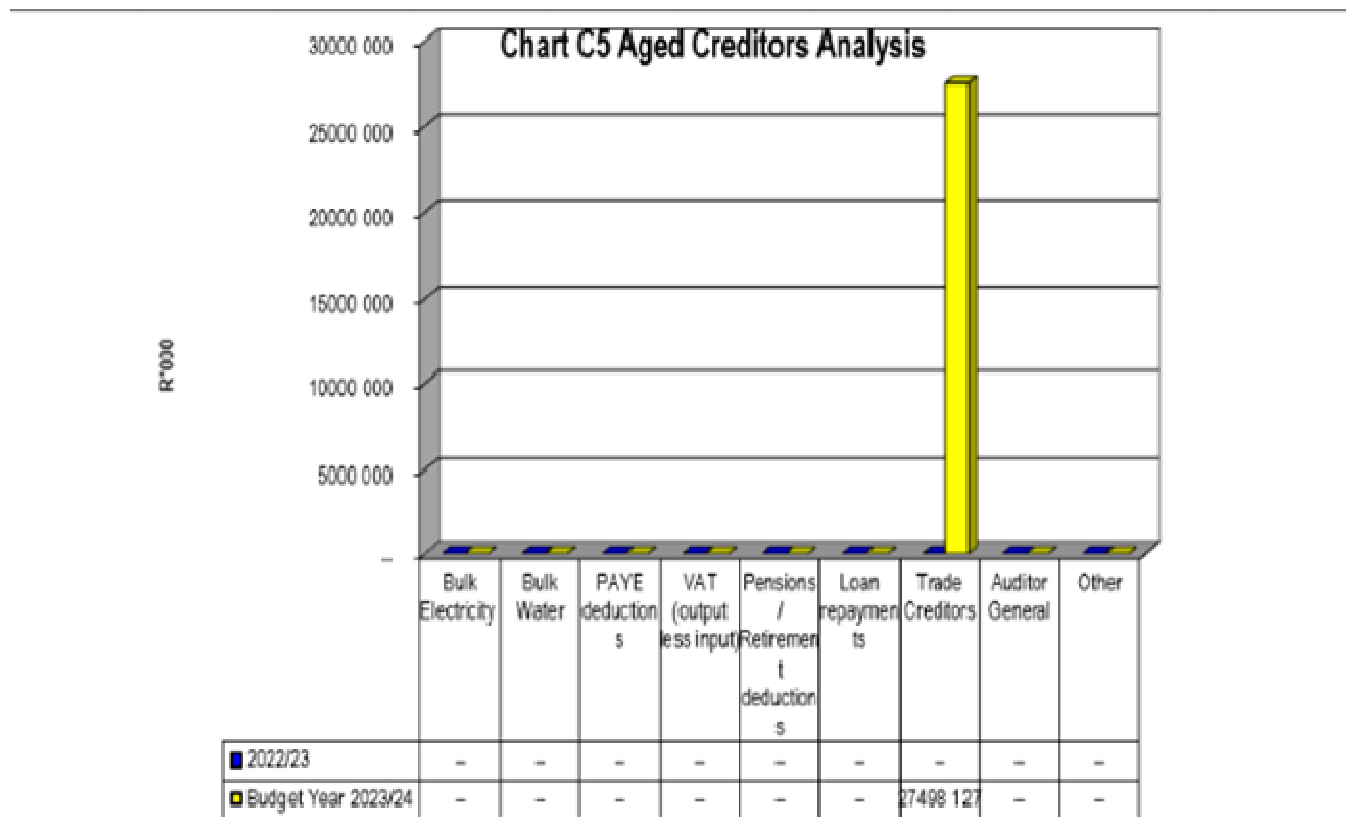
6.1 Supporting Table SC4

Table SC4 reflects the trade creditors

WC047 Bitou - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q4 Fourth Quarter											
Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	22 378	5 120	-	-	-	-	-	-	27 498	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	22 378	5 120	-	-	-	-	-	-	27 498	-

Creditors Age Analysis

The municipality reports a total amount of R27.5 million on trade creditors in June 2024.



Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

WOMF BOD – Supporting Table SC5: Municipality Budget Statement – Investment portfolio – 2024/25

Investment by maturity Name of institution & investment ID	Age of investment	Type of investment	Default Guarantee Yes/No	Variable or Fixed interest rate	Interest Rate	Commission Paid/Received	Duration of Investment	Expiry date of investment	Opening balance	Current balance	Future Maturity Amount	Investment Return	Opening Balance
R100,000,000	Yes/No/None												
Municipality													
Alisa Bank 9370543662	✓	- Call deposit	No	Variable	8,400%	No	No	Call deposit	8 109	121	✓	-	8 230
Alisa Bank 9377092408-3	✓	- Call deposit	No	Variable	8,400%	No	No	Call deposit	2 047	44	✓	-	2 091
Alisa Bank 9380346553	✓	- Call deposit	No	Variable	8,900%	No	No	Call deposit	19 358	289	✓	-	20 647
Nedbank: 0378810624061000105	✓	- Fixed deposit	No	Fixed	10,130%	No	No	01/07/2024	12 500	1 251	✓	-	13 751
Standard Bank 488607000-079	✓	- Call deposit	No	Variable	8,250%	No	No	Call deposit	5 305	37	✓	-	5 342
Standard Bank 488607000-078	✓	- Call deposit	No	Variable	8,250%	No	No	Call deposit	5 305	37	✓	-	5 342
Alisa Bank 9381946782	✓	- Call deposit	No	Variable	8,900%	No	No	Call deposit	11 641	173	✓	-	11 814
Standard Bank 488607000-062	✓	- Fixed deposit	No	Fixed	9,150%	No	No	12/06/2024	15 000	338	(15 338)	-	-
Standard Bank 488607000-063	✓	- Fixed deposit	No	Fixed	9,150%	No	No	12/06/2024	15 000	338	(15 338)	-	-
Alisa Bank 2081502184	✓	- Fixed deposit	No	Fixed	9,210%	No	No	12/07/2024	15 000	413	✓	-	15 413
Standard Bank 488607000-064	✓	- Fixed deposit	No	Fixed	9,250%	No	No	12/07/2024	15 000	414	✓	-	15 414
Alisa Bank 2081502443	✓	- Fixed deposit	No	Fixed	9,390%	No	No	10/09/2024	10 000	280	✓	-	10 280
Municipality subtotal									108 209	2 723	(15 338)	-	105 594

Investment portfolio analysis

The municipality has investments with a total value of R108.2 million as at June 2024. Interest earned on fixed deposits will only be recognised upon maturity, but it will be accrued at year end.

BITOU LOCAL MUNICIPALITY

Section 8 – Grant Performance

8.1 Supporting Table SC6

Grant Description	Year- To-Date Actual Balance (M12)
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE - OPERATIONAL	-
INFORMAL SETTLEMENT UPGRADING PARTNERSHIP: PROVINCES (BENEFICIARIES) - CAPITAL	1 117 000,00
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT	1 879 000,00
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	1 057 885,84
EQUITABLE SHARE	144 726 000,00
HUMAN SETTLEMENT DEVELOPMENT - OPERATIONAL	-
COMMUNITY DEVELOPMENT WORKERS (CDW) - OPERATIONAL	-
COMMUNITY LIBRARY SERVICES - OPERATIONAL	810 397,67
LOCAL GOVERNMENT PUBLIC EMPLOYMENT SUPPORT - OPERATIONAL	-
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES - CAPITAL	9 611 232,78
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT	1 504 917,01
MUNICIPAL INFRASTRUCTURE GRANT	19 046 438,30
REGIONAL SOCIAL ECONOMIC PROJECTS (RSEP) - CAPITAL	220 870,74
THUSONG SERVICES CENTRES	146 770,10
TITLE DEEDS RESTORATION	-
LOCAL GOVERNMENT GRADUATE INTERNSHIP - OPERATIONAL	234 000,00
INFORMAL SETTLEMENT UPGRADING PARTNERSHIP: PROVINCES (BENEFICIARIES)	2 566 686,97
FINANCIAL MANAGEMENT CAPACITY BUILDING	886 718,68
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE - OPERATIONAL	1 121 730,00
	132 929 648,09

The table above reflects the income recognition done up until the month of June 2024. Transfers and subsidies amount to R 182.9 million, which includes capital and operational grants.

Grant Description	Year- To-Date Actual Balance (M12)
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT: RECEIPTS	3 382 695,66
MUNICIPAL INFRASTRUCTURE GRANT: RECEIPTS	21 783 000,00
WATER SERVICES INFRASTRUCTURE GRANT: RECEIPTS	-
LOCAL GOVERNMENT, WATER AND RELATED SETA: RECEIPTS	832 363,49
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES	9 891 000,00
SETA: RECEIPTS	-
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT: RECEIPTS	1 771 000,00
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT: RECEIPTS	1 879 000,00
THUSONG SERVICES CENTRES - OPERATIONAL: RECEIPTS	120 000,00
COMMUNITY LIBRARY SERVICES	2 406 000,00
COMMUNITY DEVELOPMENT WORKERS	19 000,00
WESTERN CAPE MUNICIPAL ENERGY RESILIENCE (WC MER)	-
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT	-
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE	140 000,00
FINANCIAL MANAGEMENT CAPACITY BUILDING	700 000,00
	42 924 059,15

The table above reflects the grant receipts for June 2024.

BITOU LOCAL MUNICIPALITY

Municipal manager's quality certification

Municipal manager's quality certification

An in-year report must be covered by a quality certificate in the format described below:

QUALITY CERTIFICATE

I, **Ralph Links**, the Municipal Manager of Bitou Local Municipality, hereby certify that -
(mark as appropriate)

- ☐ The monthly budget statement
- ☒ Quarterly report on the implementation of the budget and financial state of affairs of the municipality
- ☐ Mid-year budget and performance assessment

For the quarter ended 30 June 2024 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Signature



Print Name: Dr. R Links

Acting Municipal Manager of Bitou Local Municipality – WC047

Date

19/07/2024

Municipal In-year reports & supporting tables

mSCOA Version 6.7

[Click for Instructions!](#)

Accountability

Transparency

**Information &
service delivery**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Budget submission enquiries:
Lawrence Gqesha
National Treasury

Electronic documents: lgdocuments@treasury.gov.za

Electronic submissions: LG Upload Portal

Preparation Instructions

Municipality Name:

CFO Name:

Tel: Fax:

E-Mail:

Reporting period:

MTREF:

Budget Year:

Does this municipality have Entities?

If YES: Identify type of report:

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Showing / Clearing Highlights

Importants documents which provide essential assistance

[MFMA Budget Circular](#) [Click to view](#)

[MBRR Budget Formats Guide](#) [Click to view](#)

[Dummy Budget Guide](#) [Click to view](#)

[Funding Compliance Guide](#) [Click to view](#)

[MFMA Return Forms](#) [Click to view](#)

Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - Council	Vote 1 Council	
Vote 2 - Office of the Municipal Manager	1.1 Office of the Mayor	1.1 - Office of the Mayor
Vote 3 - Community Services	1.2 Office of the Deputy Mayor	1.2 - Office of the Deputy Mayor
Vote 4 - Corporate Services	1.3 Office of the Speaker	1.3 - Office of the Speaker
Vote 5 - Financial Services	1.4 Office of the Executive Council	1.4 - Office of the Executive Council
Vote 6 - Economic Development & Planning	1.5 Council General	1.5 - Council General
Vote 7 - Engineering Services	1.6 [Name of sub-vote]	
Vote 8 - [NAME OF VOTE 8]	1.7 [Name of sub-vote]	
Vote 9 - [NAME OF VOTE 9]	1.8 [Name of sub-vote]	
Vote 10 - [NAME OF VOTE 10]	1.9 [Name of sub-vote]	
Vote 11 - [NAME OF VOTE 11]	1.10 [Name of sub-vote]	
Vote 12 - [NAME OF VOTE 12]	Vote 2 Office of the Municipal Manager	
Vote 13 - [NAME OF VOTE 13]	2.1 Municipal Manager; Executive Support	2.1 - Municipal Manager; Executive Support
Vote 14 - [NAME OF VOTE 14]	2.2 Internal Audit	2.2 - Internal Audit
Vote 15 - [NAME OF VOTE 15]	2.3 Governance and Compliance: Risk Management & Compliance	2.3 - Governance and Compliance: Risk Management & Compliance
	2.4 Governance and Compliance: IDP	2.4 - Governance and Compliance: IDP
	2.5 Governance and Compliance: Performance Management	2.5 - Governance and Compliance: Performance Management
	2.6 Program Management Office	2.6 - Program Management Office
	2.7 Office of the Political Office Bearers	2.7 - Office of the Political Office Bearers
	2.8 [Name of sub-vote]	
	2.9 [Name of sub-vote]	
	2.10 [Name of sub-vote]	
	Vote 3 Community Services	
	3.1 Director; Executive Support	3.1 - Director; Executive Support
	3.2 Traffic Management Services	3.2 - Traffic Management Services
	3.3 Law Enforcement Services	3.3 - Law Enforcement Services
	3.4 Fire & Rescue Services	3.4 - Fire & Rescue Services
	3.5 Disaster Management: CCTV & Security Administration	3.5 - Disaster Management: CCTV & Security Administration
	3.6 Library and Information Services	3.6 - Library and Information Services
	3.7 Integrated Waste Management	3.7 - Integrated Waste Management
	3.8 Facilities Management & Maintenance: Manager; Parks & Open Space	3.8 - Facilities Management & Maintenance: Manager; Parks & Open Space
	3.9 0	3.9 - 0
	3.10 0	3.10 - 0
	Vote 4 Corporate Services	
	4.1 Director; Executive Support	4.1 - Director; Executive Support
	4.2 Human Resources Management Services	4.2 - Human Resources Management Services
	4.3 Administration Services	4.3 - Administration Services
	4.4 Corporate Communications & Intergovernmental Relations & Public Participation	4.4 - Corporate Communications & Intergovernmental Relations & Public Participation
	4.5 Information & Communication Technology	4.5 - Information & Communication Technology
	4.6 Legal Services	4.6 - Legal Services
	4.7 Social Development	4.7 - Social Development
	4.8 [Name of sub-vote]	
	4.9 [Name of sub-vote]	
	4.10 [Name of sub-vote]	
	Vote 5 Financial Services	
	5.1 Director; Executive Support	5.1 - Director; Executive Support
	5.2 Budget & Reporting	5.2 - Budget & Reporting
	5.3 Assets & Liability Management	5.3 - Assets & Liability Management
	5.4 AFS, Treasury and Accounting	5.4 - AFS, Treasury and Accounting
	5.5 Revenue Services	5.5 - Revenue Services
	5.6 Expenditure	5.6 - Expenditure
	5.7 Supply Chain Management	5.7 - Supply Chain Management
	5.8 [Name of sub-vote]	
	5.9 [Name of sub-vote]	
	5.10 [Name of sub-vote]	

Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
	Vote 6 Economic Development & Planning	
	6.1 Director; Executive Support	6.1 - Director; Executive Support
	6.2 Local Economic Development & Tourism	6.2 - Local Economic Development & Tourism
	6.3 Town Planning	6.3 - Town Planning
	6.4 Land Use Planning:Environmental Management	6.4 - Land Use Planning:Environmental Management
	6.5 Land Use Planning: GIS	6.5 - Land Use Planning: GIS
	6.6 Planning & Building Control	6.6 - Planning & Building Control
	6.7 Integrated Human Settlement	6.7 - Integrated Human Settlement
	6.8 [Name of sub-vote]	
	6.9 [Name of sub-vote]	
	6.10 [Name of sub-vote]	
	Vote 7 Engineering Services	
	7.1 Director; Executive Support	7.1 - Director; Executive Support
	7.2 Water Services: Purification, Demand & Loss Control	7.2 - Water Services: Purification, Demand & Loss Control
	7.3 Water Services: Water and Waste Water Reticulation	7.3 - Water Services: Water and Waste Water Reticulation
	7.4 Transport, Roads & Storm Water	7.4 - Transport, Roads & Storm Water
	7.5 Electrical and Energy	7.5 - Electrical and Energy
	7.6 Fleet Management	7.6 - Fleet Management
	7.7 Project Management Unit (PMU)	7.7 - Project Management Unit (PMU)
	7.8 [Name of sub-vote]	
	7.9 [Name of sub-vote]	
	7.10 [Name of sub-vote]	
	Vote 8 [NAME OF VOTE 8]	
	8.1 [Name of sub-vote]	
	8.2 [Name of sub-vote]	
	8.3 [Name of sub-vote]	
	8.4 [Name of sub-vote]	
	8.5 [Name of sub-vote]	
	8.6 [Name of sub-vote]	
	8.7 [Name of sub-vote]	
	8.8 [Name of sub-vote]	
	8.9 [Name of sub-vote]	
	8.10 [Name of sub-vote]	
	Vote 9 [NAME OF VOTE 9]	
	9.1 [Name of sub-vote]	
	9.2 [Name of sub-vote]	
	9.3 [Name of sub-vote]	
	9.4 [Name of sub-vote]	
	9.5 [Name of sub-vote]	
	9.6 [Name of sub-vote]	
	9.7 [Name of sub-vote]	
	9.8 [Name of sub-vote]	
	9.9 [Name of sub-vote]	
	9.10 [Name of sub-vote]	
	Vote 10 [NAME OF VOTE 10]	
	10.1 [Name of sub-vote]	
	10.2 [Name of sub-vote]	
	10.3 [Name of sub-vote]	
	10.4 [Name of sub-vote]	
	10.5 [Name of sub-vote]	
	10.6 [Name of sub-vote]	
	10.7 [Name of sub-vote]	
	10.8 [Name of sub-vote]	
	10.9 [Name of sub-vote]	
	10.10 [Name of sub-vote]	

Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
Vote 11	[NAME OF VOTE 11]		
11.1	[Name of sub-vote]		
11.2	[Name of sub-vote]		
11.3	[Name of sub-vote]		
11.4	[Name of sub-vote]		
11.5	[Name of sub-vote]		
11.6	[Name of sub-vote]		
11.7	[Name of sub-vote]		
11.8	[Name of sub-vote]		
11.9	[Name of sub-vote]		
11.10	[Name of sub-vote]		
Vote 12	[NAME OF VOTE 12]		
12.1	[Name of sub-vote]		
12.2	[Name of sub-vote]		
12.3	[Name of sub-vote]		
12.4	[Name of sub-vote]		
12.5	[Name of sub-vote]		
12.6	[Name of sub-vote]		
12.7	[Name of sub-vote]		
12.8	[Name of sub-vote]		
12.9	[Name of sub-vote]		
12.10	[Name of sub-vote]		
Vote 13	[NAME OF VOTE 13]		
13.1	[Name of sub-vote]		
13.2	[Name of sub-vote]		
13.3	[Name of sub-vote]		
13.4	[Name of sub-vote]		
13.5	[Name of sub-vote]		
13.6	[Name of sub-vote]		
13.7	[Name of sub-vote]		
13.8	[Name of sub-vote]		
13.9	[Name of sub-vote]		
13.10	[Name of sub-vote]		
Vote 14	[NAME OF VOTE 14]		
14.1	[Name of sub-vote]		
14.2	[Name of sub-vote]		
14.3	[Name of sub-vote]		
14.4	[Name of sub-vote]		
14.5	[Name of sub-vote]		
14.6	[Name of sub-vote]		
14.7	[Name of sub-vote]		
14.8	[Name of sub-vote]		
14.9	[Name of sub-vote]		
14.10	[Name of sub-vote]		
Vote 15	[NAME OF VOTE 15]		
15.1	[Name of sub-vote]		
15.2	[Name of sub-vote]		
15.3	[Name of sub-vote]		
15.4	[Name of sub-vote]		
15.5	[Name of sub-vote]		
15.6	[Name of sub-vote]		
15.7	[Name of sub-vote]		
15.8	[Name of sub-vote]		
15.9	[Name of sub-vote]		
15.10	[Name of sub-vote]		

WC047 Bitou - Contact Information**A. GENERAL INFORMATION****Municipality** WC047 Bitou**Grade** 3

1 Grade in terms of the Remuneration of Public Office Bearers Act.

Province WC WESTERN CAPE**Web Address** www.bitou.gov.za**E-mail Address** 0**B. CONTACT INFORMATION****Postal address:**

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Building Municipal Buildings

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C. POLITICAL LEADERSHIP**Speaker:**

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Municipal Manager:		Secretary/PA to the Municipal Manager:	
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Name	Ralph Links	Name	Liezel Smiler
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Fax number	0	Fax number	0
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Chief Financial Officer		Secretary/PA to the Chief Financial Officer	
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Title	Mr	Title	Ms
Name	Boy Manqoba Ngubo	Name	Zikhona Ncera
Telephone number	044 501 3025	Telephone number	044 501 3024
Cell number	0728532504	Cell number	0
Fax number	0	Fax number	0
E-mail address	bngubo@plett.gov.za	E-mail address	zncera@plett.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	Mr	Title	Ms
Name	Christopher Payle	Name	Nolubabalo Ramotsamai
Telephone number	044 501 3315	Telephone number	044 501 3402
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	cpayle@plett.gov.za	E-mail address	nramotsamai@plett.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	Ms	Title	Ms
Name	Izak Pretorius	Name	Emrald Saayman
Telephone number	044 501 3403	Telephone number	044 501 3315
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	ipretorius@plett.gov.za	E-mail address	sstuurman@plett.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	Ms	Title	0
Name	Shenise Stuurman	Name	0
Telephone number	044 501 3353	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	esaayman@plett.gov.za	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

WC047 Bitou - Table C1 Monthly Budget Statement Summary - Q4 Fourth Quarter

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	151 445	179 779	179 802	14 736	178 229	179 802	(1 574)	-1%	179 802
Service charges	420 558	464 234	429 307	28 967	426 104	429 307	(3 203)	-1%	429 307
Investment revenue	8 035	4 950	12 325	4 077	13 231	12 325	906	7%	12 325
Transfers and subsidies - Operational	155 970	163 277	175 758	3 490	161 475	175 758	(14 283)	-8%	175 758
Other own revenue	103 971	88 815	111 563	14 061	89 363	111 563	(22 201)	-20%	111 563
Total Revenue (excluding capital transfers and contributions)	839 979	901 055	908 756	65 330	868 401	908 756	(40 355)	-4%	908 756
Employee costs	286 329	333 063	345 596	28 918	336 995	345 596	(8 601)	-2%	345 596
Remuneration of Councillors	6 721	7 674	7 675	584	7 300	7 675	(376)	-5%	7 675
Depreciation and amortisation	36 393	40 059	40 059	3 065	37 429	40 059	(2 630)	-7%	40 059
Interest	19 740	13 428	13 428	5 008	10 751	13 428	(2 677)	-20%	13 428
Inventory consumed and bulk purchases	177 949	225 784	216 742	16 920	191 951	216 742	(24 791)	-11%	216 742
Transfers and subsidies	5 626	12 230	12 774	1 602	9 095	12 774	(3 679)	-29%	12 774
Other expenditure	264 036	268 038	269 934	38 372	176 923	269 934	(93 010)	-34%	269 934
Total Expenditure	796 794	900 274	906 207	94 468	770 444	906 207	(135 354)	-15%	906 207
Surplus/(Deficit)	43 185	780	2 549	(29 138)	97 958	2 549	95 409	3743%	2 549
Transfers and subsidies - capital (monetary allocations)	36 567	37 468	59 278	6 495	29 454	59 278	(29 823)	-50%	59 278
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	79 752	38 248	61 826	(22 642)	127 412	61 826	65 586	106%	61 826
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	79 752	38 248	61 826	(22 642)	127 412	61 826	65 586	106%	61 826
Capital expenditure & funds sources									
Capital expenditure	84 807	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793
Capital transfers recognised	33 505	34 335	57 821	16 133	43 650	57 821	(14 170)	-25%	57 821
Borrowing	32 098	45 150	38 998	8 010	35 265	38 998	(3 733)	-10%	38 998
Internally generated funds	19 203	29 947	31 974	12 291	23 664	31 974	(8 309)	-26%	31 974
Total sources of capital funds	84 806	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793
Financial position									
Total current assets	428 647	429 672	476 234		596 487				476 234
Total non current assets	1 255 346	1 335 112	1 331 844		1 320 498				1 331 844
Total current liabilities	391 275	426 612	412 629		454 166				412 629
Total non current liabilities	162 293	190 333	181 699		183 665				181 699
Community wealth/Equity	1 151 923	1 147 839	1 213 749		1 279 154				1 213 749
Cash flows									
Net cash from (used) operating	-	76 938	101 658	(269 789)	165 734	101 658	(64 075)	-63%	744 446
Net cash from (used) investing	-	(98 470)	(117 831)	(36 435)	(102 580)	131 541	234 121	178%	131 541
Net cash from (used) financing	-	40 150	40 150	36 403	26 190	40 150	13 960	35%	40 150
Cash/cash equivalents at the month/year end	-	78 358	119 055	-	184 421	368 427	184 006	50%	1 011 215
Debtors & creditors analysis									
Debtors Age Analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Total By Income Source	35 121	10 874	7 875	7 717	273 990	-	-	-	335 577
Creditors Age Analysis									
Total Creditors	22 378	5 120	-	-	-	-	-	-	27 498

WC047 Bitou - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		307 218	277 194	284 737	20 215	307 550	284 737	22 812	8%	284 737
Executive and council		131 274	64 999	65 067	137	101 047	65 067	35 980	55%	65 067
Finance and administration		175 601	212 195	219 671	20 078	206 503	219 671	(13 168)	-6%	219 671
Internal audit		343	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		75 841	60 847	98 879	7 934	61 721	98 879	(37 158)	-38%	98 879
Community and social services		13 318	12 472	12 609	1 297	10 707	12 609	(1 902)	-15%	12 609
Sport and recreation		1 079	252	407	-	294	407	(113)	-28%	407
Public safety		49 994	36 230	49 548	3 310	40 645	49 548	(8 903)	-18%	49 548
Housing		11 450	11 893	36 315	3 327	10 075	36 315	(26 240)	-72%	36 315
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		12 772	13 216	21 713	837	14 352	21 713	(7 362)	-34%	21 713
Planning and development		12 249	13 076	21 573	837	14 230	21 573	(7 343)	-34%	21 573
Road transport		523	140	140	-	122	140	(18)	-13%	140
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		479 221	586 738	561 515	40 866	511 123	561 515	(50 392)	-9%	561 515
Energy sources		224 391	269 936	263 584	18 392	243 517	263 584	(20 067)	-8%	263 584
Water management		113 300	133 489	134 908	11 852	123 179	134 908	(11 730)	-9%	134 908
Waste water management		91 365	100 071	92 360	6 552	86 845	92 360	(5 515)	-6%	92 360
Waste management		50 164	83 242	70 662	4 070	57 582	70 662	(13 081)	-19%	70 662
<i>Other</i>	4	1 494	527	1 190	1 974	3 111	1 190	1 921	161%	1 190
Total Revenue - Functional	2	876 546	938 523	968 034	71 826	897 856	968 034	(70 178)	-7%	968 034
Expenditure - Functional										
<i>Governance and administration</i>		149 707	199 449	207 103	20 246	170 801	207 103	(36 302)	-18%	207 103
Executive and council		28 646	34 057	40 539	3 348	41 189	40 539	650	2%	40 539
Finance and administration		116 539	159 415	160 909	16 481	124 535	160 909	(36 375)	-23%	160 909
Internal audit		4 522	5 976	5 655	417	5 077	5 655	(578)	-10%	5 655
<i>Community and public safety</i>		166 709	144 367	157 559	17 490	142 441	157 559	(15 118)	-10%	157 559
Community and social services		28 544	33 679	36 512	3 159	28 359	36 512	(8 153)	-22%	36 512
Sport and recreation		23 191	23 168	23 065	2 652	23 627	23 065	561	2%	23 065
Public safety		95 163	77 981	78 309	8 479	76 680	78 309	(1 630)	-2%	78 309
Housing		19 811	9 539	19 672	3 200	13 775	19 672	(5 897)	-30%	19 672
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		80 919	84 577	81 063	10 757	76 485	81 063	(4 578)	-6%	81 063
Planning and development		48 114	47 333	45 569	5 840	45 320	45 569	(249)	-1%	45 569
Road transport		32 805	37 244	35 494	4 917	31 165	35 494	(4 329)	-12%	35 494
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		385 235	467 106	455 787	45 903	379 521	455 787	(76 266)	-17%	455 787
Energy sources		203 257	258 402	250 540	24 558	221 646	250 540	(28 894)	-12%	250 540
Water management		(6 666)	74 487	74 772	7 324	64 357	74 772	(10 415)	-14%	74 772
Waste water management		132 989	62 252	62 435	6 019	35 389	62 435	(27 046)	-43%	62 435
Waste management		55 655	71 965	68 041	8 002	58 130	68 041	(9 911)	-15%	68 041
<i>Other</i>		14 224	4 776	4 695	72	1 196	4 695	(3 499)	-75%	4 695
Total Expenditure - Functional	3	796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	-15%	906 207
Surplus/ (Deficit) for the year		79 752	38 248	61 826	(22 642)	127 412	61 826	65 586	106%	61 826

WC047 Bitou - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Municipal governance and administration		307 218	277 194	284 737	20 215	307 550	284 737	22 812	8%	284 737
Executive and council		131 274	64 999	65 067	137	101 047	65 067	35 980	0	65 067
Mayor and Council		18	2 918	2 918	–	–	2 918	(2 918)	(0)	2 918
Municipal Manager, Town Secretary and Chief		131 255	62 081	62 149	137	101 047	62 149	38 898	0	62 149
Finance and administration		175 601	212 195	219 671	20 078	206 503	219 671	(13 168)	(0)	219 671
Finance		169 983	207 358	213 846	19 981	204 883	213 846	(8 963)	(0)	213 846
Fleet Management		241	–	–	–	–	–	–		–
Human Resources		2 439	–	516	20	117	516	(399)	(0)	516
Information Technology		396	–	–	–	3	–	3		–
Legal Services		125	–	–	–	–	–	–		–
Marketing, Customer Relations, Publicity and Media		334	–	–	–	–	–	–		–
Property Services		870	4 748	5 250	48	1 310	5 250	(3 940)	(0)	5 250
Risk Management		210	–	–	–	–	–	–		–
Supply Chain Management		647	89	59	13	69	59	11	0	59
Valuation Service		356	–	–	16	121	–	121		–
Internal audit		343	–	–	–	–	–	–		–
Governance Function		343	–	–	–	–	–	–		–
Community and public safety		75 841	60 847	98 879	7 934	61 721	98 879	(37 158)	(0)	98 879
Community and social services		13 318	12 472	12 609	1 297	10 707	12 609	(1 902)	(0)	12 609
Cemeteries, Funeral Parlours and Crematoriums		146	57	41	1	28	41	(13)	(0)	41
Community Halls and Facilities		389	176	267	154	225	267	(42)	(0)	267
Libraries and Archives		12 783	12 239	12 302	1 142	10 454	12 302	(1 847)	(0)	12 302
Sport and recreation		1 079	252	407	–	294	407	(113)	(0)	407
Beaches and Jetties		677	252	407	–	294	407	(113)	(0)	407
Community Parks (including Nurseries)		339	–	–	–	–	–	–		–
Sports Grounds and Stadiums		63	–	–	–	–	–	–		–
Public safety		49 994	36 230	49 548	3 310	40 645	49 548	(8 903)	(0)	49 548
Control of Public Nuisances		616	–	2	–	2	2	0	0	2
Fire Fighting and Protection		1 122	681	2	–	2	2	(0)	(0)	2
Licensing and Control of Animals		807	–	–	–	–	–	–		–
Police Forces, Traffic and Street Parking Control		47 450	35 549	49 544	3 310	40 641	49 544	(8 903)	(0)	49 544
Housing		11 450	11 893	36 315	3 327	10 075	36 315	(26 240)	(0)	36 315
Housing		11 450	11 893	36 315	3 327	10 075	36 315	(26 240)	(0)	36 315
Economic and environmental services		12 772	13 216	21 713	837	14 352	21 713	(7 362)	(0)	21 713
Planning and development		12 249	13 076	21 573	837	14 230	21 573	(7 343)	(0)	21 573
Corporate Wide Strategic Planning (IDPs, LEDs)		302	–	–	–	0	–	0		–
Development Facilitation		371	19	25	6	10	25	(15)	(0)	25
Economic Development/Planning		3 376	350	740	156	1 759	740	1 019	0	740
Town Planning, Building Regulations and		6 117	9 578	10 328	675	6 173	10 328	(4 154)	(0)	10 328

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
<i>Project Management Unit</i>		2 082	3 129	10 481	–	6 287	10 481	(4 194)	(0)	10 481
Road transport		523	140	140	–	122	140	(18)	(0)	140
Roads		523	140	140	–	122	140	(18)	(0)	140
Trading services		479 221	586 738	561 515	40 866	511 123	561 515	(50 392)	(0)	561 515
Energy sources		224 391	269 936	263 584	18 392	243 517	263 584	(20 067)	(0)	263 584
Electricity		224 391	269 936	263 584	18 392	243 517	263 584	(20 067)	(0)	263 584
Water management		113 300	133 489	134 908	11 852	123 179	134 908	(11 730)	(0)	134 908
Water Treatment		543	–	–	–	0	–	0		–
Water Distribution		112 758	133 489	134 908	11 852	123 179	134 908	(11 730)	(0)	134 908
Waste water management		91 365	100 071	92 360	6 552	86 845	92 360	(5 515)	(0)	92 360
Sewerage		91 365	100 071	90 775	6 552	86 845	90 775	(3 930)	(0)	90 775
Waste Water Treatment		–	–	1 585	–	–	1 585	(1 585)	(0)	1 585
Waste management		50 164	83 242	70 662	4 070	57 582	70 662	(13 081)	(0)	70 662
Solid Waste Removal		50 164	83 242	70 662	4 070	57 582	70 662	(13 081)	(0)	70 662
Other		1 494	527	1 190	1 974	3 111	1 190	1 921	0	1 190
Air Transport		1 494	527	1 190	1 974	3 111	1 190	1 921	0	1 190
Total Revenue - Functional	2	876 546	938 523	968 034	71 826	897 856	968 034	(70 178)	(0)	968 034
Expenditure - Functional										
Municipal governance and administration		149 707	199 449	207 103	20 246	170 801	207 103	(36 302)	(0)	207 103
Executive and council		28 646	34 057	40 539	3 348	41 189	40 539	650	0	40 539
Mayor and Council		7 654	13 079	13 024	923	11 484	13 024	(1 540)	(0)	13 024
Municipal Manager, Town Secretary and Chief		20 992	20 979	27 515	2 424	29 705	27 515	2 190	0	27 515
Finance and administration		116 539	159 415	160 909	16 481	124 535	160 909	(36 375)	(0)	160 909
Administrative and Corporate Support		1 765	2 909	2 902	521	1 561	2 902	(1 340)	(0)	2 902
Asset Management		220	1 812	2 070	603	1 121	2 070	(949)	(0)	2 070
Finance		39 002	53 738	55 347	4 658	44 099	55 347	(11 248)	(0)	55 347
Fleet Management		5 696	8 943	8 504	1 558	7 344	8 504	(1 160)	(0)	8 504
Human Resources		23 967	22 662	23 358	3 459	21 533	23 358	(1 825)	(0)	23 358
Information Technology		16 038	23 221	23 156	1 958	17 000	23 156	(6 156)	(0)	23 156
Legal Services		4 749	7 151	6 812	444	4 898	6 812	(1 914)	(0)	6 812
Marketing, Customer Relations, Publicity and Media		6 191	15 356	15 353	666	7 072	15 353	(8 281)	(0)	15 353
Property Services		7 539	9 078	8 825	1 516	6 142	8 825	(2 684)	(0)	8 825
Risk Management		3 492	2 974	3 033	294	2 362	3 033	(671)	(0)	3 033
Supply Chain Management		6 131	9 567	9 549	666	7 829	9 549	(1 720)	(0)	9 549
Valuation Service		1 748	2 004	2 000	138	3 573	2 000	1 573	0	2 000
Internal audit		4 522	5 976	5 655	417	5 077	5 655	(578)	(0)	5 655
Governance Function		4 522	5 976	5 655	417	5 077	5 655	(578)	(0)	5 655
Community and public safety		166 709	144 367	157 559	17 490	142 441	157 559	(15 118)	(0)	157 559
Community and social services		28 544	33 679	36 512	3 159	28 359	36 512	(8 153)	(0)	36 512
Cemeteries, Funeral Parlours and Crematoriums		1 998	2 313	2 048	206	1 786	2 048	(263)	(0)	2 048
Community Halls and Facilities		9 673	14 279	17 519	1 654	12 641	17 519	(4 878)	(0)	17 519

Description	Ref	2022/23	Budget Year 2023/24							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	
R thousands	1									
Disaster Management		855	1 092	882	149	346	882	(536)	(0)	882
Libraries and Archives		16 018	15 995	16 063	1 150	13 587	16 063	(2 477)	(0)	16 063
Sport and recreation		23 191	23 168	23 065	2 652	23 627	23 065	561	0	23 065
Beaches and Jetties		12 936	13 396	14 670	1 589	14 352	14 670	(318)	(0)	14 670
Community Parks (including Nurseries)		8 025	8 267	6 918	956	7 836	6 918	918	0	6 918
Recreational Facilities		34	132	82	0	69	82	(13)	(0)	82
Sports Grounds and Stadiums		2 197	1 373	1 394	106	1 369	1 394	(25)	(0)	1 394
Public safety		95 163	77 981	78 309	8 479	76 680	78 309	(1 630)	(0)	78 309
Civil Defence		21	–	–	0	3	–	3		–
Control of Public Nuisances		25 382	28 236	27 906	3 173	28 394	27 906	488	0	27 906
Fire Fighting and Protection		21 210	25 137	24 967	2 391	24 140	24 967	(827)	(0)	24 967
Licensing and Control of Animals		22 017	23 583	24 902	2 910	23 986	24 902	(915)	(0)	24 902
Police Forces, Traffic and Street Parking Control		26 533	1 025	534	6	156	534	(378)	(0)	534
Housing		19 811	9 539	19 672	3 200	13 775	19 672	(5 897)	(0)	19 672
Housing		19 811	9 539	19 672	3 200	13 775	19 672	(5 897)	(0)	19 672
Economic and environmental services		80 919	84 577	81 063	10 757	76 485	81 063	(4 578)	(0)	81 063
Planning and development		48 114	47 333	45 569	5 840	45 320	45 569	(249)	(0)	45 569
Corporate Wide Strategic Planning (IDPs, LEDs)		7 087	7 115	6 615	969	6 927	6 615	312	0	6 615
Development Facilitation		8 634	1 226	1 252	106	1 168	1 252	(83)	(0)	1 252
Economic Development/Planning		7 884	9 390	9 116	953	9 169	9 116	53	0	9 116
Town Planning, Building Regulations and		15 481	21 395	19 367	1 855	17 317	19 367	(2 050)	(0)	19 367
Project Management Unit		9 028	8 205	9 219	1 957	10 739	9 219	1 519	0	9 219
Road transport		32 805	37 244	35 494	4 917	31 165	35 494	(4 329)	(0)	35 494
Roads		32 805	37 244	35 494	4 917	31 165	35 494	(4 329)	(0)	35 494
Trading services		385 235	467 106	455 787	45 903	379 521	455 787	(76 266)	(0)	455 787
Energy sources		203 257	258 402	250 540	24 558	221 646	250 540	(28 894)	(0)	250 540
Electricity		203 257	258 402	250 540	24 558	221 646	250 540	(28 894)	(0)	250 540
Water management		(6 666)	74 487	74 772	7 324	64 357	74 772	(10 415)	(0)	74 772
Water Treatment		19 290	20 071	20 467	1 840	11 876	20 467	(8 591)	(0)	20 467
Water Distribution		(25 961)	54 416	54 304	5 485	52 480	54 304	(1 824)	(0)	54 304
Water Storage		5	–	–	–	–	–	–		–
Waste water management		132 989	62 252	62 435	6 019	35 389	62 435	(27 046)	(0)	62 435
Sewerage		127 979	61 901	62 084	5 411	30 198	62 084	(31 886)	(0)	62 084
Waste Water Treatment		5 010	351	351	608	5 191	351	4 840	0	351
Waste management		55 655	71 965	68 041	8 002	58 130	68 041	(9 911)	(0)	68 041
Solid Waste Removal		55 655	71 965	68 041	8 002	58 130	68 041	(9 911)	(0)	68 041
Other		14 224	4 776	4 695	72	1 196	4 695	(3 499)	(0)	4 695
Air Transport		4 150	1 884	1 804	72	1 196	1 804	(608)	(0)	1 804
Licensing and Regulation		10 071	2 891	2 891	–	–	2 891	(2 891)	(0)	2 891
Tourism		2	1	–	–	–	–	–		–
Total Expenditure - Functional	3	796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	(0)	906 207
Surplus/ (Deficit) for the year		79 752	38 248	61 826	(22 642)	127 412	61 826	65 586	0	61 826

WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q4 Fourth Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Council		18	2 918	2 918	–	–	2 918	(2 918)	-100,0%	2 918
Vote 2 - Office of the Municipal Manager		131 670	62 081	62 149	137	101 047	62 149	38 898	62,6%	62 149
Vote 3 - Community Services		116 837	137 471	139 665	10 700	113 648	139 665	(26 017)	-18,6%	139 665
Vote 4 - Corporate Services		3 910	19	541	25	130	541	(411)	-75,9%	541
Vote 5 - Financial Services		170 985	207 447	213 905	20 010	205 073	213 905	(8 832)	-4,1%	213 905
Vote 6 - Economic Development & Planning		20 989	21 821	47 383	4 158	18 008	47 383	(29 375)	-62,0%	47 383
Vote 7 - Engineering Services		431 662	506 765	501 474	36 796	459 950	501 474	(41 524)	-8,3%	501 474
Total Revenue by Vote	2	876 072	938 523	968 034	71 826	897 856	968 034	(70 178)	-7,2%	968 034
Expenditure by Vote	1									
Vote 1 - Council		8 072	13 229	13 174	950	11 804	13 174	(1 370)	-10,4%	13 174
Vote 2 - Office of the Municipal Manager		28 233	24 180	30 607	3 015	33 539	30 607	2 932	9,6%	30 607
Vote 3 - Community Services		224 314	220 646	219 448	23 880	194 133	219 448	(25 315)	-11,5%	219 448
Vote 4 - Corporate Services		61 082	81 193	81 522	7 881	60 840	81 522	(20 683)	-25,4%	81 522
Vote 5 - Financial Services		47 102	67 121	68 967	6 065	56 622	68 967	(12 345)	-17,9%	68 967
Vote 6 - Economic Development & Planning		45 203	43 237	50 366	6 257	41 772	50 366	(8 594)	-17,1%	50 366
Vote 7 - Engineering Services		382 787	450 669	442 124	46 420	371 735	442 124	(70 389)	-15,9%	442 124
Total Expenditure by Vote	2	796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	-15,0%	906 207
Surplus/ (Deficit) for the year	2	79 278	38 248	61 826	(22 642)	127 412	61 826	65 586	106,1%	61 826

WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - Q4 Fourth Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousand										
Revenue by Vote										
Vote 1 - Council	1	18	2 918	2 918	-	-	2 918	(2 918)	-100%	2 918
1.1 - Office of the Mayor		-	438	438	-	-	438	(438)	-100%	438
1.2 - Office of the Deputy Mayor		-	438	438	-	-	438	(438)	-100%	438
1.3 - Office of the Speaker		-	730	730	-	-	730	(730)	-100%	730
1.4 - Office of the Executive Council		18	438	438	-	-	438	(438)	-100%	438
1.5 - Council General		-	875	875	-	-	875	(875)	-100%	875
Vote 2 - Office of the Municipal Manager		131 670	62 081	62 149	137	101 047	62 149	38 898	63%	62 149
2.1 - Municipal Manager; Executive Support		130 279	62 081	62 148	188	101 046	62 148	38 898	63%	62 148
2.2 - Internal Audit		343	-	-	-	-	-	-	-	-
2.3 - Governance and Compliance: Risk Management & Com		210	-	-	-	-	-	-	-	-
2.4 - Governance and Compliance: IDP		142	-	-	-	-	-	-	-	-
2.5 - Governance and Compliance: Performance Management		115	-	-	-	-	-	-	-	-
2.7 - Office of the Political Office Bearers		581	1	1	(51)	1	1	(0)	-8%	1
Vote 3 - Community Services		116 837	137 471	139 665	10 700	113 648	139 665	(26 017)	-19%	139 665
3.2 - Traffic Management Services		48 260	35 549	49 544	3 310	40 641	49 544	(8 903)	-18%	49 544
3.3 - Law Enforcement Services		763	-	2	-	2	2	0	0%	2
3.4 - Fire & Rescue Services		970	681	2	-	2	2	(0)	0%	2
3.6 - Library and Information Services		12 783	12 239	12 302	1 142	10 454	12 302	(1 847)	-15%	12 302
3.7 - Integrated Waste Management		50 164	83 242	70 662	4 070	57 582	70 662	(13 081)	-19%	70 662
3.8 - Facilities Management & Maintenance: Manager; Parks		3 896	5 759	7 153	2 178	4 967	7 153	(2 186)	-31%	7 153
Vote 4 - Corporate Services		3 910	19	541	25	130	541	(411)	-76%	541
4.2 - Human Resources Management Services		2 439	-	516	20	117	516	(399)	-77%	516
4.3 - Administration Services		395	-	-	-	-	-	-	-	-
4.4 - Corporate Communications & Intergovernmental Relations		334	-	-	-	-	-	-	-	-
4.5 - Information & Communication Technology		396	-	-	-	3	-	3	-	-
4.6 - Legal Services		125	-	-	-	-	-	-	-	-
4.7 - Social Development		220	19	25	6	10	25	(15)	-59%	25
Vote 5 - Financial Services		170 985	207 447	213 905	20 010	205 073	213 905	(8 832)	-4%	213 905
5.1 - Director; Executive Support		8 513	5 450	13 123	4 964	14 124	13 123	1 001	8%	13 123
5.2 - Budget & Reporting		1 562	1 771	2 449	(46)	1 058	2 449	(1 391)	-57%	2 449
5.5 - Revenue Services		159 962	200 137	198 274	15 079	189 822	198 274	(8 453)	-4%	198 274
5.6 - Expenditure		302	-	-	-	-	-	-	-	-
5.7 - Supply Chain Management		647	89	59	13	69	59	11	18%	59
Vote 6 - Economic Development & Planning		20 989	21 821	47 383	4 158	18 008	47 383	(29 375)	-62%	47 383
6.1 - Director; Executive Support		46	-	-	-	0	-	0	-	-
6.2 - Local Economic Development & Tourism		3 376	350	740	156	1 759	740	1 019	138%	740
6.3 - Town Planning		1 039	657	657	269	913	657	256	39%	657
6.6 - Planning & Building Control		5 078	8 921	9 670	407	5 260	9 670	(4 410)	-46%	9 670
6.7 - Integrated Human Settlement		11 450	11 893	36 315	3 327	10 075	36 315	(26 240)	-72%	36 315
Vote 7 - Engineering Services		431 662	506 765	501 474	36 796	459 950	501 474	(41 524)	-8%	501 474
7.2 - Water Services: Purification, Demand & Loss Control		204 501	233 560	227 268	18 404	210 024	227 268	(17 245)	-8%	227 268
7.3 - Water Services: Water and Waste Water Reticulation		165	-	-	-	-	-	-	-	-
7.4 - Transport, Roads & Storm Water		523	140	140	-	122	140	(18)	-13%	140
7.5 - Electrical and Energy		224 391	269 936	263 584	18 392	243 517	263 584	(20 067)	-8%	263 584
7.7 - Project Management Unit (PMU)		2 082	3 129	10 481	-	6 287	10 481	(4 194)	-40%	10 481
Total Revenue by Vote	2	876 072	938 523	968 034	71 826	897 856	968 034	(70 178)	-7%	968 034
Expenditure by Vote										
Vote 1 - Council	1	8 072	13 229	13 174	950	11 804	13 174	(1 370)	-10%	13 174
1.1 - Office of the Mayor		1 073	4 220	4 162	323	3 672	4 162	(490)	-12%	4 162
1.2 - Office of the Deputy Mayor		852	1 575	1 585	69	1 182	1 585	(403)	-25%	1 585
1.3 - Office of the Speaker		1 471	1 636	1 623	118	1 378	1 623	(245)	-15%	1 623
1.4 - Office of the Executive Council		1 939	1 744	1 744	(510)	1 689	1 744	(55)	-3%	1 744
1.5 - Council General		2 738	4 054	4 060	950	3 882	4 060	(178)	-4%	4 060
Vote 2 - Office of the Municipal Manager		28 233	24 180	30 607	3 015	33 539	30 607	2 932	10%	30 607
2.1 - Municipal Manager; Executive Support		2 844	3 817	9 406	258	8 043	9 406	(1 363)	-14%	9 406
2.2 - Internal Audit		4 522	6 055	5 734	417	5 099	5 734	(636)	-11%	5 734
2.3 - Governance and Compliance: Risk Management & Com		3 492	2 974	3 033	294	2 362	3 033	(671)	-22%	3 033
2.4 - Governance and Compliance: IDP		2 357	2 649	2 649	200	2 543	2 649	(106)	-4%	2 649
2.5 - Governance and Compliance: Performance Management		2 733	1 646	1 846	540	2 946	1 846	1 100	60%	1 846
2.7 - Office of the Political Office Bearers		12 285	7 039	7 939	1 307	12 546	7 939	4 607	58%	7 939
Vote 3 - Community Services		224 314	220 646	219 448	23 880	194 133	219 448	(25 315)	-12%	219 448
3.1 - Director; Executive Support		3 756	2 853	6 107	402	4 625	6 107	(1 483)	-24%	6 107
3.2 - Traffic Management Services		58 614	27 499	28 327	2 915	24 132	28 327	(4 195)	-15%	28 327
3.3 - Law Enforcement Services		27 713	28 272	27 942	3 175	28 426	27 942	484	2%	27 942
3.4 - Fire & Rescue Services		19 762	26 194	25 814	2 538	24 468	25 814	(1 346)	-5%	25 814
3.6 - Library and Information Services		16 018	15 995	16 063	1 150	13 587	16 063	(2 477)	-15%	16 063
3.7 - Integrated Waste Management		55 655	71 965	68 041	8 002	58 130	68 041	(9 911)	-15%	68 041
3.8 - Facilities Management & Maintenance: Manager; Parks		42 796	47 869	47 154	5 698	40 766	47 154	(6 388)	-14%	47 154
Vote 4 - Corporate Services		61 082	81 193	81 522	7 881	60 840	81 522	(20 683)	-25%	81 522
4.1 - Director; Executive Support		1 595	2 241	1 447	78	260	1 447	(1 187)	-82%	1 447
4.2 - Human Resources Management Services		24 070	23 212	24 734	3 886	22 762	24 734	(1 972)	-8%	24 734
4.3 - Administration Services		5 502	10 013	10 020	847	8 818	10 020	(1 202)	-12%	10 020
4.4 - Corporate Communications & Intergovernmental Relations		6 201	15 356	15 353	669	7 102	15 353	(8 251)	-54%	15 353
4.5 - Information & Communication Technology		16 038	23 221	23 156	1 958	17 000	23 156	(6 156)	-27%	23 156

Vote Description R thousand	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
4.6 - Legal Services		4 749	7 151	6 812	444	4 898	6 812	(1 914)	-28%	6 812
4.7 - Social Development		2 928	–	1	–	–	1	(1)	-100%	1
Vote 5 - Financial Services		47 102	67 121	68 967	6 065	56 622	68 967	(12 345)	-18%	68 967
5.1 - Director; Executive Support		3 478	8 626	10 754	862	8 308	10 754	(2 446)	-23%	10 754
5.2 - Budget & Reporting		13 518	17 439	17 313	1 832	16 212	17 313	(1 101)	-6%	17 313
5.5 - Revenue Services		18 036	26 031	25 820	2 282	18 891	25 820	(6 929)	-27%	25 820
5.6 - Expenditure		5 864	5 368	5 373	345	5 302	5 373	(71)	-1%	5 373
5.7 - Supply Chain Management		6 205	9 657	9 706	744	7 908	9 706	(1 799)	-19%	9 706
Vote 6 - Economic Development & Planning		45 203	43 237	50 366	6 257	41 772	50 366	(8 594)	-17%	50 366
6.1 - Director; Executive Support		1 982	2 804	2 103	229	1 423	2 103	(680)	-32%	2 103
6.2 - Local Economic Development & Tourism		7 884	9 387	9 116	953	9 169	9 116	53	1%	9 116
6.3 - Town Planning		7 979	8 668	8 568	1 060	9 142	8 568	574	7%	8 568
6.4 - Land Use Planning;Evironmental Management		18	33	32	–	14	32	(18)	-56%	32
6.5 - Land Use Planning: GIS		–	3	–	–	–	–	–	–	–
6.6 - Planning & Building Control		7 502	12 712	10 784	794	8 175	10 784	(2 609)	-24%	10 784
6.7 - Integrated Human Settlement		19 838	9 630	19 763	3 219	13 848	19 763	(5 915)	-30%	19 763
Vote 7 - Engineering Services		382 787	450 669	442 124	46 420	371 735	442 124	(70 389)	-16%	442 124
7.1 - Director; Executive Support		6 948	3 024	4 146	263	3 378	4 146	(767)	-19%	4 146
7.2 - Water Services: Purification, Demand & Loss Control		118 433	122 177	122 648	11 891	89 459	122 648	(33 188)	-27%	122 648
7.3 - Water Services: Water and Waste Water Reticulation		7 889	14 562	14 559	1 452	10 286	14 559	(4 273)	-29%	14 559
7.4 - Transport, Roads & Storm Water		32 805	37 244	35 494	4 917	31 165	35 494	(4 329)	-12%	35 494
7.5 - Electrical and Energy		202 109	256 567	247 607	24 399	219 419	247 607	(28 188)	-11%	247 607
7.6 - Fleet Management		5 696	8 943	8 504	1 558	7 344	8 504	(1 160)	-14%	8 504
7.7 - Project Management Unit (PMU)		8 906	8 153	9 167	1 940	10 683	9 167	1 516	17%	9 167
Total Expenditure by Vote	2	796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	(0)	906 207
Surplus/ (Deficit) for the year	2	79 278	38 248	61 826	(22 642)	127 412	61 826	65 586	0	61 826

WC047 Bitou - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue		461 083	500 877	485 088	37 050	474 307	485 088	(10 781)	-2%	485 088
Service charges - Electricity		210 201	241 830	232 677	18 138	228 201	232 677	(4 476)	-2%	232 677
Service charges - Water		86 449	86 725	82 972	6 926	85 581	82 972	2 608	3%	82 972
Service charges - Waste Water Management		78 406	77 663	66 874	2 076	67 358	66 874	484	1%	66 874
Service charges - Waste management		45 502	58 016	46 784	1 827	44 964	46 784	(1 820)	-4%	46 784
Sale of Goods and Rendering of Services		6 867	11 571	11 559	764	7 385	11 559	(4 174)	-36%	11 559
Agency services		2 501	3 014	2 803	156	2 342	2 803	(460)	-16%	2 803
Interest earned from Receivables		17 120	13 282	15 483	875	13 243	15 483	(2 240)	-14%	15 483
Interest earned from Current and Non Current Assets		8 035	4 950	12 325	4 077	13 231	12 325	906	7%	12 325
Rental from Fixed Assets		1 124	1 030	1 117	138	1 354	1 117	237	21%	1 117
Licence and permits		1 196	589	1 269	82	1 428	1 269	159	13%	1 269
Operational Revenue		3 683	2 207	11 226	1 990	9 220	11 226	(2 006)	-18%	11 226
Non-Exchange Revenue		378 896	400 177	423 668	28 280	394 094	423 668	(29 574)	-7%	423 668
Property rates		151 445	179 779	179 802	14 736	178 229	179 802	(1 574)	-1%	179 802
Surcharges and Taxes		-	1 500	1 500	119	1 538	1 500	38	3%	1 500
Fines, penalties and forfeits		46 722	31 699	45 096	3 076	37 266	45 096	(7 830)	-17%	45 096
Licence and permits		-	696	696	-	-	696	(696)	-100%	696
Transfer and subsidies - Operational		155 970	163 277	175 758	3 490	161 475	175 758	(14 283)	-8%	175 758
Interest		4 242	3 759	2 130	184	2 292	2 130	161	8%	2 130
Operational Revenue		2 064	15 518	14 735	6 675	13 295	14 735	(1 441)	-10%	14 735
Gains on disposal of Assets		441	3 950	3 950	-	-	3 950	(3 950)	-100%	3 950
Other Gains		18 011	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		839 979	901 055	908 756	65 330	868 401	908 756	(40 355)	-4%	908 756
Expenditure By Type										
Employee related costs		286 329	333 063	345 596	28 918	336 995	345 596	(8 601)	-2%	345 596
Remuneration of councillors		6 721	7 674	7 675	584	7 300	7 675	(376)	-5%	7 675
Bulk purchases - electricity		162 599	206 241	196 241	14 695	175 840	196 241	(20 401)	-10%	196 241
Inventory consumed		15 349	19 543	20 501	2 225	16 111	20 501	(4 390)	-21%	20 501
Debt impairment		28 623	18 270	18 270	-	-	18 270	(18 270)	-100%	18 270
Depreciation and amortisation		36 393	40 059	40 059	3 065	37 429	40 059	(2 630)	-7%	40 059
Interest		19 740	13 428	13 428	5 008	10 751	13 428	(2 677)	-20%	13 428
Contracted services		72 886	95 793	97 954	19 371	62 535	97 954	(35 419)	-36%	97 954
Transfers and subsidies		5 626	12 230	12 774	1 602	9 095	12 774	(3 679)	-29%	12 774
Irrecoverable debts written off		88 945	64 900	64 900	5 286	45 966	64 900	(18 934)	-29%	64 900
Operational costs		72 058	89 075	88 809	13 714	68 422	88 809	(20 387)	-23%	88 809
Losses on Disposal of Assets		1 515	-	-	-	-	-	-		-
Other Losses		9	-	-	-	-	-	-		-
Total Expenditure		796 794	900 274	906 207	94 468	770 444	906 207	(135 764)	-15%	906 207
Surplus/(Deficit)		43 185	780	2 549	(29 138)	97 958	2 549	95 409	0	2 549
Transfers and subsidies - capital (monetary allocations)		36 567	37 468	59 278	6 495	29 454	59 278	(29 823)	(0)	59 278
Surplus/(Deficit) after capital transfers & contributions		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826
Surplus/(Deficit) after income tax		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		79 752	38 248	61 826	(22 642)	127 412	61 826			61 826

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q4 Fourth Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
<u>Multi-Year expenditure appropriation</u>	2									
Vote 3 - Community Services		1 685	3 430	3 836	2 982	3 334	3 836	(502)	-13%	3 836
Vote 4 - Corporate Services		2 086	1 016	1 138	423	1 063	1 138	(75)	-7%	1 138
Vote 7 - Engineering Services		40 411	46 159	50 890	18 520	41 221	50 890	(9 670)	-19%	50 890
Total Capital Multi-year expenditure	4,7	44 182	50 605	55 864	21 926	45 617	55 864	(10 247)	-18%	55 864
<u>Single Year expenditure appropriation</u>	2									
Vote 2 - Office of the Municipal Manager		–	1 000	880	142	150	880	(730)	-83%	880
Vote 3 - Community Services		5 563	2 185	1 486	300	1 021	1 486	(465)	-31%	1 486
Vote 4 - Corporate Services		59	561	785	608	761	785	(23)	-3%	785
Vote 5 - Financial Services		1	–	–	–	–	–	–		–
Vote 6 - Economic Development & Planning		435	304	304	(22)	198	304	(106)	-35%	304
Vote 7 - Engineering Services		34 567	54 777	69 474	13 482	54 832	69 474	(14 642)	-21%	69 474
Total Capital single-year expenditure	4	40 625	58 827	72 929	14 509	56 963	72 929	(15 966)	-22%	72 929
Total Capital Expenditure	3	84 807	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		2 549	20 857	19 767	1 329	17 599	19 767	(2 169)	-11%	19 767
Executive and council		–	1 000	880	142	150	880	(730)	-83%	880
Finance and administration		2 549	19 857	18 887	1 186	17 448	18 887	(1 439)	-8%	18 887
Community and public safety		5 607	4 265	4 471	3 267	3 878	4 471	(592)	-13%	4 471
Community and social services		2 352	2 880	4 086	3 238	3 607	4 086	(479)	-12%	4 086
Sport and recreation		921	1 000	–	–	–	–	–		–
Public safety		2 334	385	385	29	271	385	(114)	-29%	385
Economic and environmental services		9 570	13 973	18 258	870	12 053	18 258	(6 205)	-34%	18 258
Planning and development		435	304	304	(22)	198	304	(106)	-35%	304
Road transport		9 135	13 669	17 954	893	11 855	17 954	(6 099)	-34%	17 954
Trading services		67 081	70 337	86 296	30 969	69 050	86 296	(17 246)	-20%	86 296
Energy sources		25 395	23 741	23 321	9 221	18 405	23 321	(4 917)	-21%	23 321
Water management		25 002	27 350	39 711	11 496	33 254	39 711	(6 458)	-16%	39 711
Waste water management		15 302	17 896	23 214	10 237	17 365	23 214	(5 849)	-25%	23 214
Waste management		1 382	1 350	50	15	27	50	(23)	-46%	50
Total Capital Expenditure - Functional Classification	3	84 807	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793
Funded by:										
National Government		26 721	23 581	29 407	9 766	28 629	29 407	(778)	-3%	29 407
Provincial Government		6 741	10 754	28 414	6 368	15 021	28 414	(13 393)	-47%	28 414
District Municipality		43	–	–	–	–	–	–		–
Transfers recognised - capital		33 505	34 335	57 821	16 133	43 650	57 821	(14 170)	-25%	57 821
Borrowing	6	32 098	45 150	38 998	8 010	35 265	38 998	(3 733)	-10%	38 998
Internally generated funds		19 203	29 947	31 974	12 291	23 664	31 974	(8 309)	-26%	31 974
Total Capital Funding	7	84 806	109 432	128 793	36 435	102 580	128 793	(26 212)	-20%	128 793

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - Q4 Fourth Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousand										
Capital expenditure - Municipal Vote										
Expenditure of multi-year capital appropriation	1									
Vote 3 - Community Services		1 685	3 430	3 836	2 982	3 334	3 836	(502)	-13%	3 836
3.3 - Law Enforcement Services		987	-	-	-	-	-	-	-	-
3.7 - Integrated Waste Management		699	-	-	-	-	-	-	-	-
3.8 - Facilities Management & Maintenance: Manager; Parks & Recreation		-	3 430	3 836	2 982	3 334	3 836	(502)	-13%	3 836
Vote 4 - Corporate Services		2 086	1 016	1 138	423	1 063	1 138	(75)	-7%	1 138
4.5 - Information & Communication Technology		2 086	1 016	1 138	423	1 063	1 138	(75)	-7%	1 138
Vote 7 - Engineering Services		40 411	46 159	50 890	18 520	41 221	50 890	(9 670)	-19%	50 890
7.2 - Water Services: Purification, Demand & Loss Control		20 667	20 238	24 620	9 254	20 420	24 620	(4 200)	-17%	24 620
7.4 - Transport, Roads & Storm Water		5 146	1 100	1 640	-	1 188	1 640	(452)	-28%	1 640
7.5 - Electrical and Energy		14 453	23 741	23 201	9 110	18 294	23 201	(4 907)	-21%	23 201
7.6 - Fleet Management		144	1 080	1 429	156	1 318	1 429	(111)	-8%	1 429
Total multi-year capital expenditure		44 182	50 605	55 864	21 926	45 617	55 864	(10 247)	-18%	55 864
Capital expenditure - Municipal Vote										
Expenditure of single-year capital appropriation	1									
Vote 2 - Office of the Municipal Manager		-	1 000	880	142	150	880	(730)	-83%	880
2.1 - Municipal Manager; Executive Support		-	1 000	880	142	150	880	(730)	-83%	880
Vote 3 - Community Services		5 563	2 185	1 486	300	1 021	1 486	(465)	-31%	1 486
3.3 - Law Enforcement Services		1 347	385	385	29	271	385	(114)	-29%	385
3.6 - Library and Information Services		38	450	450	256	273	450	(177)	-39%	450
3.7 - Integrated Waste Management		684	1 350	50	15	27	50	(23)	-46%	50
3.8 - Facilities Management & Maintenance: Manager; Parks & Recreation		3 495	-	601	-	449	601	(152)	-25%	601
Vote 4 - Corporate Services		59	561	785	608	761	785	(23)	-3%	785
4.4 - Corporate Communications & Intergovernmental Relations		33	-	-	-	-	-	-	-	-
4.5 - Information & Communication Technology		26	561	785	608	761	785	(23)	-3%	785
Vote 5 - Financial Services		1	-	-	-	-	-	-	-	-
5.2 - Budget & Reporting		1	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		435	304	304	(22)	198	304	(106)	-35%	304
6.2 - Local Economic Development & Tourism		435	304	304	(22)	198	304	(106)	-35%	304
Vote 7 - Engineering Services		34 567	54 777	69 474	13 482	54 832	69 474	(14 642)	-21%	69 474
7.2 - Water Services: Purification, Demand & Loss Control		19 637	25 008	38 305	12 479	30 199	38 305	(8 107)	-21%	38 305
7.4 - Transport, Roads & Storm Water		3 989	12 569	16 314	893	10 667	16 314	(5 647)	-35%	16 314
7.5 - Electrical and Energy		10 942	-	120	110	110	120	(10)	-8%	120
7.6 - Fleet Management		-	17 200	14 734	-	13 856	14 734	(878)	-6%	14 734
Total single-year capital expenditure		40 625	58 827	72 929	14 509	56 963	72 929	(15 966)	(0)	72 929
Total Capital Expenditure		84 807	109 432	128 793	36 435	102 580	128 793	(26 212)	(0)	128 793

WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		95 078	55 750	104 582	184 421	104 582
Trade and other receivables from exchange transactions		50 064	43 839	12 534	69 774	12 534
Receivables from non-exchange transactions		11 450	100 771	87 987	58 616	87 987
Current portion of non-current receivables		9	11	9	9	9
Inventory		15 357	16 538	14 433	14 885	14 433
VAT		256 271	212 584	256 271	268 136	256 271
Other current assets		418	180	418	646	418
Total current assets		428 647	429 672	476 234	596 487	476 234
Non current assets						
Investment property		12 692	12 692	12 692	12 691	12 692
Property, plant and equipment		1 242 619	1 322 385	1 319 117	1 307 771	1 319 117
Heritage assets		35	35	35	35	35
Total non current assets		1 255 346	1 335 112	1 331 844	1 320 498	1 331 844
TOTAL ASSETS		1 683 993	1 764 784	1 808 078	1 916 985	1 808 078
LIABILITIES						
Current liabilities						
Financial liabilities		19 531	0	19 507	20 425	19 507
Consumer deposits		10 793	9 848	10 793	11 359	10 793
Trade and other payables from exchange transactions		92 089	79 612	117 756	77 286	117 756
Trade and other payables from non-exchange transactions		(17 007)	(15 640)	(43 719)	(3 081)	(43 719)
Provision		39 585	113 636	62 008	70 895	62 008
VAT		246 284	239 157	246 284	277 282	246 284
Total current liabilities		391 275	426 612	412 629	454 166	412 629
Non current liabilities						
Financial liabilities		82 764	121 558	102 170	107 718	102 170
Provision		13 052	10 320	13 052	10 754	13 052
Other non-current liabilities		66 477	58 456	66 477	65 194	66 477
Total non current liabilities		162 293	190 333	181 699	183 665	181 699
TOTAL LIABILITIES		553 568	616 946	594 329	637 831	594 329
NET ASSETS	2	1 130 425	1 147 839	1 213 749	1 279 154	1 213 749
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 121 973	1 099 339	1 183 799	1 249 204	1 183 799
Reserves and funds		29 950	48 500	29 950	29 950	29 950
TOTAL COMMUNITY WEALTH/EQUITY	2	1 151 923	1 147 839	1 213 749	1 279 154	1 213 749

WC047 Bitou - Table C7 Monthly Budget Statement - Cash Flow - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	163 156	163 105	27 512	190 989	163 105	27 884	17%	163 105
Service charges		–	422 573	418 554	45 008	422 282	418 554	3 728	1%	418 554
Other revenue		–	22 595	23 655	23 170	55 352	23 655	31 698	134%	23 655
Transfers and Subsidies - Operational		–	163 277	167 745	0	170 385	167 745	2 640	2%	167 745
Transfers and Subsidies - Capital		–	37 468	48 907	–	34 470	48 907	(14 437)	-30%	48 907
Interest		–	8 221	15 596	9 283	32 362	15 596	16 766	108%	15 596
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		–	(714 694)	(710 246)	(368 378)	(721 512)	(710 246)	11 266	-2%	(67 458)
Interest		–	(13 428)	(13 428)	(5 008)	(10 735)	(13 428)	(2 693)	20%	(13 428)
Transfers and Subsidies		–	(12 230)	(12 230)	(1 376)	(7 860)	(12 230)	(4 370)	36%	(12 230)
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	76 938	101 658	(269 789)	165 734	101 658	(64 075)	-63%	744 446
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	10 962	10 962	–	–	10 962	(10 962)	-100%	10 962
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		–	(109 432)	(128 793)	(36 435)	(102 580)	120 579	223 159	185%	120 579
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(98 470)	(117 831)	(36 435)	(102 580)	131 541	234 121	178%	131 541
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	40 150	40 150	45 150	45 150	40 150	5 000	12%	40 150
Increase (decrease) in consumer deposits		–	–	–	34	565	–	565	0%	–
Payments										
Repayment of borrowing		–	–	–	(8 781)	(19 526)	–	19 526	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	40 150	40 150	36 403	26 190	40 150	13 960	35%	40 150
NET INCREASE/ (DECREASE) IN CASH HELD		–	18 618	23 977	(269 820)	89 343	273 349			916 137
Cash/cash equivalents at beginning:		–	59 740	95 078		95 078	95 078			95 078
Cash/cash equivalents at month/year end:		–	78 358	119 055		184 421	368 427			1 011 215

WC047 Bitou - Supporting Table SC1 Material variance explanations - Q4 Fourth Quarter

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	R thousands			
	Revenue			
2	Expenditure By Type			
3	Capital Expenditure			
4	Financial Position			
5	Cash Flow			
6	Measureable performance			
7	Municipal Entities			

WC047 Bitou - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q4 Fourth Quarter

Description of financial indicator			Basis of calculation		Ref	2022/23 Audited Outcome	Original Budget	Budget Year 2023/24 Adjusted Budget		YearTD Actual	Full Year Forecast
<u>Borrowing Management</u>											
Capital Charges to Operating Expenditure			Interest & principal paid/Operating Expenditure			2,5%	5,9%	5,9%	1,4%	2,3%	
Borrowed funding of 'own' capital expenditure			Borrowings/Capital expenditure excl. transfers and grants			37,8%	41,3%	30,3%	34,4%	30,3%	
<u>Safety of Capital</u>											
Debt to Equity			Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves			16,9%	17,5%	19,7%	16,1%	19,7%	
Gearing			Long Term Borrowing/ Funds & Reserves			276,3%	250,6%	341,1%	359,7%	341,1%	
<u>Liquidity</u>											
Current Ratio			Current assets/current liabilities		1	109,6%	100,7%	115,4%	131,3%	115,4%	
Liquidity Ratio			Monetary Assets/Current Liabilities			0,0%	0,0%	0,0%	0,0%	0,0%	
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)			Last 12 Mths Receipts/ Last 12 Mths Billing								
Outstanding Debtors to Revenue			Total Outstanding Debtors to Annual Revenue			7,3%	16,1%	11,1%	14,8%	11,1%	
Longstanding Debtors Recovered			Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old			0,0%	0,0%	0,0%	0,0%	0,0%	
<u>Creditors Management</u>											
Creditors System Efficiency			% of Creditors Paid Within Terms (within MFMA s 65(e))								
<u>Funding of Provisions</u>											
Percentage Of Provisions Not Funded			Unfunded Provisions/Total Provisions								
<u>Other Indicators</u>											
Electricity Distribution Losses			% Volume (units purchased and generated less units sold)/units purchased and generated		2						
Water Distribution Losses			% Volume (units purchased and own source less units sold)/Total units purchased and own source		2						
Employee costs			Employee costs/Total Revenue - capital revenue			34,1%	37,0%	38,0%	38,8%	38,0%	
Repairs & Maintenance			R&M/Total Revenue - capital revenue			0,0%	0,0%	0,0%	0,0%	0,0%	
Interest & Depreciation			I&D/Total Revenue - capital revenue			6,7%	5,9%	5,9%	1,2%	2,3%	
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage			(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)								
ii. O/S Service Debtors to Revenue			Total outstanding service debtors/annual revenue received for services								
iii. Cost coverage			(Available cash + Investments)/monthly fixed operational expenditure								

WC047 Bitou - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q4 Fourth Quarter

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5 697	3 030	2 553	2 805	81 469	-	-	-	95 554	84 273	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	11 409	1 389	681	459	15 293	-	-	-	29 231	15 752	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	9 453	1 975	1 324	1 107	42 103	-	-	-	55 962	43 210	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	3 214	1 576	1 281	1 285	55 591	-	-	-	62 947	56 876	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 051	2 225	1 948	1 947	93 297	-	-	-	104 469	95 244	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	297	679	87	114	(13 763)	-	-	-	(12 585)	(13 649)	-	-
Total By Income Source	2000	35 121	10 874	7 875	7 717	273 990	-	-	-	335 577	281 707	-	-
2022/23 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	464	151	133	96	1 493	-	-	-	2 336	1 589	-	-
Commercial	2300	4 027	638	346	324	4 678	-	-	-	10 013	5 002	-	-
Households	2400	30 629	10 086	7 396	7 297	267 820	-	-	-	323 228	275 117	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	35 121	10 874	7 875	7 717	273 990	-	-	-	335 577	281 707	-	-

WC047 Bitou - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q4 Fourth Quarter

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	22 378	5 120	-	-	-	-	-	-	27 498	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	22 378	5 120	-	-	-	-	-	-	27 498	-

WC047 Bitou - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q4 Fourth Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
Absa Bank: 9378543662		-	Call deposit							8 109	121		-	8 230
Absa Bank:9377092408-3		-	Call deposit							2 947	44		-	2 990
Absa Bank:9380348553		-	Call deposit							19 356	289		-	19 645
Nedbank: 03/7881052406/1000105		-	Fixed deposit							12 500	1 251		-	13 751
Standard Bank: 488607000-079		-	Call deposit							5 305	37		-	5 342
Standard Bank: 488607000-078		-	Call deposit							5 305	37		-	5 342
Absa Bank:9381946782		-	Call deposit							11 641	173		-	11 814
Standard Bank: 488607000-082		-	Fixed deposit							15 000	338	-15338424,66	-	-
Standard Bank: 488607000-083		-	Fixed deposit							15 000	338	-15338424,66	-	-
Absa Bank: 2081502184		-	Fixed deposit							15 000	413		-	15 413
Standard Bank: 488607000-084		-	Fixed deposit							15 000	414		-	15 414
Absa Bank: 2081502443		-	Fixed deposit							10 000	280		-	10 280
Municipality sub-total										135 163	3 736		-	108 222
Entities														
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
Entities sub-total										-	-		-	-
TOTAL INVESTMENTS AND INTEREST	2									135 163	3 736		-	108 222

WC047 Bitou - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		(6 038)	149 626	155 836	469	148 376	155 836	(7 460)	-4,8%	11 110
Operational Revenue:General Revenue:Equitable Share		–	144 726	144 726	–	144 726	144 726	–		–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		(7 759)	1 879	1 879	469	1 879	1 879	–		1 879
Local Government Financial Management Grant [Schedule 5B]		1 721	1 771	1 771	–	1 771	1 771	–		1 771
Municipal Disaster Grant [Schedule 5B]		–	1 250	7 460	–	–	7 460	(7 460)	-100,0%	7 460
Provincial Government:		13 558	14 901	18 663	–	21 177	18 663	2 514	13,5%	18 663
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TR		9 572	9 898	9 892	–	9 891	9 892	(1)	0,0%	9 892
ELECTRICITY MASTER PLAN - OPERATIONAL		–	150	–	–	–	–	–		–
LIBRARY SERVICES: REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES		800	500	700	–	700	700	–		700
COMMUNITY DEVELOPMENT WORKERS - OPERATIONAL		19	19	19	–	19	19	–		19
MUNICIPAL LIBRARY SUPPORT - OPERATIONAL		2 295	2 331	2 405	–	2 406	2 405	1	0,0%	2 405
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT: PROVINCES (BENEFICIARIES)		–	–	150	–	–	150	(150)	-100,0%	150
THUSONG SERVICE CENTRES GRANT (SUSTAINABILITY: OPERATIONAL SUPPORT GRANT)		–	–	3 000	–	–	3 000	(3 000)	-100,0%	3 000
PROVINCIAL EMERGENCY FUNDING		150	120	120	–	120	120	–		120
WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT		135	140	140	–	140	140	–		140
Specify (Add grant description)		587	–	494	–	–	494	(494)	-100,0%	494
HUMAN SETTLEMENT DEVELOPMENT GRANT (BENEFICIARIES)		–	1 743	1 743	–	–	1 743	(1 743)	-100,0%	1 743
Specify (Add grant description)		–	–	–	–	7 901	–	7 901		–
District Municipality:		–	–	390	–	390	390	–		390
Specify (Add grant description)		–	–	390	–	390	390	–		390
Other grant providers:		399	–	316	–	832	316	516	163,2%	316
Departmental Agencies and Accounts		399	–	316	–	832	316	516	163,2%	316
Total Operating Transfers and Grants	5	7 919	164 527	175 205	469	170 775	175 205	(4 429)	-2,5%	30 479
Capital Transfers and Grants										
National Government:		37 805	27 118	25 557	–	25 166	25 557	(391)	-1,5%	25 557
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		8 718	3 774	3 774	–	3 383	3 774	(391)	-10,4%	3 774
Municipal Infrastructure Grant [Schedule 5B]		22 508	23 344	21 783	–	21 783	21 783	–		21 783
Water Services Infrastructure Grant [Schedule 5B]		6 579	–	–	–	–	–	–		–
Provincial Government:		5 600	10 350	23 350	–	9 304	23 350	(14 046)	-60,2%	23 350
Specify (Add grant description)		–	10 000	7 000	–	–	7 000	(7 000)	-100,0%	7 000
Specify (Add grant description)		–	350	350	–	350	350	–		350
EMERGENCY MUNICIPAL LOADSHEDDING RELIEF GRANT		5 600	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	16 000	–	–	16 000	(16 000)	-100,0%	16 000
HUMAN SETTLEMENT DEVELOPMENT - CAPITAL		–	–	–	–	8 954	–	8 954		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		8 914	–	–	–	–	–	–		–
Foreign Government and International Organisations		8 914	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	52 319	37 468	48 907	–	34 470	48 907	(14 437)	-29,5%	48 907
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	60 238	201 995	224 112	469	205 245	224 112	(18 867)	-8,4%	79 386

WC047 Bitou - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		2 198	148 376	150 196	423	147 663	150 196	(2 533)	-1,7%	(5 470)
Operational Revenue:General Revenue:Equitable Share		–	144 726	144 726	–	144 726	144 726	–		–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 155	1 879	1 879	469	1 879	1 879	–		(1 879)
Local Government Financial Management Grant [Schedule 5B]		1 043	1 771	2 449	(46)	1 058	2 449	(1 391)	-56,8%	(2 449)
Municipal Infrastructure Grant [Schedule 5B]		–	–	1 142	–	–	1 142	(1 142)	-100,0%	(1 142)
Provincial Government:		27 042	14 901	24 690	3 517	13 695	24 690	(10 995)	-44,5%	(24 690)
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION		9 561	9 898	9 892	987	9 611	9 892	(281)	-2,8%	(9 892)
LIBRARY SERVICES: REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPAL		434	500	998	887	887	998	(111)	-11,1%	(998)
COMMUNITY DEVELOPMENT WORKERS - OPERATIONAL		14	19	25	6	10	25	(15)	-59,3%	(25)
MUNICIPAL LIBRARY SUPPORT - OPERATIONAL		2 295	2 331	1 955	131	810	1 955	(1 145)	-58,5%	(1 955)
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT: PROVINCES (BENEFICIA		10 985	150	6 419	–	234	6 419	(6 185)	-96,4%	(6 419)
THUSONG SERVICE CENTRES GRANT (SUSTAINABILITY: OPERATIONAL SUPPORT GRA		–	–	3 000	–	–	3 000	(3 000)	-100,0%	(3 000)
PROVINCIAL EMERGENCY FUNDING		79	120	25	147	147	25	122	490,5%	(25)
WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT		135	140	140	–	122	140	(18)	-13,1%	(140)
Specify (Add grant description)		574	–	494	–	–	494	(494)	-100,0%	(494)
HUMAN SETTLEMENT DEVELOPMENT GRANT (BENEFICIARIES)		–	1 743	1 743	–	–	1 743	(1 743)	-100,0%	(1 743)
Specify (Add grant description)		2 837	–	–	1 360	1 874	–	1 874		–
Specify (Add grant description)		128	–	–	–	–	–	–		–
District Municipality:		–	–	390	–	–	390	(390)	-100,0%	(390)
Specify (Add grant description)		–	–	390	–	–	390	(390)	-100,0%	(390)
Other grant providers:		536	–	316	20	117	316	(199)	-63,0%	(316)
Departmental Agencies and Accounts		536	–	316	20	117	316	(199)	-63,0%	(316)
Total operating expenditure of Transfers and Grants:		29 775	163 277	175 592	3 959	161 475	175 592	(14 118)	-8,0%	(30 866)
National Government:		29 063	27 118	33 818	4 350	20 551	33 818	(13 267)	-39,2%	(33 818)
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		8 718	3 774	3 774	–	1 505	3 774	(2 269)	-60,1%	(3 774)
Municipal Infrastructure Grant [Schedule 5B]		13 765	23 344	30 044	4 350	19 046	30 044	(10 998)	-36,6%	(30 044)
Water Services Infrastructure Grant [Schedule 5B]		6 579	–	–	–	–	–	–		–
Provincial Government:		7 504	10 350	25 459	2 146	8 903	25 459	(16 556)	-65,0%	(25 459)
MUNICIPAL LIBRARY SUPPORT - CAPITAL		11	–	–	–	–	–	–		–
Specify (Add grant description)		–	10 000	–	–	–	–	–		–
Specify (Add grant description)		–	–	450	23	23	450	(427)	-94,9%	(450)
Specify (Add grant description)		–	–	–	1 967	7 967	–	7 967		–
Specify (Add grant description)		500	–	–	169	221	–	221		–
EMERGENCY MUNICIPAL LOADSHEDDING RELIEF GRANT		5 600	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	16 000	–	–	16 000	(16 000)	-100,0%	(16 000)
HUMAN SETTLEMENT DEVELOPMENT - CAPITAL		1 393	–	8 659	(12)	693	8 659	(7 967)	-92,0%	(8 659)
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT: PROVINCES (BENEFICIA		–	350	350	–	–	350	(350)	-100,0%	(350)
Total capital expenditure of Transfers and Grants		36 567	37 468	59 278	6 495	29 454	59 278	(29 823)	-50,3%	(59 278)
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		66 342	200 745	234 870	10 454	190 929	234 870	(43 941)	-18,7%	(90 144)

WC047 Bitou - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Q4 Fourth Quarter

Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly Actual	YearTD Actual	YTD Variance	YTD Variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

WC047 Bitou - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q4 Fourth Quarter

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 244	5 572	5 572	464	5 780	5 572	208	4%	5 572
Pension and UIF Contributions		422	836	836	47	515	836	(321)	-38%	836
Medical Aid Contributions		117	109	109	10	121	109	12	11%	109
Motor Vehicle Allowance		399	597	597	12	299	597	(299)	-50%	597
Cellphone Allowance		538	559	560	51	584	560	24	4%	560
Sub Total - Councillors		6 721	7 674	7 675	584	7 300	7 675	(376)	-5%	7 675
% increase	4		14,2%	14,2%						14,2%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 683	7 307	14 523	669	14 127	14 523	(396)	-3%	14 523
Pension and UIF Contributions		604	1 165	1 348	46	736	1 348	(613)	-45%	1 348
Medical Aid Contributions		89	182	181	4	59	181	(122)	-67%	181
Performance Bonus		478	576	493	52	700	493	207	42%	493
Motor Vehicle Allowance		376	960	882	53	618	882	(264)	-30%	882
Cellphone Allowance		227	385	316	15	218	316	(98)	-31%	316
Other benefits and allowances		12	1 761	2 011	0	1	2 011	(2 010)	-100%	2 011
Payments in lieu of leave		114	234	252	21	284	252	32	13%	252
Post-retirement benefit obligations	2	43	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		7 627	12 571	20 006	860	16 743	20 006	(3 264)	-16%	20 006
% increase	4		64,8%	162,3%						162,3%
Other Municipal Staff										
Basic Salaries and Wages		167 167	177 524	180 095	16 379	177 761	180 095	(2 334)	-1%	180 095
Pension and UIF Contributions		27 262	30 480	30 365	2 414	28 994	30 365	(1 370)	-5%	30 365
Medical Aid Contributions		18 035	29 305	28 493	1 583	18 615	28 493	(9 878)	-35%	28 493
Overtime		22 368	17 786	21 430	2 193	27 589	21 430	6 159	29%	21 430
Performance Bonus		144	138	138	12	168	138	30	22%	138
Motor Vehicle Allowance		11 223	13 364	13 383	944	10 938	13 383	(2 446)	-18%	13 383
Cellphone Allowance		1 688	1 802	1 806	146	1 719	1 806	(87)	-5%	1 806
Housing Allowances		965	1 004	1 019	75	913	1 019	(106)	-10%	1 019
Other benefits and allowances		20 669	20 325	20 232	1 749	22 891	20 232	2 659	13%	20 232
Payments in lieu of leave		2 535	5 355	5 330	483	6 508	5 330	1 178	22%	5 330
Long service awards		1 481	1 014	1 014	56	986	1 014	(28)	-3%	1 014
Post-retirement benefit obligations	2	5 166	22 394	22 285	2 022	23 172	22 285	886	4%	22 285
Sub Total - Other Municipal Staff		278 702	320 491	325 590	28 058	320 253	325 590	(5 337)	-2%	325 590
% increase	4		15,0%	16,8%						16,8%
Total Parent Municipality		293 050	340 736	353 271	29 502	344 295	353 271	(8 976)	-3%	353 271
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Sub Total - Executive members Board	2	-	-	-	-	-	-	-		-
% increase	4									
Senior Managers of Entities										
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-		-
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-		-
% increase	4									
Total Municipal Entities		-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS		293 050	340 736	353 271	29 502	344 295	353 271	(8 976)	-3%	353 271
% increase	4		16,3%	20,5%						20,5%
TOTAL MANAGERS AND STAFF		286 329	333 063	345 596	28 918	336 995	345 596	(8 601)	-2%	345 596

WC047 Bitou - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q4 Fourth Quarter

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Budget	September Budget	October Budget	November Budget	December Budget	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	1															
Cash Receipts By Source																
Property rates		12 469	14 979	12 708	15 530	15 915	15 244	16 584	16 190	14 175	15 330	14 353	27 512	163 105	173 940	185 514
Service charges - electricity revenue		18 968	14 899	20 372	17 670	16 477	13 419	16 222	32 942	18 321	14 152	13 452	27 370	218 379	229 469	297 441
Service charges - water revenue		3 724	10 589	5 353	9 456	6 251	4 609	5 574	6 206	6 345	6 838	5 596	14 729	78 064	81 662	85 419
Service charges - Waste Water Management		3 279	12 211	4 130	8 943	5 820	4 273	4 923	4 263	4 927	5 420	4 666	13 381	69 897	73 112	76 475
Service charges - Waste Mangement		2 330	7 613	2 206	5 526	3 489	2 665	2 925	3 213	2 985	3 354	3 282	8 958	52 214	51 377	54 931
Rental of facilities and equipment		83	92	128	191	46	78	74	26	(46)	90	97	213	1 943	1 952	2 086
Interest earned - external investments		264	761	1 148	667	1 131	1 124	678	597	1 613	413	451	8 108	12 325	5 200	5 326
Interest earned - outstanding debtors		1 330	3 443	1 201	1 870	1 551	552	716	813	818	843	790	1 175	3 271	2 944	2 617
Fines, penalties and forfeits		477	956	290	1 311	809	1 048	1 215	1 058	459	1 229	2 331	3 127	4 765	5 136	5 359
Licences and permits		86	250	198	106	87	70	138	117	108	90	97	165	1 965	1 344	1 405
Agency services		–	–	454	231	–	468	198	247	225	188	175	468	2 803	3 153	3 298
Transfers and Subsidies - Operational		60 874	2 240	–	–	–	53 123	796	1 228	42 763	200	9 163	0	167 745	270 154	265 575
Other revenue		(2 175)	7 574	8 003	(1 324)	9 320	17 371	(19 318)	1 282	7 027	(534)	(3 209)	112	12 179	8 415	8 803
Cash Receipts by Source		101 710	75 608	56 193	60 177	60 896	114 044	30 725	68 183	99 719	47 612	51 243	105 316	788 655	907 858	994 249
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3 420	–	–	7 620	–	350	7 916	–	8 954	6 210	–	–	48 907	59 234	45 161
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	–	10 962	–	–
Short term loans		140	58	18	20	76	56	52	(4)	30	53	–	–	19 383	14 845	21 086
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	45 150	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	31	34	–	–	–
Total Cash Receipts by Source		105 270	75 665	56 210	67 817	60 972	114 450	38 694	68 179	108 703	53 874	51 274	150 500	867 906	981 937	1 060 496
Cash Payments by Type																
Employee related costs		(219)	815	279	(51)	8 088	7 246	(319)	4 048	(162)	941	3 772	306 733	393 118	422 860	442 729
Remuneration of councillors		578	532	548	548	976	611	587	564	609	579	584	584	–	–	–
Interest		36	38	32	29	26	5 478	24	22	20	20	18	5 008	13 428	16 257	18 829
Bulk purchases - Electricity		25	29 136	18 213	11 703	14 829	13 012	16 418	15 609	12 977	14 150	15 097	14 921	201 241	214 478	235 925
Acquisitions - water & other inventory		1 229	255	1 058	64	1 112	1 768	1 013	2 764	2 050	576	2 306	2 654	19 543	22 300	21 734
Contracted services		3 121	1 978	1 297	4 207	6 106	6 406	742	8 301	3 234	4 887	6 007	19 371	96 287	143 687	140 415
Transfers and subsidies - other municipalities		–	2 717	–	–	15	1 777	80	170	890	185	–	–	–	–	–
Transfers and subsidies - other		49 928	(7 106)	(19 149)	14 874	3 056	32 928	(11 748)	9 967	21 121	16 814	650	1 376	58	–	–
Other expenditure		–	–	–	–	–	–	–	–	–	–	(10 316)	24 114	–	–	–
Cash Payments by Type		54 700	28 364	2 277	31 374	34 208	69 225	6 797	41 444	40 739	38 153	18 118	374 762	723 674	819 581	859 633
Other Cash Flows/Payments by Type																
Capital assets		–	381	3 694	6 164	12 324	5 300	1 046	9 804	3 788	11 160	12 485	36 435	–	–	–
Repayment of borrowing		540	384	391	393	117	8 311	118	121	123	122	125	8 781	–	–	–
Total Cash Payments by Type		55 240	29 129	6 362	37 932	46 649	82 835	7 961	51 369	44 650	49 435	30 727	419 977	723 674	819 581	859 633
NET INCREASE/(DECREASE) IN CASH HELD		50 030	46 536	49 848	29 885	14 323	31 615	30 732	16 810	64 053	4 440	20 547	(269 477)	144 233	162 356	200 863
Cash/cash equivalents at the month/year beginning:		95 078	145 108	191 644	241 493	271 378	285 701	317 316	348 048	364 858	428 911	433 351	453 898	95 078	239 311	401 667
Cash/cash equivalents at the month/year end:		145 108	191 644	241 493	271 378	285 701	317 316	348 048	364 858	428 911	433 351	453 898	184 421	239 311	401 667	602 530

WC047 Bitou - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Revenue										
Exchange Revenue										

WC047 Bitou - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue By Municipal Entity										
<i>Insert name of municipal entity</i>		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Total Operating Revenue	1	-	-	-	-	-	-	-		-
Expenditure By Municipal Entity										
<i>Insert name of municipal entity</i>		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Total Operating Expenditure	2	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the yr/period		-	-	-	-	-	-	-		-
Capital Expenditure By Municipal Entity										
<i>Insert name of municipal entity</i>		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Total Capital Expenditure	3	-	-	-	-	-	-	-		-

WC047 Bitou - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q4 Fourth Quarter

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	–	9 119	10 733	–	–	10 733	–	0,0%	0%
August	456	9 119	10 733	381	381	21 465	21 084	98,2%	0%
September	3	9 119	10 733	3 694	4 075	32 198	28 123	87,3%	4%
October	1 447	9 119	10 733	6 164	10 239	42 931	32 692	76,1%	9%
November	1 258	9 119	10 733	12 324	22 563	53 663	31 100	58,0%	21%
December	3 752	9 119	10 733	5 300	27 863	64 396	36 533	56,7%	25%
January	2 175	9 119	10 733	1 046	28 909	75 129	46 220	61,5%	26%
February	2 050	9 119	10 733	9 804	38 713	85 862	47 148	54,9%	35%
March	9 204	9 119	10 733	3 788	42 501	96 594	54 093	56,0%	39%
April	5 930	9 119	10 733	9 418	51 919	107 327	55 408	51,6%	47%
May	12 956	9 119	10 733	14 226	66 145	118 060	51 914	44,0%	60%
June	45 576	9 120	10 733	36 435	102 580	128 793	26 212	20,4%	94%
Total Capital expenditure	84 807	109 432	128 793	102 580					

WC047 Bitou - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		33 243	34 145	52 264	13 701	38 310	52 264	(13 954)	-26,7%	52 264
Roads Infrastructure		2 780	4 400	9 740	121	7 005	9 740	(2 735)	-28,1%	9 740
Roads		2 780	4 400	9 740	121	7 005	9 740	(2 735)	-28,1%	9 740
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		15 975	8 003	4 502	2 130	3 714	4 502	(787)	-17,5%	4 502
MV Substations		7 881	4 061	77	-	79	77	2	3,0%	77
MV Networks		6 640	3 942	4 425	2 130	3 635	4 425	(789)	-17,8%	4 425
LV Networks		499	-	-	-	-	-	-	-	-
Capital Spares		955	-	-	-	-	-	-	-	-
Water Supply Infrastructure		14 445	14 831	28 051	7 479	23 213	28 051	(4 839)	-17,2%	28 051
Pump Stations		9 802	13 731	19 192	5 426	19 172	19 192	(20)	-0,1%	19 192
Bulk Mains		2 653	-	-	-	-	-	-	-	-
Distribution		1 524	900	8 659	2 043	3 854	8 659	(4 806)	-55,5%	8 659
Capital Spares		466	200	200	10	187	200	(13)	-6,6%	200
Sanitation Infrastructure		-	6 912	9 971	3 971	4 377	9 971	(5 594)	-56,1%	9 971
Reticulation		-	4 800	4 200	504	516	4 200	(3 684)	-87,7%	4 200
Waste Water Treatment Works		-	435	5 600	3 467	3 713	5 600	(1 887)	-33,7%	5 600
Capital Spares		-	1 677	171	-	147	171	(24)	-13,9%	171
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		43	-	-	-	-	-	-	-	-
Distribution Layers		43	-	-	-	-	-	-	-	-
Community Assets		435	2 654	304	(22)	198	304	(106)	-34,8%	304
Community Facilities		435	2 654	304	(22)	198	304	(106)	-34,8%	304
Cemeteries/Crematoria		-	1 000	-	-	-	-	-	-	-
Parks		435	304	304	(22)	198	304	(106)	-34,8%	304
Public Ablution Facilities		-	1 350	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Other assets		1 906	7 985	10 167	1 851	8 898	10 167	(1 269)	-12,5%	10 167
Operational Buildings		1 906	7 985	10 167	1 851	8 898	10 167	(1 269)	-12,5%	10 167
Yards		-	3 875	5 824	1 165	5 664	5 824	(160)	-2,8%	5 824
Capital Spares		1 906	4 110	4 343	686	3 234	4 343	(1 109)	-25,5%	4 343
Housing		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Computer Equipment		3 233	1 881	1 823	630	1 316	1 823	(508)	-27,8%	1 823
Computer Equipment		3 233	1 881	1 823	630	1 316	1 823	(508)	-27,8%	1 823
Furniture and Office Equipment		81	1 064	1 070	257	294	1 070	(777)	-72,6%	1 070
Furniture and Office Equipment		81	1 064	1 070	257	294	1 070	(777)	-72,6%	1 070
Machinery and Equipment		11 296	5 368	7 737	5 224	7 080	7 737	(657)	-8,5%	7 737
Machinery and Equipment		11 296	5 368	7 737	5 224	7 080	7 737	(657)	-8,5%	7 737
Transport Assets		2 978	16 400	13 934	-	13 834	13 934	(100)	-0,7%	13 934
Transport Assets		2 978	16 400	13 934	-	13 834	13 934	(100)	-0,7%	13 934
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	53 171	69 498	87 301	21 640	69 929	87 301	17 372	19,9%	87 301

WC047 Bitou - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Q4 Fourth Quarter										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		6 387	890	1 626	116	439	1 626	(1 187)	-73,0%	1 626
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1 910	890	1 626	116	439	1 626	(1 187)	-73,0%	1 626
MV Networks		397	890	1 626	116	439	1 626	(1 187)	-73,0%	1 626
Capital Spares		1 513	-	-	-	-	-	-	-	-
Water Supply Infrastructure		2 724	-	-	-	-	-	-	-	-
Pump Stations		2 279	-	-	-	-	-	-	-	-
Distribution		445	-	-	-	-	-	-	-	-
Sanitation Infrastructure		1 753	-	-	-	-	-	-	-	-
Capital Spares		1 753	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<u>Community Assets</u>		-	-	200	-	-	200	(200)	-100,0%	200
Community Facilities		-	-	200	-	-	200	(200)	-100,0%	200
Halls		-	-	200	-	-	200	(200)	-100,0%	200
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<u>Other assets</u>		-	2 795	2 438	945	1 983	2 438	(455)	-18,7%	2 438
Operational Buildings		-	2 795	2 438	945	1 983	2 438	(455)	-18,7%	2 438
Yards		-	2 000	2 000	945	1 983	2 000	(17)	-0,8%	2 000
Capital Spares		-	795	438	-	-	438	(438)	-100,0%	438
Housing		-	-	-	-	-	-	-	-	-
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>		180	176	176	88	108	176	(69)	-38,9%	176
Computer Equipment		180	176	176	88	108	176	(69)	-38,9%	176
<u>Furniture and Office Equipment</u>		-	-	-	-	-	-	-	-	-
<u>Machinery and Equipment</u>		-	-	-	-	-	-	-	-	-
<u>Transport Assets</u>		-	-	-	-	-	-	-	-	-
<u>Land</u>		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
<u>Living resources</u>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	6 567	3 861	4 440	1 149	2 530	4 440	1 911	43,0%	4 440

WC047 Bitou - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		19 502	19 284	20 617	4 820	18 402	20 617	(2 216)	-10,7%	20 617
Roads Infrastructure		10 423	9 946	8 599	497	8 050	8 599	(548)	-6,4%	8 599
Roads		9 041	9 946	8 599	497	8 050	8 599	(548)	-6,4%	8 599
Road Structures		183	-	-	-	-	-	-	-	-
Road Furniture		1 199	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3 196	2 439	2 439	69	1 847	2 439	(592)	-24,3%	2 439
HV Switching Station		2 897	1 680	1 680	(40)	1 727	1 680	47	2,8%	1 680
MV Substations		-	759	759	108	120	759	(639)	-84,2%	759
MV Networks		299	-	-	-	-	-	-	-	-
Water Supply Infrastructure		4 047	4 357	6 796	3 182	5 872	6 796	(924)	-13,6%	6 796
Dams and Weirs		2 312	2 427	4 815	2 624	4 005	4 815	(811)	-16,8%	4 815
Boreholes		-	1 170	1 170	375	1 090	1 170	(80)	-6,9%	1 170
Water Treatment Works		1 735	740	790	170	765	790	(25)	-3,2%	790
Distribution		-	20	20	13	13	20	(7)	-37,4%	20
Sanitation Infrastructure		1 836	2 542	2 784	1 073	2 633	2 784	(151)	-5,4%	2 784
Pump Station		1 836	2 462	2 704	1 024	2 553	2 704	(151)	-5,6%	2 704
Reticulation		-	80	80	49	79	80	(1)	-1,1%	80
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets		1 864	2 003	1 793	310	938	1 793	(854)	-47,7%	1 793
Community Facilities		1 671	1 903	1 772	310	925	1 772	(846)	-47,8%	1 772
Halls		910	666	596	132	200	596	(396)	-66,4%	596
Centres		-	122	166	5	78	166	(88)	-52,9%	166
Fire/Ambulance Stations		550	795	690	148	441	690	(249)	-36,1%	690
Public Ablution Facilities		211	320	320	26	206	320	(114)	-35,6%	320
Sport and Recreation Facilities		193	100	21	-	13	21	(8)	-37,0%	21
Outdoor Facilities		193	100	21	-	13	21	(8)	-37,0%	21
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Other assets		5 448	10 387	4 477	572	1 185	4 477	(3 292)	-73,5%	4 477
Operational Buildings		5 448	10 387	4 477	572	1 185	4 477	(3 292)	-73,5%	4 477
Municipal Offices		5 448	10 262	4 427	572	1 185	4 427	(3 242)	-73,2%	4 427
Yards		-	125	50	-	-	50	(50)	-100,0%	50
Housing		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		5 907	7 021	7 786	478	4 593	7 786	(3 193)	-41,0%	7 786
Licences and Rights		5 907	7 021	7 786	478	4 593	7 786	(3 193)	-41,0%	7 786
Computer Software and Applications		5 907	7 021	7 786	478	4 593	7 786	(3 193)	-41,0%	7 786
Computer Equipment		118	180	180	7	157	180	(23)	-13,0%	180
Computer Equipment		118	180	180	7	157	180	(23)	-13,0%	180
Furniture and Office Equipment		92	226	73	-	20	73	(53)	-72,4%	73
Furniture and Office Equipment		92	226	73	-	20	73	(53)	-72,4%	73
Machinery and Equipment		1 209	1 100	1 100	537	858	1 100	(241)	-21,9%	1 100
Machinery and Equipment		1 209	1 100	1 100	537	858	1 100	(241)	-21,9%	1 100
Transport Assets		6 253	7 107	6 618	924	4 636	6 618	(1 981)	-29,9%	6 618
Transport Assets		6 253	7 107	6 618	924	4 636	6 618	(1 981)	-29,9%	6 618
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	40 393	47 306	42 643	7 648	30 790	42 643	11 853	27,8%	42 643

WC047 Bitou - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
<u>Depreciation by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		26 239	29 152	28 874	2 301	28 077	28 874	(796)	-2,8%	28 874
Roads Infrastructure		6 999	9 301	7 838	575	7 020	7 838	(818)	-10,4%	7 838
Roads		6 310	8 561	7 098	518	6 329	7 098	(770)	-10,8%	7 098
Road Structures		689	740	740	57	691	740	(49)	-6,6%	740
Storm water Infrastructure		1 146	1 239	1 239	94	1 149	1 239	(90)	-7,2%	1 239
Drainage Collection		324	343	343	27	325	343	(18)	-5,3%	343
Storm water Conveyance		822	896	896	68	824	896	(72)	-8,0%	896
Electrical Infrastructure		4 211	4 552	4 552	369	4 500	4 552	(51)	-1,1%	4 552
MV Substations		718	763	763	66	802	763	39	5,1%	763
MV Networks		1 746	1 767	1 767	150	1 836	1 767	70	4,0%	1 767
LV Networks		1 747	2 022	2 022	153	1 862	2 022	(161)	-7,9%	2 022
Water Supply Infrastructure		7 254	8 307	8 307	654	7 985	8 307	(322)	-3,9%	8 307
Boreholes		432	564	564	36	433	564	(130)	-23,1%	564
Reservoirs		1 321	1 431	1 431	130	1 584	1 431	153	10,7%	1 431
Pump Stations		1 616	2 076	2 076	163	1 993	2 076	(83)	-4,0%	2 076
Water Treatment Works		2 436	2 658	2 658	207	2 523	2 658	(135)	-5,1%	2 658
Bulk Mains		806	851	851	66	809	851	(43)	-5,0%	851
Distribution		643	728	728	53	643	728	(85)	-11,6%	728
Sanitation Infrastructure		5 251	5 521	5 521	466	5 682	5 521	161	2,9%	5 521
Pump Station		3 459	3 656	3 656	305	3 718	3 656	62	1,7%	3 656
Reticulation		873	916	916	72	875	916	(41)	-4,5%	916
Waste Water Treatment Works		602	598	598	63	771	598	174	29,1%	598
Outfall Sewers		317	351	351	26	318	351	(33)	-9,4%	351
Solid Waste Infrastructure		1 148	-	1 192	101	1 237	1 192	44	3,7%	1 192
Landfill Sites		263	-	276	22	263	276	(12)	-4,5%	276
Waste Transfer Stations		885	-	916	80	973	916	57	6,2%	916
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		229	232	225	41	504	225	280	124,5%	225
Data Centres		-	-	-	22	273	-	273	-	-
Core Layers		31	26	26	2	25	26	(1)	-4,5%	26
Distribution Layers		198	205	198	17	206	198	8	3,9%	198
<u>Community Assets</u>		2 822	3 089	3 089	237	2 895	3 089	(195)	-6,3%	3 089
Community Facilities		1 597	1 786	1 786	132	1 609	1 786	(178)	-10,0%	1 786
Halls		79	82	82	6	79	82	(4)	-4,5%	82
Centres		203	351	351	17	203	351	(148)	-42,1%	351
Clinics/Care Centres		3	3	3	0	3	3	(0)	-4,5%	3
Testing Stations		64	67	67	5	64	67	(3)	-4,5%	67
Libraries		660	694	694	54	662	694	(32)	-4,6%	694
Cemeteries/Crematoria		49	65	65	4	49	65	(15)	-23,8%	65
Public Open Space		136	101	101	12	144	101	43	42,3%	101
Public Ablution Facilities		78	82	82	6	78	82	(4)	-4,5%	82
Airports		326	342	342	27	327	342	(15)	-4,5%	342
Sport and Recreation Facilities		1 225	1 303	1 303	105	1 286	1 303	(17)	-1,3%	1 303
Outdoor Facilities		1 225	1 303	1 303	105	1 286	1 303	(17)	-1,3%	1 303
<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
<u>Investment properties</u>		1	-	-	0	1	-	1	-	-
Revenue Generating		1	-	-	0	1	-	1	-	-
Improved Property		1	-	-	0	1	-	1	-	-
<u>Other assets</u>		782	737	890	67	819	890	(71)	-8,0%	890
Operational Buildings		782	737	890	67	819	890	(71)	-8,0%	890
Municipal Offices		782	737	890	67	819	890	(71)	-8,0%	890
Housing		-	-	-	-	-	-	-	-	-
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>		1 246	1 512	1 523	80	975	1 523	(549)	-36,0%	1 523
Computer Equipment		1 246	1 512	1 523	80	975	1 523	(549)	-36,0%	1 523
<u>Furniture and Office Equipment</u>		533	506	570	32	418	570	(153)	-26,8%	570
Furniture and Office Equipment		533	506	570	32	418	570	(153)	-26,8%	570

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Machinery and Equipment		1 168	1 348	1 392	77	937	1 392	(454)	-32,7%	1 392
Machinery and Equipment		1 168	1 348	1 392	77	937	1 392	(454)	-32,7%	1 392
Transport Assets		3 604	3 714	3 721	271	3 308	3 721	(413)	-11,1%	3 721
Transport Assets		3 604	3 714	3 721	271	3 308	3 721	(413)	-11,1%	3 721
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Total Depreciation	1	36 393	40 059	40 059	3 065	37 429	40 059	2 630	6,6%	40 059

WC047 Bitou - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - Q4 Fourth Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		22 545	33 393	32 565	10 451	26 126	32 565	(6 439)	-19,8%	32 565
Roads Infrastructure		1 001	3 269	3 636	374	3 636	3 636	-		3 636
Roads		1 001	3 269	3 636	374	3 636	3 636	-		3 636
Storm water Infrastructure		4 875	6 000	2 151	398	1 213	2 151	(938)	-43,6%	2 151
Storm water Conveyance		4 875	6 000	2 151	398	1 213	2 151	(938)	-43,6%	2 151
Electrical Infrastructure		5 185	10 789	13 711	5 879	11 791	13 711	(1 919)	-14,0%	13 711
MV Networks		3 999	9 639	12 561	4 923	10 836	12 561	(1 725)	-13,7%	12 561
LV Networks		1 186	1 150	1 150	955	955	1 150	(195)	-16,9%	1 150
Water Supply Infrastructure		7 284	5 200	7 367	754	3 900	7 367	(3 468)	-47,1%	7 367
Reservoirs		271	-	-	-	-	-	-		-
Pump Stations		1 012	-	-	-	-	-	-		-
Water Treatment Works		5 727	-	-	-	-	-	-		-
Distribution		273	5 200	7 367	754	3 900	7 367	(3 468)	-47,1%	7 367
Sanitation Infrastructure		4 201	8 135	5 700	3 046	5 585	5 700	(115)	-2,0%	5 700
Pump Station		4 201	5 700	4 250	2 095	4 135	4 250	(115)	-2,7%	4 250
Reticulation		-	2 000	1 450	951	1 450	1 450	-		1 450
Outfall Sewers		-	435	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Community Assets		2 265	2 680	4 487	3 195	3 996	4 487	(491)	-10,9%	4 487
Community Facilities		1 599	250	851	213	662	851	(189)	-22,2%	851
Halls		1 599	-	601	-	449	601	(152)	-25,2%	601
Libraries		-	250	250	213	213	250	(37)	-14,9%	250
Sport and Recreation Facilities		666	2 430	3 636	2 982	3 334	3 636	(302)	-8,3%	3 636
Outdoor Facilities		666	2 430	3 636	2 982	3 334	3 636	(302)	-8,3%	3 636
Heritage assets		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Other assets		259	-	-	-	-	-	-		-
Operational Buildings		259	-	-	-	-	-	-		-
Municipal Offices		259	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Furniture and Office Equipment		-	-	-	-	-	-	-		-
Machinery and Equipment		-	-	-	-	-	-	-		-
Transport Assets		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Total Capital Expenditure on upgrading of existing assets	1	25 069	36 073	37 052	13 646	30 121	37 052	6 930	18,7%	37 052

Bitou Municipality
4th Quarter SDBIP Report 2023/24

KPI Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter ending June 2024						Overall Performance for Quarter ending September 2023 to Quarter ending June 2024		
				Target	Actual	R	Performance Comment	Corrective Measures	Target	Actual	R	
TL1	Office of the Municipal Manager	Submit the Risk Based Audit Plan (RBAP) for the 2024/25 financial year to the Audit Committee by 30 June 2024	Risk Based Audit Plan compiled and submitted to the Audit Committee	1	1	G	[D35] Chief Audit Executive: APAC resolved at the 06/05/2024 APAC meeting that the RBIAP will be circulated to the APAC for approval. This is due to the resignation of the CAE, and the subsequent development and completion of the RBIAP by the Acting CAE. (June 2024)		1	1	G	
TL2	Office of the Municipal Manager	Complete 90% of audits as scheduled in the RBAP applicable for 2023/24 by 30 June 2024 (Actual audits completed divided by the audits scheduled for the year) x100	% of audits completed	90%	99%	G2	[D36] Chief Audit Executive: Audit Committee meeting scheduled for 05/08/24. Target achieved. Reported to MM as part of the Monthly IAA Report. (June 2024)		90%	99%	G2	
TL3	Office of the Municipal Manager	Complete the annual risk assessment for 2024/25 and submit to the CAE by 31 March 2024	Risk assessment completed and submitted to the CAE	0	0	N/A			1	1	G	
TL4	Office of the Municipal Manager	Review and submit the 5th generation IDP for the 2024/25 financial year to Council by 31 May 2024	Draft IDP compiled and submitted to Council	1	1	G	[D38] Manager: IDP: Review and submit the 5th generation IDP for the 2024/25 financial year to Council by 31 May 2024 (May 2024)		1	1	G	
TL5	Office of the Municipal Manager	Conduct the Mid-year Performance Evaluations of the section 57's employees by 28 February 2024	Number of evaluations completed	0	0	N/A			1	1	G	
TL6	Office of the Municipal Manager	Conduct the Final Performance Evaluation of the section 57's employees for the 2022/23 by 30 December 2024	Number of evaluations completed	0	0	N/A			1	1	G	
TL7	Office of the Municipal Manager	Spend 95% of the municipal capital budget on capital projects by 30 June 2024 {(Actual amount spent on projects /Total amount budgeted for capital projects)x100}	% budget spent	95%	80%	O	[D41] Municipal Manager: 80% of the Capital Budget was spent. (June 2024)	[D41] Municipal Manager: Due to two Service Providers whose orders had to be cancelled due to their price increase and the next tenderer whose prices were far above the difference in their increases, The Municipal Manager considered to roll-over the unspent budget and procure the furniture in the 2024/25 Financial year and in February 2025, adjust the remaining funding towards projects that are over performing (June 2024)	95%	80%	O	
TL8	Office of the Municipal Manager	Review the Organisational Structure by 30 May 2024	Organisational Struture reviewed by 30 May 2024	1	1	G	[D42] Municipal Manager: The Organisational Structure were reviewed in Council, 28 March 2024. (May 2024)		1	1	G	
TL9	Financial Services	Provide subsidies for free basic services to indigent households as at 30 June 2024	Number of indigent households receiving subsidies for free basic services as per Financial System	4 200	5 080	G2	[D97] Manager: Revenue Services: Subsidy for free basic services to indigent households was provided (June 2024)		4 200	5 080	G2	

TL10	Financial Services	Number of residential properties with piped water which can be/or are connected to the municipal water infrastructure network and billed for the service as at 30 June 2024	Number of residential properties billed for piped water	16 615	16 605	O	[D98] Manager: Revenue Services: 16 605 Residential properties were connected and billed for water services at 30 June 2024 (June 2024)	[D98] Manager: Revenue Services: The municipality continues to build new RDP houses and private residential property is also developed throughout the year and this will increase the number of properties connected and billed for water services (June 2024)	16 615	16 605	O
TL11	Financial Services	Number of residential properties with electricity which can be/or are connected to the municipal electrical infrastructure network (credit and prepaid electrical metering and excluding Eskom areas) and billed for the service as at 30 June 2024	Number of residential properties billed credit meter and prepaid meters connected to the network	14 750	15 120	G2	[D99] Manager: Revenue Services: 15 120 Residential properties were connected and billed for electricity at June 2024 (June 2024)		14 750	15 120	G2
TL12	Financial Services	Number of residential properties with sanitation services to which can be/or are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2024	Number of residential properties which are billed for sewerage	14 872	14 913	G2	[D100] Manager: Revenue Services: 14 913 Residential properties were connected and billed for sewerage services at 30 June 2024 (June 2024)		14 872	14 913	G2
TL13	Financial Services	Number of residential properties for which refuse can be removed/ or is removed from, once per week and billed for the service as at 30 June 2024	Number of residential properties which are billed for refuse removal	14 841	15 147	G2	[D101] Manager: Revenue Services: Refuse removal for 15 147 residential properties was removed and billed for at end June 2024 (June 2024)		14 841	15 147	G2
TL14	Financial Services	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2024 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100	% of debt to revenue	20%	17.95%	B	[D58] Manager: AFS, Treasury and Accounting: As per Trial Balance Information (June 2024)		20%	17.95%	B
TL15	Financial Services	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 ((Total outstanding service debtors/ revenue received for services)X100)	% of outstanding service debtors	11.80%	14.71%	R	[D59] Manager: AFS, Treasury and Accounting: As per Trial Balance Information (June 2024)		11.80%	14.71%	R
TL16	Financial Services	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)) as per Circular 71	Number of months it takes to cover fixed operating expenditure with available cash	1.2	2.9	B	[D60] Manager: AFS, Treasury and Accounting: As per Trial Balance Information (June 2024)		1.2	2.9	B
TL17	Financial Services	Achieve a debtor payment percentage of 90% by 30 June 2024 (Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	% debtor payment achieved	90%	89.16%	O	[D61] Manager: AFS, Treasury and Accounting: As per Trial Balance Information (June 2024)		90%	89.16%	O

TL18	Corporate Services	Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan by 30 June 2024 {(Number of people from employment equity target groups	% of people employed	70%	82%	G2	[D111] Director: Corporate Services: Total post filled 44, top management- 3, senior management- 2 & professional- 31 = 36 (June 2024)		70%	82%	G2
TL19	Corporate Services	Spend 0.20% of operational budget on training by 30 June 2024 {(Actual total training expenditure divided by total operational budget)x100}	% budget spent	0.20%	0.27%	G2	[D135] Director: Corporate Services: Training report will be tabled in council in July 2024. The last training report was submitted in May 2024. (June 2024)	[D135] Director: Corporate Services: Report will be submitted to Council in July 2024. (June 2024)	0.20%	0.27%	G2
TL20	Corporate Services	Review the "System of Operational Delegations" and submit to Council by 30 June 2024	System of operational delegations submitted to Council	1	0	R	[D151] Senior Manager Legal Services: The review of Delegations still in process (June 2024)	[D151] Senior Manager Legal Services: Review of Delegations still in process (June 2024)	1	0	R
TL21	Corporate Services	Spend 95% of the allocated capital budget for ICT by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% of budget spent	95%	96%	G2	[D155] Manager Information Communication Technology: Expensed over 95% (June 2024)	[D155] Manager Information Communication Technology: None (June 2024)	95%	96%	G2
TL22	Corporate Services	Spend 95% of the allocated capital budget for the back-up power and solar project by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% of budget spent	95%	96%	G2	[D156] Manager Information Communication Technology: MTREF Expenditure Report (June 2024)	[D156] Manager Information Communication Technology: None (June 2024)	95%	96%	G2
TL23	Corporate Services	Review the HR Strategy and Plan and submit to Council by 30 May 2024	HR Strategy and Plan reviewed and submitted to Council by 30 May 2024	1	0	R	[D136] Manager HR Administration: HR Strategy was not reviewed due to capacity constraints. (May 2024)	[D136] Manager HR Administration: HR Strategy will be reviewed and workshopped before or by no later than 30 June 2025. (May 2024)	1	0	R
TL24	Corporate Services	Develop and submit a Talent Management Framework to Council by 31 March 2024	Talent Management Framework developed submitted to Council by 31 March 2024	0	0	N/A	[D137] Manager HR Administration: Policy still in draft format and not yet finalized HRM are in process to development various policies which include the Talent Management Framework Policy, it is anticipated that the policies will be finalized by 30 June 2024. (June 2024)	[D137] Manager HR Administration: Policy still in draft format and not yet finalized HRM are in process to development various policies which include the Talent Management Framework Policy, it is anticipated that the policies will be finalized between August and September 2024 (June 2024)	1	0	R
TL25	Engineering Services	Limit unaccounted for water to less than 30% by 30 June 2024 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100}	% water losses	35%	37.89%	R	[D242] Manager: Water & Quality Control: Target not met. (June 2024)	[D242] Manager: Water & Quality Control: Work in progress with upgrading of both Plett and Kurland water treatment works (June 2024)	35%	37.89%	R
TL26	Engineering Services	Limit unaccounted for electricity to less than 12% as at 30 June 2024 {(Number of units purchased - Number of units Sold (incl free basic electricity) / Number of units purchased) X100}	% unaccounted electricity	12%	11.64%	B	[D243] Manager Electrical & Energy Services: Target achieved (June 2024)	[D243] Manager Electrical & Energy Services: Not Applicable (June 2024)	12%	11.64%	B
TL27	Engineering Services	Spend 95% of the approved capital budget for Waste Water services by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}(excluding Fleet)	% budget spent	95%	75%	O	[D244] Manager: Water & Quality Control: 75 % of Sewer Capital budget spend (June 2024)	[D244] Manager: Water & Quality Control: Unspent grant funding resorting under Humans Settlements not spend .EBENEZER (PHASE 3, PORTION 1): NEW SEWER - R 1,1170m QOLWEN/ BOSSIESGIF PHASE 4B: UPGRADING OF SEWER - R 2,450m (June 2024)	95%	75%	O

TL28	Engineering Services	Spend 95% of the approved capital budget for Electrical & Mechanical services by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}(excluding Fleet)	% budget spent	95%	78%	O	[D245] Manager Electrical & Energy Services: This was capture from an interim expenditure report from finance, but this is not the final figure as we are aware that finance is still capturing invoices (June 2024)	[D245] Manager Electrical & Energy Services: Not Applicable (June 2024)	95%	78%	O
TL29	Engineering Services	Spend 95% of the approved capital budget for Water services by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100} (excluding Fleet)	% budget spent	95%	84%	O	[D246] Manager: Water & Quality Control: 84% of Water Capital budget spend (June 2024)	[D246] Manager: Water & Quality Control: Grant funding allocated to Human Settlements Department not spend BOSSIESGIF: NEW WATER (PH4A) - R 1,082m QOLWENI/BOSSIESGIF PHASE 4B: UPGRADING OF WATER - R 1,233m KURLAND: UPGRADE WTW - R 2,167m for WSiG to be rolled over to new fin year (June 2024)	95%	84%	O
TL30	Engineering Services	Spend 95% of the approved capital budget for Roads & Storm Water services by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}(excluding Fleet)	% budget spent	95%	85%	O	[D247] Manager Roads, Transport and Stormwater Maintenance: Expenditure to date (June 2024)	[D247] Manager Roads, Transport and Stormwater Maintenance: The outstanding balance is in line with the activities that will be implemented in the next financial year. The balance will be roll-over (June 2024)	95%	85%	O
TL31	Engineering Services	Spend 100% of MIG Funding allocation by 30 June 2024 {(Total actual MIG expenditure /Total MIG amount budgeted)x100}	% budget spent	100%	99.90%	O	[D248] Manager Programme Management: 99.9% of MIG Funds was spend. Savings were incurred on H&S costs and Computer Equipment. (June 2024)	[D248] Manager Programme Management: None required. Retention for V & E Reticulation to be provided and has tentatively been included as part of the report see line 181. (June 2024)	100%	99.90%	O
TL32	Engineering Services	Spend 95% of the allocated capital budget for Fleet Management by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	94%	O	[D249] Manager Programme Management: The savings incurred on some of the vehicles are unavoidable and section realized value for money. (June 2024)	[D249] Manager Programme Management: items nonrelated to vehicles and plant should not be budget for under Fleet management -i.e Compaction bins -Waste management (June 2024)	95%	94%	O
TL33	Engineering Services	Conduct 700 potential electricity theft investigations annually by 30 June 2024	Number of inspections conducted	175	1 741	B	[D250] Manager Electrical & Energy Services: Target Achieved (June 2024)	[D250] Manager Electrical & Energy Services: No corrective measure required (June 2024)	700	4 053	B
TL34	Engineering Services	Spend 95% of the budget allocated for the upgrade of the Kurland WTW (from 0.6ml to1.2ml) by 30 June 2024{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	53%	R	[D251] Manager Programme Management: Civil construction underway and progressing well. Project budget was adjusted thus the low percentage. (June 2024)	[D251] Manager Programme Management: Roll Over has been requested, confirmation pending. (June 2024)	95%	53%	R
TL35	Engineering Services	Spend 95% of the budget allocated for the Plett WTW New Clear Water Pumpstation by 30 June 2024{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	99.90%	G2	[D252] Manager Programme Management: Minor Saving on H&S Fees. Saving can change, subject to finalization of year end creditor payments (June 2024)	[D252] Manager Programme Management: Minor Saving on H&S Fees. Saving can change, subject to finalization of year end creditor payments (June 2024)	95%	99.90%	G2
TL36	Engineering Services	Spend 95% of the budget allocated for the electrification of informal settlements(Bossiesgif, Qolweni and Kurland) by 30 June 2024{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	0%	0%	N/A			95%	22%	R

TL37	Engineering Services	Spend 95% of the allocated capital budget for the Keurbooms upgrade of electrical network by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	93%	O	[D254] Manager Electrical & Energy Services: This was capture from an interim expenditure report from finance, but this is not the final figure as we are aware that finance is still capturing invoices (June 2024)	[D254] Manager Electrical & Energy Services: Not Applicable (June 2024)	95%	93%	O
TL38	Engineering Services	Spend 95% of the allocated capital budget for the Brakkloof new 20MVA 66/11KV TRF by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	0%	R	[D255] Manager Electrical & Energy Services: Adjustment budget shifted to outer year (June 2024)	[D255] Manager Electrical & Energy Services: Professional Service Provider to be appointed as Employee Representative. (June 2024)	95%	0%	R
TL39	Engineering Services	Spend 95% of the allocated capital budget for the electrification of 204 households for Ebenezer Phase A by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	86%	O	[D256] Manager Electrical & Energy Services: This was capture from an interim expenditure report from finance, but this is not the final figure as we are aware that finance is still capturing invoices (June 2024)	[D256] Manager Electrical & Energy Services: Not Applicable (June 2024)	95%	86%	O
TL41	Engineering Services	Spend 95% of the allocated capital budget for the security fencing of the waste water plant by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	97%	G2	[D258] Manager: Water & Quality Control: 97% of allocated budget spend on security fencing Budget = R 5 224 000-00 Exp = R 5 065 492,39 (June 2024)	[D258] Manager: Water & Quality Control: Non required (June 2024)	95%	97%	G2
TL42	Engineering Services	Spend 95% of the allocated capital budget for the upgrade of all gravel roads in Kranshoek with surfacing by 30 June 2024 {(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	95%	100%	G2	[D259] Manager Electrical & Energy Services: Full project budget spent (June 2024)	[D259] Manager Electrical & Energy Services: No corrective measure required (June 2024)	95%	100%	G2
TL43	Community Services	Review and submit the Disaster Management Plan to Council by 31 May 2024	Disaster Management Plan reviewed and submitted to Council	1	1	G	[D212] Manager: Disaster Management: Plan submitted for comment (May 2024)	[D212] Manager: Disaster Management: none (May 2024)	1	1	G
TL46	Community Services	Spend 95% of the allocated capital budget for the upgrade of Kranshoek Sportfield floodlights by 30 June 2024{(Total actual capital expenditure /Total capital amount budgeted)x100}	% of budget spent	95%	95%	G	[D215] Superintendent: Parks and Recreation: In progress (June 2024)	[D215] Superintendent: Parks and Recreation: Contractor appointed (June 2024)	95%	95%	G
TL47	Development and Planning	Submit the reviewed Spatial Development Framework (SDF) to Council by 31 May 2024	Spatial Development Framework (SDF) submitted to Council	1	1	G	[D281] Manager: Building Control: The SDF was submitted and approved by council on Friday, 24 May. (May 2024)		1	1	G
TL48	Development and Planning	Review the LED Chapter (2024/25) and submit to Council for consideration by 31 May 2024	Reviewed LED Chapter submitted to Council	1	0	R	[D282] Manager: LED and Tourism: No funding was available to appoint a services provider to update of above, there was no internal capacity and competency to develop the said document inhouse. (June 2024)	[D282] Manager: LED and Tourism: External funding will be sourced in the new financial year (June 2024)	1	0	R
TL49	Development and Planning	Review the LED Chapter Implementation Plan (2024/25) and submit to Council for consideration by 30 June 2024	Reviewed LED Chapter Implementation Plan submitted to Council	1	0	R	[D283] Manager: LED and Tourism: No funding was available to appoint a service provider to develop/update the LED Chapter Implementation Plan, there was no internal capacity and competency to develop the said documents inhouse. (June 2024)	[D283] Manager: LED and Tourism: External funding will be sourced in the new financial year (June 2024)	1	1	G

TL50	Development and Planning	Create 225 job opportunities in terms of the EPWP by 30 September 2024	Number of job opportunities created	57	0	R	[D284] Manager: LED and Tourism: 225 beneficiaries added to the EPWP (June 2024)	[D284] Manager: LED and Tourism: Email instruction to change actual recieved from L Jansen on 24/07/2024 (June 2024)	225	320	G2
TL51	Development and Planning	Review and submit the Housing pipeline to Council by 31 May 2024	Housing pipeline reviewed and submitted to Council	1	1	G	[D285] Manager: Human Settlements: Item to Council submitted (April 2024) [D285] Manager: Human Settlements: Housing Pipeline has been drawn up and approved by Council (May 2024) [D285] Manager: Human Settlements: Completed and submitted to Council (June 2024)	[D285] Manager: Human Settlements: Not Applicable (April 2024)	1	100	B

Overall Summary of Results

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	9
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	11
G	KPI Met	Actual meets Target (Actual/Target = 100%)	10
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	13
B	KPI Extremely Well Met	150.000% <= Actual/Target	5
Total KPIs:			48

Report generated on 29 July 2024 at 10:04.

SECTION 3
CORPORATE SERVICES

Section 3: Corporate Services

ITEM C/3/214/07/24

NOMINATION OF POLITICAL REPRESENTATIVE AND SECONDI TO THE PROVINCIAL SALGA WOMENS COMMISSION

Portfolio Comm: Finance & Corporate Services

File Ref: 12/2/1/3/1

Demarcation: All Wards

Delegation: Council

Attachments: Annexure A: Council Resolution C/3/17/11/21

Report by: Acting Director Corporate Services

Author: Acting Manager: Administration

Date: 29 July 2024

Purpose of the report

To review the representative and secondi representing the municipality on the Provincial SALGA Women's Commission (SWC).

Background

Council resolved per Resolution C/3/17/11/21 as follows:

- "1. That Councillor N Ndayi be nominated as the representative representing Bitou Local Municipality on the Provincial SALGA Women's Commission.*
- 2. That Councillor M A M Botha be nominated as a secondi Representative representing Bitou Local Municipality on the SALGA Women's Commission."*

Subsequent to the above resolution, both Councillors have since resigned as Councillors of Bitou Municipal Council.

SALGA has now requested information regarding the representative and secondi to the Provincial SALGA Women's Commission.

RECOMMENDED BY THE ACTING MUNICIPAL MANAGER

1. That Councillor _____ be nominated to be elected the representative representing Bitou Local Municipality on the Provincial SALGA Women's Commission.
2. That Councillor _____ be nominated to be elected as the secondi to the elected representative representing Bitou Local Municipality on the Provincial SALGA Women's Commission.

EXTRACT FROM THE CONFIRMED MINUTES OF THE ORDINARY COUNCIL MEETING OF BITOU LOCAL MUNICIPALITY HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON TUESDAY, 30 NOVEMBER 2021 AT 9H05

“

Resolution C/3/17/11/21

NOMINATION OF POLITICAL REPRESENTATIVE TO THE PROVINCIAL SALGA WOMENS COMMISSION

Department: Corporate Services

Demarcation: All Wards

Delegation: Council

File Ref: 12/2/1/3/1

Resolved

1. That Councillor N Ndayi be nominated as the representative representing Bitou Local Municipality on the Provincial SALGA Women's Commission.
2. That Councillor M A M Botha be nominated as a secondi Representative representing Bitou Local Municipality on the SALGA Women's Commission.

Proposed: Councillor S E Gcabayi

Seconded: Councillor J N Kam Kam

FOR EXECUTION: Director Corporate Services