



Bitou Local Municipality  
Bitou Plaaslike Munisipaliteit  
Umasipala WeBitou

# **MAYORAL COMMITTEE MEETING**

Venue: Council Chambers, Municipal  
Offices, Sewell Street, Plettenberg Bay

**Date: 24 OCTOBER 2024**

**Time: 09h00**



## **BITOU LOCAL MUNICIPALITY**

21 October 2024

**Members of the Mayoral Committee  
Acting Municipal Manager  
Directors and acting Directors**

### **MAYORAL COMMITTEE MEETING: THURSDAY, 24 OCTOBER 2024 AT 9h00**

**NOTICE** is hereby given that a Mayoral Committee Meeting will be held in the **Council Chamber, Municipal Offices, Sewell Street, Plettenberg Bay** on **THURSDAY, 24 OCTOBER 2024 at 9h00**, to consider the business set forth in the Agenda.

Yours faithfully

**J N KAMKAM**  
**EXECUTIVE MAYOR**

### **Constitution of the Mayoral Committee:**

The Deputy Executive Mayor, Councillor N P Kolwapi  
Member of the Mayoral Committee, Councillor W J Nel  
Member of the Mayoral Committee, Councillor A R Olivier

# **Bitou Local Municipality**

## **Mayoral Committee Agenda**

**24 October 2024**

### **Order of Business**

1. **OPENING**

2. **ATTENDANCE**

The Attendance registers will be circulated at the meeting.

3. **APPLICATION FOR LEAVE OF ABSENCE**

Application for leave of absence, if necessary, will be considered.

4. **DECLARATION OF INTEREST**

5. **CONFIRMATION OF MINUTES**

5.1 **Minutes of the Mayoral Committee Meeting: 2 October 2024**

Minutes circulated herewith.

6. **COMMUNICATION BY THE EXECUTIVE MAYOR**

7. **PRESENTATIONS**

None

8. **ITEMS FOR INFORMATION WHICH HAVE BEEN DEALT WITH BY THE PORTFOLIO COMMITTEES IN TERMS OF DELEGATED AUTHORITY**

Circulated herewith.

9. **NOTING OF OUTSTANDING MAYCO RESOLUTIONS**

None



**10. CONSIDERATION OF REPORTS (OPEN)**

**Section 1: Office of the Municipal Manager**  
Schedule of Items attached

**Section 2: Directorate Financial Services**  
Schedule of Items attached

**Section 3: Directorate Corporate Services**  
Schedule of Items attached

**Section 4: Directorate Community Services**  
Schedule of Item attached

**Section 5: Directorate Engineering Services**  
Schedule of Item attached

**Section 6: Directorate Economic Development and Planning**  
Schedule of Items attached

**11. IN-COMMITTEE MATTERS**

**11.1 Confirmation of In-Committee Minutes**  
Circulated separately as an Addendum

**11.2 In-Committee Items**  
Circulated separately as an Addendum

**12. RECORDING OF COUNCILLORS PRESENT**

**13. CLOSURE**



## **5.CONFIRMATION OF MINUTES**

**MINUTES OF THE MAYORAL COMMITTEE MEETING OF BITOU LOCAL MUNICIPALITY HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON WEDNESDAY, 02 OCTOBER 2024 AT 9H05**

**1. OPENING**

The Executive Mayor, Councillor J N Kamkam welcomed everyone present at **9h05** and requested N P Kolwapi to opened with prayer.

**2. ATTENDANCE**

As per attached attendance register.

**3. APPLICATION FOR LEAVE OF ABSENCE**

None

**4. DECLARATION OF INTEREST**

None

**5. CONFIRMATION OF MINUTES**

None

**6. COMMUNICATIONS BY THE EXECUTIVE MAYOR**

None

**7. PRESENTATIONS**

None

**8. ITEMS FOR INFORMATION WHICH HAVE BEEN DEALT WITH BY THE PORTFOLIO COMMITTEES IN TERMS OF DELEGATED AUTHORITY**

That the Items for information which have been dealt with by the Portfolio Committees on 20 June 2024 and 17 July 2024, respectively be **NOTED**.

**FOR INFORMATION**

**9. NOTING OF OUTSTANDING / PARTIALLY IMPLEMENTED MAYCO RESOLUTIONS**

None

**10. CONSIDERATION OF REPORTS (OPEN)****Section 1: Office of the Municipal Manager**

No Items for consideration

**Section 2: Financial Services**

Recommendation C/2/223/08/24

**COST CONTAINMENT REPORT FOR THE QUARTER ENDING 30 JUNE 2024**

**Portfolio Comm:** Finance & Corporate Services

**Demarcation:** All Wards

**File Ref:** 9/1/3/4

**Delegation:** Council

**Recommended by the Executive Mayor**

That Council take note of cost containment report for the quarter ending 30 June 2024.

**Proposed:** Councillor W J Nel

**Seconded:** Councillor A R Olivier

For execution refer to Council resolution

Recommendation C/2/224/08/24

**REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY TO THE COUNCIL FOR THE 2023/24 FINANCIAL YEAR**

**Portfolio Comm:** Finance & Corporate Services

**Demarcation:** All Wards

**File Ref:** 8/1/5/5/2

**Delegation:** Council

**Recommended by the Executive Mayor**

1. That Council consider and take note of the annual Supply Chain Management implementation report for the period 1 July 2023 to 30 June 2024.
2. That the report be made public in accordance with section 21A of the Municipal Systems Act.

**Proposed:** Councillor W J Nel

**Seconded:** Councillor N P Kolwapi

For execution refer to Council resolution

**Resolution M/2/228/09/24****REVENUE MANAGEMENT REPORT – JULY 2024****Portfolio Comm.:** Finance & Corporate Services**File Ref:** 9/1/3/4**Demarcation:** All Wards**Delegation:** MayCo**Resolved**

1. That the Revenue Management Report for the month of July 2024, be noted.
2. That it be noted that the collection rate of 91% has been achieved for July 2024.
3. That it be noted that the amount of R 12,983 has been written off as bad debt in the 50% settlement discount program and an amount of R 21,719 collected in the month of July 2024.

**Proposed:** Councillor A R Olivier**Seconded:** Councillor W J Nel**FOR INFORMATION:** Manager Revenue Services**Resolution M/229/09/24****REVENUE MANAGEMENT REPORT – AUGUST 2024****Portfolio Comm.:** Finance & Corporate Services**File Ref:** 9/1/3/4**Demarcation:** All Wards**Delegation:** MayCo**Resolved**

1. That the Revenue Management report for the month of August 2024, be noted.
2. That it be noted that the amount of R 655,855 has been written off as bad debt in the 50% settlement discount program and an amount of R 955,535 collected in the month of August 2024.
3. That a comprehensive report relating to the indigent processes be submitted to the next meeting.
4. That an implementation strategy be developed for the introduction of the smart metering system, taking into account all previous resolutions taken in this regard.

**Proposed:** Councillor W J Nel**Seconded:** Councillor A R Oliver**EXECUTION:** Manager Revenue Services  
**cc.** Acting Director Financial Services

**Resolution M/2/231/09/24****SECTION 71 REPORT FOR THE MONTH OF AUGUST 2024****Portfolio Comm:** Finance & Corporate Services**File Ref:** 9/1/3/4**Demarcation:** All Wards**Delegation:** MayCo**Resolved**

That the Section 71 report for the month ended 31 August 2024, be **NOTED**.

**Proposed:** Councillor W J Nel**Seconded:** Councillor A R Oliver**FOR INFORMATION:** Manager Budget and Reporting**Section 3: Corporate Services****Recommendation C/3/23/08/24****OCCUPATIONAL HEALTH & SAFETY ACTIVITIES REPORT FOR THE MONTH OF JUNE & JULY 2024****Portfolio Comm:** Finance & Corporate Services**File Ref:** 5/10/4**Demarcation:** All Wards**Delegation:** Council**Recommended by the Executive Mayor**

1. That the occupational health & safety activities report for the months of June & July 2024, be noted.
2. That it be noted with concern that very little progress has been made with addressing the health and safety concern/issues raised in the report.
3. That it be noted that the report lacks detail in respect of the challenges that meter readers are facing.

**Proposed:** Councillor A R Olivier**Seconded:** Councillor N P Kolwapi

For execution refer to Council resolution

**Recommendation C/3/228/09/24****INFORMATION COMMUNICATION TECHNOLOGY(ICT) QUARTERLY ACTIVITY  
REPORT: 4<sup>th</sup> QUARTER APRIL 2024 THROUGH JUNE 2024****Portfolio Comm:** Finance and Corporate Services**File Ref:** 9/1/3/3**Demarcation:** All Wards**Delegation:** Council**Recommended by the Executive Mayor**

That the Council take note of Continued oversight and support from Directors and continual improvement of the Security Awareness Program which is aimed at increasing the security awareness posture of all employees.

**Proposed:** Councillor A R Olivier**Seconded:** Councillor W J Nel**For execution refer to Council resolution****Section 4: Community Services****Recommendation C/4/212/08/24****REPORT ON INSTITUTE FOR MUNICIPAL PUBLIC SAFETY OF SOUTHERN  
AFRICA (IMPS-SA) MINI CONFERENCE MAY 2024 AT MBOMBELA JUNE 2024****Portfolio Comm:** Engineering & Community Services**File Ref:** 12/2/1/2/14**Demarcation:** All Wards**Delegation:** Council**Recommended by the Executive Mayor**

1. That the report on the Institute for Municipal Public Safety of Southern Africa (IMPSA) mini-Conference, be noted.
2. That an assessment be conducted of Bitou's maturity level in respect of the recommendations that were made at the conference.
3. That a feedback report be submitted to Section 80 Committees/Council to the proposals discussed at IMSA and the aligning these proposals within the department.
4. That it be noted that going forward, reports on conference attendance be aimed at informing Council on the value-adding lessons learnt at such conferences and what can be implemented / adopted as best practices in the municipality.

**Proposed:** Councillor A R Olivier**Seconded:** Councillor N P Kolwapi**For execution refer to Council resolution**

**Recommendation C/4/217/08/24**

**FIRE & RESCUE SERVICES: 24 HOUR SERVICE IMPLEMENTATION**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 1/3/1

**Demarcation:** All Wards  
**Delegation:** Council

**Recommended by the Executive Mayor**

1. That the report via Community Services Fire and Rescue Section reporting on shift implementation, be noted.
2. That Council approves the implementation of the shifts on permanent basis to maintain and develop service to standards.
3. That the financial implications be included in the report prior to tabling it for Council consideration.

**Proposed:** Councillor A R Olivier  
**Seconded:** Councillor W J Nel

For execution refer to Council resolution

**Resolution € M/4/219/09/24**

*The item changed from a C Item to an M Item.*

**APPLICATION TO LEASE MUNICIPAL BUILDING SITUATED ON R/2101, CNR MARINE & SEA WITCH AVENUE PLETTENBERG BAY FOR A PERIOD OF 9 YEARS AND 11 MONTHS TO NATIVE ROOTS COMMUNITY DEVELOPMENT**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 7/1/3

**Demarcation:** All Wards  
**Delegation:** Council

**Resolution by the Executive Mayor**

That the item be REFERRED BACK for it to be corrected and resubmitted.

**Proposed:** Councillor A R Olivier  
**Seconded:** Councillor W J Nel

**FOR EXECUTION:** Manager Facilities Management and Maintenance  
Cc Acting Director Community Services

**Recommendation C/4/220/09/24****COMMUNITY FIRE SAFETY BY-LAW**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/4/2

**Demarcation:** All Wards  
**Delegation:** Council

**Recommended by the Executive Mayor**

1. That Council notes the content of the report
2. That Council notes the comments received by fire safety stakeholders as highlighted in red in the Community Fire Safety by-law
3. That Council adopts the Community Fire Safety by-law for promulgation in the Government Gazette

**Proposed:** Councillor A R Olivier  
**Seconded:** Councillor N P Kolwapi

For execution refer to Council resolution

**Section 5: Engineering Services****Recommendation C/5/160/08/24****CAPITAL PROJECTS IMPLEMENTATION PLAN (CPIP): MONTHLY PROGRESS REPORT FOR PERIOD ENDING JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 5/7/1/12

**Demarcation:** All Wards  
**Delegation:** Council

**Recommended by the Executive Mayor**

1. That Council takes cognizance of the Capital Projects Implementation Plan (CPIP) for the period ending July 2024.
2. That it be noted that the CPIP financial implication was incomplete, and did not contain any detail.

**Proposed:** Councillor A R Olivier  
**Seconded:** Councillor N P Kolwapi

For execution refer to Council resolution



**Recommendation C/5/161/09/24**

**CAPITAL PROJECTS IMPLEMENTATION PLAN (CPIP): MONTHLY PROGRESS REPORT FOR PERIOD ENDING AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services

**File Ref:** 5/7/1/12

**Demarcation:** All Wards

**Delegation:** Council

**Recommended by the Executive Mayor**

1. That the Capital Projects Implementation Plan (CPIP) for the period ending August 2024 be noted.
2. That the Municipal Manager **report back on how the supply chain management section's challenges has been addressed** and with specific reference to the lapsing of the validity period of tenders.

**Proposed:** Councillor A R Olivier

**Seconded:** Councillor Kolwapi

**For execution refer to Council resolution**

**Section 6: Economic Development and Planning**

**Recommendation C/6/154/09/24**

**TO NOMINATE AND ASSIGN OFFICIALS IN ORDER TO CONSTITUTE THE BITOU EVENTS COMMITTEE**

**Portfolio Comm:** Strategic Services and Office of the MM

**File Ref:** 9/1/3/6

**Demarcation:** All Wards

**Delegation:** Council

**Recommended by the Executive Mayor**

1. That the Municipal Manager **be granted** the authority to appoint dedicated officials to serve on the Events Committee from the following sections as well as other stakeholders be invited
  - a) *Law Enforcement*
  - b) *Fire*
  - c) *Disaster Management*
  - d) *Parks*
  - e) *Beach Management*
  - f) *Building Control (where temporary constructions like stages - must be signed off)*
  - g) *Town Planning (where land use management is applicable)*
  - h) *Waste (if and when required – seasonal)*

*Other stakeholders:*

- a) *SAPS*
- b) *Plett Tourism Voluntary Association*
- c) *Paramedics and Ambulance services (if required)*

2. That Terms of Reference be drafted for the Events committee and be submitted for Council approval at its next meeting.
3. That the events committee be tasked to consider and recommend feasible and compliant events to the Director: Planning and Development for support and the Municipal Manager for approval.
4. That a Local Events Permitting Policy be drafted and submitted for Council approval in due course.
5. That a workshop be arranged with internal stakeholders on (2) and (4) above.

**Proposed:** Councillor A R Olivier

**Seconded:** Councillor W J Nel

**For execution refer to Council resolution**

**Recommendation C/6/155/09/24**

**EBENEZER PORTION 20 TWENTY-FIVE (25) FIRST HOME FINANCE**

**Portfolio Comm:** Strategic Services & Office of the MM

**File Ref:** 17/6/3/10

**Demarcation:** Ward4

**Delegation:** Council

**Recommended by the Executive Mayor**

1. That the Council take cognizance and approve the disposal strategy of the twenty-five (25) serviced sites.
2. That the Council take note of the commitment received from Provincial Department of Infrastructure, Annexure B.
3. That the Council approves waiving of augmentation fees and connection fees for water, sewer and electricity. The costs to be waived amount to R2,647,078.50 (VAT Excl.), which amounts to R72,130.12 (VAT Excl.) per erf.
4. That the selling value of the First Home Finance be reduced from R550,000.00 by R72,130.12 to R478,000.00

**Proposed:** Councillor N P Kolwapi

**Seconded:** Councillor A R Olivier

**For execution refer to Council resolution**

**11. IN-COMMITTEE MATTERS**

**11.1 Confirmation of In-Committee Minutes**

None

**11.2 In-Committee Items**

Circulated separately as an Addendum

**12. RECORDING OF COUNCILLORS PRESENT**

Mayoral Committee members recorded their presence in the following order during the In-Committee MayCo session;

Councillor A R Olivier, Councillor N P Kolwapi , Councillor D J Nel and J N Kamkam.

**13. CLOSURE**

The Executive Mayor closed the Open meeting at **12h20**. The In-Committee session convened at **12h34** and closed at **13h05**.

**CONFIRMED AND SIGNED**

**SIGNATURE:**

\_\_\_\_\_  
**The Executive Mayor: Councillor J N Kamkam**





**DATE:**

\_\_\_\_\_

**ATTENDANCE REGISTER: MAYORAL COMMITTEE**

**BITOU LOCAL MUNICIPALITY**

**MAYORAL COMMITTEE MEETING HELD IN THE COUNCIL CHAMBER,  
MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON WEDNESDAY,  
02 OCTOBER 2024 AT 09H00**

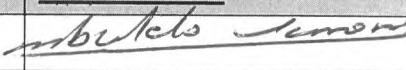
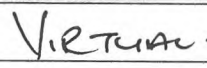

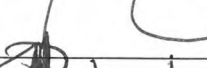

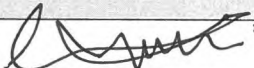
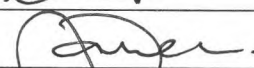
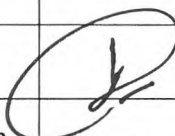


<b><u>NAME</u></b>	<b><u>SIGNATURE</u></b>
COUNCILLOR J N KAMKAM (EXECUTIVE MAYOR)	
COUNCILLOR N P KOLWAPI (DEPUTY EXECUTIVE MAYOR)	
COUNCILLOR W J NEL	
COUNCILLOR A R OLIVIER	
<b>NON – MEMBERS</b>	<b>SIGNATURE</b>
COUNCILLOR M P BUSAKWE(SPEAKER)	
COUNCILLOR S E GCABAYI	
COUNCILLOR S A MANGXABA	
COUNCILLOR T MHLANA	
COUNCILLOR H MITCHELL	
COUNCILLOR N T SETI	
COUNCILLOR D J SWART	
COUNCILLOR C N-J TERBLANCHE	
COUNCILLOR R WILLEMSE	

# ATTENDANCE REGISTER

## BITOU LOCAL MUNICIPALITY

MAYORAL COMMITTEE MEETING HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON WEDNESDAY, 02 OCTOBER 2024 AT 09H00

### OFFICIALS

<u>DESIGNATION</u>	<u>NAME</u>	<u>SIGNATURE</u>
Acting Municipal Manager	Mr M Memani	
<b>DIRECTORS</b>		
Acting Director: Financial Services	Mr F Lötter	
Director: Corporate Services	Mr L Loliwe	
Acting Director: Economic Development and Planning /Manager Town Planning	Mr B Ngubo	
Acting Director: Community Services	Mr S Vandala	
Director: Engineering Services	V Felton	
<b>MANAGERS</b>		
Manager Administration	Ms T Wildeman	
<del>Head</del> <sup>Services.</sup> Principal Committee Officer	Ms J Jansen	
Committee Clerk	Ms T Mpembe	
Acting Senior Manager Governance and Compliance	Mr A Paulse	
Manager: Speaker's Office	Mr M James	
Manager Communication & Customer Relations	Mr A Namntu	
Manager: Executive Mayor	Mr S Liwani	
Manager: Deputy Mayor Office	Mr V Thomas	
<del>Acting</del> Chief Audit Officer	Mr C Koeberg	
Chief Risk Officer	Mrs C Van Staden	
Manager: Legal Services	A. Coetzee	
Manager: ITS	F. Maki	

**8.**

**ITEMS FOR INFORMATION  
WHICH HAVE BEEN DEALT WITH  
BY THE PORTFOLIO  
COMMITTEES IN TERMS OF  
DELEGATED AUTHORITY**

8. **ITEMS FOR INFORMATION, WHICH HAVE BEEN DEALT WITH BY  
THE PORTFOLIO COMMITTEES IN TERMS OF DELEGATED  
AUTHORITY**

**STRATEGIC SERVICES & OFFICE OF THE MUNICIPAL MANAGER  
PORTFOLIO COMMITTEE MEETING HELD 17 SEPTEMBER 2024**

**Section 1: Office of the Municipal Manager**

No items for consideration

**Section 6: Strategic Services**

Resolution PC/6/152/09/24

**PLANNING & BUILDING CONTROL: MONTHLY REPORT: JULY 2024**

**Portfolio Comm:** Strategic services and office of MM  
**File Ref:** 9/1/3/7

**Demarcation:** All wards  
**Delegation:** Portfolio Comm

**Resolved**

That cognisance be taken of the monthly report from the Building Control Officer for the month of July 2024, as per the delegation exercised in terms of Section 6 of the National Building Regulations and Standards Act (Act 103 of 1977).

**Proposed:** Councillor S E Gcabayi  
**Seconded:** Councillor H Mitchell

**FOR INFORMATION:** Manager Planning and Building Control

Resolution PC/6/153/09/24

**ECONOMIC DEVELOPMENT SECTION MONTHLY REPORT FOR THE PERIOD  
ENDING 31 AUGUST 2024**

**Portfolio Comm:** Strategic Services and Office of the MM  
**File Ref:** 9/1/3/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for the period ending 31 August 2024, be noted.

**Proposed:** Councillor H Mitchell  
**Seconded:** Councillor S E Gcabayi

**FOR INFORMATION:** Manager: The Economic Development

**CORPORATE & FINANCE PORTFOLIO COMMITTEE MEETING HELD 17 JULY 2024**

**Section 2: Finance**

Resolution PC/2/215/07/24

**INSURANCE CLAIM STATUS REPORT AS AT 30 JUNE 2024**

**Portfolio Comm:** Finance and Corporate Services

**Demarcation:** All Wards

**File Ref:** 5/13/3

**Delegation:** Portfolio

**Resolved**

That the Insurance Report for the period up until 30 June 2024, be noted.

**Proposed:** Councillor W J Nel

**Seconded:** Councillor M P Busakwe

**FOR INFORMATION:** Manager: Assets and Liabilities  
Cc Director Financial Services

**Section 3: Corporate Services**

Resolution PC/3/206/07/24

**COMMUNICATIONS REPORT FOR THE MONTH OF JUNE 2024**

**Portfolio Comm:** Finance & Corporate Services

**Demarcation:** All Wards

**File Ref:** 9/1/3/3

**Delegation:** Portfolio

**Resolved**

That the Communications report for June 2024, be noted.

**Proposed:** Councillor W J Nel

**Seconded:** Councillor M P Busakwe

**FOR INFORMATION:** Manager: Communications, Intergovernmental Relations and  
Public Participation



Resolution PC/3/207/07/24

**CUSTOMER CARE SECTION: REPORT FOR THE PERIOD 1 – 30 JUNE 2024**

**Portfolio Comm:** Finance & Corporate Services  
**File Ref:** 9/1/3/3

**Demarcation:** All Wards  
**Delegation:** Portfolio

**Resolved**

1. That the report on the activities of the Customer Care Section for the period 1 – 30 June 2024, be noted.
2. That Customer Care Section prioritised to ensure that the telephone system are fully operational at all times, allowing them to receive all incoming calls.

**Proposed:** Councillor W J Nel  
**Seconded:** Councillor S A Mangxaba

**FOR INFORMATION:** Manager: Communications, Intergovernmental Relations and Public Participation

Resolution PC/3/208/07/24

**PUBLIC PARTICIPATION: REPORT FOR 01 - 30 JUNE 2024**

**Portfolio Comm:** Finance & Corporate Services  
**File Ref:** 9/1/3/3

**Demarcation:** All Wards  
**Delegation:** Portfolio

**Resolved**

That the report of the activities of the Public Participation Division for June 2024, be noted.

**Proposed:** Councillor W J Nel  
**Seconded:** Councillor S A Mangxaba

**FOR INFORMATION:** Manager: Communications, Intergovernmental Relations and Public Participation

**ENGINEERING & COMMUNITY SERVICES PORTFOLIO COMMITTEE  
MEETING HELD 18 SEPTEMBER 2024**

**Section 4:Community Services**

Resolution PC/4/200/07/24

**MONTHLY REPORT FOR LAW ENFORCEMENT FOR JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/1/2/3/4/5/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for the Law Enforcement Services Section for June 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Chief Law Enforcement

Resolution PC/4/201/07/24

**FIRE & RESCUE SERVICES: REPORT FOR JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 1/3/1

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That cognizance be taken of the Report for June 2024 for Fire Services.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Chief Fire Officer: Fire and Rescue Services

Resolution PC/4/202/07/24

**DISASTER MANAGEMENT MONTHLY REPORT: JUNE 2024**

**Portfolio COMM:** Engineering & Community Services  
**File Ref:** 17/4/1/2

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for Disaster Management Section for the period June 2024, be noted.

**Proposed:** Councillor N P Kolwapi  
**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Disaster Management Center Coordinator

Resolution PC/4/203/07/24

**MONTHLY REPORT FOR FACILITIES MANAGEMENT AND MAINTENANCE REPORT**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/8/1/2

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

1. That the report on the activities of the maintenance team, facilities management, for the month of June 2024, be noted.
2. That the ablution facilities at the Taxi Rank be attended to.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Facilities Management & Maintenance

Resolution PC/4/204/07/24

**MONTHLY REPORT FOR PARKS AND RECREATION: JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/7/1/1

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the report on programs that the section has planned and implemented for the month of June 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Facilities Management & Maintenance

Resolution PC/4/205/07/24

**LIBRARY AND INFORMATION SERVICES MONTHLY REPORT JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/1/2/3/4/5/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the Monthly report for Library Services for the period June 2024, be noted.

**Proposed:** Councillor N P Kolwapi  
**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Manager: Library Services

Resolution PC/4/207/08/24

**MONTHLY REPORT FOR LAW ENFORCEMENT FOR JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/1/2/3/4/5/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

1. That the monthly report for the Law Enforcement Services Section for July 2024, be noted.

**Items dealt with by the Portfolio Committees in terms  
of Delegated Authority**

**24 October 2024**

2. That it be noted that “Anelise Nganase” is a female and not a male as reflected on page 71 per the agenda.

**Proposed:** Councillor N P Kolwapi

**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Chief Law Enforcement and Security Services

Resolution PC/4/208/08/24

**MONTHLY REPORT FOR INTEGRATED WASTE MANGEMENT DIVISION FOR JULY 2024**

**Portfolio Comm:** Engineering & Community Services

**Ref:** 16/5/4/5/6

**Demarcation:** All Wards **File**

**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for Integrated Waste Management Division for the period July 2024, be noted.

**Proposed:** Councillor D J Swart

**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Integrated Waste Management

Resolution PC/4/209/08/24

**MONTHLY REPORT FOR TRAFFIC SERVICES FOR THE PERIOD JULY 2024**

**Portfolio Comm:** Engineering & Community Services

**File Ref:** 17/4/3

**Demarcation:** All Wards

**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for the Traffic Services Section for the period of July 2024, be noted.

**Proposed:** Councillor N P Kolwapi

**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Manager Traffic Services

Resolution PC/4/210/08/24

**FIRE & RESCUE SERVICES: REPORT FOR JULY 2024**

**Portfolio Comm:** Engineering & Community Services

**Demarcation:** All Wards

**File Ref:** 1/3/1

**Delegation:** Portfolio Comm

**Resolved**

That the Portfolio Committee notes the report from Fire Services for July 2024.

**Proposed:** Councillor D J Swart

**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Chief Fire Officer: Fire and Rescue Services

Resolution PC/4/211/08/24

**DISASTER MANAGEMENT MONTHLY REPORT: JULY 2024**

**Portfolio Comm:** Engineering & Community Services

**Demarcation:** All Wards

**File Ref:** 17/4/1/2

**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for Disaster Management Section for the period July 2024, be noted.

**Proposed:** Councillor D J Swart

**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Disaster Management Center Coordinator

Resolution PC/4/212/08/24

**REPORT ON INSTITUTE FOR MUNICIPAL PUBLIC SAFETY OF SOUTHERN AFRICA  
(IMPS-SA) MINI CONFERENCE MAY 2024 AT MBOMBELA JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 12/2/1/2/14

**Demarcation:** All Wards  
**Delegation:** Portfolio

**Resolved**

That Council take note of the report on the Institute for Municipal Public Safety of Southern Africa (IMPSA) mini-Conference.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Public Safety

Resolution PC/4/213/08/24

**LIBRARY AND INFORMATION SERVICES MONTHLY REPORT JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/1/2/3/4/5/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

1. That the monthly report for Library Services for the period July 2024, be noted.
2. That a report on the reconciliation of the grant funding as well as the municipal financial contribution for the current financial year be submitted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Library Services

Resolution PC/4/214/08/24

**MONTHLY REPORT FOR PUBLIC FACILITIES: APRIL TO JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 12/2/1/3/1

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That Portfolio Committee take note of the quarterly report for Thusong Service Centre/s section for the period April - June 2024.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Facilities Management & Maintenance

Resolution PC/4/215/08/24

**MONTHLY REPORT FOR PARKS AND RECREATION FOR THE MONTH JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/7/4

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the monthly report of Park and Recreation for the Period July 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Facilities Management & Maintenance



Resolution PC/4/216/08/24

**MONTHLY REPORT FOR BEACHES: JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/11/3

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for the Beaches Section for July 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Facilities Management & Maintenance

Resolution PC/4/221/09/24

**DISASTER MANAGEMENT MONTHLY REPORT: AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/4/1

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the activities of Disaster Management section for August 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Coordinator: Disaster Management Center

Resolution PC/4/222/09/24

**MONTHLY FACILITIES AND MAINTENANCE REPORT: AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/7/3

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the repairs and maintenance activities for the month of August 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Facilities Management & Maintenance

Resolution PC/4/223/09/24

**MONTHLY REPORT FOR TRAFFIC SERVICES FOR THE PERIOD AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/1/2/3/4

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the Portfolio Committee Meeting take note of the monthly report for the Traffic Services section for the period of August 2024.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager Traffic Services

Resolution PC/4/224/09/24

**MONTHLY REPORT FOR LAW ENFORCEMENT FOR AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/1/2/3/4/5/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That it be noted that the correct Item was omitted for inclusion on the agenda.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Chief Law Enforcement and Security Services

Resolution PC/4/225/09/24

**LIBRARY AND INFORMATION SERVICES MONTHLY REPORT AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 17/5/1/2/3/4/5/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the monthly report for library services for the period August 2024 be noted.

**Proposed:** Councillor  
**Seconded:** Councillor

**FOR INFORMATION:** Manager: Library Services

Resolution PC/4/226/09/24

**MONTHLY REPORT FOR INTEGRATED WASTE MANAGEMENT DIVISION FOR THE  
PERIOD AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 16/5/4/5/6

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

1. That the monthly report for Integrated Waste Management division for the period of August 2024, be noted.
2. That the section ensures that the latest refuse collection schedule reflects on the municipal website.

**Proposed:** Councillor N P Kolwapi  
**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Manager: Integrated Waste Management

**Section 5: Engineering Services**

Resolution PC/5/152/07/24

**MONTHLY REPORT FOR THE ELECTRICAL AND ENERGY DIVISION FOR THE  
MONTH OF JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 9/1/3/5/3

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the activities of the Electrical and Energy division for the month of June 2024, be noted.

**Proposed:** Councillor N P Kolwapi  
**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Manager: Electrical & Energy

Resolution PC/5/153/07/24

**FLEET MANAGEMENT MONTHLY REPORT- JUNE 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 6/2/1/8

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the Fleet Management monthly report for July 2024, to be noted.

**Proposed:** Councillor N P Kolwapi  
**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Manager Fleet Management Services

Resolution PC/5/154/07/24

**TRANSPORT, ROADS AND STORM WATER OPERATIONAL MONTHLY REPORT FOR  
JUNE 2024**

**Portfolio Comm:** Engineering & Community Services

**Demarcation:** All Wards

**File Ref:** 9/1/3/5/2

**Delegation:** Portfolio Comm

**Resolved**

That the report on the activities and monthly statistics report of Roads, Transport and Storm water division for the month of June 2024, be noted.

**Proposed:** Councillor N P Kolwapi

**Seconded:** Councillor D J Swart

**FOR INFORMATION:** Manager: Roads, Transport and Storm water

Resolution PC/5/155/07/24

**WATER SERVICES MONTHLY REPORT: JUNE 2024**

**Portfolio Comm:** Engineering & Community Services

**Demarcation:** All Wards.

**File Ref:** 3/1/3/5/1

**Delegation:** Portfolio Comm

**Resolved**

1. That the Water Services monthly report for June 2024 be noted.
2. That a comprehensive report with timelines on the upgrading of the Gansevallei water treatment works and wastewater treatment works be submitted to the next portfolio committee meeting.

**Proposed:** Councillor D J Swart

**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Senior Manager: Water Services

Resolution PC/5/157/08/24

**FLEET MANAGEMENT MONTHLY REPORT- JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 6/2/1/8

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the Fleet Management Monthly report for July 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager Fleet Management Services

Resolution PC/5/158/08/24

**TRANSPORT, ROADS AND STORM WATER OPERATIONAL MONTHLY REPORT FOR  
JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 9/1/3/5/2

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

1. That the report on the activities and monthly statistics report of Roads, Transport and Storm water division for the month of July 2024, be noted.
2. That mitigation methods be investigated to reduce the dumping of foreign objects from entering the stormwater channels.
3. That traffic calming methods be reviewed to slow down traffic in congested neighborhoods to secure the safety of children on the road.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**EXECUTION:** Manager: Roads, Transport and Storm water  
**Cc:** Director Community Services

Resolution PC/5/159/08/24

**MONTHLY REPORT FOR THE ELECTRICAL AND ENERGY DIVISION FOR THE  
MONTH OF JULY 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 9/1/3/5/3

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the report on the activities of the Electrical and Energy division for the month of July 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Electrical & Energy

Resolution PC/5/162/09/24

**MONTHLY REPORT FOR THE ELECTRICAL AND ENERGY DIVISION FOR THE  
MONTH OF AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 9/1/3/5/3

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

1. That the activities of the electrical and energy division for August 2024, be noted.
2. That it be noted that the information reflected for “*Kranshoek, Cuba Street*” per Annexure B of the agenda (page 452) is incorrect and to be corrected accordingly.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Electrical & Energy services

Resolution PC/5/163/09/24

**FLEET MANAGEMENT MONTHLY REPORT- AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 6/2/1/8

**Demarcation:** All Wards  
**Delegation:** Portfolio Comm

**Resolved**

That the fleet management monthly report for August 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager Fleet Management Services

Resolution PC/5/164/09/24

**TRANSPORT, ROADS AND STORM WATER CAPITAL PROJECT IMPLEMENTATION  
PLAN MONTHLY REPORT FOR AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 9/1/3/5/2

**Demarcation:** Ward 1,4,5,6&7  
**Delegation:** Portfolio Comm

**Resolved**

That the transport, roads and stormwater capital projects implementation plan report for August 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Transport, Roads and Storm water



Resolution PC/5/165/09/24

**TRANSPORT, ROADS AND STORM WATER OPERATIONAL MONTHLY REPORT FOR  
AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 9/1/3/5/2

**Demarcation:** Ward 1 - 7  
**Delegation:** Portfolio Comm

**Resolved**

That the operational monthly report of roads, transport and storm water division for the month of August 2024, be noted.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**FOR INFORMATION:** Manager: Roads, Transport and Storm water

Resolution PC/5/166/09/24

**WATER SERVICES MONTHLY REPORT: AUGUST 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 3/1/3/5/1

**Demarcation:** All Wards.  
**Delegation:** Portfolio Comm

**Resolved**

1. That the water services monthly report for August 2024, be noted.
2. That the Municipal Manager follows up with the Director Corporate services regarding the reasons for the delay in filling the process controller vacancies.

**Proposed:** Councillor D J Swart  
**Seconded:** Councillor N P Kolwapi

**EXECUTION:** Senior Manager: Water Services  
**Cc:** Director Engineering Services

# **10. CONSIDERATION OF REPORTS**

<b>PORTFOLIO INDEX</b> <b>CONSIDERATION OF REPORTS</b> <b>MAYORAL COMMITTEE MEETING</b> <b>24 OCTOBER 2024</b>			
<b>SECTION 1: OFFICE OF THE MUNICIPAL MANAGER</b>			
<b>ITEM NO</b>	<b>SUBJECT</b>	<b>FILE REF</b>	<b>PAGE NO</b>
C/1/259/10/24	REPORT FROM THE AUDIT AND PERFORMANCE AUDIT COMMITTEE	9/1/7	42
C/1/260/10/24	ADVERTISEMENT FOR THE APPOINTMENT OF TWO (2) ORDINARY AUDIT AND PERFORMANCE AUDIT COMMITTEE MEMBERS	9/1/7	52
C/1/261/10/24	THE APPOINTMENT OF APAC MEMBER FOR A SECOND TERM OF 3 YEARS	9/1/7	57
<b>SECTION 2: FINANCE</b>			
<b>ITEM NO</b>	<b>SUBJECT</b>	<b>FILE REF</b>	<b>PAGE NO</b>
M/2/233/10/24	REVENUE MANAGEMENT REPORT – SEPTEMBER 2024	9/1/3/4	88
C/2/234/10/24	REQUEST FOR ARREAR DEBT WRITE OFF AS PER CUSTOMER REQUESTS	9/1/3/4	102
C/2/235/10/24	ANNUAL TABLING OF LIST OF EXEMPTIONS, REDUCTIONS AND REBATES ACCORDING TO MPRA 15 (3) (a) and (b)	9/1/3/4	107
M/2/236/10/24	SECTION 71 REPORT FOR THE MONTH OF SEPTEMBER 2024	9/1/3/4	110
C/2/237/10/24	REPORT ON UNAUTHORIZED EXPENDITURE Q1 ENDING 30 SEPTEMBER 2024	9/1/3/4	175
C/2/238/10/24	VIREMENT REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024	9/1/3/4	179
C/2/239/10/24	COST CONTAINMENT REPORT FOR THE QUARTER ENDING 30 SEPTEMBER 2024	9/1/3/4	185
C/2/240/10/24	LIST OF WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 30 SEPTEMBER 2024	5/15/6	188
<b>SECTION 3: CORPORATE SERVICES</b>			
<b>ITEM NO</b>	<b>SUBJECT</b>	<b>FILE REF</b>	<b>PAGE NO</b>
C/3/246/10/24	SCHEDULE OF MEETINGS FOR COUNCILLORS FOR 2025 FOR PORTFOLIO COMMITTEES, MAYORAL COMMITTEES AND COUNCIL	2/3/2	194
<b>SECTION 4: COMMUNITY SERVICES</b>			
<b>ITEM NO</b>	<b>SUBJECT</b>	<b>FILE REF</b>	<b>PAGE NO</b>
C/4/227/10/24	BY LAW RELATING TO TRADING OF LIQUOR BY LICENSED ESTABLISHMENTS	1/3/1/43	199
<b>SECTION 5: ENGINEERING SERVICES</b>			
<b>ITEM NO</b>	<b>SUBJECT</b>	<b>FILE REF</b>	<b>PAGE NO</b>
C/5/170/10/24	CAPITAL PROJECTS IMPLEMENTATION PLAN (CPIP): MONTHLY PROGRESS REPORT FOR PERIOD ENDING AUGUST 2024	5/7/1/12	211
C/5/171/10/24	PROGRESS REPORT: PROPOSED UPGRADING AND EXTENSION OF THE GANSEVALLEI WASTEWATER TREATMENT WORKS	3/1/3/5/1	216

SECTION 6: PLANNING & DEVELOPMENT			
ITEM NO	SUBJECT	FILE REF	PAGE NO
C/6/159/10/24	ALIENATION OF A PORTION OF ERF 5342, KWANOKUTHULA TO ALLOW THE CONSTRUCTION OF TEMPORARY CLASSROOMS FOR MURRAY HIGH	18/5342/PB	225
C/6/160/10/24	‘COMING TOGETHER URBAN INTEGRATION PROJECT’: ERVEN 2096 AND 2856	18/2096/PB	233
C/6/161/10/24	IDENTIFICATION OF MUNICIPAL-OWNED LAND FOR DEVELOPMENT PURPOSES	15/1	242

**SECTION 1**

**OFFICE OF THE MUNICIPAL  
MANAGER**

## Section 1: Office of the Municipal Manager

ITEM C/1/259/10/24

### REPORT FROM THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

**Portfolio Comm:** Strategic Services & Office of the MM      **Demarcation:** All Wards  
**File Ref:** 9/1/7      **Delegation:** Council

**Attachments:**      Annexure “A” – APAC Report Quarter 3 and 4 (2023/2024)  
Annexure “B” – APAC Report: Review of AFS and PR (2023/2024)

**Report from:**      Municipal Manager

**Author:**      Chief Audit Executive

**Date:**      08 October 2024

### **PURPOSE OF THE REPORT**

The purpose of this Item is for Council to take note of the Audit and Performance Audit Committee report dated 27 August 2024 and 29 August 2024.

### **BACKGROUND**

APAC is constituted in terms of sections 166(1) and (2) and 166 (6) of the Local Government Municipal Finance Management Act, No. 56 of 2003 read with the applicable Treasury Regulations.

The attached reports are being presented by the Chairperson of the Audit and Performance Audit Committee, Ms. R Shaw.

### **DISCUSSION**

The Audit and Performance Audit Committee held its APAC meetings on 06 May 2024, 05 August 2024 and 29 August 2024. Their report being presented as Annexure A covers its Quarter 3 and Quarter 4 i.e., for the period 01 January 2024 – 30 June 2024.

Their report being presented as Annexure B covers its Special Audit Committee Meeting for the review of the 2023/24 Annual Financial Statements and Performance Report.

### **FINANCIAL IMPLICATION**

Not applicable

### **LEGISLATIVE REQUIREMENTS**

- Constitution of the Republic of South Africa 1996.
- Local Government: Municipal Finance Management Act, No 56 of 2003

## Section 1: Office of the Municipal Manager

### **Comments: Acting Director Financial Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Director Corporate Services / Manager Legal Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Acting Director Community Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Director Engineering Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Acting Director Planning and Development**

The recommendation by the Municipal Manager is supported.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That Council take note the reports from the Chairperson of the Audit and Performance Audit Committee on the 2023/24 Quarter 3 and Quarter 4, and the Review of the 2023/24 Annual Financial Statements and Performance Report.

### **RECOMMENDED BY THE STRATEGIC SERVICES AND OFFICE OF THE MUNICIPAL MANAGER PORTFOLIO COMMITTEE**

That Council take note the reports from the Chairperson of the Audit and Performance Audit Committee on the 2023/24 Quarter 3 and Quarter 4, and the Review of the 2023/24 Annual Financial Statements and Performance Report.

## **Bitou Municipality**

### **REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE**

We are pleased to present the report of the Audit and Performance Audit Committee (APAC) covering quarters 3 and 4 reports (1 January 2024 to 30 June 2024) presented at the hybrid ordinary APAC meetings held on 6 May 2024 and 5 August 2024 respectively.

The APAC is constituted in terms of sections 166(1) and (2) and 166(6)(b) of the Local Government: Municipal Finance Management Act, No 56 of 2003 (MFMA) read with the applicable Treasury Regulations. The APAC is an independent advisory body which must advise Council, the municipal manager, management and staff of the municipality on matters relating to:

- Internal financial control and internal audits
- Risk management
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting, records and information
- Performance management
- Effective governance
- Compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation
- Performance evaluation
- Any other matter referred to it by the institution

Sections 166(2)(b), (c), (d) and (e) of the MFMA also requires the APAC to review the Annual Financial Statements and respond to Council on matters raised by the Auditor-General of South Africa (AGSA) in the management letter and audit report, carry out such investigations into the financial affairs of the municipality and to perform such other functions as may be prescribed by Council.

The role and responsibilities of the APAC are set out in the APAC Charter which is reviewed annually and which was discussed and updated at the Q1 APAC meeting. The APAC endeavours at all times to conduct its oversight role in compliance with its Charter and the provisions of the MFMA.

The advice tendered by the APAC is recorded in the minutes of the various meetings.

The APAC comprises of 4 independent external members. Attendance at the Q3 and Q4 APAC meetings were as follows :



<u>Member</u>	<u>Appointment dates</u>	<u>Q3 and Q4 2023/24 meetings attended</u>
Ms R Shaw (Chairperson)	11 March 2019	Two
Mr K Zono	11 March 2019	One
Mr M Hennessy	1 January 2021	Two
Mr M Brewis	1 January 2022	Two

## **FINANCIAL CONTROLS**

The S52 report for quarter 3 and the S71 Report for quarter 4 were presented to the APAC.

Through the review of the financial information presented to the APAC, the APAC wishes to raise concern over the following high risk areas which threaten the medium to long term financial sustainability of the municipality :

- The ever-increasing consumer debt balance
- Major water losses
- Electricity losses, although some improvement has been reported in this area
- Unspent capital grants, resulting in roll-over applications which could potentially be rejected
- The excessive overtime payouts

The CFO reported that the cash flow was sufficient to meet the short- and medium-term operational requirements but is not sufficient to sustain operations in the long term. It is of the utmost importance that all parties play their role to enhance the cash flow position through savings and austerity measures as well as the stringent application of the cost containment policy.

The APAC recommended that

- Regarding the recovery of **outstanding staff debt** : the monthly deductions should not be limited to the basic salaries of the employees. Outstanding staff debt should also be recovered from overtime payments as well as from the annual bonuses of the relevant staff members.
- **Traffic fine revenue** should be better managed to ensure completeness. Appointing a clerk to perform monthly reconciliations will assist in this regard.
- Improving **Cost Containment** measures amongst others
  - o by reducing reliance on consultants and ensuring skills transfer, where possible, when consultants are utilised
  - o by reducing overtime by implementing an overtime reduction strategy and by making it a KPI for directors to remain within their department's overtime budget

## **Preparation of the Annual Financial Statements**

It was reported that, despite a well-drafted AFS preparation plan having been in place, the drafting and finalisation of the Annual Financial Statements are not progressing as planned due to some officials not having adhered to the timeframes as per the AFS preparation plan. This has resulted in the municipality not being ready with a quality set of draft annual financial statements for the appointed consultants to review, thus not being able to obtain maximum benefit from the input from the consultants.

The APAC recommended that those officials who have not complied with the AFS preparation plan timeframes, be subject to consequent management since this could have the undesirable outcome that the AFS provided to the AG(SA) on 31 August 2024 are not of the required standard which could impact the audit outcome negatively.

## **INTERNAL AUDIT**

The systems of internal control are the legislative responsibility of the Municipal Manager and senior management as required by the MFMA, read in conjunction with National Treasury Audit and Risk Framework, MFMA Circular 65 and International Standards for the Professional Practice of Internal Auditing.

The Acting Chief Audit Executive requested the APAC's approval to amend the 2023/24 Risk Based Internal Audit Plan due to capacity constraints caused by

- a vacant position that was not filled during the financial period due to the moratorium placed on the filling of vacancies and
- the resignation of the CAE during March 2024.

The following changes to the 2023/24 internal audit plan were approved during the period under review :

- The Asset Management operational audit was removed from the 2023/24 internal audit plan, to be reconsidered for inclusion in the 2024/25 internal audit plan
- The time availed due to the removal of the Asset Management audit would be partly allocated to AdHoc audit requests from the office of the MM

The following internal audit work was completed during the period under review :

- Performance Management System Quarter 3
- Risk Management System Quarters 3 and 4
- 2023/24 Proclaimed Roads
- 2023/24 OPCAR Review
- 2023/24 DORA
- 2023/24 Cash Count
- 2023/24 Annual Stock Count

The Internal Audit Unit reported that it had completed 99% of its planned audits for 2023/24 as at 30 June 2024 which is highly commendable.

## **COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

### **mSCOA**

The on-going non-compliance regarding mSCOA remains a key concern area together with the risks associated with this non-compliance.

The APAC is concerned about the slow progress made with becoming fully mSCOA compliant as well as the continuous moving of the goal post. A concerted effort should be made to fully implement mSCOA by no later than 30 April 2025 to allow sufficient time to iron out challenges before 30 June 2025.

### **Fruitless and wasteful, irregular expenditure and unauthorised expenditure**

The APAC again noted that there was no movement during the quarter in the investigation of fruitless and wasteful, irregular expenditure and unauthorised expenditure. MPAC's slow progress in dealing with investigations into reported fruitless and wasteful, irregular expenditure and unauthorised expenditure is an area of great concern and something that had been reported on by the AGSA.

The chairperson of the Disciplinary Board, Mr Hennessy, has indicated that there is room for improvement as far as the functioning of the Disciplinary Board is concerned. He reported as follows : *“As I mentioned and became to realise, the status of the Disciplinary Board has, after a promising start, fallen into a disappointing state of a hiatus. In some way because of the enormity of the backlog as a result of a dis-functional MPAC and a non-constituted DB at Bitou for many years. I do not want to take a negative position as to the progress that was evident in setting up a register of the MPAC/DB work to be done on many outstanding suspected and alleged fraudulent issue since 2015. However, Bitou ... needs to be reminded and encouraged to follow on the corrective and compliance work, which was started in 2022 and has lost its importance.”*

## **ENGINEERING SERVICES**

**Fleet Management** is an area that needs intervention.

The APAC recommended that

- The controls over the vehicles and related matters, such as the use of municipal fuel cards, need to be improved.
- The Fleet policy needs to be reviewed.

**Airport maintenance**, particularly the runway surface, has been neglected. The resultant suspension of the license could have significant long-term negative implications for Bitou.

The APAC recommended that an effort should be made to convert all **street lights** to solar powered lights.

## **RISK MANAGEMENT**

Mr M Hennessy, one of the APAC members, chairs the Risk Management Committee and provides a report on Risk Management to the APAC at the quarterly meetings to keep the APAC abreast of matters relating to Risk Management within the municipality and to afford the APAC the opportunity to provide its oversight of the risk management process of the municipality as required by section 166(2)(a)(II) of the MFMA.

The Risk Management Committee continues to contribute effectively to identifying high risk areas. From the Risk Management Committee's report, it is evident that the risk environment is constantly improving, moving towards a mature compliant approach and providing a sound base for risk management at the Municipality.

Internal Audit reported that management's mitigation action plans are either overdue, progressing at a slow pace or have not yet been implemented as at 30 June 2024. Internal Audit recommended targeted training programs to enhance the understanding and awareness amongst key role players about their responsibility in providing assurance for risk management processes. In response the Risk Officer has arranged meetings with the relevant official to address the incomplete action plans on the BarnOwl system.

## **CONCLUSION**

It is important that a conscious effort is made to address the APAC's concerns on a systematic basis, failing which the risk environment within the municipality will continue to escalate, with the oversight of the APAC becoming irrelevant.

A handwritten signature in black ink, appearing to be 'R Shaw', with a long horizontal stroke extending to the right.

**R Shaw (CA(SA))**  
Chairperson, Audit and Performance Audit Committee  
**27 August 2024**



## Bitou Municipality

### STATEMENT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE REGARDING THE 2023/24 ANNUAL FINANCIAL STATEMENTS AND ANNUAL PERFORMANCE REPORT

The Audit and Performance Audit Committee (APAC) must review the Annual Financial Statements (AFS) as required in terms of S166(2)(b) of the Local Government: Municipal Finance Management Act, No 56 of 2003 (MFMA) and provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation.

On 29 August 2024 the APAC had a Special Meeting to review the draft 2023/24 AFS and the draft Annual Performance Report (APR) for 2023/24 before submission to the AG(SA) on 31 August 2024.

**AFS review:** The APAC was of the opinion that the draft set of AFS was of a high standard. The APAC members provided their input and suggested some corrections/amendments during the special APAC meeting which were satisfactorily addressed/responded to by the officials. The draft AFS were complete with the exception of the inclusion of the actuarial valuations pertaining to Employee Benefits which still had to be accounted for. The APAC further noted the content of the AFS review done by an external service provider which the APAC believed added value to enhance the quality of the AFS.

**APR review:** The APAC was of the opinion that the draft APR was a well prepared document. The APAC members provided their input and suggested some corrections/amendments for consideration by the officials. The draft APR was complete with the exception of the inclusion of the financial ratios and capital expenditure percentage which still had to be incorporated.

The Audit and Performance Audit Committee hereby recommend the submission of the 2023/24 AFS and APR to the AG(SA) for auditing purposes subject to the inclusion of the actuarial valuations on Employee Benefits in the AFS and the inclusion of the financial ratios and capital expenditure percentage in the APR.



**Ms R Shaw (CA(SA))**

Chairperson, Audit and Performance Audit Committee

**29 August 2024**

**ITEM C/1/260/10/24**

**ADVERTISEMENT FOR THE APPOINTMENT OF TWO (2) ORDINARY AUDIT AND PERFORMANCE AUDIT COMMITTEE MEMBERS**

**Portfolio Comm:** Strategic Services & Office of the MM      **Demarcation:** All Wards  
**File Ref:** 9/1/7      **Delegation:** Council

**Attachments:** Annexure “A” – Advertisement for the appointment of APAC Members

**Report from:** Acting Municipal Manager

**Author:** Chief Audit Executive

**Date:** 08 October 2024

**PURPOSE OF THE REPORT**

The purpose of this Item is to request Council to approve for the advertisement for two (2) ordinary members of the Audit and Performance Audit Committee.

**BACKGROUND**

APAC is constituted in terms of sections 166(1) and (2) and 166 (6) of the Local Government Municipal Finance Management Act, No. 56 of 2003 read with the applicable Treasury Regulations.

Section 166 provides for a minimum requirement for the composition of an audit committee. The Audit Committee must comprise of at least three (3) persons who are not in the employ of the municipality or municipal entity.

Section 166(5) of the MFMA requires that the members of an audit committee must be appointed by the council of the municipality or, in the case of a municipal entity, by the council of the parent municipality. One of the members, who are not in the employ of the municipality or municipal entity, must be appointed as the chairperson of the committee.

Councillors are not allowed to be members of an audit committee. The appointed members should enter into a contract with the municipality or municipal entity according to the approved terms of reference.

**DISCUSSION**

The second and final term of the below members will come to an end on 28 February 2025:

- Ms. R Shaw (Chairperson)
- Mr. K Zono



## Section 1: Office of the Municipal Manager

The current constitution of the Audit and Performance Audit Committee:

MEMBER	APPOINTMENT DATE	END DATE	COUNCIL RESOLUTION
<b>Ms. R. Shaw (Chairperson)</b>			
1 <sup>st</sup> Term of 3 Years	01/03/2019	28/02/2022	C/1/112/02/19
2 <sup>nd</sup> Term of 3 Years	01/03/2022	28/02/2025	C/1/11/11/21
<b>Mr. K. Zono</b>			
1 <sup>st</sup> Term of 3 Years	01/03/2019	28/02/2022	C/1/112/02/19
2 <sup>nd</sup> Term of 3 Years	01/03/2022	28/02/2025	C/1/11/11/21
<b>Mr. M. Hennessy</b>			
1 <sup>st</sup> Term of 3 Years	01/01/2021	31/12/2023	C/1/184/11/20
2 <sup>nd</sup> Term of 3 Years	01/01/2024	31/12/2026	C/1/165/09/23
<b>Mr. M. Brewis</b>			
1 <sup>st</sup> Term of 3 Years	01/01/2022	31/12/2024	C/1/11/11/21

### **FINANCIAL IMPLICATION**

The compensation of all members is subject to the tariffs determined by the Minister of Finance through Treasury Regulation 3.1.6 and 20.2.2 plus subsistence and travelling paid according to the approved Policy.

The present remuneration for each member in attendance:

Chairperson : R 4 446 p/day plus preparation time of R 4 446.  
Member : R 2 698 p/day plus preparation time of R 2 698.

### **LEGISLATIVE REQUIREMENTS**

- Constitution of the Republic of South Africa 1996.
- Local Government: Municipal Finance Management Act, NO 56 of 2003
- Circular 65 of the Local Government: Municipal Finance Management Act (MFMA)
- Treasury Regulation 20.2.2 (2022)

### **Comments: Acting Director Financial Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Director Corporate Services / Manager Legal Services**

The recommendation by the Municipal Manager is supported.

## Section 1: Office of the Municipal Manager

### **Comments: Acting Director Community Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Director Engineering Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Acting Director Planning and Development**

The recommendation by the Municipal Manager is supported.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That Council approve the advertisement to invite suitably qualified persons to submit their Curriculum Vita's and motivation to serve as an ordinary member on the Audit and Performance Audit Committee.

### **RECOMMENDED BY THE STRATEGIC SERVICES AND OFFICE OF THE MUNICIPAL MANAGER PORTFOLIO COMMITTEE**

That Council approve the advertisement to invite suitably qualified persons to submit their Curriculum Vita's and motivation to serve as an ordinary member on the Audit and Performance Audit Committee.



## **INVITATION TO SERVE AS AN ORDINARY MEMBER ON THE AUDIT & PERFORMANCE AUDIT COMMITTEE OF BITOU MUNICIPALITY**

In terms of Council Resolution ....., applications are hereby invited for persons with suitable skills and qualifications to serve as members of the Bitou Municipality's audit committee in terms of Section 166 of the Municipal Finance Management Act (No. 56 of 2003). This committee will also serve as the Performance Management Committee and other functions might be allocated to the committee.

Council invites suitably qualified persons to submit their CVs and motivation for their appointment to the Audit & Performance Audit Committee for the period from March 2025 for a period of three (3) years.

### **COMPETENCIES**

Applicant must meet the following requirements:

- a) A relevant tertiary qualification and experience in any of the following fields:
  - Financial Management and Accounting
  - Administration and Governance (Internal Audit, External Audit, ICT, Human Resource Management & Labour Relations)
  - Risk Management
  - Performance Management
  - Public Administration
  - Law
  
- b) In addition to the above, applicants should demonstrate experience with regards the following:
  - Have the necessary leadership and communication skills
  - Have an inquisitive personality within reasonable levels of probing
  - Have analytical reasoning abilities
  - Have the ability to lead and participate in the discussions
  - Have a good understanding of the committee position in the governance structure
  - Have the ability and capability to conduct the Audit Committee affairs efficiently and effectively
  - Having a sound knowledge of issues affecting Local Government, will be an added advantage
  - Preference will be given to applicants who have previous experience in serving as an Audit Committee member in a local government institution

### **DUTIES:**

- These committee and members are required to fulfil an oversight role in respect of the total administration and performance of Bitou Municipality.
- Advise the Municipal Council, the political office-bearers, the accounting officer and management staff of the municipality.

- Review the Annual Financial Statements to provide the Council of the municipality, with an authoritative and credible view of the financial position of the municipal entity, its efficiency and effectiveness and its overall level of compliance with applicable legislation.
- Respond to the Council on any issues raised by the Auditor-General,
- Perform duties as required by section 166 of the Local Government Municipal Finance Management Act of 2003.

## **TERMS OF OFFICE AND REMUNERATION:**

The Committee member will be appointed by Council in terms of Circular 65 of the Municipal Finance Management Act of 2003 for a fixed term period of three years. The compensation of the members of the Committee will be subject to tariffs determined by the minister of Finance through the Treasury Regulations (TR 20.2.2) for attending meetings.

Applicants from Plettenberg Bay are encouraged and preference will be given to applicants residing within the Bitou Municipal Boundaries. Applicants must be able to commit time and energy in fulfilling their functions as Audit Committee members.

Interested persons may not have any business or contractual dealings with Bitou Municipality. This is to ensure Audit Committee members remain independent from any Municipal Activities during the period of appointment on the Audit Committee.

## **SUBMISSION OF APPLICATIONS:**

Applications must be accompanied by a Comprehensive Curriculum Vitae (CV) and covering letter. Applications must be submitted to the Acting Municipal Manager, Mr. Mbulelo Memani at the main municipal building, 4 Sewell Street, Plettenberg Bay or posted to the same at Bitou Municipality, Private Bag X1002, Plettenberg Bay, 6600.

Please note that NO applications by E-mail or Fax will be accepted.

Applicants should note that if they are not notified of the outcome of their applications within 30 days of the closing date for submission of applications/nominations, they may conclude that their applications/nominations were not successful.

The municipality reserves the right not to make any appointment following the placement of this advertisement.

**Closing date: 31 December 2024**

**Enquiries: Chief Audit Executive, Mr. C Koeberg (044 501 3153)**

**Municipal Notice:  
Knysna / Plett Herald  
George Herald  
Bitou Municipal Website  
Public Sector Audit Committee Forum Website**

ITEM C/1/261/10/24

**THE APPOINTMENT OF APAC MEMBER FOR A SECOND TERM OF THREE (3) YEARS**

**Portfolio Comm:** Strategic Services & Office of the MM      **Demarcation:** All Wards  
**File Ref:** 9/1/7      **Delegation:** Council

**Attachments:**      Annexure “A” – MFMA Circular No.65  
Annexure “B” – Treasury Regulation 2022 Remuneration of Non-Official Members: Commissions & Committees of Inquiry, and Audit Committees

**Report from:**      Acting Municipal Manager

**Author:**      Chief Audit Executive

**Date:**      08 October 2024

**PURPOSE**

The purpose of this Item is to request Council to appoint Mr. M. Brewis as an ordinary Audit and Performance Audit Committee (APAC) member for a second term of three (3) years.

**BACKGROUND**

APAC is constituted in terms of sections 166(1) and (2) and 166 (6) of the Local Government Municipal Finance Management Act, No. 56 of 2003 read with the applicable Treasury Regulations.

Section 166 provides for a minimum requirement for the composition of an audit committee.

The audit committee must comprise of at least three (3) persons who are not in the employ of the municipality or municipal entity.

Section 166(5) of the MFMA requires that the members of an audit committee must be appointed by the council of the municipality or, in the case of a municipal entity, by the council of the parent municipality.

To enhance the independence of the audit committee, the Municipal Finance Management Act, Circular 65 recommend that audit committee members should:

- Serve at least a minimum of three years with an option to renew for another three years; and
- The recruitment process of new members should be concluded at least three months in advance of the expiry of existing members’ term.
- Recruitment of members should be staggered to prevent a loss of knowledge and skills in the committee.

The reappointment of an APAC Member for a second term ensures continuity and prevents a loss of institutional knowledge, especially as the terms two (2) current APAC members are set to expire on 28 February 2025.

## **DISCUSSION**

The current constitution of the Audit and Performance Audit Committee:

<b>MEMBER</b>	<b>APPOINTMENT DATE</b>	<b>END DATE</b>	<b>COUNCIL RESOLUTION</b>
<b>Ms. R. Shaw (Chairperson)</b>			
1 <sup>st</sup> Term of 3 Years	01/03/2019	28/02/2022	C/1/112/02/19
2 <sup>nd</sup> Term of 3 Years	01/03/2022	28/02/2025	C/1/11/11/21
<b>Mr. K. Zono</b>			
1 <sup>st</sup> Term of 3 Years	01/03/2019	28/02/2022	C/1/112/02/19
2 <sup>nd</sup> Term of 3 Years	01/03/2022	28/02/2025	C/1/11/11/21
<b>Mr. M. Hennessy</b>			
1 <sup>st</sup> Term of 3 Years	01/01/2021	31/12/2023	C/1/184/11/20
2 <sup>nd</sup> Term of 3 Years	01/01/2024	31/12/2026	C/1/165/09/23
<b>Mr. M. Brewis</b>			
1 <sup>st</sup> Term of 3 Years	01/01/2022	31/12/2024	C/1/11/11/21

## **FINANCIAL IMPLICATION**

The compensation of all members is subject to the tariffs determined by the Minister of Finance through Treasury Regulation 3.1.6 and 20.2.2 plus subsistence and travelling paid according to the approved Policy.

The present remuneration for each member in attendance:

Chairperson : R 4 446 p/day plus preparation time of R 4 446.

Member : R 2 698 p/day plus preparation time of R 2 698.

## **LEGISLATIVE REQUIREMENTS**

- Constitution of the Republic of South Africa 1996.
- Local Government: Municipal Finance Management Act, NO 56 of 2003
- Circular 65 of the Local Government: Municipal Finance Management Act (MFMA)
- Treasury Regulation 20.2.2 (2022),

### **Comments: Acting Director Financial Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Director Corporate Services / Manager Legal Services**

The recommendation by the Municipal Manager is supported.

### **Comments: Acting Director Community Services**

The recommendation by the Municipal Manager is supported.

**Comments: Director Engineering Services**

The recommendation by the Municipal Manager is supported.

**Comments: Acting Director Planning and Development**

The recommendation by the Municipal Manager is supported.

**RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That Council approves the appointment of Mr. M. Brewis as an ordinary member of the Audit and Performance Audit Committee for the 2<sup>nd</sup> term of 3 years as prescribed by MFMA Circular 65.

**RECOMMENDED BY THE STRATEGIC SERVICES AND OFFICE OF THE MUNICIPAL MANAGER PORTFOLIO COMMITTEE**

That Council approves the appointment of Mr. M. Brewis as an ordinary member of the Audit and Performance Audit Committee for the 2<sup>nd</sup> term of 3 years as prescribed by MFMA Circular 65.



## NATIONAL TREASURY

### MFMA Circular No. 65

### Municipal Finance Management Act No. 56 of 2003

## Internal Audit and Audit Committee

### Purpose

This Circular provides information to assist municipalities and municipal entities improve the effectiveness of internal audit and audit committees.

A functional internal audit unit, systems of internal control and effective operation of an audit committee are all crucial components for sound corporate governance in municipalities. The MFMA requires that these financial governance components exist within all municipalities and every municipal entity.

Recent audit findings however, have highlighted serious deficiencies in governance arrangements; there is a need to improve the internal audit function and audit committees as this would contribute to changes in financial management in the vast majority of municipalities.

The Auditor-General has alluded to deficiencies stemming from a lack of knowledge or disregard of legislation and processes by councillors and officials, a failure to appoint suitably qualified key individuals to specifically legislated tasks and an inability or disregard by municipalities to establish and maintain the appropriate control systems which provide the basis of the governance framework.

This Circular addresses the legal framework surrounding internal audit and audit committees and provides detailed guidance and advice on how municipalities must implement and manage these systems of accountability and governance. Failure to implement the legislative requirements surrounding internal audit and audit committees constitutes a serious breach of the MFMA.

It is therefore critical that the contents of this Circular are read and implemented by senior management and council and in particular internal audit and audit committee. The role to be played by internal auditors and audit committees has been legislated in the MFMA and is critical to provide a mechanism for the rendering of impartial advice and recommendations to the municipal manager and council on financial and non-financial matters, to improve accountability and governance over the activities of municipalities and municipal entities. It is important therefore that the mayor and municipal manager effectively and regularly engage with the internal auditor and audit committee.

Many or indeed the majority of audit findings can be addressed through recommendations made by internal audit and oversight by the audit committee. The responsibilities of internal audit and audit committee include providing assurance on the processes and procedures to be followed to enable decision-making and enhance accountability. Therefore, it is becoming of critical importance that greater emphasis be placed on the work of internal audit and the audit committee. It is also expected that council oversight structures in general



would derive immediate benefits through a closer interaction between council and senior management, and internal audit and audit committee.

## Legal framework

In terms of section 216(1)(c) of the Constitution of the Republic of South Africa, (Act 108 of 1996), national legislation must prescribe measures to ensure both transparency and expenditure control in all spheres of government by introducing uniform treasury norms and standards.

Good governance involves how an organization is managed, its organizational culture, policies, strategies and the way it deals with its stakeholders. The internal auditor and audit committee provide objective, independent advice to improve oversight, governance and help to mitigate risks.

Working with the internal auditor, the audit committee brings different skills and expertise to assist in improving the performance of an institution. The internal auditor and audit committee does not assume any management functions nor should management exert any undue influence over the work of the internal auditor and audit committee.

Section 165 of the MFMA requires that each municipality and each municipal entity must have an internal audit unit. The internal audit unit of a municipality or municipal entity must:

- Prepare a risk based audit plan and an internal audit program for each financial year;
- Advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:
  - Internal audit;
  - Internal controls;
  - Accounting procedures and practices;
  - Risk and risk management;
  - Performance management;
  - Loss control;
  - Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation; and
- Perform any such other duties as may be assigned to it by the accounting officer.

It also provides that the internal audit function may be outsourced if the municipality or municipal entity requires assistance to develop its internal capacity and the council of the municipality or board of directors of the entity has determined that this is feasible or cost-effective.

Section 166 of the MFMA requires that each municipality and municipal entity must have an audit committee. The audit committee must advise the municipal council, the political office-bearers, the accounting officer and the management of the municipality or municipal entity on matters relating to:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Effective governance;

- Compliance with the Act, the annual Division of Revenue Act and any other applicable legislation;
- Performance evaluation; and
- Any other issues referred to it by the municipality or municipal entity.

Furthermore, a single audit committee may be established for a district municipality and the local municipalities within that district municipality and for a municipality and municipal entities under its sole control.

## Part 1

### Audit Committees

The audit committee operates as a committee of the council. The audit committee performs the responsibilities assigned to it by the MFMA (sections 165 and 166), and the corporate governance responsibilities delegated to it under its charter by the council.

A charter is the written terms of reference approved by the council which outlines the mandate of the audit committee. The charter becomes the policy of the audit committee which then informs the contracts of the audit committee members.

A charter should be used to guide the activities of an audit committee on an ongoing basis. A clear, well written charter should set out the objectives, roles and responsibilities, composition, structure and membership requirements, relationships with other stakeholders, authority for the committee to conduct enquiries and access municipality and municipal entity's records and personnel, outlines procedures for meetings, addresses the confidentiality and independence of committee members, and provides for ethical conduct and reporting.

Following approval, the audit committee charter should be published on the municipal website to promote awareness to all stakeholders.

The charter should be reviewed annually and updated to ensure relevance and consistency with the MFMA, Municipal Systems Act (No 32 of 2000) and other related regulations, guides and best practice.

The charter should be used as a basis for:

- Preparing the audit committee's annual work plan;
- Setting the agenda for meetings;
- Requesting skills and expertise;
- Making recommendations to the accounting officer and municipal council;
- Assessing the audit committee's performance by its members, municipal council, management, Auditor-General and internal auditors; and
- Contributions and participation at meetings.

### Composition

Section 166 provides for a minimum requirement for the composition of an audit committee. The audit committee must comprise of at least three (3) persons who are not in the employ of the municipality or municipal entity.

In terms of best practice, the number and/or size of audit committees can be increased to address the requirements, peculiarities, and needs of the municipality or its entity which will also be guided by the approved charter.

These requirements apply to all municipalities regardless of whether the audit committee is established through a shared service, or is outsourced through another mechanism.

### **Appointment of Members**

Section 166(5) of the MFMA requires that the members of an audit committee must be appointed by the council of the municipality or, in the case of a municipal entity, by the council of the parent municipality. One of the members, who are not in the employ of the municipality or municipal entity, must be appointed as the chairperson of the committee. Councillors are not allowed to be members of an audit committee. The appointed members should enter into a contract with the municipality or municipal entity according to the approved terms of reference.

### **Qualities of members**

One of the audit committee members should be appointed as the chairperson, after the following factors have been considered:

- Has good standing and ability to lead discussions;
- Creates vision and provides direction at meetings;
- Builds municipal capabilities by guiding management based on expert knowledge and skills;
- Promotes and achieve quality outcomes at meetings;
- Has the ability to speedily and effectively advise council or the board of directors of any impending non-compliance with the legislative framework;
- Has the ability to encourage other members to participate in audit committee meetings; and
- Conducts meetings in a manner that demonstrates a desire to establish effective communication with all stakeholders.

In determining suitable candidates for an audit committee and maintaining a balanced composition, the accounting officer should seek to appoint candidates that have ability to:

- Perform the role as advisor to management;
- Communicate effectively with management;
- Carefully review information received and obtain clarification from management as and when appropriate;
- Raise relevant questions, evaluate responses and follow up on any matter that is unclear;
- Conduct responsibilities in the context of the municipality's strategic objectives and overall corporate governance of the council;
- Act independently and be proactive in advising the accounting officer regarding issues that require further management attention;
- Encourage openness and transparency;
- Build relations with management;
- Have a professional approach to performing duties, including commitment of time and effort, and;

- Each committee member must be independent and appropriately skilled.

### Skills and experience

Members should be selected from different areas of expertise to enhance the audit committee's overall knowledge of the municipality or entity and the ability to discharge its obligations and provide appropriate recommendations to the council.

The roles and responsibilities of an audit committee can be used as a baseline to obtain relevant skills that members must possess. This will ensure that appointed members are competent to carry out their responsibilities as set out in the audit committee's charter.

The appointed members should collectively possess the following skills and experience:

- Private and public sector experience;
- An understanding of service delivery priorities;
- Good governance and/or financial management experience;
- An understanding of the role of council and councillors;
- An understanding of the operations of the organization;
- Familiarity with risk management practices;
- An understanding of internal controls;
- An understanding of major accounting practices and public sector reporting requirements;
- An understanding of public sector reforms;
- Familiarity with legislation applicable to municipalities;
- An understanding of the roles and responsibilities of internal and external auditors;
- An understanding of the treatment of allegations and investigations; and
- An understanding of the performance management system.

The table below provides further guidance on the skills and experience of members that would enhance the audit committee representation and its performance to offer objective and quality advice.

Skill Required	Metro	District with Services	District without Services	Local with Services	Local without Services
Financial Management	√	√	√	√	√
Legal	√	√	√	√	√
Admin and Governance (i.e. Internal Audit, Risk Management, IT, Human Resources, Planning, etc.	√	√	√	√	√
Performance Management	√	√	√	√	√
Medical practitioner, Engineers (i.e. Civil, Electrical, Environment	√	√		√	

Except in the case of shared audit committees, the council must ensure that audit committee members do not serve on more than three local government audit committees

simultaneously as the practice of serving on too many committees has impacted negatively on performance of audit committees contributing to their ineffectiveness.

### **Membership and Independence**

The audit committee should be independent and safeguarded from undue influence in exercising its responsibilities in an objective manner. To enhance the audit committee functioning, the following is required:

- The audit committee chairperson and members should be independent of the municipality or municipal entity;
- The audit committee chairperson and members should not be biased but exhibit an independence of mental attitude during deliberations;
- All audit committee members should declare private and business interest in every meeting; and
- All members should not carry out any business with the municipality or municipal entity.

### **Term of Office**

To enhance independence of the audit committee, the term of office for members must be strictly adhered to. The chairperson should be appointed for a minimum of three years to ensure that he/she contributes most effectively and provides stability to the audit committee.

Other audit committee members should serve at least a minimum of three years with an option to renew for another three years, based on performance. Recruitment of members should be staggered to prevent a loss of knowledge and skills in the committee. The recruitment process of new members should be concluded at least three months in advance of the expiry of existing members term. The head of internal audit and the accounting officer must maintain records of audit committee member contracts and ensure recruitment is undertaken as mentioned above.

Rotation of members is encouraged as it enhances the independence of the audit committee. Members of the audit committee should not be contracted continuously for a period exceeding six years. After serving consecutively for six years, a cooling off period of two years should be provided for, before appointing the same member to the same audit committee.

Members should be encouraged not to terminate their contracts until they have shared their knowledge with other new members. A committee member should give two months notice prior to resignation.

The committee members should have the opportunity to have an exit meeting with the council to discuss the reason for leaving and to provide feedback on their experience on the audit committee as well as any other issues. The date of resignation should be minuted by the secretariat of the audit committee.

Committee members can be dismissed by the municipal council under certain circumstances. The accounting officer or municipal council should consult the charter when dismissing members of the committee. Reasons for dismissal amongst other would normally be detailed in the letter of appointment and contract agreement, such as:

- Where an on-going conflict of interest exists.
- Where a member has not performed to expectations.

The official dismissal processes as they relate to the municipality or municipal entity should be adhered to by the Accounting officer and Municipal Council when an audit committee member is being dismissed.

Where appropriate, the dismissal process should be linked to the charter and member's performance assessment process. The dismissal of a member should be performed by the Municipal Council and the outcome of the dismissal process should be in writing. The date of dismissal should be minuted by the secretariat of the audit committee.

### **Induction of members**

A formal process of induction must be facilitated by the chief audit executive in consultation with the accounting officer. During the induction of members, the roles and responsibilities of the audit committee must be clarified. The induction process should entail sufficient briefings and information on their roles, responsibilities, accountability and management's expectations. Induction of members can also be facilitated by Provincial Treasury or National Treasury, upon request.

New members should meet and be briefed by the accounting officer, chief financial officer, chairperson of the audit committee and the head of internal audit. New members should also be introduced to the external auditors. The information to be provided to new members should include:

- The municipality's governance and operational structures and how the audit committee operates within this structure;
- Copy of the audit committee's charter, including any policies, recent audit committee minutes, audit management letter, audit opinion, including details of outstanding issues, council resolutions and recommendations presented to the municipal council;
- Copies of the relevant legislation;
- Copies of the latest municipalities' and entities' annual report, annual financial statements, integrated development plan, budgets, service delivery and budget implementation plans, in-year reports, code of conduct, performance agreements, risk register and risk management plans;
- Information from management and the internal auditor on the risk profile, status of internal controls and system of delegation; and
- A copy of the internal audit charter and annual work plans, among others.

### **Reporting**

The chairperson of the audit committee will report on a quarterly basis, or more frequently if required, to the municipal council on the operations of the internal audit unit and the audit committee. The report should include:

- A summary of the work performed by the internal audit and the audit committee against the annual work plan;
- Effectiveness of internal controls and additional measures that must be implemented to address identified risks;
- A summary of key issues dealt with, such as significant internal and external audit findings, recommendations and updated status thereof;
- Progress with any investigations and their outcomes;
- Details of meetings and the number of meetings attended by each member; and
- Other matters requested of the internal audit and audit committee.

The audit committee shall prepare a report annually which will be incorporated into the municipality's annual report and those of its entities covering:

- Describing the functions performed by the audit committee and meetings attended;
- Resolutions taken by council and implementation status of recommendations made; and
- Other relevant comments that may enhance governance and accountability.

The chairperson of the audit committee must submit a copy of its report at least annually, or at other intervals, to the Municipal Public Accounts Committee (MPAC), for consideration during the MPAC engagements on the oversight report. The chairperson of the audit committee must always be available whenever MPAC needs clarity on the report of the audit committee.

Therefore, the roles and responsibilities and outputs of the internal auditor and audit committee assist to inform the work of the MPAC and oversight structures.

### **Authority**

The audit committee shall have the authority to perform functions, and to obtain any information and advice, from within or outside the municipality or entity, in order to perform its functions as legislated. Appropriate resources will be made available to the audit committee to perform its functions as agreed in its charter.

The Audit Committee may:

- communicate with the council, municipal manager or the internal and external auditors of the municipality or municipal entity;
- have access to municipal records containing information that is needed to perform its duties or exercise its powers;
- request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- conduct investigations into the financial affairs of the municipality or municipal entity, as may be requested by the council of the municipality or in the case of a municipal entity, the council of the parent municipality or the board of directors of the entity.

The MPAC, in discharging its responsibilities, may make use of any information provided by the audit committee to avoid duplication of effort.

### **Remuneration of Members**

The members of the audit committee shall be remunerated for time spent in attendance of audit committee meetings. The municipality may utilise the rates provided by the National Treasury, from time to time. Should the accounting officer deem it necessary, he or she can, in consultation with the municipal council, determine other remuneration, provided that the charter properly define time and cost.

Remuneration will only be applicable to officials employed outside the public service. No remuneration for participating in audit committees will be payable to officials employed at national, provincial and local government, its agencies or other entities regarded as falling within the definition of an organ of state, except for out of pocket expenses which may be reimbursed. The above will become effective for new members of audit committees, from the date of this Circular and for existing members, their current contracts will run its course.



The reimbursement of all members for travel expenditure must be determined in accordance with the approved council policy or the rate per kilometre as published and updated by the National Department of Transport.

The accounting officer, in consultation with the chief financial officer, is required to approve the reimbursement of all travel expenditure for members of the audit committee based on the above mentioned or make alternative arrangements to pay for modes of travel to such meetings, in terms of council policy.

The chairperson and members of the audit committee, including members who are employed in the public service, will be required to complete all particulars of their respective travel to and from the venue of the audit committee meetings.

In the event that a senior official from one municipality is requested to serve as a member of an audit committee of another municipality, such senior official must first obtain written consent from the accounting officer before accepting such nominations. The remuneration discussion early will apply.

Further guidance regarding the remuneration of audit committee members will be provided, from time-to-time.

### **Performance Assessments**

The audit committee should assess its performance and achievements against its charter on an annual basis. The assessment would cover the performance of the individual member as part of the overall audit committee with reference to the particular skills the member has brought to the audit committee as a whole.

The aim of the self-assessment is to ensure that the audit committee is meeting its objectives efficiently and effectively. The findings of the self-assessment should be presented by the chairperson to the accounting officer and municipal Council.

Where the self assessment highlights a need for enhancements to the role, operational processes or membership of the committee, the chair should take action to ensure that such enhancements are implemented. The chairperson may need to consult with the accounting officer and municipal council to obtain appropriate support to ensure all enhancements are implemented.

It may be beneficial for the audit committee to use an external facilitator to provide assistance with, or to supervise the self assessment process. It is up to the audit committee to decide whether the services of an external facilitator are required.

An external facilitator can provide an impartial and objective view and can approach the evaluation process without bias or preconceived ideas. The chairperson and external facilitator should provide feedback to the audit committee members and present the findings of the evaluation to the accounting officer and municipal council.

Where the audit committee is not performing in accordance with their charter and this has been observed by various stakeholders such as for example, internal audit, external audit or management, it would be appropriate for this or other issues to be brought to the attention of the accounting officer and municipal council.



If an individual audit committee member is not performing, then the member must be given an opportunity to address such with the municipal council. If it is considered necessary to terminate the services of an audit committee member prior to the end of the term of appointment, proper procedures should be followed.

## **Roles and Responsibilities**

### **Internal Audit**

The audit committee must in relation to internal audit:

- Ensure that the charter, independence and activities of the internal audit function are clearly understood and respond to the objectives of the municipality and the legal framework;
- Regularly review the functional and administrative reporting lines of the internal auditor to ensure that the organizational structure is consistent with the principles of independence and accountability;
- Review and approve the internal audit charter, including internal audit strategic plan;
- Confirm that the annual audit plan makes provision for critical risk areas in the municipality and its entities;
- Advise the municipality on resources allocated to give effect to the work outputs of the internal audit function;
- Ensure that there is support for the internal audit unit and external auditors from senior management;
- Confirm with management that internal audit findings are submitted to the audit committee on a quarterly basis;
- Confirm actions taken by management in relation to the audit plan;
- Consider and review reports relating to difficulties encountered during the course of the audit engagement, including any scope limitation or access to information reported to the accounting officer that remain unresolved;
- Evaluate the performance of internal audit activity in terms of the agreed goals and objectives as captured in the audit plan;
- Ensure that the head of internal audit has reasonable access to the chairperson of the audit committee;
- Conduct a high-level review of internal audit on an annual basis, to ascertain whether the internal audit unit complies with the International Standards for the Professional Practice of Internal Auditing;
- Concur with any appointment and termination of the services of the chief audit executive;

Internal audit unit is accountable to the audit committee as follows:

- Maintain open and effective communication with the audit committee;
- Develop a flexible annual audit plan using a risk based methodology, addressing any weaknesses in risks or controls identified;
- Submit the audit plan to the audit committee for review and approval;
- Report on the implementation and results of the annual audit plan including special tasks requested by management and the audit committee;
- Assist in drafting the agenda and documentation, and facilitate the distribution thereof to the audit committee in advance of meetings;

- Meet periodically with the chairperson of the audit committee to discuss whether the material and information furnished meets the requirements of the audit committee;
- Obtain advice from the audit committee whether the frequency and time allocated to the committee is sufficient to attend effectively to all matters;
- Cooperate with the audit committee as they conduct annual reviews of the performance of the internal audit function;
- Submit the internal audit charter to the audit committee for review and approval on an annual basis and as necessary.

### **External Audit**

The audit committee must in relation to external audit:

- Take cognizance of the scope of work undertaken by the external auditor and the extent of co-ordination with the internal audit unit;
- Review annual external audit plans, audit fees and other compensation;
- Review reports and monitor management's implementation of audit recommendations and municipal council resolutions in the new financial year;
- Review the report on the financial statements and matters raised therein for reasonability and accuracy;
- Review any interim reports issued in order to take cognizance of the issues raised in determining the follow up work of the internal audit;
- Conduct a review of the extent to which previously reported findings by the external auditor have been addressed by the municipal council;
- Provide advice to the accounting officer on actions taken relating to significant matters raised in external audit reports;
- Liaise with the external auditors on any matter that the audit committee considers appropriate to raise with the external auditor;
- Ensure that the external auditors have reasonable access to the management and chairperson of the audit committee;
- Address any potential restrictions or limitations with the accounting officer and council; and
- Address outstanding matters raised by the external auditors and any findings are dealt with conclusively in an expeditious manner.

### **Annual Financial Statements**

The accounting officer must prepare Annual Financial Statements (AFS) of the municipality and municipal entity within two months after the end of the financial year to which those statements relate, submit the statements to the parent municipality of the entity (in the case of municipal entity) and to the Auditor-General for auditing. (This should be linked to the MFMA calendar).

These financial statements should have been reviewed by the audit committee two weeks before submission to the Auditor-General. The process and timelines for audit committee meetings should be changed accordingly. The auditor and auditee should plan this process carefully to meet the determined timelines.

The audit committee must review the annual financial statements to provide the municipality, or in the case of a municipal entity, the council of the parent municipality and the board of

directors of the entity with an authoritative and credible view of the financial position of the municipality or municipal entity by:

- Confirming if the municipal audit file is prepared in line with the applicable standards and guidance contained in MFMA Circular 50, or as updated;
- Reviewing the unaudited annual financial statements of the municipality and its entities to ensure that the quality, integrity and content is consistent with applicable standards and compliant with the legal framework;
- Evaluating the annual financial statement of the municipality and its entities for reasonableness, completeness and accuracy, and provide comment thereon, on a timely basis;
- Considering the Auditor-General's opinion on the quality and appropriateness of the municipality's accounting policies and that of its entities; and
- Reviewing efficiency and effectiveness of internal controls over AFS preparation and reporting

Specifically with regards to Annual Financial Statements, the Audit Committee should:

Review and challenge where necessary:

- Arithmetical accuracy and consistency;
- Consistency of, and any changes to, accounting policies, comparing to prior years;
- Methods used to account for significant or unusual transactions where different approaches are possible;
- Whether the Municipality has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account previous audit outcomes;
- The quality of disclosure in the Municipality's financial reports and the context in which statements are made;
- All material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management);
- All material issues in prior reports by the AGSA have been appropriately accounted for, resulting in fair presentation;
- Conduct Analysis of trends and other financial ratio calculations e.g. year-on-year comparisons and composition of primary group e.g. salaries as a component of operations, whether operations are undertaken on a sustainable basis, operations at surplus or deficit, efficiency and solvency ratios, etc.

### **Risk Management Activities**

The accounting officer is responsible for the establishment of effective risk management within the municipality.

The responsibilities of the audit committee with respect to risk management must also be detailed in the audit committee charter. It is expected that the committee will provide an independent and objective view of the effectiveness of the municipality's risk management. Where there is a separate risk management committee, the audit committee will be required to review recommendations made and consider these in line with the audit committee charter.

The audit committee must also provide feedback to the accounting officer and municipal council on the adequacy and effectiveness of risk management in the municipality and its entities.

In the case where there is no separate risk management committee, the oversight responsibilities of the audit committee on risk management must be reflected in the charter of the audit committee, approved by council.

### **Control Environment**

The audit committee members need to have a good understanding of the control environment, in fulfilling this responsibility the committee should:

- Ensure that management follows a sound process to draw conclusions on the adequacy and effectiveness of the system of internal control;
- Establish whether management has relevant policies and procedures in place and that these are adequate, effective and regularly updated;
- Determine whether appropriate processes are followed and complied with on a regular basis;
- Consider measures applied on any required changes to the design or implementation of internal controls;
- Assess steps taken by management to encourage ethical and lawful behavior; financial discipline and accountability for use of public resources.

### **Performance Management**

Part of the responsibilities of the audit committee includes the review of the performance management. The municipality must review its committees to ensure that in cases where there is an audit committee and a performance audit committee, that these are combined into one committee for effective management, oversight and reporting, as envisaged by section 166 of the MFMA. During the transition the chairperson of the performance audit committee should report progress on a quarterly basis to the audit committee.

The audit committee members need to have a good understanding of the performance of the municipality and its entities. These include:

- Review and comment on compliance with statutory requirements and performance management best practices and standards;
- Review and comment on the alignment of the Integrated Development Plan, the Budget, Service Delivery and Budget Implementation Plan and performance agreements;
- Review and comment on relevance of indicators to ensure they are measureable and relate to services performed by the municipality and its entities;
- Reviews compliance with in-year reporting requirements;
- Review the quarterly performance reports submitted by internal audit;
- Reviews and comments on municipality's and entities annual financial statements and timely submission to the Auditor-General by 31 August, each year;
- Review and comment on the municipality's and entities annual reports within the stipulated timeframes; and
- Review and comment on the municipality's performance management system and make recommendations for its improvement.

## Information Technology (IT) Governance

The audit committee also needs to provide advice on IT governance, controls, access, safeguarding of information in the municipality and its entities.

Specific expertise may be required from within or outside the municipality from time to time, to assist the internal audit unit and audit committee formulate recommendations on systems and controls. The committee may have to advise on the appropriateness of disaster recovery and continuity plans supporting IT risks, regular testing and evaluation of plans, systems and processes.

## Relationship with Stakeholders

The audit committee is required to maintain good relations with key stakeholders, such as:

- Municipal Council
- Board of Directors of Municipal Entities
- Municipal Public Accounts Committee
- Finance Committee
- Accounting Officer
- Management and staff
- Internal Auditors and External Auditors
- Provincial Treasury
- National Treasury

## Meetings

The audit committee should meet as often as is required to perform its functions, but at least four times a year.

The secretariat responsibilities are to be performed by the internal audit or as otherwise as determined by the accounting officer. This includes providing all administrative support to the audit committee meetings, sending invitations and documentation to members, coordinating and compiling of audit committee meeting documentation, taking minutes at audit committee meetings, preparing all logistical arrangements relating to audit committee meetings, including arrangement for the prompt payment of claims and fees, etc.

The head of internal audit, in consultation with the audit committee secretariat in the municipality or municipal entity, must ensure that the required preparation for the meeting of the audit committee is finalized at least 7 days before the commencement of the meeting and that substantive work would be undertaken for the duration of the meeting.

The following persons must have a standing invitation to the audit committee and attend all meetings:

- Municipal Manager;
- Accounting Officer of the Entity;
- Head of Internal Audit of the municipality;
- Chief Financial Officer;
- External Auditor;
- Provincial Treasury;
- National Treasury; and
- Any other person on invitation by the chairperson of the Audit Committee.

The chief audit executive, in consultation with the chairperson of the audit committee, must determine the time frames of all meetings. In light of the financial implications, the accounting officer in consultation with the chairperson of the audit committee must agree, if meetings go beyond a one day sitting.

## Part 2

### Internal Audit

Section 62 of the MFMA requires amongst others, that the accounting officer of a municipality must take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of internal audit operating in accordance with any prescribed norms and standards.

#### Establishment of Internal Audit Activity

Section 165 of the MFMA prescribes the establishment of the internal audit activity. Internal audit is an important component of internal control, risk management and corporate governance and provides the necessary assurance and advisory services to the organisation.

Internal audit activity is one of the most significant management tools and can provide value-added services to the municipality or municipal entity. When objectively and adequately resourced, internal audit should be in a position to provide management with assurance regarding the effectiveness of the system of internal control, risk management and governance processes.

#### Identifying the Chief Audit Executive (Head of Internal Audit)

The role of the chief audit executive is to provide advice, counsel, and opinion regarding the organisation's efficiency and effectiveness in risk management, internal control and governance processes and performance management. The chief audit executive should be permanently appointed at a senior manager level, reporting directly to the Municipal Manager.

The incumbent should possess high level of personal and professional ethics including an understanding of the risk management processes and practices.

The chief audit executive should preferably possess any the following qualifications:

- Post graduate degree in Auditing and/or Accounting;
- Professional designation such as Certified Internal Auditor and other relevant professional designation. The incumbent should preferably possess the following:
- At least five (5) years in internal audit management; and
- Membership of the Institute of Internal Auditors.

Independence is enhanced when the audit committee concurs in the appointment or removal of the chief audit executive.

#### Independence and Objectivity

The chief audit executive must report at a level within the municipality or municipal entity that allows the internal audit activity to fulfill its responsibilities. This level must have sufficient

authority to promote independence and to ensure broad coverage, adequate consideration of engagement communication and appropriate action on engagement recommendations.

The chief audit executive must report functionally to the audit committee, and administratively to accounting officer. Independence is achieved through the organisational status and the objectivity of internal audit activity.

Internal audit activity is independent when it can carry out its work freely and objectively and has the support of senior management and audit committee.

The chief audit executive should have direct communication with the accounting officer, audit committee, municipal council, and other appropriate governing authorities.

Direct communication occurs when the chief audit executive regularly attends and participates in meetings which relate to its oversight responsibilities for auditing, financial reporting, corporate governance and control. The attendance and participation of chief audit executive at these meetings provide an opportunity to exchange information concerning the plans and activities of internal audit.

Each internal auditor should have an objective attitude and should be in a sufficiently independent position to be able to exercise judgment, express opinions and present recommendations with impartiality.

An internal auditor should be free from any conflict of interest arising from professional or personal relationships or other interests which he/she may be subjected to audit; and

An internal auditor should be free from undue influence which restricts or modifies the scope or conduct of the audit work, or significantly affects judgment regarding the content of any audit report.

Internal Audit Activity should:

- Have no direct operational responsibility or authority over any of the activities reviewed;
- Neither develop nor install systems or procedures, prepare records, or engage in any other activity that would normally be audited;
- Not initiate or approve accounting transactions external to the scope; and
- Avoid conflict of interest.

## **The Internal Audit Charter**

The charter outlines the mandate of internal audit and serves as the statement of purpose, authority and responsibility. The charter must be in writing and address the following:

- The internal audit's purpose, authority and responsibilities;
- The standards to be complied with;
- The position of the internal audit within the organisation;
- A description of assurance and nature of consulting services;
- The period of review of the charter;
- The appointment and the dismissal of the chief audit executive; and
- Access to information, properties and personnel

The charter must be approved by the audit committee and accepted by the accounting officer.



## Organising the Internal Audit Activity

The chief audit executive needs to direct supervise and manage the activities of internal audit activity. These include amongst others planning, resource management, implementation of operating policies and procedures, review of work, coordination of assurance activities and quality assurance.

### Developing an Internal Audit Strategic Plan

The chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the municipality's goals. The internal audit activity's plan as well as the fieldwork must focus on the risks to which the municipality and municipal entity is exposed. Developing a strategic audit plan follows a logical process as described below:

#### Understanding the Environment

- Strategic Overview - In order to identify the risks to which the municipality or entity is currently exposed, and those to which it is likely to be exposed in the future, an understanding of the strategic plan and objectives for the municipality or entity must be obtained.
- A top-down view of the organisation is taken, to better understand the operational risks and controls for managing those risks. This view depicts the environment within which each municipality or municipal entity operates.
- A detailed risk analysis of the municipality or municipal entity is conducted to identify those risks that impact on the achievement of objectives.
- The data can be used to plan, direct a risk management approach and provide the basis for risk management activities.

#### Developing operational internal audit plan

The operational internal audit plan should be based on an assessment of risks and exposures that may affect the municipality or municipal entity and should be done at least annually in order to reflect the most current strategies of the municipality.

Risk assessment should be evaluated, alignment of the operational plan to the overall objectives of the municipality should be ensured.

The chief audit executive must ensure that strategic and operational plans are developed annually, approved by the audit committee and accepted by the accounting officer.

In developing the operational internal audit plan the following key issues must be remembered:

- Completeness of the risk assessment report of the municipality
- Availability (capacity) and skills of internal audit staff;
- Changes in the risk environment of the organisation – the risk environment should be assessed on an annual basis;
- Approval and acceptance of the operational plan by the audit committee; and
- The materiality of ad-hoc requests as this could have a significant impact on the normal audit planning and timing process.



The operational internal audit plan should be risk-based and must be developed taking into account the results of the risk assessments and the integrated plan so as to:

- Determine focus areas for internal audit activities;
- Determine internal audit scope in relation to the scheduled assignments;
- Allocate resources to planned audit assignments;
- Establish the timing of performance of the audit assignments; and
- Determine the reporting requirements and deadlines.

The operational internal audit plan should be submitted to management for input prior to approval by the audit committee.

The operational internal audit plan should be reviewed to identify any amendment needed to reflect changing priorities and emerging audit needs.

The audit committee should approve material changes to the operational internal audit plan.

### **Types of audits**

- **Risk based audits**

Given the results from the risk assessments performed (which generally indicate only adequate-to-weak control environments) it may be appropriate for internal audit to focus its attention on the high risk areas, mostly concentrating on ensuring that key controls are in place and adhered to.

- **Cyclical audits**

Internal audit may decide to focus its attention on certain medium to lower risk areas, in order to achieve general or specific improvements in the control environment or culture. These cyclical audits are normally conducted on a yearly basis with the aim of monitoring and maintaining (through the reports issued and actions taken) a sound internal control environment. This also includes legislated and follow up audits.

- **Ad hoc requests**

Internal audit may consider ad-hoc requests from management, but such requests should flow from the written authorised charter and with the approval of the audit committee. However before accepting these requests the chief audit executive should assess the requests against the planned audits and prioritise them based on how much value can be added, prior to deciding whether or not to accept the requests.

### **Resource Requirements**

The budget of internal audit is the responsibility of the accounting officer, audit committee and chief audit executive to ensure that the internal audit activity is adequately resourced for effective functioning. The chief audit executive should have control and responsibility over the internal audit budget. The budget should at least cover the following items:

- Personnel related expenditure;
- Capital expenditure and software;
- Training and development;
- Institute of Internal Auditors membership fees; and
- Quality assurance programs.

The chief audit executive, in conjunction with the accounting officer, should develop an internal audit structure taking into cognizance the size of the municipality including risk and complexity of the operations.

Provision should be made for levels of supervision and review of audit work in line with due professional care as provided for in the International Standards for the Professional Practice of Internal Audit.

The chief audit executive should develop recruitment, placement, training and staff retention programme to ensure that appropriate skills are available. To achieve this, emphasis should be placed on qualifications, skill and experience.

To improve effectiveness of internal audit, staff at all levels should have well-documented job descriptions, performance evaluations and training programmes.

## **Outsourcing or Co-Sourcing of Internal Audit Activity**

The internal audit activity may be outsourced where the municipality requires capacity to develop its internal capacity and is deemed to be cost effective. Outsourcing should comply with supply chain management process. In situations in which the internal audit is outsourced, oversight and responsibility for the internal audit activity cannot be outsourced and must be maintained by management. The chief audit executive should manage the outsourced function. Consideration for evaluating sourcing alternatives:

- Available resources: the municipality or municipal entity may not have sufficient resources (financial, physical, human etc.) to establish an in-house internal audit activity. Outsourcing should be considered when it is cost effective for the municipality or municipal entity;
- Size of the municipality. Common reasons include temporary staff shortages, specialty skills, special audit project work and supplementary staff to meet deadlines and
- Skills transfer: skills transfer implementation plan should be developed to ensure that the internal audit staff members are capacitated and their skills enhanced throughout the process.

### **Types of sourcing alternatives:**

- Outsourcing : is where the internal audit is conducted by an external service provider;
- Co-sourcing : is where the external service provider works together with in-house internal audit resources; and
- Shared Services: is where one internal audit activity provides services to multiple organisations through a centralized internal audit. Implementation of the required work to be undertaken is based on Service Level Agreements with the municipality serviced by the Shared Service.

## **Quality Assurance and Improvement**

The activities of the internal audit must be guided, monitored and supervised at each level of operation to ensure that they are consistently performed in accordance with the International Standards for the Professional Practice of Internal Audit. The quality assurance and improvement programme should include periodic internal assessments within a short time prior to an external assessment which can facilitate and reduce the cost of the external assessment.

## **Internal Assessments**

The chief audit executive must ensure that internal assessments are performed. Internal assessments should include ongoing reviews of the performance of the internal audit activity. These should be performed through self-assessment or by other persons within the municipality with knowledge of internal audit practices and the IIA Standards. The chief audit executive, at least annually, must report on the results of internal assessments.

Internal assessments should appraise among others, compliance with the legislative framework, definition of internal auditing, standards, internal audit charter, code of ethics and methodology.

## **External Assessments**

The internal audit must be subjected to an external assessment at least once every five years, the results of which should be communicated to the audit committee and accounting officer. An external assessment must be conducted by a qualified reviewer or review team from outside the municipality.

On completion of the external assessment, the review team should issue a formal report containing an opinion. The chief audit executive in consultation with the accounting officer should prepare a written action plan in response to comments and recommendations in the report.

## **Coordination of efforts with other assurance providers**

Internal audit should share information and co-ordinate its activities with other assurance providers within the municipality or municipal entity. This is done to ensure appropriate coverage of risk areas and minimise duplication of efforts.

There should be access to each other's audit plans and audit reports. There should be periodic meetings held between internal audit and external audit. At these meetings key risks, audit scope and audit findings should be discussed and priorities should be emphasized.

## **Nature of Work**

### **Governance**

Internal audit activity must assess and make recommendations for improving governance process in its accomplishment of the following objectives:

- Promoting appropriate ethics and values within the municipality;
- Ensuring effective organizational performance management and accountability;
- Communicating risk and control information to appropriate areas of municipality; and
- Coordinating the activities of and communicating information among the audit committee, external, internal auditors and management.

### **Risk Management**

Internal audit is responsible for providing assurance to management and the audit committee on the adequacy and effectiveness of the risk management process. Risk management is a key responsibility of the accounting officer and management.

Management should ensure that adequate risk management processes are in place and functioning as intended. Internal audit must assist management and the audit committee by examining, evaluating, reporting and recommending improvements on the adequacy and effectiveness of management's risk processes. Conducting assessments and reporting on the organisation's risk management process should be a high audit priority.

- Risks arising from business strategies and activities should be identified and prioritised. These risks should focus on the efficient, economic and effective use of resources, as well as any duplication of functions that might exist;
- Management should determine the level of risk acceptable to the municipality;
- Risk mitigation activities should be designed and implemented to reduce or manage risk to a level acceptable by the municipality, and
- Management should receive periodic reports of the results of risk management Processes.

## Control

Based on the results of the risk assessment internal audit must evaluate the adequacy and effectiveness of controls encompassing the municipality's governance, operations, and information systems.

The following aspects should be considered when assessing controls for adequacy:

- The control environment and management attitude towards controls;
- Standard control practices; and
- Compliance with other generally used control frameworks.

If the controls are adequate, the internal auditor should evaluate the controls for effectiveness. To ensure that the conclusions reached are correct and supported by acceptable evidence the auditors are required to analyse and evaluate the findings of the audit in order to determine whether the controls are effective or not. The auditor may reach one of the following conclusions when evaluating the controls for effectiveness:

- **Effective**

The existing controls are effective, i.e. they provide reasonable assurance that the activity will achieve its performance objectives.

- **Ineffective**

The existing controls are ineffective, i.e. they do not provide reasonable assurance that activity will achieve its performance objectives.

## Audit Process

Internal audit work must be conducted in accordance with the standards set by the Institute of Internal Auditors (IIA) Incorporated. These are the standards referenced to in section 62(c) (ii) of the MFMA. The audit process includes engagement planning; performing the engagement; communicating results; and monitoring.

## Engagement Planning

Internal audit must develop and document a plan for each engagement, including the engagement's objectives, scope, timing and resource allocations. Engagement planning involves consideration of objectives of the activities being reviewed, scope, resource allocation and the work program. Engagement planning can be divided into the following:

- Planning considerations;
- Engagement objectives;
- Engagement scope;
- Engagement resource allocation and
- Engagement work program.

## Performing the Engagement

Performing the engagement involves conducting field work to ensure that the objectives of the audit are achieved. This includes review, analysis and verification of information contained in documents, physical items, and corroboration by officials.

Performing the engagement should include, amongst other, issues identifying information; analysis and evaluation; documenting information, and engagement supervision.

The auditor can obtain information from a number of sources, namely:

- Discussions with the municipality's staff involved in the process;
- Policy documents prepared by the municipality; and
- Other relevant sources internally.

Information must be sufficient, competent, relevant, and useful to provide a sound basis for engagement observations and recommendations.

Internal auditors must document relevant information to support the conclusions and engagement results.

The design and content of the working papers will depend on the nature of the engagement and the policies and methodology adopted by the internal audit activity.

Working papers are the property of the municipality or municipal entity and must be under control of internal audit activity.

Access to working papers should be restricted to authorised personnel. A policy should be in place to address access requirements and procedures. The policy should also address retention of records in line with policies of the municipality or municipal entity.

Supervision is a process that continues throughout the engagement. The extent of supervision depends on the experience and proficiency of internal auditors assigned to the engagement and the complexity of the engagement. There should be documented evidence of appropriate supervision. Supervision includes:

- Assigning competent internal auditors to the engagement;
- Staff training and development;
- Approving the work program and ensuring that it is implemented; and
- Ensuring engagement objectives are achieved.

## Communicating Results

Internal audit should communicate the results of the audit engagements to management by issuing an audit report. Findings should be included in the audit report and discussed with the client. It is important that agreement be reached regarding the facts of each matter included in the final report.

The audit results should be communicated to the municipality and relevant senior and executive management. Communications must include the engagement's objectives and scope as well as applicable conclusions, recommendations, and action plans.

Internal auditors are encouraged to acknowledge satisfactory performance in engagement communications and where appropriate include the internal auditor's overall opinion and/or conclusions. Recommendations may be general or specific and should address the root cause of the finding.

Engagement results must be disseminated to those who are in a position to take corrective action or ensure that corrective action is taken. This may be:

- The responsible unit manager;
- Senior management;
- Executive management;
- Audit Committees; and
- Other governance and oversight committees (where appropriate).

The internal auditors must solicit comments from management timeously. Management must provide comments in accordance with the terms agreed upon in the engagement letter. Internal audit record all attempts to obtain management comments.

The internal auditors should analyse the management comments received. The following should be considered:

- The adequacy and relevance of management's response to findings and recommendations;
- Any disagreements raised by management on the findings;
- Proposed actions by management; and
- The impact of management's actions on the report.

## Monitoring Progress

Observations and recommendations requiring immediate action should be monitored by internal audit activity until corrected. Internal audit activity should ensure that actions taken by management address the identified deficiencies. A process should be developed for the implementation of management action plans. Responsibility for follow-up should be defined in the internal audit charter.

Follow-up audits must be incorporated in the annual internal operational audit plan. Follow-up audits entail verification of implementation of management actions. The chief audit executive must establish procedures to include:

- An evaluation of management response;
- Verification of the response; and

- A follow-up engagement and reports submitted to Council to address actions not being implemented.

## **Consulting Activities**

Consulting services should focus on assisting management in problem solving activities, achieving the municipality's objectives, and add value to line and senior management. The charter should include the authority and responsibilities of consulting services.

## **Types of Consulting Engagements**

Internal audit should obtain an understanding of the nature of the engagement to clearly articulate the terms of reference. Agreed upon procedures should be documented in the engagement letter and agreed upon with the client.

The types of consulting work include the following:

- Formal consulting engagements – those that are planned and subject to written agreement;
- Informal consulting engagements – routine activities such as participation on standing committees, limited-life audit projects, ad-hoc meetings and routine information exchange;
- Special consulting engagements – participation on dedicated teams such as system conversion team; and
- Emergency consulting engagements – participation on a team established for recovery or maintenance of operations after a disaster or other extraordinary event, or a team assembled to supply temporary help to meet a special request or unusual deadline.

Objectives, scope and limitations of the consulting assignment should be confirmed in writing in an engagement letter. The responsibilities of both management and internal audit should be defined and documented in the engagement letter that should be signed by both parties.

All working papers prepared during the execution of the consulting engagement should be kept as evidence of conducting the procedures.

Internal audit should communicate issues and preliminary results of the consulting engagement with line management during the conduct of the assignment.

Report to management may either be oral by conducting a meeting session with line management or written updates can be provided to management. As agreed upon in the engagement letter, internal audit should report results of the consulting activity.

## **Acceptance of Consulting Activities**

The following guidelines are provided for assisting the internal audit activity in accepting consulting activities:

Some consulting activities are specifically identified in the approved internal audit annual plan;

Other consulting activities are initiated by managers communicating directly;



The chief audit executive should request the audit committee's approval for consulting activities that significantly affect the approved internal audit's annual operational plan;

The chief audit executive should consider the impact of independence and objectivity on the internal audit activity before acceptance of the consulting activities;

The chief audit executive should consider whether the internal auditors have the requisite skills, knowledge, time and competencies to perform the proposed consulting activities and

The chief audit executive should consider the risks associated with the proposed consulting activities.

## Conclusion

The internal audit and audit committee may approach the relevant Treasury for assistance. To enable the internal audit units to discharge their obligations and audit committees to perform effectively, reports relating to non-compliance with the MFMA and other legal prescripts must be promptly submitted to the respective national and provincial treasury, in terms of section 74 of the MFMA. These reports will inform support and intervention measures.

It is important that the accounting officer ensure that this Circular is brought to the attention of the Municipal Council, Board of Directors of municipal entities, the members of the audit committee, internal audit unit, and all other relevant officials.

All comments on this Circular must be forwarded to the email below. You may also contact, Ms. Zolisa Zwakala, Internal Audit Support, on telephone 012 315 5088 for related matters.

## Contact



Post **Private Bag X115, Pretoria 0001**

Phone **012 315 5850**

Fax **012 315 5230**

Email - General [mfma@treasury.gov.za](mailto:mfma@treasury.gov.za)

Website [www.treasury.gov.za/legislation/mfma](http://www.treasury.gov.za/legislation/mfma)

**TV Pillay**

**Chief Director: MFMA Implementation**

**23 November 2012**





## national treasury

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001 • 40 Church Square, PRETORIA, 0002 • Tel: +27 12 315 5111, Fax: +27 12 406 9055 • [www.treasury.gov.za](http://www.treasury.gov.za)

**FROM:** Mr JC Krüger **Ref:** FP20-8/6/2/2/4/1/001 **Tel:** 012 315 5219 **e-mail:** [Chris.Kruger@treasury.gov.za](mailto:Chris.Kruger@treasury.gov.za)

TO ALL –

ACCOUNTING OFFICERS OF CONSTITUTIONAL INSTITUTIONS, AND NATIONAL AND PROVINCIAL DEPARTMENTS, HEADS OF PROVINCIAL TREASURIES AND ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES

### 2022 REMUNERATION OF NON-OFFICIAL MEMBERS: COMMISSIONS & COMMITTEES OF INQUIRY, AND AUDIT COMMITTEES

- The Minister of Finance, in terms of Treasury Regulation 20.2.2, granted approval to amend the **maximum remuneration payable per day** to non-official members of *Commissions* and *Committees of Inquiry* by 3,0 per cent with effect from 1 April 2022 as follows:


	COMMISSION OF INQUIRY		COMMITTEE OF INQUIRY	
	Per day	Per hour	Per day	Per hour
Chairperson	R5 387	R673	R4 446	R556
Member	R4 005	R501	R2 698	R337

- With reference to Treasury Regulation 3.1.6, the remuneration applicable to **Committees of Inquiry** is applicable to members of **Audit Committees** appointed from outside the Public Service.
- The indicated rates are sitting fees and exclusive of payments in respect of preparation, research and travelling (to and from meeting venues) time.
- Current VAT law requires non-executive directors (NEDs) of companies to register for and charge VAT in respect of any director's fees earned for services rendered as a non-executive director. **Kindly note that the above rates are VAT inclusive.**  
The value of the fees must, however, exceed the compulsory VAT registration threshold of R1 million in any 12-month consecutive period but NEDs can voluntarily register for VAT as well<sup>1</sup>.
- Employees of organs of State serving on Commissions or Committees of Inquiry or audit committees are not entitled to additional remuneration.*

<sup>1</sup> Further details on the remuneration of Non-executive Directors is available on <http://www.sars.gov.za/Media/MediaReleases/Pages/14-February-2017-Non-Executive-Directors-of-Companies-must-register-for-VAT.aspx>.

2022 REMUNERATION OF NON-OFFICIAL MEMBERS: COMMISSIONS & COMMITTEES OF INQUIRY,  
AND AUDIT COMMITTEES

6. Any additional expenditure that could arise by implementing this approval must be defrayed from existing budget allocations of institutions/departments/public entities.


 G.H. manack  
 GOOLAM MANACK  
 (CHIEF DIRECTOR: PUBLIC ENTITIES GOVERNANCE UNIT)  
 for DIRECTOR-GENERAL: NATIONAL TREASURY  
 DATE 12/01/2023

2022 Cir - C+C of Inq & Aud Com (3%)\20221111ck

# **SECTION 2**

## **FINANCE**

## Section 2: Finance

ITEM M/2/233/10/24

### REVENUE MANAGEMENT REPORT – SEPTEMBER 2024

**Portfolio Comm.:** Finance & Corporate Services

**File Ref:** 9/1/3/4

**Demarcation:** All Wards

**Delegation:** Portfolio Comm

**Attachments:** None

**Report from:** Chief Financial Officer

**Author:** Manager Revenue

**Date:** 7 October 2024

### **PURPOSE OF THE REPORT**

The purpose of this report is to update the Finance and Corporates Services Portfolio Committee regarding the revenue management for the month of September 2024.

### **BACKGROUND /DISCUSSION**

The following report is prepared in compliance with section 64 of the Municipal Finance Management Act (Act 56 of 2003) as well as the requirements as set out in Chapter 9 of the Municipal Systems Act (Act 32 of 2000) in relation to revenue management and debt collection actions undertaken.

#### **1. Meter Reading Statistics**

The below table reflects the meter reading statistics for the month of September 2024 with comparative figures for the prior months

Description	Jul-24		Aug-24		Sep-24	
	ELEC	WATER	ELEC	WATER	ELEC	WATER
Total meters	3,909	11,157	3,959	11,378	3,960	11,388
Less: Number of estimated meters	0	0	0	0	0	0
Less: Number of no access/gate locked	39	34	53	127	79	131
Less: Emailed readings	25	16	31	0	21	4
Total Number of meters read by meter readers	3,845	11,107	3,875	11,251	3,860	11,253
Date of finalising readings	10/7/2024	10/7/2024	10/8/2024	10/8/2024	10/9/2024	10/9/2024
% meters read	98%	96%	97%	91%	96%	97%

## Section 2: Finance

Number of meters reported to Engineering services	192	1,163	204	1,202	199	1,086
Total meters reported	192	1,248	204	1,202	199	1,086
Zero consumption for further investigation	191	1,163	204	1,202	199	1,083
Number of meters feedback received from Engineering	0	0	0	0	0	0
Number of faulty meters replaced	1	0	0	0	0	0
% faulty meters fixed/replaced	0%	0.00%	0.00%	0.00%	0.00%	0.00%
Number of new connections	3	0	4	0	2	0
Number of meters estimated	0	0	0	0	0	0
% meters estimated	0.00%	0%	0%	0%	0%	0%

The monthly average reading percentage achieved for September 2024 was 96%. The general variations are due to account changes still in progress and conversion from conventional to prepaid electricity meters. The water section continues to try and address meters not accessible and to find a way to address the issue of meters being deep underground leading to the meters being covered by water when it rains and by dirt in general.

### 2. Debtors billing date

The below table reflects the dates accounts were generated and the dates the accounts were distributed to account holders.

Description	Jul-24	Aug-24	Sep-24
Debtors billing date	17/07/2024	16/08/2024	17/09/2024
Date accounts distributed	25/07/2023	20/08/2024	20/09/2024
Number of accounts posted	11,745	11,284	6,219
Number of accounts emailed	11,745	13,605	13,617
Number of accounts SMSed			4,607
Total number of accounts processed	23,490	24,889	24,443

The monthly billing was done on the 17<sup>th</sup> of September 2024 and the accounts distributed by 20 September 2024. The statements delivery via the post office is proving to be very inefficient and the municipality is continuously encouraging customers with access to email to receive their accounts via email. The municipality started to distribute accounts via sms service for those customers with cell phone numbers but with no email addresses. The municipality continues to find alternative ways to distribute accounts other than via post office as this is delaying receipt of accounts by customers leading to delayed payment of accounts.

## Section 2: Finance

### Number of accounts generated

The below table reflects the number of accounts generated per service type

Description	Jul-24	Aug-24	Sep-24
Property Rates	18,647	18,100	18,103
Electricity	3,781	3,747	3,745
Electricity Availability	316	310	310
Water	10,606	10,923	10,513
Water Availability	410	407	404
Waste removal	13,083	13,083	13,113
Waste removal availability	836	839	835
Waste water Management	12,650	12,654	12,933
Waste water availability	941	942	690
<b>Sundry Services</b>			
Rental	61	61	61

### Debtors Billings per Month

The below table reflects the amounts billed per service type

SERVICE TYPES	Jul-24	Aug-24	Sep-24
	Incl. VAT	Incl. VAT	Incl. VAT
Property Rates	19,145,260.77	15,900,037.53	15,726,485.89
Electricity	19,738,228.17	22,472,345.07	22,237,998.83
Basic Electricity			
Electricity Availability	195,899.96	192,849.56	191,629.40
Water	9,798,693.91	9,830,311.86	10,599,756.60
Basic Water			
Water Availability	285,070.90	281,769.82	280,172.74
Waste removal availability	308,155.11	309,133.35	307,829.03
Waste removal	6,893,437.05	6,877,189.53	6,870,749.34
Waste water availability	504,676.21	410,804.11	431,746.19
Waste water Management	10,272,517.12	10,279,585.13	10,495,230.82
Sundry Services: Rental	43,415.43	44,434.81	43,415.43
<b>TOTAL AMOUNT BILLED</b>	<b>67,185,354.63</b>	<b>66,598,460.77</b>	<b>67,185,014.27</b>

## Section 2: Finance

### Outstanding Debt per Age analysis

The below table reflects the total outstanding debt per ward

WARD	Current	30 Days	60 Days	90 Days	120+ Days	Total
1	2,546,721.25	2,478,697.10	2,565,541.57	1,486,091.60	79,810,556.44	88,887,607.96
2	19,632,741.72	3,521,927.31	2,520,924.53	1,426,432.70	44,347,620.90	71,449,647.16
3	1,165,511.83	695,026.09	476,109.73	392,918.99	14,305,033.98	17,034,600.62
4	1,548,038.19	551,331.29	652,596.69	379,054.64	8,473,197.22	11,604,218.03
5	1,701,151.86	2,140,885.38	2,169,244.64	2,028,894.51	61,764,028.96	69,804,205.35
7	2,118,344.39	1,827,268.29	1,755,024.59	1,765,755.30	95,403,347.94	102,869,740.51
<b>Total</b>	<b>28,712,509.24</b>	<b>11,215,135.46</b>	<b>10,139,441.75</b>	<b>7,479,147.74</b>	<b>304,103,785.44</b>	<b>361,650,019.63</b>

The below table presents the outstanding debt per Suburb

SUBURB	Current	30 Days	60 Days	90 Days	120+ Days	Total
PLETT	16,922,432.86	3,562,652.67	2,905,338.63	1,226,335.17	47,635,133.84	72,251,893.17
NEW HORIZONS	2,680,283.98	1,337,136.82	1,140,739.04	910,362.96	27,217,731.18	33,286,253.98
KWANOKUTHULA	1,904,481.95	1,718,002.83	1,740,002.16	1,728,313.85	45,016,941.84	52,107,742.63
FARMS	996,778.56	583,492.79	711,164.80	393,305.52	14,898,808.60	17,583,550.27
FARMS	424,191.58	876,699.19	557,359.45	423,626.00	12,568,700.96	14,850,577.18
NATURES VALLEY	1,042,557.81	91,010.15	82,521.15	37,877.94	1,455,979.60	2,709,946.65
WITTEDRIFT	257,586.87	95,787.42	47,130.17	24,266.44	770,518.25	1,195,289.15
KEURBOOMS	1,219,527.73	240,324.57	265,227.53	90,071.75	2,527,761.15	4,342,912.73
KRANSHOEK	2,104,084.72	1,820,599.15	1,748,336.72	1,759,272.35	95,242,096.67	102,674,389.61
KURLAND	785,582.24	657,115.31	675,044.27	651,059.48	42,136,688.74	44,905,490.04
GREEN VALLEY	375,000.94	232,314.56	266,577.83	234,656.28	14,633,424.61	15,741,974.22
<b>Total</b>	<b>28,712,509.24</b>	<b>11,215,135.46</b>	<b>10,139,441.75</b>	<b>7,479,147.74</b>	<b>304,103,785.44</b>	<b>361,650,019.63</b>

## Section 2: Finance

### 3. Prepaid Electricity Sales per Month

The comparative figures for prepaid electricity are displayed in the table below:

Description	Jul-24	Aug-24	Sep-24
Number of active meters	9,373	9,402	9,430
New meters installed	35	30	38
Total free units issued (FBS)	344,050	346,800	348,000
Cost of free units	696,124.17	721,413.36	723,909.60
Total Units sold	1,854,282	1,838,350.30	1,736,946.00
Amount for units sold	4,409,849.74	4,388,850.76	4,105,662.52
VAT	661,342.98	658,200.07	615,604.83
<b>Auxiliary Amount</b>	<b>336,073.27</b>	<b>298,721.25</b>	<b>277,209.86</b>
<b>Total Amount for Prepaid Electricity</b>	<b>5,071,192.72</b>	<b>5,047,050.83</b>	<b>4,721,267.35</b>

<b>Total customers FBS</b>	<b>6,881</b>	<b>6,936</b>	<b>6,960</b>
indigents	5,092	5,045	5,077
Non-Indigents	1,789	1,891	1,883
<b>Total free units issued (FBS)</b>	<b>344,050</b>	<b>346,800</b>	<b>348,000</b>
indigents	254,600	252,250	253,850
Non-Indigents	89,450	94,550	94,150
<b>Cost of free units</b>	<b>550,480.00</b>	<b>554,880.00</b>	<b>556,800.00</b>
Indigents	407,360.00	403,600.00	406,160.00
Non-Indigents	143,120.00	151,280.00	150,640.00

The increase in number of meters is due to new connections and the conversion from conventional meters to prepaid meters. The auxiliary amounts are recovered from indigent customers for water consumption above the 6 free kiloliters via prepaid system and includes amounts recovered from customers with prepaid electricity with overdue service accounts. The auxiliary collections for September 2024 amounted to R 277,210.

The free electricity units are given to the approved indigent customers and all prepaid customers in the sub-economic areas.



## Section 2: Finance

### 4. Indigents

The below table contains information regarding indigent management for the period reflected

Description	Jul-24	Aug-24	Sep-24
Number of Indigent Households at the beginning of the month	5,080	5,092	5,045
Cancelations during the month	0	47	0
Additions for the month	12	0	32
Number of Indigent Households at end of month	<b>5,092</b>	<b>5,045</b>	<b>5,077</b>
<b>COST OF INDIGENT SUPPORT</b>			
Sewerage	3,332,408	3,301,660	3,325,864
Refuse removal	1,827,621	1,810,751	2,097,646
Water	1,387,774	1,374,964	1,383,686
Electricity (50kwh free )	550,480	554,880	557,287
<b>TOTAL COST TO MUNICIPALITY</b>	<b>7,098,283</b>	<b>7,042,256</b>	<b>7,364,483</b>
<b>Total amount written-off in line with Indigent Policy</b>	<b>5,184,839</b>		

The total subsidized indigent households decreased with 32 households in September, from 5,045 in August to 5,077 in September 2024. Approved indigents amounts due will be written off in October 2024.

The below table reflects the outstanding debt due by indigent households

Periods	Jul-24	Aug-24	Sep-24
Current	364,349.78	216,924.14	534,020.77
30 days	552,357.78	611,073.35	484,411.04
60 days	579,111.65	583,325.03	665,294.49
90 Days	490,381.78	609,516	632,573.91
90+ Days	5,134,712.34	636,8723.85	7,555,074.64
<b>Total Outstanding</b>	<b>7,120,913.33</b>	<b>8,389,562.80</b>	<b>9,871,374.85</b>

The amount due by approved indigents as at end September 2024 amounted to R 9,871,375. This amount has accumulated due to water use over and above the 6 Kl free water provided to indigents.

This amount is collected by putting these customers on auxiliaries and taking 50% of their electricity sales purchases to pay for the arrears. This is however proving ineffective. Council will have to consider writing off this amount as the prospects of collecting this amount is very low.

## Section 2: Finance

The below table reflects the number of approved and subsidised indigent households per ward

Wards/Areas	Jul-24	Aug-24	Sep-24
Ward 1	351	351	349
Ward 2	11	11	11
Ward 3	658	655	788
Ward 4	780	773	657
Ward 5	762	762	753
Ward 6	1,881	1,848	1,855
Ward 7	649	645	664
<b>TOTAL</b>	<b>5,092</b>	<b>5,045</b>	<b>5,077</b>

The number of indigents increased with 45 households in the month of September 2024. The section strives in terms of process to implement all approved applications during the next month's billing run to ensure that no backlogs build up or delays in implementation.

The reviewed Council approved Indigent policy effective 1 July 2023, provides for the continues subsidization of indigent households that were approved in the previous year subject to indigency verification in the implementation year. This accordingly has the potential of much higher approved indigent numbers going forward in the financial year thus requiring more budget for subsidization. The budget is monitored during the year and accordingly adjusted during the adjustment budget period. The verification process is a continues process from year to year.

### Debt Collection Actions

A summary of the debt collection actions for the month are detailed below

CUT OFF SERVICES	Jul-24	Aug-24	Sep-24
Number of consumers on cut off list	1,324	1,435	1,136
Number of actual cut offs for the month	<b>1,324</b>	<b>1,435</b>	<b>1,136</b>
- Prepaid	1,192	1,312	1,074
- Conventional	44	50	22
- Water restrictions	88	73	40
Number of reconnections:	<b>29</b>	<b>35</b>	<b>46</b>
- Prepaid	12	13	29
- Conventional	15	21	17
- Water reconnections	2	1	0
<b>ARRANGEMENT</b>	<b>299</b>	<b>303</b>	<b>307</b>
Number of arrangements at beginning of the month	302	299	303
New arrangements for month	13	10	11
<b>Cancelled arrangements for the month</b>	16	6	7
Reasons: Paid up	16	6	7
Total amount of arrangements	7,032,299	6,998,488	6,635,483
<b>FINAL NOTICES/HANDING OVERS</b>			

## Section 2: Finance

Number of final notices	3,040	2,682	3,621
Rand value of final notices	87,259,279	87,650,587	108,226,218
Rand value of hand overs	73,070,417	75,637,557	72,375,350
Collections on handed over accounts	658,177	496,850	481,111
<b>50% Discount on Settlement of Account</b>			
Number of customers taken up settlement discount	2	7	14
Discount amount written off	12,983	655,855	378,285
Total amount recovered	21,719	955,536	645,081

The water restrictions in the Eskom electricity distribution areas continues monthly. Access challenges are experienced still to a lesser degree but follow ups are done on these properties.

Although most of customers with arear accounts have been restricted, we note that only a few of the customers whose water has been restricted do come to the office to follow up and make the necessary arrangements to pay off account so that the restrictions can be lifted. Focus will now shift to the verification of statuses of restricted customers to ensure that the implemented restrictions are still in place. The revenue enhancement project will also note the statuses of meters at the time of their physical verifications.

All customers with overdue accounts with prepaid electricity meters are put on partial block.

The trend of blocked prepaid electricity customers as well as the water restricted customers subsequently applying for indigency continue. The blocking of prepaid meters and the restricting of water meters is therefore assisting the municipality to identify the indigent households. The municipality issue notices to all customers with outstanding account balances after the due date as indicated on statement of account.

### 5. Councilors and Staff accounts

The below table reflects the outstanding debt for Councilors.

Account number	Future	Current	30 days	60 days	90 days	120 days+	Total
12096010049	14,855.71	-	-	-	-	-	14,855.71
12896000053	-	11,508.31	4,040.28	-	-	-	15,548.59
70440090028	-	1,374.36	-	-	-	-	1,374.36
<b>Total Group:</b>	<b>14,855.71</b>	<b>12,882.67</b>	<b>4,040.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,778.66</b>

The below table reflects the outstanding debt for Staff

Account number	Arrangements	Current	30 days	60 days	90 days	120 days+	Total
1302900027	- 0.62	4,985.31	-	-	-	-	4,984.69
2221100011	-	1,788.97	-	-	-	-	1,788.97
2222400015	18,370.39	-	-	-	-	-	18,370.39

## Section 2: Finance

2582800016	4,694.79	-	-	-	-	-	4,694.79
2591400016	-	1,600.23	1,615.02	102.09	-	-	3,317.34
2664700012	-	1,600.23	100.54	-	-	-	1,700.77
5613200010	919.84	-	-	-	-	-	919.84
5625300014	7,636.03	-	-	-	-	-	7,636.03
5646800014	11,284.53	-	-	-	-	-	11,284.53
10876000024	-	3,008.65	-	-	-	-	3,008.65
11043000034	-	6,277.12	-	-	-	-	6,277.12
12096063827	2,-26	29.35	-	-	-	-	27.09
12096090270	16,829.58	-	-	-	-	-	16,829.58
16527021048	- 103.74	-	-	-	-	-	- 103.74
18058000022	- 119.55	-	-	-	-	-	- 119.55
21049000013	18,041.25	-	-	-	-	-	18,041.25
21156900019	41,275.11	-	-	-	-	-	41,275.11
21175900021	14,070.40	-	-	-	-	-	14,070.40
21210700021	7,201.34	-	-	-	-	-	7,201.34
23022600027	- 0.33	1,202.38	-	-	-	-	1,202.05
23241000020	3,037.48	-	-	-	-	-	3,037.48
23287000059	- 126.12	28.58	-	-	-	-	- 97.54
23710000032	-	1,810.20	-	-	-	-	1,810.20
24004100047	-	1,553.64	68.67	-	-	-	1,622.31
30067800011	14,399.37	-	-	-	-	-	14,399.37
30112900011	4,477.07	-	-	-	-	-	4,477.07
30130000010	15,378.99	-	-	-	-	-	15,378.99
51201800016	4,111.05	-	-	-	-	-	4,111.05
51203200061	3,200.46	-	-	-	-	-	3,200.46
51304900026	841.51	-	-	-	-	-	841.51
51309200024	2,225.78	-	-	-	-	-	2,225.78
51345900027	6,701.15	-	-	-	-	-	6,701.15
54503000014	6,794.65	-	-	-	-	-	6,794.65
55211000204	390.78	-	-	-	-	-	390.78
56124000039	-	1,600.23	280.31	-	-	-	1,880.54
57471000011	6,510.10	-	-	-	-	-	6,510.10
57665000014	4,057.18	-	-	-	-	-	4,057.18
57714000015	18,016.73	-	-	-	-	-	18,016.73
57745000020	19,898.31	-	-	-	-	-	19,898.31
57929000015	12,008.59	-	-	-	-	-	12,008.59
57932000033	12,736.58	-	-	-	-	-	12,736.58
60009900026	27,498.46	-	-	-	-	-	27,498.46
70000136001	11,037.86	-	-	-	-	-	11,037.86
70000187007	8,450.49	-	-	-	-	-	8,450.49
<b>Total Group:</b>	<b>321,745.49</b>	<b>25,484.89</b>	<b>2,064.54</b>	<b>102.09</b>	<b>-</b>	<b>-</b>	<b>349,394.75</b>

The outstanding debt by staff amounts to R 349,395 at end September 2024. The list is updated monthly with the new employee accounts as per submissions received from HR section and this causes the amount

## Section 2: Finance

from time to time to increase. The necessary arrangements have been made by staff members. The arranged amounts are deducted directly from staff salaries.

### 6. Rates Clearance Statistics

Rates Clearance statistics give an indication of the property market activity in the area and is therefore important when a determination is to be made whether there is economic activity around the sale of property development and land use. It can also serve as an indicator of growth in property rates, especially around new developments, and erven sales.

The below table presents the number of clearances that were issued in the current month in comparison to the prior months.

Description	Jul-24	Aug-24	Sep-24
Applications	106	99	101
Issued	75	52	57
Amounts	R9,375.00	R6,500.00	R7,125.00

Applications are attended too as they get requested via the system. The issued number represents the actual number of Clearance Certificates paid and issued.

### 7. Debtors' payment rate

The below table reflects the debtor's payment rate as on 31 September 2024

DETAILS	Jul-24	Aug-24	Sep-24	Annual
Gross Debtors Opening Balance	335,576,739.61	335,967,417.84	348,643,406.50	335,576,739.61
Billed Revenue	67,185,354.63	66,598,460.77	67,185,014.27	200,968,829.67
Gross Debtors Closing Balance	335,967,417.84	346,643,406.50	361,650,019.63	361,650,019.63
Bad Debt Written off	5,709,353.25	655,855.22	-	6,365,208.47
Payment received	61,085,323.15	55,266,616.89	54,178,401.14	168,530,341.18
Billed Revenue	67,185,354.63	66,598,460.77	67,185,014.27	200,968,829.67
<b>% Debtor payment achieved</b>	<b>91%</b>	<b>84%</b>	<b>81%</b>	<b>84%</b>

The municipality achieved a debtors payment ratio of 81% for September 2024. This resulted in a reduced average collection rate for the year of 84% at end September 2024. The low collection rate is being assessed by the section so that corrective measures can be actioned to get the collection rate back to the 90% range.

## Section 2: Finance

The below table reflects the debtor's payment rate per Suburb

Suburb 01 PLETTENBERG BAY							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
RATES	RATES	11,369,345.89	- 9,058,736.02	79.68	- 2,513,051.29	- 11,571,787.31	101.78
ELECA	ELECTRICITY AVAILABI	17,107,814.58	- 13,674,924.00	0.45	- 2,745,826.42	- 16,420,750.42	16.50
MASAK	INDIGENT POLICY	- 10,672.00	-	-	-	-	0.00
REFUS	REFUSE	2,874,768.66	- 2,466,034.33	85.78	- 352,751.77	- 2,818,786.10	98.05
RENT	RENTALS SUNDRY	94,522.39	- 55,969.29	59.21	- 24,209.83	- 80,179.12	84.83
SEWER	SEWERAGE	4,362,270.82	- 3,749,129.89	85.94	- 502,345.67	- 4,251,475.56	97.46
SUNDR	SUNDRY	24,857.44	- 16,248.25	65.37	- 81,672.23	- 97,920.48	393.93
WATER	WATER	4,397,909.55	- 3,680,407.93	83.69	- 435,673.41	- 4,116,081.34	93.59
ZZZZZ	UNALLOCATED CREDITS	-	-	-	- 1,427,305.27	- 1,427,305.27	0.00
	<b>Suburb Total:</b>	<b>40,220,817.33</b>	<b>- 32,701,449.71</b>	<b>81.30</b>	<b>- 8,082,835.89</b>	<b>- 40,784,285.60</b>	<b>101.40</b>

Suburb 25 KEURBOOMS							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
RAT09	MUNICIPAL	949,510.54	- 716,031.43	75.41	- 232,410.94	-948,442.37	99.89
ELECA	ELECTRICITY AVAILABI	1,244,132.78	- 1,113,377.01	89.49	- 123,156.26	-1,236,533.27	99.39
REFUS	REFUSE	231,655.30	- 208,287.65	89.91	- 26,403.49	-234,691.14	101.31
SEWEA	SEWER AVAILABILITY N	-	-	-	- 654.44	-654.44	0.00
SEWER	SEWERAGE	409,378.92	- 377,208.65	92.14	- 56,403.39	-433,612.04	105.92
SUNDR	SUNDRY	-	-	-	5,495.37	5,495.37	0.00
WATER	WATER	510,510.79	- 459,187.97	89.95	- 46,663.08	-505,851.05	99.09
ZZZZZ	UNALLOCATED CREDITS	-	-	-	- 54,955.61	-54,955.61	0.00
	<b>Suburb Total:</b>	<b>3,345,188.33</b>	<b>- 2,874,092.71</b>	<b>85.92</b>	<b>- 535,151.84</b>	<b>- 3,409,244.55</b>	<b>101.91</b>

Suburb 23 NATURES VALLEY							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
ELEC	ELECTRICITY	501,860.00	- 434,894.75	86.66	- 33,880.15	-468,774.90	93.41
RATES	RATES	795,054.88	- 674,535.44	84.84	- 155,385.51	-829,920.95	104.39
REFUS	REFUSE	161,747.01	- 132,551.92	81.95	- 22,388.72	-154,940.64	95.79
RENT	RENTALS SUNDRY	-	-	-	-	0.00	0.00
SEWER	SEWERAGE	97,909.47	- 81,698.08	83.44	- 14,709.10	-96,407.18	98.47
SUNDR	SUNDRY	-	-	-	- 48,789.27	-48,789.27	0.00
WATER	WATER	227,231.86	- 187,248.42	82.40	- 51,016.58	-238,265.00	104.86
ZZZZZ	UNALLOCATED CREDITS	-	-	-	- 32,686.51	-32,686.51	0.00
	<b>Suburb Total:</b>	<b>1,783,803.22</b>	<b>- 1,510,928.61</b>	<b>84.70</b>	<b>- 358,855.84</b>	<b>- 1,869,784.45</b>	<b>104.82</b>

## Section 2: Finance

Suburb 24 WITTEDRIFT							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
ELEC	ELECTRICITY	336,182.68	- 217,207.47	64.61	- 74,265.40	-291,472.87	86.70
MASAK	INDIGENT POLICY	- 2,134.40	-	-	-	0.00	-
RAT09	MUNICIPAL	85,245.96	- 46,179.08	54.17	- 11,184.38	-57,363.46	67.29
REFUS	REFUSE	50,878.05	- 36,734.84	72.20	- 6,777.38	-43,512.22	85.52
SEWER	SEWERAGE	77,825.14	- 60,882.47	78.23	- 10,955.85	-71,838.32	92.31
SUNDR	SUNDRY	-	-	-	- 1,683.45	-1,683.45	-
WATER	WATER	92,757.53	- 71,310.72	76.88	- 11,480.06	-82,790.78	89.26
ZZZZZ	UNALLOCATED CREDITS	-	-	-	- 24,546.63	-24,546.63	-
	<b>Suburb Total:</b>	<b>640,754.96</b>	<b>-432,314.58</b>	<b>67.47</b>	<b>-140,893.15</b>	<b>-573,207.73</b>	<b>89.46</b>

Suburb 02 NEW HORIZON							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
ELECA	ELECTRICITY AVAILABI	508,061.67	- 176,960.58	47.87	-346,891.75	-523,852.33	103.11
MASAK	INDIGENT POLICY	- 1,525,028.80	-		0.00	0.00	0.00
RATES	RATES	84,868.64	- 23,424.12	236.69	-7,823.44	-31,247.56	36.82
REFUS	REFUSE	911,305.79	- 100,183.27	10.99	-45,492.70	-145,675.97	15.99
RENT	RENTALS SUNDRY	15,090.82	- 595.86	3.95	-1,182.36	-1,778.22	11.78
SEWER	SEWERAGE	1,441,047.42	- 152,270.82	10.57	-83,929.64	-236,200.46	16.39
SUNDR	SUNDRY	11,557.50	- 13,374.50	115.72	-1,666.23	-15,040.73	130.14
WATER	WATER	503,242.24	- 122,278.87	24.30	39,277.02	-83,001.85	16.49
ZZZZZ	UNALLOCATED CREDITS	-	-		-15,755.85	-15,755.85	0.00
	<b>Suburb Total:</b>	<b>1,950,145.28</b>	<b>-589,088.02</b>	<b>30.21</b>	<b>-605,487.40</b>	<b>-1,194,575.42</b>	<b>61.26</b>

Suburb 07 FARMS							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
RATES	RATES	2,595,266.94	- 1,615,137.29	62.23	- 642,826.69	-2,257,963.98	87.00
ELECA	ELECTRICITY AVAILABI	2,498,999.17	- 1,997,594.62	79.94	- 219,212.85	-2,216,807.47	88.71
REFUS	REFUSE	425,843.34	- 227,150.47	53.34	- 91,843.92	-318,994.39	74.91
RENT	RENTALS SUNDRY	-	- 1,299.15	-	-	-1,299.15	0.00
SEWER	SEWERAGE	407,147.39	- 236,312.09	58.04	- 236,486.24	-472,798.33	116.12
SUNDR	SUNDRY	5,043.87	-	-	- 3,164.16	-3,164.16	62.73
WATER	WATER	1,040,897.23	- 555,368.30	53.35	- 108,022.86	-663,391.16	63.73
ZZZZZ	UNALLOCATED CREDITS	-	-	-	- 769,410.99	-769,410.99	0.00
MASAK	INDIGENT POLICY	- 1,067.20	-	-	-	0.00	0.00
	<b>Suburb Total:</b>	<b>6,972,130.74</b>	<b>-4,632,861.92</b>	<b>66.45</b>	<b>-2,070,967.71</b>	<b>-6,703,829.63</b>	<b>96.15</b>

## Section 2: Finance

Suburb 05 KWANOKUTHULA							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
ELEC	ELECTRICITY	445,315.71	- 171,037.63	0.38	- 162,019.45	-333,057.08	74.79
ELECA	ELECTRICITY AVAILABI	10,371.36	- 1,220.16	0.12	- 610.08	-1,830.24	17.65
MASAK	INDIGENT POLICY	- 2,807,803.20	-	-	-	0.00	0.00
RAT09	MUNICIPAL	42,265.91	- 8,123.23	0.19	1,264.04	-6,859.19	16.23
REFUS	REFUSE	1,514,934.68	- 61,226.39	0.04	- 73,050.58	-134,276.97	8.86
SEWER	SEWERAGE	2,392,570.21	- 104,474.54	0.04	- 124,934.18	-229,408.72	9.59
SUNDR	SUNDRY	2,976.00	- 2,820.79	0.95	500.30	-2,320.49	77.97
WATER	WATER	833,038.15	- 128,953.87	0.15	- 173,739.51	-302,693.38	36.34
ZZZZZ	UNALLOCATED CREDITS	-	-	-	- 33,494.89	-33,494.89	0.00
Suburb Total:		2,433,668.82	- 477,856.61	0.20	- 566,084.35	-1,043,940.96	42.90

Suburb 30 KRANSHOEK							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
ELECA	ELECTRICITY AVAILABI	610.08	-		-	0.00	-
MASAK	INDIGENT POLICY	- 577,355.20	-		-	0.00	-
RATES	RATES	41,978.23	- 3,860.03	9.20	- 24,728.65	-28,588.68	68.10
REFUS	REFUSE	621,128.98	- 22,317.24	3.59	- 14,785.49	-37,102.73	5.97
SEWEA	SEWER AVAILABILITY N	-	-	-	- 569.08	-569.08	-
SEWER	SEWERAGE	976,882.94	- 35,475.98	3.63	- 28,757.26	-64,233.24	6.58
SUNDR	SUNDRY	-	- 77.73	-	-	-77.73	-
WATER	WATER	752,197.53	- 26,964.96	3.58	- 93,184.89	-120,149.85	15.97
ZZZZZ	UNALLOCATED CREDITS	-	-		- 18,705.89	-18,705.89	-
Suburb Total:		1,815,442.56	- 88,695.94	4.89	- 180,731.26	-269,427.20	14.84

Suburb 60 KURLAND							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
RAT09	MUNICIPAL	5,232.16	- 414.48	7.92	- 1,089.61	-1,504.09	28.75
ELECA	ELECTRICITY AVAILABI	3,660.48	-		-	0.00	-
MASAK	INDIGENT POLICY	- 372,452.80	-		-	0.00	-
REFUS	REFUSE	299,011.58	- 6,484.68	2.17	- 12,446.97	-18,931.65	6.33
SEWEA	SEWER AVAILABILITY N	-	-		- 1,138.16	-1,138.16	-
SEWER	SEWERAGE	472,943.92	- 9,599.14	2.03	- 13,324.23	-22,923.37	4.85
WATER	WATER	301,652.90	- 10,052.64	3.33	- 13,561.86	-23,614.50	7.83
ZZZZZ	UNALLOCATED CREDITS	-	-		- 11,803.25	-11,803.25	-
Suburb Total:		710,048.24	- 26,550.94	3.74	- 53,364.08	-79,915.02	11.25



## Section 2: Finance

Suburb 70 GREEN VALLEY							
Service	Debtor	Total Amount	Total Paid	%	Total Paid	Total	Total %
Type	Type	Raised	i.r.o.Curr.	Paymt.	i.r.o.Other		
MASAK	INDIGENT POLICY	- 106,720.00	-		-	-	-
RAT09	MUNICIPAL	81.81	-	-	- 27.88	(27.88)	34.08
REFUS	REFUSE	94,320.73	- 3,487.38	3.70	- 931.18	(4,418.56)	4.68
SEWER	SEWERAGE	148,987.06	- 4,945.23	3.32	- 598.65	(5,543.88)	3.72
SUNDR	SUNDRY	-	- 98.11		-	(98.11)	-
WATER	WATER	104,878.13	- 5,501.22	5.25	- 1,904.35	(7,405.57)	7.06
ZZZZZ	UNALLOCATED CREDITS	-	-		- 500.00	(500.00)	-
	<b>Suburb Total:</b>	<b>241,547.73</b>	<b>- 14,031.94</b>	<b>5.81</b>	<b>- 3,962.06</b>	<b>(17,994.00)</b>	<b>7.45</b>

### **FINANCIAL IMPLICATION**

Financial implications as articulated in report

### **EXECUTIVE SUMMARY**

The Revenue management report reflects the monthly services billings and the debt collection activities undertaken during the month of September 2024.

The collection rate achieved for September 2024 is 81%. The decrease in the collection rate is being assessed to ensure corrective measures are put in place to get back to the 90% and above.

### **RELEVANT LEGISLATION**

The report is prepared in compliance with section 64 of the Municipal Finance Management Act (Act 56 of 2003) as well as the requirements as set out in Chapter 9 of the Municipal Systems Act (Act 32 of 2000) in relation to revenue management and debt collection actions undertaken.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That the Revenue Management Report for the month of September 2024, be noted.
2. That it be noted that the amount of R 378,285 has been written off as bad debt in the 50% settlement discount program and an amount of R 645,081 collected in the month of September 2024.

### **RECOMMENDED BY THE CORPORATE AND FINANCE PORTFOLIO COMMITTEE**

1. That the Revenue Management Report for the month of September 2024, be noted.
2. That it be noted that the amount of R 378,285 has been written off as bad debt in the 50% settlement discount program and an amount of R 645,081 collected in the month of September 2024.

## Section 2: Finance

ITEM C/2/234/10/24

### REQUEST FOR ARREAR DEBT WRITE OFF AS PER CUSTOMER REQUESTS

<b><u>Portfolio Comm:</u></b>	<b>Finance and Corporate Services</b>	<b><u>Demarcation:</u></b> All Wards
<b><u>File Ref:</u></b>	<b>9/1/3/4</b>	<b><u>Delegation:</u></b> Portfolio Comm
<b><u>Attachments:</u></b>	<b>Annexure A – Masizame Child and Youth Cara Centre request letter Annexure B – Masizame Street Children account</b>	
<b><u>Report from:</u></b>	<b>Director: Financial Services</b>	
<b><u>Author:</u></b>	<b>Manager Revenue</b>	
<b><u>Date:</u></b>	<b>5 October 2024</b>	

### **PURPOSE OF THE REPORT**

The purpose of this item is to present to Council and to get approval for request received from customer for the write off, of outstanding services debt amounts that they are not able to afford.

### **BACKGROUND /DISCUSSION**

The following customer has in line with the Council approved Writing off of irrecoverable debt policy, submitted debt write off request to be considered by the municipality for write off.

**1.Masizame Child and Youth Care Centre:** owns ERF 4911 in Kwanokuthula, utilized and registered as a Youth Care Centre, taking care of vulnerable children processed by the courts. As per their attached write off request letter, they are unable to meet their financial obligations in paying the municipal services account. The Centre is billed for Water and Electricity and currently with an outstanding balance of **R 88 948.55**.

They wrote a request for arrear debt to be written off and promise to pay the monthly account going forward.

### **FINANCIAL IMPLICATION**

The following arrear amounts would be the amount that the municipality would write off for customer:

1. **Masizame Child and Youth Cara Centre** - Account no. **54911000240** amount due **R 88 948.55** (amount due on 5 October 2024)

## Section 2: Finance

### **RELEVANT LEGISLATION**

The **Writing off of irrecoverable debt policy** provides for the following stipulations in section 6 of the policy under Delegations, and accordingly gives the Finance Committee the power to approve the write off of debt above the amount of R 40 000.

#### **6. DELEGATIONS**

##### **6.1.1 Chief Financial Officer**

- 6.1.2 The Chief Financial Officer will, after thorough review of any applications in terms of this policy, have the delegated powers to write-off any irrecoverable debt to the maximum amount of R 20,000 per consumer (current, suspended and handed over amounts consolidated) per submission or the amount determined by Council from time to time during the budget approval process.

##### **6.2 Municipal Manager**

- 6.2.1 Any amount in excess of the delegation provided for in paragraph 6.1.1 above must be submitted together with a recommendation to the Municipal Manager for consideration. The Municipal Manager will, after thorough review of any recommendation by the Chief Financial Officer and in terms of this Policy, have the delegated powers to write-off any irrecoverable debt to the maximum amount of R 40,000 per consumer (current, suspended and handed over amounts consolidated) per submission or the amount determined by Council from time to time during the budget approval process.

##### **6.3 Committee of Council**

- 6.3.1 Council has established a Finance Portfolio Committee in terms of Section 80 of the Local Government: Municipal Structures Act (No 117 of 1998) to assist the Executive Mayor and Mayoral Committee. It is hereby determined that the Finance Portfolio Committee will be the committee of Council to monitor the implementation of this policy.
- 6.3.2 Any amount in excess of the delegation provided for in paragraph 6.2.1 above must be submitted together with a recommendation to the Finance Portfolio Committee for consideration. The Finance Portfolio Committee will, after thorough review of any recommendation by the Chief Financial Officer and Municipal Manager in terms of this Policy, have the delegated powers to write- off any irrecoverable debt in excess of R 40,000 per consumer (current, suspended and handed over amounts consolidated) per submission or the amount determined by Council from time to time during the budget approval process.

## **Section 2: Finance**

### **EXECUTIVE SUMMARY**

The Masizame Child and Youth Care Centre cannot afford to settle the arrears amount of R 88 948.55 and requests Council to write off this amount and undertake to service their monthly account as they have been doing going forward.

The approved Writing off irrecoverable debt policy provides for the powers to write off debt of amounts more than R 40 000 by the Finance Portfolio committee.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That the total amount of **R 88 948.55** be approved to be written off as per the Masizame Child and Youth Care Centre request for erven 4911 Kwanokuthula.
2. That the debt be written off conditional to current account being paid monthly going forward and that smart metering equipment be installed at the said properties.

### **RECOMMENDED BY THE FINANCE AND CORPORATE SERVICES PORTFOLIO COMMITTEE**

1. That the total amount of **R 88 948.55** be approved to be written off as per the Masizame Child and Youth Care Centre request for erven 4911 Kwanokuthula.
2. That the debt be written off conditional to current account being paid monthly going forward and that smart metering equipment be installed at the said properties.



**The Municipal Manager  
Bitou Municipality  
Mr Ralph Links**

26 August 2024

Dear Mr Links

On behalf of Masizame Child and Youth Care Centre (CYCC), based at erf 4911 Xipula Street in Kwanokuthula, I am making a humble request to yourself in assisting this NGO in motivating the Bitou Municipality to Write Off the arrears on our Utilities account which is attached.

Some time back a lump sum was journalized to our account and has been accumulating interest. We could never resolve what the debit was for. Masizame is diligent in paying the monthly bill, irrespective of how difficult this may be.

Masizame provides statutory care of vulnerable children that have been processed by the courts of needing to be removed from their current circumstances into alternative care for their own care and protection. We are extremely underfunded and are continuously trying to raise funds to make ends meet. We therefore humbly request your assistance in this matter.

Thanking you in anticipation

Kind regards

Chairperson Michael Scholtz Masizame Child Development [mike@plettonline.com](mailto:mike@plettonline.com)

**Annexure B**

MASIZAME STREET CHILDREN  
PO BOX 2026  
PLETTENBERG BAY

6600

MASIZAME STREET CHILDREN

PLETT 54911000240 2024/10 00/00/0000

07/11/2024

.00

Tax invoice:	Total Vat:	1
Vat Registration4270102405		
	PLETT 54911000240	
	Date of account:	00/00/0000
	Receipts posted to:	00/00/0000
	Erf: 05	4911
	Build.:.:	
	Site: CNR SISHUBA & XHIPULA S	4911
	Deposit:	
	Guarantee:	

MASIZAME STREET CHILDREN  
PO BOX 2026  
PLETTENBERG BAY

6600  
Deb.VATReg#

Balance brought forward:	118007.43
Receipts: 0000713575 0000714579	29058.88-
** Total monthly:	88948.55
	-----

>>>>>> 9150 1549 1100 0240 7  
0239 54911000240  
PAY@ 11338 0549 1100 0240  
Ward 5 HARKERVILLE FARMS W KWANO WES  
Cell Number 0762530282

## Section 2: Finance

ITEM C/2/235/10/24

### ANNUAL TABLING OF LIST OF EXEMPTIONS, REDUCTIONS AND REBATES ACCORDING TO MPRA 15 (3) (a) and (b)

**Portfolio Comm:** Finance and Corporate Services  
**File Ref:** 9/1/3/4

**Demarcation:** All Wards  
**Delegation:** Council

**Attachments** Annexure A

**Report from:** Director: Financial Services

**Author:** Accountant: Rates & Valuations

**Date:** 07 October 2024

#### **PURPOSE OF THE REPORT**

To table list of exemptions, reductions and rebates as required by section 15(3)(a) and (b) of the Local Government: Municipal Property Rates Act No. 6 of 2004.

#### **BACKGROUND /DISCUSSION**

In terms of section 15(3)(a) and (b) of the Local Government: Municipal Property Rates Act No. 6 of 2004 the Municipal Manager must annually table to Council of the municipality a list of all exemptions, rebates and reductions granted by the municipality in terms of this section during the previous financial year.

#### **FINANCIAL IMPLICATION**

The amount of **R 13 827 064,20** was revenue foregone through the exemptions, rebates and reductions afforded to residential property owners as set out on attached Annexure 1.

#### **EXECUTIVE SUMMARY**

The tabling of exemptions, reductions and rebates to council is a legislative requirement of the Municipal Property Rates Act, (Act 6 of 2004) and the presentation thereto is an imperative planning tool for property rates budget performance and important factor to municipal policy review.

The total amount of **R 13 827 064,20** was revenue forgone due to the implementation of exemptions, rebates and reductions as permitted by Section 15 of the Act.

#### **RELEVANT LEGISLATION**

In terms of the provisions of the Municipal Property Rates Act, (Act 6 of 2004) section 15 (3) (a) and (b) with reference to tabling the list to council:

## **Section 2: Finance**

**15. Exemptions, reductions, and rebates.** — (3) The municipal manager must annually table in the council of the municipality a—

(a) list of all exemptions, rebates and reductions granted by the municipality in terms of subsection (1) during the previous financial year; and

(b) statement reflecting the income for the municipality foregone during the previous financial year by way of—

(i) such exemptions, rebates, and reductions;

(ii) exclusions referred to in section 17 (1) (a), (e), (g), (h) and (i); and

(iii) the phasing-in discount granted in terms of section 21.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That the exemptions, reductions, and rebates amount of **R 13 827 064,20** foregone for the **2023/2024** financial year be noted.

### **RECOMMENDED BY THE FINANCE AND CORPORATE SERVICES PORTFOLIO COMMITTEE**

That the exemptions, reductions, and rebates amount of **R 13 827 064,20** foregone for the **2023/2024** financial year be noted.



## Annexure 1 - 2023/24 Financial Year

## Policy/Legislation MPRA Section 15 (3)(a) Report on Exemptions, Reductions and Rebates

Section	Details	Rates Category	Units	Amount
<b>MPRA 15 (1)(a)</b> <b>Rates Tariff Structure</b>	The first R 167500 (one hundred and sixty seven thousand five hundred) of the valuation of a domestic property valued between R350 001 and R1 000 000 in terms of Section 15(1)(b) of the Act will be exempted. (excluding accommodation establishments and vacant land)	<b>Residential Property</b>	776	R 3,415,085.80
<b>MPRA 15 (2)(a)+ (e)</b>	(2) When granting in terms of subsection (1) exemptions, rebates or reductions in respect of owners of categories of properties, a municipality may determine such categories in accordance with section 8 (2) and subsection (2A), and when granting exemptions, rebates or reductions in respect of categories of owners of properties, such categories may include: a) Indigent owners; e) owners of residential properties with a market value lower than an amount determined by the municipality;	<b>Residential 100%</b> On R350 000 and below	8195	R 7,938,605.38
<b>MPRA 17(1)(a)</b>	Other impermissible rates.—(1) A municipality may not levy a rate—(a) on the first 30% of the market value of public service infrastructure;	<b>Public Service Infrastructure</b>	532	R 42,939.42
<b>MPRA 17 (1)(e.)</b>	Other impermissible rates.—(1) A municipality may not levy a rate— e) on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003), or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act,	<b>Nature Reserve</b>	27	R 1,932,700.00
<b>MPRA 17(1)(h)</b>	Other impermissible rates.—(1) A municipality may not levy a rate— (h) on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality— (i) for residential properties; or (ii) for properties used for multiple purposes, provided one or more components of the property are used for residential purposes;	<b>Residential Property</b> NB' 15 (1)(a) includes 17 (1)(h)	7618	R0
<b>MPRA 17(1)(i)</b>	Other impermissible rates.—(1) A municipality may not levy a rate— (i) on a property registered in the name of and used primarily as a place of public worship by a religious community, including the official residence registered in the name of that community which is occupied by the office bearer of that community who officiates at services at that place of worship	<b>Places Of Worship</b>	35	R 497,733.60
				<b>R 13,827,064.20</b>

## Section 2: Finance

ITEM M/2/236/10/24

### SECTION 71 REPORT FOR THE MONTH OF SEPTEMBER 2024

**Portfolio Comm:** Finance & Corporate Services  
**File Ref:** 9/1/3/4

**Demarcation:** All Wards  
**Delegation:** MayCo

**Attachment:** Annexure “A” – Budget Report M03  
Annexure “B” – C Schedule M03

**Report from:** Acting Director: Financial Services

**Date** 11 October 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 month ended 30 September 2024.

#### **BACKGROUND/DISCUSSION**

This report deals with the Month ended 30 September 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 monthly report to council was drafted in accordance with the budget and reporting regulations and corresponds with the monthly Section 71 reporting, Schedule “C” as submitted to Treasury as per the MFMA reporting timeline.

#### **Summary of financial state of affairs for the month ended 30 September 2024**

The report as attached hereto can be summarized as follows:

##### **1. Financial Position**

###### **Assets**

Current Assets for the month amounts to R 569,663 Million, consisting of the major contributors which is Receivables from exchange and non-exchange, as well as Cash and Cash equivalents.

Cash and cash equivalents amount to R 139,687 Million as at 30 September 2024, which is made up of cash amounting to R 29,557 Million and short term investments of R 110,130 Million.

## Section 2: Finance

Non-current assets, which includes Property Plant and equipment amounts to R 1,332 Billion at 30 September 2024.

In total assets amount to R 1,902 Billion as at end September 2024.

### Liabilities

Current liabilities amount to R 368,452 Million consisting of the major contributors such as the current Borrowing Costs, Provisions and Trade Creditors.

Non-current liabilities amount to R191,817 Million as at 30 September 2024. It consists of Long-Term Borrowing and Provisions.

### Net Assets

Net assets for the month amount to R1,342 Billion as at 30 September 2024.

### Conclusion on financial position

The financial position as at 30 September 2024 is below the best practice benchmark at 1.55:1 meaning current assets are 1.55 times more than current liabilities. (The best practice benchmark is between 2 and 3).

## 2. Financial Performance

### Revenue

Total revenue received for September 2024 equals R257,855 million which represents 26% of the total operating revenue budget for the year.

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

**Property Rates:** The R16.8 million and when comparing the YTD actual to the YTD budget, the revenue source is over-performing at a percentage of 8%.

**Service Charges** – Revenue from electricity for the month amounts to R23.6 million. The anticipated budgeted revenue amounted to R65.5 million, while actuals at month end has a balance of R67.1 million, translating to the Revenue source adequately performing. Electricity revenue is influenced by fluctuating consumption during peak and off-peak periods and as we are in the peak season it is expected that a spike will occur in consumption. Focus has now shifted towards the effect of SSEG on our consumption patterns, as 30 September marks 188 consecutive days we have been without loadshedding.

**Service Charges** – Water Revenue: Water revenue as at end of September 2024 amounts to R21.2 million while YTD budget amounts to R22.6 million. This is an 6% under-performance consistent with the colder and wetter weather conditions and seasonal consumption patterns. As we will be entering the second quarter of the financial year, it is expected that the consumption will start to improve as the Holiday Season approaches.

## Section 2: Finance

**Service Charges – Sanitation Revenue:** A negative YTD variance of 13%. The revenue item will be monitored as it was performing adequately at the end of the previous financial year. This revenue source is still forming part of the Revenue enhancement programme.

**Service Charges – Refuse Revenue:** A negative YTD variance of 14%. This category of revenue falls part of the revenue enhancement programme and a concerted effort must be made in the new financial year to ensure this revenue source is performing adequately.

**Rental from Fixed Assets –** A negative YTD variance of 27% 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 57% is recorded. Although the interest on outstanding debtors is under performing. The item is expected to come in line as we progress through the year.

**Fines, penalties and forfeits:** A negative YTD variance of 36%, which can be ascribed to revenue recognition done only for the month of July 2024. The revenue for the month of which can be ascribed to revenue recognition done for the month of August 2024. The revenue for the month of September 2024 will be recognised as part of the October 2024 monthly reporting, as the reports are sent to the Municipality on the 7th working day.

**Sale of Goods and rendering of Services:** A negative YTD variance of 33%. The major contributor of the revenue remains Building Plan Approval fees, Development Charges, Town Planning Fees, Fire Services, Staff and Councillor Recoveries etc

### Expenditure

The total expenditure for the month is R177,839 Million which represents 18% 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 14% is reflected. The main factor contributing to the under-spending remains the vacant positions that have not been filled to date, coupled with employee benefits provisions that will be processes at year-end.

**Bulk Purchases - Electricity:** Eskom payments for the month ended September 2024, amounts to R58.9 million. All payments are in respect of August invoices. September 2024 accounts will be forming part of next month's reporting.

**Contracted services:** As at end of September 2024 amounts to R11.4 million and is under-performing by 57% when compared to the YTD budget of R26.7 million. It is expected that this category of expenditure will increase as we progress through the first quarter of the new Financial Year.

**Transfers and Subsidies:** Expenditure as at end of September 2024 amounts R2.1 million compared to the YTD budget of R6.4 million.

## **Section 2: Finance**

**Operational Cost:** A negative YTD budget variance of 57% 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

### **Conclusion on financial performance**

In total the municipality is reporting a surplus for the month of R7 million as well as a year-to-date surplus of R81.4 million. The current cash flow is sufficient to meet the short and medium-term operational requirements and the focus now is to sustain operations in the long term. Based on the current trend an operating surplus is still anticipated for the current financial year.

### **3. Debtors Management**

The debtors' book of the municipality reflects R 278.8 million on outstanding debtors older than 121 days and a total outstanding amount of R 361.7 million.

The contributors to the outstanding debt remain the household debt which represent 95.6% of total debt, followed by businesses with 3.4% and organs of state contributing 0.9%

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 September 2024 is 81%.

### **4. Creditors Management**

The municipality reports a total amount of R2.5 million on trade creditors in September 2024.

## **FINANCIAL IMPLICATIONS**

Financial implications are attached on Annexures A and Annexures B

## **RELEVANT LEGISLATION**

The Municipal Finance Management Act – No. 56 of 2003 Section 71 monthly budget statements.  
Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations (MBRR)

## **RECOMMENDED BY ACTING MUNICIPAL MANAGER**

That the Section 71 Report for the month ended 30 September 2024, be noted.

## Section 2: Finance

### **RECOMMENDED BY THE FINANCE AND CORPORATE SERVICES PORTFOLIO COMMITTEE**

That the Section 71 Report for the month ended 30 September 2024, be noted.

BITOU LOCAL MUNICIPALITY



**Budget Statement for the month  
ended 30 September 2024**

## Table of Contents

Table of Contents.....	2
Glossary .....	3
Legislative Framework .....	5
Section 1 – September Report .....	5
Section 2 – Resolutions .....	5
Section 3 – Executive Summary .....	5
Section 4 – In-year budget statement tables .....	10
Section 5 – Debtors’ analysis .....	18
Section 6 – Creditors' age analysis .....	20
Section 7 – Investment portfolio analysis.....	21
Section 8 – Grant Performance.....	22
Municipal manager’s quality certification.....	23



## 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 71 Monthly budget statements. Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations (MBRR)

## **PART 1 – IN-YEAR REPORT**

### **Section 1 – September Report**

#### ***1.1 In-Year Report – Monthly Budget Statement***

The report outlines the financial performance and position of the municipality for the month ended September 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 September 2024 amounts to R 139.7 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 2024/2025***

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

#### ***RECOMMENDATION:***

- That Council notes the monthly budget statement and supporting documentation for the month ended 30 September 2024.

### **Section 3 – Executive Summary**

#### **3.1 Introduction**

The Monthly budget statement has been prepared in terms of the Municipal Budget and Reporting Regulations and section 71 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) - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue										
Exchange Revenue		477 681	531 266	531 266	44 474	125 988	132 816	(6 828)	-5%	531 266
Service charges - Electricity		230 904	262 129	262 129	23 579	67 087	65 532	1 555	2%	262 129
Service charges - Water		87 795	90 492	90 492	7 353	21 215	22 623	(1 408)	-6%	90 492
Service charges - Waste Water Management		67 358	80 372	80 372	6 217	17 482	20 093	(2 611)	-13%	80 372
Service charges - Waste management		44 964	53 852	53 852	3 871	11 633	13 463	(1 830)	-14%	53 852
Sale of Goods and Rendering of Services		7 520	9 687	9 687	609	1 629	2 422	(793)	-33%	9 687
Agency services		2 498	2 840	2 840	239	482	710	(228)	-32%	2 840
Interest earned from Receivables		13 243	13 870	13 870	904	1 831	3 468	(1 636)	-47%	13 870
Interest earned from Current and Non Current Assets		13 203	12 448	12 448	1 325	2 959	3 112	(154)	-5%	12 448
Rental from Fixed Assets		1 354	2 210	2 210	140	404	552	(148)	-27%	2 210
Licence and permits		1 427	565	565	236	410	141	268	190%	565
Operational Revenue		7 415	2 800	2 800	0	856	700	156	22%	2 800
Non-Exchange Revenue		432 046	442 000	444 967	24 666	131 867	111 554	20 312	18%	444 967
Property rates		178 261	191 257	191 257	16 829	51 490	47 814	3 676	8%	191 257
Surcharges and Taxes		1 420	1 589	1 589	119	365	397	(32)	-8%	1 589
Fines, penalties and forfeits		60 451	50 836	50 836	3 214	8 161	12 709	(4 548)	-36%	50 836
Licence and permits		-	796	796	-	-	199	(199)	-100%	796
Transfer and subsidies - Operational		166 503	176 893	179 860	1 867	66 782	46 265	20 516	44%	179 860
Interest		2 292	1 844	1 844	1 362	1 539	461	1 078	234%	1 844
Operational Revenue		14 750	14 835	14 835	1 274	3 530	3 709	(179)	-5%	14 835
Gains on disposal of Assets		-	3 950	3 950	-	-	-	-	-	3 950
Other Gains		8 370	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and		909 728	973 266	976 233	69 140	257 855	244 371	13 484	6%	976 233
Expenditure By Type										
Employee related costs		312 820	370 938	370 938	28 601	78 963	91 701	(12 738)	-14%	370 938
Remuneration of councillors		7 376	7 879	7 879	594	1 773	1 970	(196)	-10%	7 879
Bulk purchases - electricity		197 628	231 959	226 959	25 658	58 986	56 740	2 246	4%	226 959
Inventory consumed		16 652	18 699	18 699	894	2 142	4 675	(2 533)	-54%	18 699
Debt impairment		28 480	19 001	19 001	-	-	-	-	-	19 001
Depreciation and amortisation		48 851	40 002	40 002	-	6 667	10 000	(3 333)	-33%	40 002
Interest		20 922	14 063	14 063	-	31	3 516	(3 484)	-99%	14 063
Contracted services		77 655	103 758	106 725	3 794	11 403	26 661	(15 257)	-57%	106 725
Transfers and subsidies		9 208	12 283	17 283	-	2 064	6 358	(4 295)	-68%	17 283
Irrecoverable debts written off		74 426	61 150	61 150	347	6 107	15 287	(9 180)	-60%	61 150
Operational costs		76 823	91 144	91 144	3 637	9 702	22 726	(13 024)	-57%	91 144
Losses on Disposal of Assets		3 217	-	-	-	-	-	-	-	-
Other Losses		111	-	-	-	-	-	-	-	-
Total Expenditure		874 170	970 877	973 844	63 523	177 839	239 634	(61 795)	-26%	973 844
Surplus/(Deficit)		35 558	2 389	2 389	5 617	80 015	4 737	75 278	0	2 389
Transfers and subsidies - capital (monetary allocations)		50 164	130 854	130 854	1 432	1 432	32 468	(31 036)	(0)	130 854
Transfers and subsidies - capital (in-kind)		33	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		85 755	133 243	133 243	7 049	81 448	37 206			133 243
Surplus/(Deficit) after income tax		85 755	133 243	133 243	7 049	81 448	37 206			133 243
Surplus/(Deficit) attributable to municipality		85 755	133 243	133 243	7 049	81 448	37 206			133 243
Surplus/ (Deficit) for the year		85 755	133 243	133 243	7 049	81 448	37 206			133 243

## **BITOU LOCAL MUNICIPALITY**

### **Revenue by Source**

#### **Property Rates**

Property rates for the month amounts to R16.8 million and when comparing the YTD actual to the YTD budget, the revenue source is over-performing at a percentage of 8%. This can mainly be ascribed to the removal of the remaining rebate amount to individuals whose property value is between R350 000 and R1 million, coupled with the annual rates levied.

#### **Electricity**

Revenue from electricity for the month amounts to R23.6 million. The anticipated budgeted revenue amounted to R65.5 million, while actuals at month end has a balance of R67.1 million, translating to the Revenue source adequately performing. Electricity revenue is influenced by fluctuating consumption during peak and off-peak periods and as we are in the peak season it is expected that a spike will occur in consumption. Focus has now shifted towards the effect of SSEG on our consumption patterns, as 30 September marks 188 consecutive days we have been without loadshedding.

#### **Water Service**

Water revenue as at end of September 2024 amounts to R21.2 million while YTD budget amounts to R22.6 million. This is an 6% under-performance consistent with the colder and wetter weather conditions and seasonal consumption patterns. As we will be entering the second quarter of the financial year, it is expected that the consumption will start to improve as the Holiday Season approaches.

#### **Sanitation Service**

Sanitation revenue amounts to R17.5 million while YTD budget amounts to R20.1 million. This translates to a 13% under-performance for this category of revenue, an improvement from the previous month. The revenue item will be monitored as it was performing adequately at the end of the previous financial year. This revenue source is still forming part of the Revenue enhancement programme.

#### **Refuse Service**

Refuse revenue as at the end of September 2024 amounts R11.6 million while the YTD budget amounts to R13.5 million. This is an under performance of 14%. This category of revenue falls part of the revenue enhancement programme and a concerted effort must be made in the new financial year to ensure this revenue source is performing adequately.

#### **Rental from Fixed Assets**

The revenue for Rental from Fixed Assets for September 2024 amounts to R404 000. This source of revenue is underperforming by 27%. 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 at the end of September 2024 amounts to R2.9 million and R1.8 million respectively, which in turn equates to a 5% and 57% under-performance of the revenue source. Investment revenue, based on past trends, will start performing adequately as we start investing more of our surplus funds.

#### **Revenue for fines, penalties and forfeits**

Revenue from Fines as at end of September 2024 amounts to R8.1 million compared to the anticipated budgeted revenue of R12.7 million. This is an under-performance of 36%, which can be ascribed to revenue recognition done for the month of August 2024. The revenue for the

## BITOU LOCAL MUNICIPALITY

month of September 2024 will be recognised as part of the October 2024 monthly reporting, as the reports are sent to the Municipality on the 7<sup>th</sup> working day.

### **Transfers and Subsidies**

Transfers have been recognised as at the end of September 2024 amounting to R66.8 million. It is anticipated that this result may come in-line with the budgetary predictions during the course of the financial year.

### **Sale of Goods and Rendering of Services**

Revenue collected as at end of September 2024 amounts to R1.6 million compared to an anticipated R2.4 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 the end of September 2024 amounts to R856 000 compared to an anticipated R700 000. The major contributor of the revenue development charges, and landing fees.

**Total revenue** for the month of September 2024 amounts to R69.1 million with a YTD actual of R257.9 million, compared to the R244.4 million anticipated budgeted revenue for the month. This, however, exclude revenue from capital contributions.

## **Expenditure**

### **Employee related cost**

Employee related cost for the month of September 2024 amounts to R28.6 million, with an actual YTD figure of R78.9 million. When comparing this to the YTD budget, R91.7 million, it translates to an under performance of 14%. The main factor contributing to the under-spending remains the vacant positions that have not been filled to date, coupled with employee benefits provisions that will be processes at year-end.

### **Remuneration of councillors**

Remuneration of councillors as at end of September 2024 amounts to R1.8 million. This expenditure item underperforming by 10% for the month. This expenditure item will start coming inline once the upper limits for councillors are announced.

### **Bulk Purchases**

Eskom payments for the month ended September 2024, amounts to R58.9 million. All payments are in respect of August invoices. September 2024 accounts will be forming part of next month's reporting.

### **Depreciation**

Depreciation for September 2024 was not recognised due to the system changes, the expenditure for September will form part of October's recognition, after that it will be performing adequately.

### **Inventory Consumed**

Expenditure for this item, for September 2024, amounts to R2.1 million while the YTD budget amounts to R4.7 million. This expenditure item is under-performing by 54% when compared to the YTD budget. This expenditure type relates to the consumption of materials and supplies/inventory at the stores and this item will improve as operations gain momentum.

## BITOU LOCAL MUNICIPALITY

### **Contracted Services**

Expenditure as at end of September 2024 amounts to R11.4 million and is under-performing by 57% when compared to the YTD budget of R26.7 million. It is expected that this category of expenditure will increase as we progress through the first quarter of the new Financial Year.

### **Transfers and subsidies**

Expenditure as at end of September 2024 amounts R2.1 million compared to the YTD budget of R6.4 million. An underperformance is reported for the month. Expenditure falling under this category include Grant-in-aid, payment to the Shark Spotter programme and our contribution to the regional landfill site as well as to tourism.

### **Operational Cost**

Operational Cost as at end of September 2024 amounts to R9.7 million while the YTD budget amounts to R22.7 million, which translates to an under performance of 57%. 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.

**Total expenditure** as at end of September 2024 amounts to R177.8 million in comparison to an anticipated expenditure budget of R239.6 million.

### **Conclusion on Financial Position and performance**

The municipality is reporting a Surplus for the month of R7 million as well as a year-to-date surplus of R81.4 million. The current cash flow is sufficient to meet the short and medium-term operational requirements, and the focus now is to sustain operations in the long term. The current ratio is below the best practice norms including the liquidity position and a concerted effort is still necessary for 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 Monthly budget statements*

The tables included in section 4 to the end of this report are from the ‘C Schedule monthly 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. Management to note that expenditure is more that revenue since the beginning of the year.

See tables below C1 and C3 for the month ended 30 September 2024.



# BITOU LOCAL MUNICIPALITY

**WC047 Bitou - Table C1 Monthly Budget Statement Summary - M03 September**

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	178 261	191 257	191 257	16 829	51 490	47 814	3 676	8%	191 257
Service charges	431 020	486 846	486 846	41 021	117 418	121 711	(4 294)	-4%	486 846
Investment revenue	13 203	12 448	12 448	1 325	2 959	3 112	(154)	-5%	12 448
Transfers and subsidies - Operational	166 503	176 893	179 860	1 867	66 782	46 265	20 516	44%	179 860
Other own revenue	120 740	105 822	105 822	8 098	19 206	25 468	(6 261)	-25%	105 822
<b>Total Revenue (excluding capital transfers and</b>	<b>909 728</b>	<b>973 266</b>	<b>976 233</b>	<b>69 140</b>	<b>257 855</b>	<b>244 371</b>	<b>13 484</b>	<b>6%</b>	<b>976 233</b>
Employee costs	312 820	370 938	370 938	28 601	78 963	91 701	(12 738)	-14%	370 938
Remuneration of Councillors	7 376	7 879	7 879	594	1 773	1 970	(196)	-10%	7 879
Depreciation and amortisation	48 851	40 002	40 002	-	6 667	10 000	(3 333)	-33%	40 002
Interest	20 922	14 063	14 063	-	31	3 516	(3 484)	-99%	14 063
Inventory consumed and bulk purchases	214 280	250 658	245 658	26 551	61 127	61 414	(287)	-0%	245 658
Transfers and subsidies	9 208	12 283	17 283	-	2 064	6 358	(4 295)	-68%	17 283
Other expenditure	260 712	275 053	278 020	7 777	27 213	64 674	(37 461)	-58%	278 020
<b>Total Expenditure</b>	<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>63 523</b>	<b>177 839</b>	<b>239 634</b>	<b>(61 795)</b>	<b>-26%</b>	<b>973 844</b>
<b>Surplus/(Deficit)</b>	<b>35 558</b>	<b>2 389</b>	<b>2 389</b>	<b>5 617</b>	<b>80 015</b>	<b>4 737</b>	<b>75 278</b>	<b>1589%</b>	<b>2 389</b>
Transfers and subsidies - capital (monetary allocations)	50 164	130 854	130 854	1 432	1 432	32 468	(31 036)	-96%	130 854
Transfers and subsidies - capital (in-kind)	33	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>	<b>44 242</b>	<b>119%</b>	<b>133 243</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>	<b>44 242</b>	<b>119%</b>	<b>133 243</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>104 311</b>	<b>183 160</b>	<b>193 192</b>	<b>3 505</b>	<b>4 937</b>	<b>48 298</b>	<b>(43 361)</b>	<b>-90%</b>	<b>193 192</b>
Capital transfers recognised	44 924	107 616	107 616	3 391	4 823	26 904	(22 081)	-82%	107 616
Borrowing	35 920	50 033	52 932	19	19	13 233	(13 214)	-100%	52 932
Internally generated funds	23 434	25 511	32 643	95	95	8 161	(8 066)	-99%	32 643
<b>Total sources of capital funds</b>	<b>104 279</b>	<b>183 160</b>	<b>193 192</b>	<b>3 505</b>	<b>4 937</b>	<b>48 298</b>	<b>(43 361)</b>	<b>-90%</b>	<b>193 192</b>
<b>Financial position</b>									
Total current assets	560 528	466 245	456 141		569 663				456 141
Total non current assets	1 333 926	1 415 909	1 425 940		1 332 196				1 425 940
Total current liabilities	442 459	439 810	439 737		368 452				439 737
Total non current liabilities	192 078	199 510	199 510		191 817				199 510
<b>Community wealth/Equity</b>	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>		<b>1 341 591</b>				<b>1 242 834</b>
<b>Cash flows</b>									
Net cash from (used) operating	(775 382)	153 694	153 694	16 580	(20 780)	39 497	60 277	153%	866 384
Net cash from (used) investing	(114 140)	(179 210)	(189 242)	(3 505)	(4 937)	48 298	53 235	110%	197 142
Net cash from (used) financing	-	29 662	29 662	76	(28)	-	28		50 033
<b>Cash/cash equivalents at the month/year end</b>	<b>(794 444)</b>	<b>63 886</b>	<b>53 855</b>	<b>-</b>	<b>139 687</b>	<b>147 535</b>	<b>7 848</b>	<b>5%</b>	<b>1 278 991</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	54 027	11 215	10 139	7 479	278 789	-	-	-	361 650
<b>Creditors Age Analysis</b>									
Total Creditors	2 501	-	-	-	-	-	-	-	2 501

## BITOU LOCAL MUNICIPALITY

### Financial Performance Expenditure by Municipal Vote

#### Revenue by vote

The performance of revenue by vote as at end September 2024 amounts to R70.6 million, this is an overperformance of 6.3%. The detail on revenue per item can be seen on executive summary.

#### Expenditure by vote

The expenditure by vote as at September 2024 amounts R63.5 million. The total expenditure budget is under performing by 25.8%.

**WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September**

Vote Description	Ref	2023/24	Budget Year 2024/25							
		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		–	3 004	3 004	(1 280)	2 948	751	2 197	292,6%	3 004
Vote 2 - Office of the Municipal Manager		101 437	66 656	66 656	122	10 373	16 664	(6 291)	-37,7%	66 656
Vote 3 - Community Services		134 298	153 695	153 695	9 650	33 681	37 191	(3 510)	-9,4%	153 695
Vote 4 - Corporate Services		2 368	19	19	153	228	–	228		19
Vote 5 - Financial Services		209 749	224 929	224 929	19 757	66 618	57 582	9 036	15,7%	224 929
Vote 6 - Economic Development & Planning		29 638	111 335	114 302	571	1 463	28 576	(27 113)	-94,9%	114 302
Vote 7 - Engineering Services		482 307	544 481	544 481	41 599	143 975	136 075	7 900	5,8%	544 481
Total Revenue by Vote	2	959 797	1 104 120	1 107 087	70 572	259 287	276 839	(17 553)	-6,3%	1 107 087
Expenditure by Vote	1									
Vote 1 - Council		11 819	12 945	12 945	709	2 213	3 111	(899)	-28,9%	12 945
Vote 2 - Office of the Municipal Manager		28 496	32 114	32 114	2 496	5 880	7 850	(1 969)	-25,1%	32 114
Vote 3 - Community Services		249 539	252 128	257 128	14 627	42 761	64 306	(21 546)	-33,5%	257 128
Vote 4 - Corporate Services		66 195	89 641	89 641	4 769	15 395	22 410	(7 015)	-31,3%	89 641
Vote 5 - Financial Services		63 038	70 683	70 683	4 513	10 737	16 788	(6 051)	-36,0%	70 683
Vote 6 - Economic Development & Planning		43 038	52 018	54 985	2 894	12 934	13 675	(741)	-5,4%	54 985
Vote 7 - Engineering Services		412 044	461 348	456 348	33 516	87 920	111 494	(23 573)	-21,1%	456 348
Total Expenditure by Vote	2	874 170	970 877	973 844	63 523	177 839	239 634	(61 795)	-25,8%	973 844
Surplus/ (Deficit) for the year	2	85 627	133 243	133 243	7 049	81 448	37 206	44 242	118,9%	133 243

# BITOU LOCAL MUNICIPALITY

## Capital expenditure

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Multi-Year expenditure appropriation</b>	<b>2</b>									
Vote 3 - Community Services		3 636	5 705	5 905	1 208	1 208	1 476	(269)	-18%	5 905
Vote 4 - Corporate Services		1 070	1 518	1 518	-	-	379	(379)	-100%	1 518
Vote 7 - Engineering Services		42 557	141 206	146 549	1 897	3 329	36 637	(33 309)	-91%	146 549
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	<b>47 263</b>	<b>148 429</b>	<b>153 972</b>	<b>3 104</b>	<b>4 536</b>	<b>38 493</b>	<b>(33 957)</b>	<b>-88%</b>	<b>153 972</b>
<b>Single Year expenditure appropriation</b>	<b>2</b>									
Vote 2 - Office of the Municipal Manager		149	-	731	-	-	183	(183)	-100%	731
Vote 3 - Community Services		1 021	3 496	3 698	-	-	925	(925)	-100%	3 698
Vote 4 - Corporate Services		699	642	642	-	-	160	(160)	-100%	642
Vote 5 - Financial Services		33	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		301	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services		54 846	30 593	34 149	401	401	8 537	(8 136)	-95%	34 149
<b>Total Capital single-year expenditure</b>	<b>4</b>	<b>57 049</b>	<b>34 731</b>	<b>39 219</b>	<b>401</b>	<b>401</b>	<b>9 805</b>	<b>(9 404)</b>	<b>-96%</b>	<b>39 219</b>
<b>Total Capital Expenditure</b>	<b>3</b>	<b>104 311</b>	<b>183 160</b>	<b>193 192</b>	<b>3 505</b>	<b>4 937</b>	<b>48 298</b>	<b>(43 361)</b>	<b>-90%</b>	<b>193 192</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>17 223</b>	<b>9 350</b>	<b>10 880</b>	<b>81</b>	<b>81</b>	<b>2 720</b>	<b>(2 639)</b>	<b>-97%</b>	<b>10 880</b>
Executive and council		149	-	731	-	-	183	(183)	-100%	731
Finance and administration		17 073	9 350	10 150	81	81	2 537	(2 457)	-97%	10 150
<b>Community and public safety</b>		<b>4 207</b>	<b>6 302</b>	<b>6 653</b>	<b>1 208</b>	<b>1 208</b>	<b>1 663</b>	<b>(456)</b>	<b>-27%</b>	<b>6 653</b>
Community and social services		3 909	304	656	-	-	164	(164)	-100%	656
Sport and recreation		-	4 455	4 455	1 208	1 208	1 114	94	8%	4 455
Public safety		298	1 542	1 542	-	-	385	(385)	-100%	1 542
<b>Economic and environmental services</b>		<b>12 288</b>	<b>47 401</b>	<b>48 338</b>	<b>-</b>	<b>-</b>	<b>12 085</b>	<b>(12 085)</b>	<b>-100%</b>	<b>48 338</b>
Planning and development		301	-	-	-	-	-	-	-	-
Road transport		11 987	47 401	48 338	-	-	12 085	(12 085)	-100%	48 338
<b>Trading services</b>		<b>70 593</b>	<b>120 108</b>	<b>127 320</b>	<b>2 217</b>	<b>3 649</b>	<b>31 830</b>	<b>(28 181)</b>	<b>-89%</b>	<b>127 320</b>
Energy sources		19 492	26 065	29 759	-	-	7 440	(7 440)	-100%	29 759
Water management		33 290	45 070	48 538	1 643	1 643	12 134	(10 491)	-86%	48 538
Waste water management		17 811	46 673	46 673	573	2 005	11 668	(9 663)	-83%	46 673
Waste management		-	2 300	2 350	-	-	587	(587)	-100%	2 350
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>104 311</b>	<b>183 160</b>	<b>193 192</b>	<b>3 505</b>	<b>4 937</b>	<b>48 298</b>	<b>(43 361)</b>	<b>-90%</b>	<b>193 192</b>
<b>Funded by:</b>										
National Government		29 398	29 331	29 331	2 154	3 586	7 333	(3 747)	-51%	29 331
Provincial Government		15 527	78 285	78 285	1 238	1 238	19 571	(18 334)	-94%	78 285
<b>Transfers recognised - capital</b>		<b>44 924</b>	<b>107 616</b>	<b>107 616</b>	<b>3 391</b>	<b>4 823</b>	<b>26 904</b>	<b>(22 081)</b>	<b>-82%</b>	<b>107 616</b>
<b>Borrowing</b>	<b>6</b>	<b>35 920</b>	<b>50 033</b>	<b>52 932</b>	<b>19</b>	<b>19</b>	<b>13 233</b>	<b>(13 214)</b>	<b>-100%</b>	<b>52 932</b>
<b>Internally generated funds</b>		<b>23 434</b>	<b>25 511</b>	<b>32 643</b>	<b>95</b>	<b>95</b>	<b>8 161</b>	<b>(8 066)</b>	<b>-99%</b>	<b>32 643</b>
<b>Total Capital Funding</b>	<b>7</b>	<b>104 279</b>	<b>183 160</b>	<b>193 192</b>	<b>3 505</b>	<b>4 937</b>	<b>48 298</b>	<b>(43 361)</b>	<b>-90%</b>	<b>193 192</b>

## BITOU LOCAL MUNICIPALITY

### Capital Expenditure Analysis

Capital Expenditure for the month equals R3 504 970,19, which translates to a 3% spent when comparing it to the YTD budget.

It should be noted that majority of the approved capital projects currently reflect a 0% spending which could mean these projects are under-performing, however cognisance must be taken that various projects are underway and payment for work done will only reflect in subsequent months.

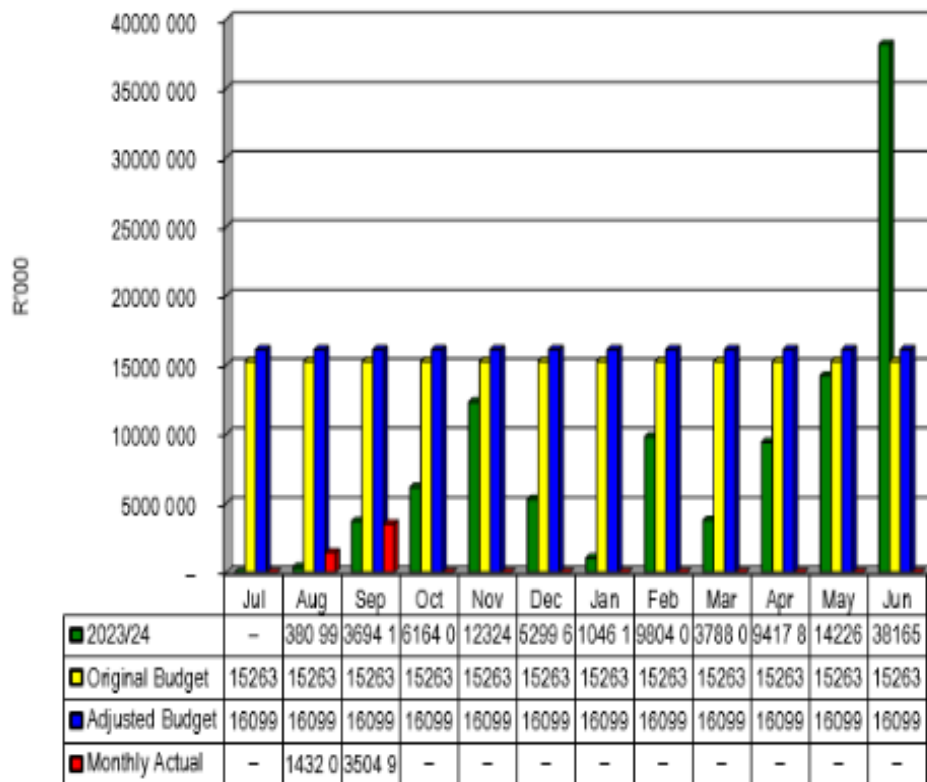
It is crucial to prioritise spending on grants as historic trends in slow spending has shown us that departments tend to go for rollover applications process as they did not fully spend on their projects and these applications, at times, get rejected.

### Capital Grants Analysis

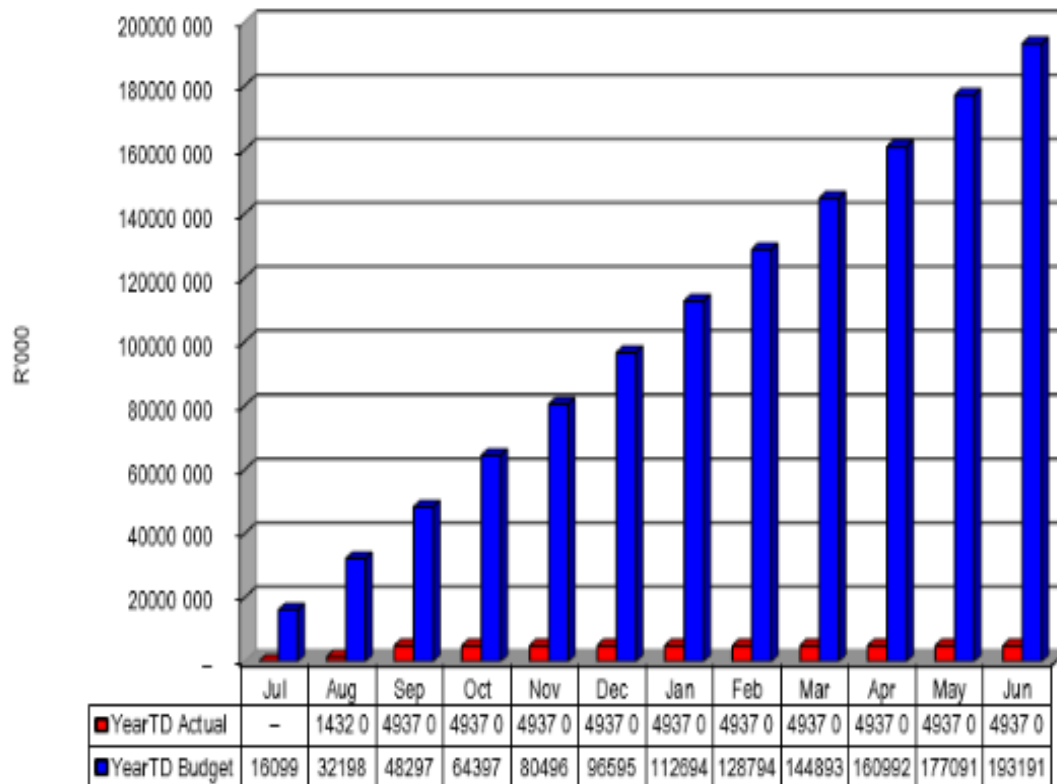
Grants	Original Budget	Amended Budget	Monthly Actual	Shadow Balance	YTD Expenditure
<b>MIG</b>	18 895 912,00	18 895 912,00	2 153 506,69	2 821 191,53	3 585 591,57
<b>WATER SERVICE INFRASTRUCTURE GRANT</b>	10 434 783,00	10 434 783,00	-	-	-
<b>INFORMAL SETTLEMENT UPGRADING PARTNERSHIP GRANT</b>	16 650 000,00	16 650 000,00	9 000,00	326 425,00	9 000,00
<b>HUMAN SETTLEMENTS DEVELOPMENT PARTNERSHIP GRANT</b>	60 351 000,00	60 351 000,00	1 228 728,34	55 350 402,09	1 228 728,34
<b>FIRE SERVICES CAPACITY GRANT</b>	980 000,00	980 000,00	-	-	-
<b>LIBRARY CONDITIONAL GRANT</b>	304 345,00	304 345,00	-	-	-
<b>AFR</b>	25 510 549,00	31 745 206,00	94 950,00	1 566 949,26	94 950,00
<b>BORROWINGS</b>	50 033 373,00	53 830 324,00	18 785,16	7 237 712,64	18 785,16
<b>TOTAL</b>	<b>183 159 962,00</b>	<b>193 191 570,00</b>	<b>3 504 970,19</b>	<b>67 302 680,52</b>	<b>4 937 055,07</b>

## BITOU LOCAL MUNICIPALITY

**Chart C1 2024/25 Capital Expenditure Monthly Trend: actual v target**



**Chart C2 2024/25 Capital Expenditure: YTD actual v YTD target**



# BITOU LOCAL MUNICIPALITY

## Statement of Financial Position

**WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - M03 September**

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
<b>R thousands</b>						
<b>ASSETS</b>	1					
<b>Current assets</b>						
Cash and cash equivalents		165 432	60 220	50 116	139 687	50 116
Trade and other receivables from exchange transactions		54 528	75 841	75 841	78 000	75 841
Receivables from non-exchange transactions		40 213	97 230	97 230	50 444	97 230
Current portion of non-current receivables		9	11	11	9	11
Inventory		15 845	20 180	20 180	16 137	20 180
VAT		283 602	212 584	212 584	283 897	212 584
Other current assets		898	180	180	1 487	180
<b>Total current assets</b>		<b>560 528</b>	<b>466 245</b>	<b>456 141</b>	<b>569 663</b>	<b>456 141</b>
<b>Non current assets</b>						
Investment property		14 050	12 692	12 692	14 050	12 692
Property, plant and equipment		1 319 839	1 403 181	1 413 213	1 318 108	1 413 213
Heritage assets		38	35	35	38	35
<b>Total non current assets</b>		<b>1 333 926</b>	<b>1 415 909</b>	<b>1 425 940</b>	<b>1 332 196</b>	<b>1 425 940</b>
<b>TOTAL ASSETS</b>		<b>1 894 455</b>	<b>1 882 153</b>	<b>1 882 081</b>	<b>1 901 859</b>	<b>1 882 081</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Financial liabilities		20 425	1 103	1 103	20 171	1 103
Consumer deposits		11 362	9 848	9 848	11 588	9 848
Trade and other payables from exchange transactions		125 575	86 278	89 173	29 492	89 173
Trade and other payables from non-exchange transactions		(31 261)	(13 526)	(16 493)	(18 366)	(16 493)
Provision		47 936	116 950	116 950	48 258	116 950
VAT		268 421	239 157	239 157	277 309	239 157
<b>Total current liabilities</b>		<b>442 459</b>	<b>439 810</b>	<b>439 737</b>	<b>368 452</b>	<b>439 737</b>
<b>Non current liabilities</b>						
Financial liabilities		107 718	130 734	130 734	107 718	130 734
Provision		13 801	10 320	10 320	13 540	10 320
Other non-current liabilities		70 559	58 456	58 456	70 559	58 456
<b>Total non current liabilities</b>		<b>192 078</b>	<b>199 510</b>	<b>199 510</b>	<b>191 817</b>	<b>199 510</b>
<b>TOTAL LIABILITIES</b>		<b>634 536</b>	<b>639 320</b>	<b>639 247</b>	<b>560 268</b>	<b>639 247</b>
<b>NET ASSETS</b>	2	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>	<b>1 341 591</b>	<b>1 242 834</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1 183 237	1 167 034	1 167 034	1 264 910	1 167 034
Reserves and funds		76 681	75 800	75 800	76 681	75 800
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>	<b>1 341 591</b>	<b>1 242 834</b>

The table above reflects the statement of financial position of the municipality. The total current assets at the end of September 2024 amounts to R569.7 million. The municipality reports total short-term investments at R152.9 million. The municipality reports a cashbook deficit of R13.2 million.

The current liabilities for the month amounts R368.5 million. The current ratio for the month equates 1.55:1, 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 - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	1								%	
<b>Receipts</b>										
Property rates		644	175 067	175 067	14 654	46 053	43 767	2 287	5%	175 067
Service charges		-	434 972	434 972	25 642	84 301	108 743	(24 442)	-22%	434 972
Other revenue		67	26 596	26 596	4 797	18 704	6 649	12 055	181%	26 596
Transfers and Subsidies - Operational		6 262	176 723	176 723	2 121	70 824	45 187	25 637	57%	176 723
Transfers and Subsidies - Capital		-	130 854	130 854	10 284	10 284	32 468	(22 184)	-68%	130 854
Interest		11 284	12 448	12 448	2 767	5 510	3 112	2 398	77%	12 448
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(793 639)	(776 920)	(776 920)	(43 684)	(254 360)	(194 230)	60 130	-31%	(64 231)
Interest		-	(14 063)	(14 063)	-	(31)	(3 516)	(3 484)	99%	(14 063)
Transfers and Subsidies		-	(11 983)	(11 983)	-	(2 064)	(2 683)	(620)	23%	(11 983)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(775 382)</b>	<b>153 694</b>	<b>153 694</b>	<b>16 580</b>	<b>(20 780)</b>	<b>39 497</b>	<b>60 277</b>	<b>153%</b>	<b>866 384</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	3 950	3 950	-	-	-	-		3 950
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(114 140)	(183 160)	(193 192)	(3 505)	(4 937)	48 298	53 235	110%	193 192
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(114 140)</b>	<b>(179 210)</b>	<b>(189 242)</b>	<b>(3 505)</b>	<b>(4 937)</b>	<b>48 298</b>	<b>53 235</b>	<b>110%</b>	<b>197 142</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	50 033	50 033	-	-	-	-		50 033
Increase (decrease) in consumer deposits		-	-	-	76	226	-	226	0%	-
<b>Payments</b>										
Repayment of borrowing		-	(20 372)	(20 372)	-	(254)	-	254	0%	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>29 662</b>	<b>29 662</b>	<b>76</b>	<b>(28)</b>	<b>-</b>	<b>28</b>	<b>0%</b>	<b>50 033</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(889 522)</b>	<b>4 146</b>	<b>(5 885)</b>	<b>13 150</b>	<b>(25 745)</b>	<b>87 795</b>			<b>1 113 559</b>
Cash/cash equivalents at beginning:		95 078	59 740	59 740		165 432	59 740			165 432
Cash/cash equivalents at month/year end:		(794 444)	63 886	53 855		139 687	147 535			1 278 991

The municipality is reporting a surplus of R16.6 million on monthly actual net cash from operating activities. These are mostly month to month operating expenses and operating income and a sharp Increase is usually anticipated upon the start of the book year as procurement processes are starting out.

Monthly actual net cash **(used)** on investing activities is reported at R3.5 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. The amount as at September 2024 amounts to R 76 000. The previous bi-annual redemption was done in June 2024. The next payment will occur in December 2024:

The municipality reports cash and cash equivalents amounting to R139.7 million, this includes cash at bank and short-term investment



# BITOU LOCAL MUNICIPALITY

## Section 5 – Debtors’ analysis

### 5.1 Supporting Table SC3

WC047 Bitou - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description		NT Code	Budget Year 2024/25										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	7 577	2 735	2 660	2 427	86 821	–	–	–	102 221	89 249	25	–	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	18 351	1 688	804	484	15 907	–	–	–	37 234	16 391	68	–	
Receivables from Non-exchange Transactions - Property Rates	1400	12 280	2 527	2 252	1 169	42 339	–	–	–	60 567	43 508	121	–	
Receivables from Exchange Transactions - Waste Water Management	1500	9 422	2 478	2 257	1 918	96 228	–	–	–	112 303	98 146	87	–	
Receivables from Exchange Transactions - Waste Management	1600	6 116	1 607	1 405	1 253	57 721	–	–	–	68 102	58 975	45	–	
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–	
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	282	179	762	228	(20 227)	–	–	–	(18 777)	(19 999)	1	–	
Total By Income Source	2000	54 027	11 215	10 139	7 479	278 789	–	–	–	361 650	286 269	347	–	
2023/24 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	745	252	227	129	1 949	–	–	–	3 302	2 079	–	–	
Commercial	2300	6 229	730	442	330	4 722	–	–	–	12 452	5 052	–	–	
Households	2400	47 053	10 234	9 471	7 020	272 117	–	–	–	345 895	279 138	–	–	
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–	
Total By Customer Group	2600	54 027	11 215	10 139	7 479	278 789	–	–	–	361 650	286 269	–	–	

### Debtor’s age analysis

The debtors’ book of the municipality reflects R 278.8 million on outstanding debtors older than 121 days and a total outstanding amount of R 361.7 million.

The contributors to the outstanding debt remain the household debt which represent 95.6% of total debt, followed by businesses with 3.4% and organs of state contributing 0.9%

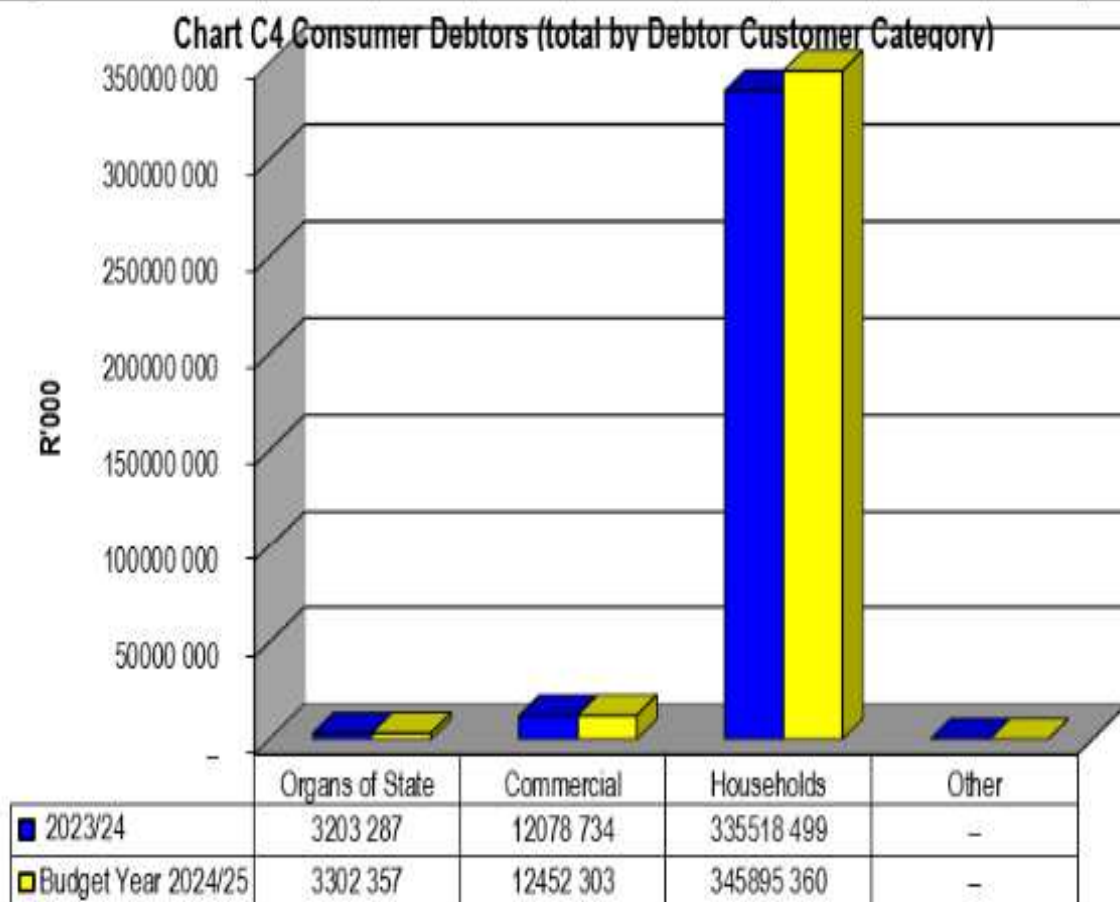
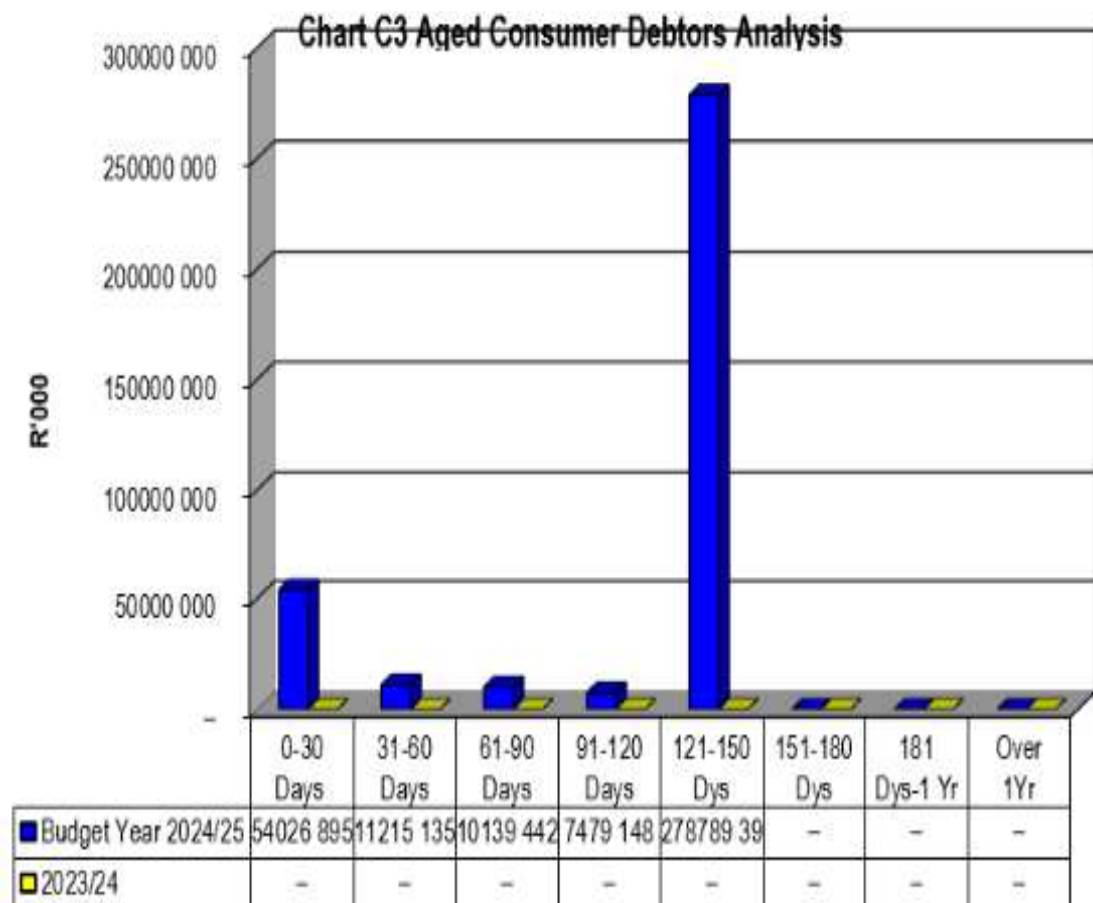
The municipality has monthly debt collection strategies to help ensure that outstanding revenue is collected, which includes blocking prepaid electricity for users in arrears and applying water restrictions in arrears where Eskom is the electricity distributor. Customers are informed prior to these actions 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 7<sup>th</sup> of every month.

The collection rate for the month of September 2024 is 81%. See below debtor payment percentage breakdown achieved for September 2024.

DEBTOR PAYMENT % ACHIEVED				
DETAILS	Jul-24	Aug-24	Sep-24	Annual
Gross Debtors Opening Balance	335 576 739,61	335 967 417,84	348 643 406,50	335 576 739,61
Billed Revenue	67 185 354,63	66 598 460,77	67 185 014,27	200 968 829,67
Gross Debtors Closing Balance	335 967 417,84	346 643 406,50	361 650 019,63	361 650 019,63
Bad Debt Written off	5 709 353,25	655 855,22		6 365 208,47
Payment received	61 085 323,15	55 266 616,89	54 178 401,14	168 530 341,18
Billed Revenue	67 185 354,63	66 598 460,77	67 185 014,27	200 968 829,67
<b>% Debtor payment achieved</b>	<b>91%</b>	<b>84%</b>	<b>81%</b>	<b>84%</b>



## BITOU LOCAL MUNICIPALITY



## BITOU LOCAL MUNICIPALITY

### Section 6 – Creditors' age analysis

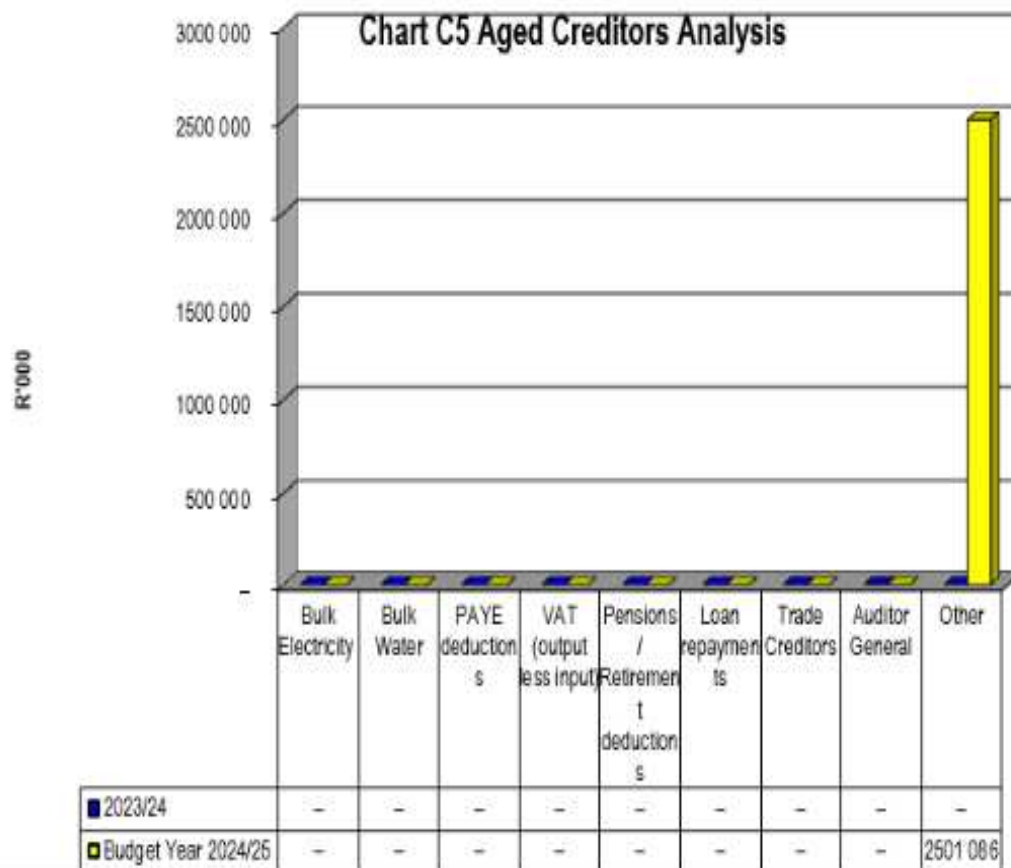
#### 6.1 Supporting Table SC4

Table SC4 reflects the trade creditors

WC047 Bitou - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September											
Description	NT Code	Budget Year 2024/25									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	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	2 501	-	-	-	-	-	-	-	2 501	-
Total By Customer Type	1000	2 501	-	-	-	-	-	-	-	2 501	-

#### Creditors Age Analysis

The municipality reports a total amount of R2.5 million on trade creditors in September 2024



## Section 7 – Investment portfolio analysis

### 7.1 Supporting Table SC5

WC047 Bitou - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September														
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 <sup>a</sup>	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening	Interest to be	Partial /	Investment	Closing
										balance	realised	Premature Withdrawal (4)	Top Up	Balance
R thousands		Yrs/Months												
Municipality														
Absa Bank: 9378543662		Call deposit	Call deposit	No	Variable	8.400	No	No	N/A	8 287	92	(8 379)	-	-
Absa Bank: 9377092408-3		Call deposit	Call deposit	No	Variable	8.400	No	No	N/A	3 011	34	(3 044)	-	-
Absa Bank: 9380348553		Call deposit	Call deposit	No	Variable	8.900	No	No	N/A	19 788	145	-	-	19 933
Standard Bank: 488607000-079		Call deposit	Call deposit	No	Variable	8.250	No	No	N/A	5 416	36		-	5 453
Standard Bank: 488607000-078		Call deposit	Call deposit	No	Variable	8.250	No	No	N/A	5 416	36		-	5 453
Absa Bank: 9381946782		Call deposit	Call deposit	No	Variable	8.900	No	No	N/A	11 900	87		-	11 987
Absa Bank: 2081502443		180 days	Fixed deposit	No	Fixed	9.390	No	No	10/09/2024	10 280	183	(10 463)	-	-
Nedbank: 037881052406		365 days	Fixed deposit	No	Fixed	9.020	No	No	11/09/2025	-	-		50 000	50 000
Standard bank: 488607000-087		360 days	Fixed deposit	No	Fixed	8.850	No	No	06/09/2025	-	-		47 745	47 745
Standard bank: 488607000-088		150 days	Fixed deposit	No	Fixed	9.025	No	No	08/02/2025	-	-		12 385	12 385
Municipality sub-total										64 099	613		110 130	152 956

### Investment portfolio analysis

The municipality has investments with a total value of R110.1 million as at September 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 (M03)
WATER SERVICES INFRASTRUCTURE GRANT	-
LOCAL GOVERNMENT, WATER AND RELATED SERVICE SETA	228 080,18
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT	580 073,30
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	52 542,02
EQUITABLE SHARE	64 228 000,00
HUMAN SETTLEMENT DEVELOPMENT - OPERATIONAL	-
COMMUNITY DEVELOPMENT WORKERS (CDW) - OPERATIONAL	-
COMMUNITY LIBRARY SERVICES - OPERATIONAL	23 862,02
LOCAL GOVERNMENT PUBLIC EMPLOYMENT SUPPORT - OPERATIONAL	-
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES -	1 669 075,42
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT	-
MUNICIPAL INFRASTRUCTURE GRANT	1 432 084,88
REGIONAL SOCIAL ECONOMIC PROJECTS (RSEP) - CAPITAL	-
THUSONG SERVICES CENTRES	-
TITLE DEEDS RESTORATION	-
LOCAL GOVERNMENT GRADUATE INTERNSHIP - OPERATIONAL	-
INFORMAL SETTLEMENT UPGRADING PARTNERSHIP: PROVINCES (BENEFICIARIES)	-
FINANCIAL MANAGEMENT CAPACITY BUILDING	-
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE - OPERATIONAL	-

**68 213 717,82**

The table above reflects the income recognition done for the month of September 2024.

Grant Description	Year- To-Date Actual Balance (M03)
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT: RECEIPTS	-
MUNICIPAL INFRASTRUCTURE GRANT: RECEIPTS	6 284 000,00
WATER SERVICES INFRASTRUCTURE GRANT: RECEIPTS	4 000 000,00
LOCAL GOVERNMENT, WATER AND RELATED SETA: RECEIPTS	-
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES	3 303 000,00
SETA:RECEIPTS	-
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT: RECEIPTS	1 800 000,00
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT: RECEIPTS	320 869,57
THUSONG SERVICES CENTRES - OPERATIONAL: RECEIPTS	-
COMMUNITY LIBRARY SERVICES	1 172 000,00
COMMUNITY DEVELOPMENT WORKERS	-
WESTERN CAPE MUNICIPAL ENERGY RESILIENCE (WC MER)	-
EQUITABLE SHARE	64 228 000,00
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE	-
FINANCIAL MANAGEMENT CAPACITY BUILDING	-

**81 107 869,57**

The table above reflects the grant receipts for September 2024.

## 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:*

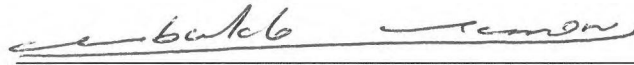
### QUALITY CERTIFICATE

I, **Mbulelo Memani**, 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 month ended 30 September 2024 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Signature



Print Name: M Memani

Acting Municipal Manager of Bitou Local Municipality – WC047

Date

9/10/2024

# Municipal In-year reports & supporting tables

mSCOA Version 6.8

[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](mailto: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	<b>Vote 1 Council</b>	1,1 - Office of the Mayor
Vote 2 - Office of the Municipal Manager	1,1 Office of the Mayor	1,2 - Office of the Deputy Mayor
Vote 3 - Community Services	1,2 Office of the Deputy Mayor	1,3 - Office of the Speaker
Vote 4 - Corporate Services	1,3 Office of the Speaker	1,4 - Office of the Executive Council
Vote 5 - Financial Services	1,4 Office of the Executive Council	1,5 - Council General
Vote 6 - Economic Development & Planning	1,5 Council General	
Vote 12 - [NAME OF VOTE 12]	<b>Vote 2 Office of the Municipal Manager</b>	2,1 - Municipal Manager; Executive Support
Vote 13 - [NAME OF VOTE 13]	2,1 Municipal Manager; Executive Support	2,2 - Internal Audit
Vote 14 - [NAME OF VOTE 14]	2,2 Internal Audit	2,3 - Governance and Compliance: Risk Management & Compliance
Vote 15 - [NAME OF VOTE 15]	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	
	<b>Vote 3 Community Services</b>	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	
	<b>Vote 4 Corporate Services</b>	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	
	<b>Vote 5 Financial Services</b>	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	
	<b>Vote 6 Economic Development &amp; Planning</b>	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	
	<b>Vote 7 Engineering Services</b>	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)	



**WC047 Bitou - Contact Information****A. GENERAL INFORMATION**

Municipality	WC047 Bitou
Grade	3
Province	WC WESTERN CAPE
Web Address	www.bitou.gov.za
E-mail Address	0

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

**B. CONTACT INFORMATION**

<b>Postal address:</b>	
P.O. Box	0
City / Town	0
Postal Code	0
<b>Street address</b>	
Building	Municipal Buildings
Street No. & Name	Sewell Street
City / Town	Prettenbergdal
Postal Code	6600
<b>General Contacts</b>	
Telephone number	044 501 3000
Fax number	0

**C. POLITICAL LEADERSHIP**

<b>Speaker:</b>		<b>Secretary/PA to the Speaker:</b>	
ID Number	6811281131080	ID Number	8,61211E+12
Title	Ms	Title	Ms
Name	Mavis Busakwe	Name	Ziyanda Claudine Raia
Telephone number	044 501 3481	Telephone number	044 501 3481
Cell number	060 497 6125	Cell number	067 188 7994
Fax number	0	Fax number	0
E-mail address	mbaskwe@piett.gov.za	E-mail address	zraia@piett.gov.za
<b>Mayor/Executive Mayor:</b>		<b>Secretary/PA to the Mayor/Executive Mayor:</b>	
ID Number		ID Number	
Title	Mrs	Title	
Name	Jessica Kamkam	Name	Erica Saran Le Fleur
Telephone number	044 501 3327	Telephone number	044 501 3011
Cell number	083 419 7533	Cell number	060 488 8708
Fax number	0	Fax number	
E-mail address	jkamkam@piett.gov.za	E-mail address	eleineur@piett.gov.za
<b>Deputy Mayor/Executive Mayor:</b>		<b>Secretary/PA to the Deputy Mayor/Executive Mayor:</b>	
ID Number	6811281131080	ID Number	
Title	Ms	Title	Ms
Name	Ms Nokuzola Koiwapi (IPM)	Name	Aviwe Annette Kumbaca
Telephone number	044 501 3481	Telephone number	044 501 3065
Cell number	076 788 9599	Cell number	0640577437
Fax number	0	Fax number	
E-mail address	nkoiwapi@piett.gov.za	E-mail address	akubaca@piett.gov.za

D. MANAGEMENT LEADERSHIP			
<b>Municipal Manager:</b>		<b>Secretary/PA to the Municipal Manager:</b>	
ID Number	1,70909E+12	ID Number	8301310348085
Title	Mr	Title	Ms
Name	Mdulelo Memele	Name	Liesel Smiler
Telephone number	044 501 3172	Telephone number	044 501 3172
Cell number	060 749 5845	Cell number	083 732 0960
Fax number	0	Fax number	0
E-mail address	mmemele@piett.gov.za	E-mail address	ismiler@piett.gov.za
<b>Chief Financial Officer</b>		<b>Secretary/PA to the Chief Financial Officer</b>	
ID Number	6407275123082	ID Number	830306E+12
Title	Mr	Title	Ms
Name	Felix Martin Lotter	Name	Zikhona Ncera
Telephone number	044 501 3025	Telephone number	044 501 3024
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	mlotter@piett.gov.za	E-mail address	zncera@piett.gov.za
<b>Official responsible for submitting financial information</b>		<b>Official responsible for submitting financial information</b>	
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@piett.gov.za	E-mail address	nrampotsamai@piett.gov.za
<b>Official responsible for submitting financial information</b>		<b>Official responsible for submitting financial information</b>	
ID Number	0	ID Number	0
Title	Ms	Title	Ms
Name	Izak Pretorius	Name	Emraio 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@piett.gov.za	E-mail address	sstuurman@piett.gov.za
<b>Official responsible for submitting financial information</b>		<b>Official responsible for submitting financial information</b>	
ID Number	0	ID Number	0
Title	Ms	Title	0
Name	Svenise 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@piett.gov.za	E-mail address	0

**WC047 Bitou - Table C1 Monthly Budget Statement Summary - M03 September**

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	178 261	191 257	191 257	16 829	51 490	47 814	3 676	8%	191 257
Service charges	431 020	486 846	486 846	41 021	117 418	121 711	(4 294)	-4%	486 846
Investment revenue	13 203	12 448	12 448	1 325	2 959	3 112	(154)	-5%	12 448
Transfers and subsidies - Operational	166 503	176 893	179 860	1 867	66 782	46 265	20 516	44%	179 860
Other own revenue	120 740	105 822	105 822	8 098	19 206	25 468	(6 261)	-25%	105 822
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>909 728</b>	<b>973 266</b>	<b>976 233</b>	<b>69 140</b>	<b>257 855</b>	<b>244 371</b>	<b>13 484</b>	<b>6%</b>	<b>976 233</b>
Employee costs	312 820	370 938	370 938	28 601	78 963	91 701	(12 738)	-14%	370 938
Remuneration of Councillors	7 376	7 879	7 879	594	1 773	1 970	(196)	-10%	7 879
Depreciation and amortisation	48 851	40 002	40 002	-	6 667	10 000	(3 333)	-33%	40 002
Interest	20 922	14 063	14 063	-	31	3 516	(3 484)	-99%	14 063
Inventory consumed and bulk purchases	214 280	250 658	245 658	26 551	61 127	61 414	(287)	-0%	245 658
Transfers and subsidies	9 208	12 283	17 283	-	2 064	6 358	(4 295)	-68%	17 283
Other expenditure	260 712	275 053	278 020	7 777	27 213	64 674	(37 461)	-58%	278 020
<b>Total Expenditure</b>	<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>63 523</b>	<b>177 839</b>	<b>239 634</b>	<b>(61 795)</b>	<b>-26%</b>	<b>973 844</b>
<b>Surplus/(Deficit)</b>	<b>35 558</b>	<b>2 389</b>	<b>2 389</b>	<b>5 617</b>	<b>80 015</b>	<b>4 737</b>	<b>75 278</b>	<b>1589%</b>	<b>2 389</b>
Transfers and subsidies - capital (monetary allocations)	50 164	130 854	130 854	1 432	1 432	32 468	(31 036)	-96%	130 854
Transfers and subsidies - capital (in-kind)	33	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>	<b>44 242</b>	<b>119%</b>	<b>133 243</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>	<b>44 242</b>	<b>119%</b>	<b>133 243</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>104 311</b>	<b>183 160</b>	<b>193 192</b>	<b>3 505</b>	<b>4 937</b>	<b>48 298</b>	<b>(43 361)</b>	<b>-90%</b>	<b>193 192</b>
Capital transfers recognised	44 924	107 616	107 616	3 391	4 823	26 904	(22 081)	-82%	107 616
Borrowing	35 920	50 033	52 932	19	19	13 233	(13 214)	-100%	52 932
Internally generated funds	23 434	25 511	32 643	95	95	8 161	(8 066)	-99%	32 643
<b>Total sources of capital funds</b>	<b>104 279</b>	<b>183 160</b>	<b>193 192</b>	<b>3 505</b>	<b>4 937</b>	<b>48 298</b>	<b>(43 361)</b>	<b>-90%</b>	<b>193 192</b>
<b>Financial position</b>									
Total current assets	560 528	466 245	456 141		569 663				456 141
Total non current assets	1 333 926	1 415 909	1 425 940		1 332 196				1 425 940
Total current liabilities	442 459	439 810	439 737		368 452				439 737
Total non current liabilities	192 078	199 510	199 510		191 817				199 510
<b>Community wealth/Equity</b>	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>		<b>1 341 591</b>				<b>1 242 834</b>
<b>Cash flows</b>									
Net cash from (used) operating	(775 382)	153 694	153 694	16 580	(20 780)	39 497	60 277	153%	866 384
Net cash from (used) investing	(114 140)	(179 210)	(189 242)	(3 505)	(4 937)	48 298	53 235	110%	197 142
Net cash from (used) financing	-	29 662	29 662	76	(28)	-	28		50 033
<b>Cash/cash equivalents at the month/year end</b>	<b>(794 444)</b>	<b>63 886</b>	<b>53 855</b>	<b>-</b>	<b>139 687</b>	<b>147 535</b>	<b>7 848</b>	<b>5%</b>	<b>1 278 991</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	54 027	11 215	10 139	7 479	278 789	-	-	-	361 650
<b>Creditors Age Analysis</b>									
Total Creditors	2 501	-	-	-	-	-	-	-	2 501

WC047 Bitou - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>314 966</b>	<b>299 323</b>	<b>299 323</b>	<b>18 752</b>	<b>80 307</b>	<b>75 193</b>	5 114	7%	<b>299 323</b>
Executive and council		101 411	69 660	69 660	(1 158)	13 322	17 415	(4 093)	-24%	69 660
Finance and administration		213 407	229 663	229 663	19 910	66 985	57 778	9 207	16%	229 663
Internal audit		148	—	—	—	—	—	—	—	—
<i><b>Community and public safety</b></i>		<b>92 447</b>	<b>170 294</b>	<b>173 261</b>	<b>5 321</b>	<b>10 649</b>	<b>43 070</b>	(32 422)	-75%	<b>173 261</b>
Community and social services		9 717	12 854	12 854	1 696	1 717	3 213	(1 496)	-47%	12 854
Sport and recreation		657	301	301	152	150	75	75	99%	301
Public safety		62 927	55 760	55 760	3 473	8 781	13 695	(4 914)	-36%	55 760
Housing		19 147	101 379	104 346	—	—	26 086	(26 086)	-100%	104 346
Health		—	—	—	—	—	—	—	—	—
<i><b>Economic and environmental services</b></i>		<b>18 246</b>	<b>34 896</b>	<b>34 896</b>	<b>2 003</b>	<b>3 897</b>	<b>8 674</b>	(4 777)	-55%	<b>34 896</b>
Planning and development		17 798	34 716	34 716	2 003	3 897	8 674	(4 777)	-55%	34 716
Road transport		447	180	180	—	—	—	—	—	180
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>532 895</b>	<b>598 522</b>	<b>598 522</b>	<b>44 476</b>	<b>164 370</b>	<b>149 630</b>	14 740	10%	<b>598 522</b>
Energy sources		250 234	290 482	290 482	23 851	77 798	72 621	5 178	7%	290 482
Water management		136 621	124 685	124 685	3 045	38 015	31 171	6 844	22%	124 685
Waste water management		87 815	104 393	104 393	13 271	25 727	26 098	(371)	-1%	104 393
Waste management		58 224	78 961	78 961	4 309	22 830	19 740	3 089	16%	78 961
<i><b>Other</b></i>	4	<b>1 371</b>	<b>1 086</b>	<b>1 086</b>	<b>19</b>	<b>64</b>	<b>271</b>	<b>(208)</b>	<b>-76%</b>	<b>1 086</b>
<b>Total Revenue - Functional</b>	2	<b>959 925</b>	<b>1 104 120</b>	<b>1 107 087</b>	<b>70 572</b>	<b>259 287</b>	<b>276 839</b>	<b>(17 553)</b>	<b>-6%</b>	<b>1 107 087</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>193 291</b>	<b>219 347</b>	<b>219 347</b>	<b>13 408</b>	<b>36 314</b>	<b>53 650</b>	(17 336)	-32%	<b>219 347</b>
Executive and council		40 184	39 356	39 356	2 683	7 148	9 625	(2 477)	-26%	39 356
Finance and administration		148 225	171 974	171 974	10 133	28 064	42 089	(14 025)	-33%	171 974
Internal audit		4 882	8 018	8 018	592	1 102	1 935	(834)	-43%	8 018
<i><b>Community and public safety</b></i>		<b>144 956</b>	<b>186 787</b>	<b>189 754</b>	<b>11 135</b>	<b>33 532</b>	<b>46 681</b>	(13 148)	-28%	<b>189 754</b>
Community and social services		29 114	33 853	33 926	2 254	6 325	8 411	(2 086)	-25%	33 926
Sport and recreation		24 012	34 036	34 036	1 637	5 040	8 182	(3 142)	-38%	34 036
Public safety		76 977	105 313	105 241	6 818	18 266	25 949	(7 683)	-30%	105 241
Housing		14 854	13 584	16 551	426	3 901	4 138	(237)	-6%	16 551
Health		—	—	—	—	—	—	—	—	—
<i><b>Economic and environmental services</b></i>		<b>74 730</b>	<b>88 465</b>	<b>88 475</b>	<b>4 214</b>	<b>15 313</b>	<b>22 047</b>	(6 734)	-31%	<b>88 475</b>
Planning and development		41 798	54 048	54 058	3 504	11 931	13 443	(1 512)	-11%	54 058
Road transport		32 932	34 417	34 417	710	3 382	8 604	(5 222)	-61%	34 417
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>420 900</b>	<b>470 053</b>	<b>465 043</b>	<b>34 698</b>	<b>91 744</b>	<b>111 452</b>	(19 708)	-18%	<b>465 043</b>
Energy sources		246 905	283 961	278 951	27 652	65 457	68 956	(3 498)	-5%	278 951
Water management		71 647	65 895	65 895	2 161	8 669	15 619	(6 950)	-44%	65 895
Waste water management		40 388	55 469	55 469	1 577	7 167	12 911	(5 743)	-44%	55 469
Waste management		61 960	64 728	64 728	3 307	10 450	13 966	(3 516)	-25%	64 728
<i><b>Other</b></i>		<b>40 292</b>	<b>6 225</b>	<b>11 225</b>	<b>68</b>	<b>936</b>	<b>5 804</b>	<b>(4 868)</b>	<b>-84%</b>	<b>11 225</b>
<b>Total Expenditure - Functional</b>	3	<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>63 523</b>	<b>177 839</b>	<b>239 634</b>	<b>(61 795)</b>	<b>-26%</b>	<b>973 844</b>
<b>Surplus/ (Deficit) for the year</b>		<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>	<b>44 242</b>	<b>119%</b>	<b>133 243</b>

WC047 Bitou - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	Full Year Forecast
<b>R thousands</b>									
<b>Revenue - Functional</b>	1							%	
<b>Municipal governance and administration</b>		<b>314 966</b>	<b>299 323</b>	<b>299 323</b>	<b>18 752</b>	<b>80 307</b>	<b>75 193</b>	<b>5 114</b>	<b>299 323</b>
Executive and council		101 411	69 660	69 660	(1 158)	13 322	17 415	(4 093)	69 660
Mayor and Council		–	3 004	3 004	(1 280)	2 948	751	2 197	3 004
Municipal Manager, Town Secretary and Chief		101 411	66 656	66 656	122	10 373	16 664	(6 291)	66 656
Finance and administration		213 407	229 663	229 663	19 910	66 985	57 778	9 207	229 663
Finance		209 291	224 885	224 885	19 722	66 542	57 571	8 971	224 885
Fleet Management		91	–	–	–	–	–	–	–
Human Resources		1 420	–	–	153	228	–	228	–
Information Technology		213	–	–	–	–	–	–	–
Legal Services		114	–	–	–	–	–	–	–
Marketing, Customer Relations, Publicity and Media		402	–	–	–	–	–	–	–
Property Services		1 418	4 734	4 734	–	139	196	(57)	4 734
Supply Chain Management		337	44	44	12	32	11	21	44
Valuation Service		121	–	–	22	44	–	44	–
Internal audit		148	–	–	–	–	–	–	–
Governance Function		148	–	–	–	–	–	–	–
<b>Community and public safety</b>		<b>92 447</b>	<b>170 294</b>	<b>173 261</b>	<b>5 321</b>	<b>10 649</b>	<b>43 070</b>	<b>(32 422)</b>	<b>173 261</b>
Community and social services		9 717	12 854	12 854	1 696	1 717	3 213	(1 496)	12 854
Cemeteries, Funeral Parlours and Crematoriums		63	44	44	3	7	11	(4)	44
Community Halls and Facilities		426	81	81	5	14	20	(6)	81
Libraries and Archives		9 228	12 729	12 729	1 689	1 696	3 182	(1 486)	12 729
Sport and recreation		657	301	301	152	150	75	75	301
Beaches and Jetties		500	301	301	152	150	75	75	301
Community Parks (including Nurseries)		157	–	–	–	–	–	–	–
Public safety		62 927	55 760	55 760	3 473	8 781	13 695	(4 914)	55 760
Control of Public Nuisances		272	170	170	–	–	43	(43)	170
Fire Fighting and Protection		503	983	983	–	–	1	(1)	983
Licensing and Control of Animals		433	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		61 719	54 607	54 607	3 473	8 781	13 652	(4 870)	54 607
Housing		19 147	101 379	104 346	–	–	26 086	(26 086)	104 346
Housing		19 147	101 379	104 346	–	–	26 086	(26 086)	104 346
<b>Economic and environmental services</b>		<b>18 246</b>	<b>34 896</b>	<b>34 896</b>	<b>2 003</b>	<b>3 897</b>	<b>8 674</b>	<b>(4 777)</b>	<b>34 896</b>
Planning and development		17 798	34 716	34 716	2 003	3 897	8 674	(4 777)	34 716
Corporate Wide Strategic Planning (IDPs, LEDs)		102	–	–	–	–	–	–	–
Development Facilitation		31	19	19	–	–	–	–	19
Economic Development/Planning		3 868	1 474	1 474	–	–	369	(369)	1 474
Town Planning, Building Regulations and		6 608	8 482	8 482	571	1 463	2 121	(658)	8 482
Project Management Unit		7 189	24 741	24 741	1 432	2 434	6 185	(3 751)	24 741
Road transport		447	180	180	–	–	–	–	180
Roads		447	180	180	–	–	–	–	180
<b>Trading services</b>		<b>532 895</b>	<b>598 522</b>	<b>598 522</b>	<b>44 476</b>	<b>164 370</b>	<b>149 630</b>	<b>14 740</b>	<b>598 522</b>
Energy sources		250 234	290 482	290 482	23 851	77 798	72 621	5 178	290 482
Electricity		250 234	290 482	290 482	23 851	77 798	72 621	5 178	290 482

Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	Full Year Forecast
<b>R thousands</b>									
Water management		136 621	124 685	124 685	3 045	38 015	31 171	6 844	124 685
<i>Water Treatment</i>		273	–	–	–	273	–	273	–
<i>Water Distribution</i>		136 347	124 685	124 685	3 045	37 742	31 171	6 571	124 685
Waste water management		87 815	104 393	104 393	13 271	25 727	26 098	(371)	104 393
<i>Sewerage</i>		87 815	104 393	104 393	13 271	25 727	26 098	(371)	104 393
Waste management		58 224	78 961	78 961	4 309	22 830	19 740	3 089	78 961
<i>Solid Waste Removal</i>		58 224	78 961	78 961	4 309	22 830	19 740	3 089	78 961
<b>Other</b>		1 371	1 086	1 086	19	64	271	(208)	1 086
Air Transport		1 371	1 086	1 086	19	64	271	(208)	1 086
<b>Total Revenue - Functional</b>	2	959 925	1 104 120	1 107 087	70 572	259 287	276 839	(17 553)	1 107 087
<b>Expenditure - Functional</b>									
<b>Municipal governance and administration</b>		193 291	219 347	219 347	13 408	36 314	53 650	(17 336)	219 347
Executive and council		40 184	39 356	39 356	2 683	7 148	9 625	(2 477)	39 356
<i>Mayor and Council</i>		11 500	12 795	12 795	709	2 067	3 074	(1 006)	12 795
<i>Municipal Manager, Town Secretary and Chief</i>		28 684	26 561	26 561	1 975	5 081	6 552	(1 471)	26 561
Finance and administration		148 225	171 974	171 974	10 133	28 064	42 089	(14 025)	171 974
<i>Administrative and Corporate Support</i>		1 481	3 304	3 304	210	672	826	(154)	3 304
<i>Asset Management</i>		1 121	1 336	1 336	–	–	334	(334)	1 336
<i>Finance</i>		50 603	56 974	56 974	3 742	8 198	13 368	(5 170)	56 974
<i>Fleet Management</i>		8 318	11 896	11 896	828	1 624	2 974	(1 350)	11 896
<i>Human Resources</i>		24 006	25 860	25 860	903	2 832	6 465	(3 633)	25 860
<i>Information Technology</i>		19 827	25 524	25 524	1 156	3 844	6 381	(2 537)	25 524
<i>Legal Services</i>		6 282	7 261	7 261	229	1 806	1 815	(9)	7 261
<i>Marketing, Customer Relations, Publicity and Media</i>		5 935	15 505	15 505	1 536	4 336	3 876	460	15 505
<i>Property Services</i>		17 185	9 972	9 972	542	1 756	2 493	(736)	9 972
<i>Risk Management</i>		2 152	1 969	1 969	216	455	471	(16)	1 969
<i>Supply Chain Management</i>		7 628	9 621	9 621	537	1 508	2 398	(890)	9 621
<i>Valuation Service</i>		3 686	2 753	2 753	234	1 031	688	342	2 753
Internal audit		4 882	8 018	8 018	592	1 102	1 935	(834)	8 018
<i>Governance Function</i>		4 882	8 018	8 018	592	1 102	1 935	(834)	8 018
<b>Community and public safety</b>		144 956	186 787	189 754	11 135	33 532	46 681	(13 148)	189 754
Community and social services		29 114	33 853	33 926	2 254	6 325	8 411	(2 086)	33 926
<i>Cemeteries, Funeral Parlours and Crematoriums</i>		2 265	2 766	2 766	124	369	672	(303)	2 766
<i>Community Halls and Facilities</i>		13 129	11 895	11 967	1 153	3 080	2 941	139	11 967
<i>Disaster Management</i>		379	3 159	3 159	28	69	790	(721)	3 159
<i>Libraries and Archives</i>		13 341	16 034	16 034	949	2 808	4 008	(1 201)	16 034
Sport and recreation		24 012	34 036	34 036	1 637	5 040	8 182	(3 142)	34 036
<i>Beaches and Jetties</i>		14 133	19 211	19 211	804	2 178	4 540	(2 362)	19 211
<i>Community Parks (including Nurseries)</i>		7 889	12 424	12 424	784	2 236	3 042	(806)	12 424
<i>Recreational Facilities</i>		70	5	5	–	–	1	(1)	5
<i>Sports Grounds and Stadiums</i>		1 920	2 396	2 396	48	627	599	28	2 396
Public safety		76 977	105 313	105 241	6 818	18 266	25 949	(7 683)	105 241
<i>Civil Defence</i>		6	–	–	–	–	–	–	–
<i>Control of Public Nuisances</i>		28 787	32 085	32 085	2 934	7 711	7 863	(153)	32 085

Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	Full Year Forecast
<b>R thousands</b>									
<i>Fire Fighting and Protection</i>		23 110	26 352	26 352	1 751	4 920	6 588	(1 667)	26 352
<i>Licensing and Control of Animals</i>		24 918	26 501	26 429	2 123	5 618	6 404	(786)	26 429
<i>Police Forces, Traffic and Street Parking Control</i>		156	20 375	20 375	10	16	5 094	(5 078)	20 375
<i>Housing</i>		<b>14 854</b>	<b>13 584</b>	<b>16 551</b>	<b>426</b>	<b>3 901</b>	<b>4 138</b>	<b>(237)</b>	<b>16 551</b>
<i>Housing</i>		14 854	13 584	16 551	426	3 901	4 138	(237)	16 551
<b>Economic and environmental services</b>		<b>74 730</b>	<b>88 465</b>	<b>88 475</b>	<b>4 214</b>	<b>15 313</b>	<b>22 047</b>	<b>(6 734)</b>	<b>88 475</b>
<i>Planning and development</i>		<b>41 798</b>	<b>54 048</b>	<b>54 058</b>	<b>3 504</b>	<b>11 931</b>	<b>13 443</b>	<b>(1 512)</b>	<b>54 058</b>
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>		2 848	11 639	11 639	686	1 985	2 910	(925)	11 639
<i>Development Facilitation</i>		2 251	871	881	60	170	220	(50)	881
<i>Economic Development/Planning</i>		9 079	10 070	10 070	300	3 372	2 447	926	10 070
<i>Town Planning, Building Regulations and</i>		17 484	22 629	22 629	1 930	4 954	5 657	(704)	22 629
<i>Project Management Unit</i>		10 136	8 839	8 839	528	1 451	2 210	(759)	8 839
<i>Road transport</i>		<b>32 932</b>	<b>34 417</b>	<b>34 417</b>	<b>710</b>	<b>3 382</b>	<b>8 604</b>	<b>(5 222)</b>	<b>34 417</b>
<i>Roads</i>		32 932	34 417	34 417	710	3 382	8 604	(5 222)	34 417
<b>Trading services</b>		<b>420 900</b>	<b>470 053</b>	<b>465 043</b>	<b>34 698</b>	<b>91 744</b>	<b>111 452</b>	<b>(19 708)</b>	<b>465 043</b>
<i>Energy sources</i>		<b>246 905</b>	<b>283 961</b>	<b>278 951</b>	<b>27 652</b>	<b>65 457</b>	<b>68 956</b>	<b>(3 498)</b>	<b>278 951</b>
<i>Electricity</i>		246 905	283 961	278 951	27 652	65 457	68 956	(3 498)	278 951
<i>Water management</i>		<b>71 647</b>	<b>65 895</b>	<b>65 895</b>	<b>2 161</b>	<b>8 669</b>	<b>15 619</b>	<b>(6 950)</b>	<b>65 895</b>
<i>Water Treatment</i>		11 341	20 348	20 348	893	3 439	5 087	(1 648)	20 348
<i>Water Distribution</i>		60 304	45 547	45 547	1 268	5 231	10 532	(5 302)	45 547
<i>Water Storage</i>		1	–	–	–	–	–	–	–
<i>Waste water management</i>		<b>40 388</b>	<b>55 469</b>	<b>55 469</b>	<b>1 577</b>	<b>7 167</b>	<b>12 911</b>	<b>(5 743)</b>	<b>55 469</b>
<i>Sewerage</i>		32 735	54 987	54 987	1 577	7 167	12 790	(5 623)	54 987
<i>Waste Water Treatment</i>		7 653	482	482	–	–	121	(121)	482
<i>Waste management</i>		<b>61 960</b>	<b>64 728</b>	<b>64 728</b>	<b>3 307</b>	<b>10 450</b>	<b>13 966</b>	<b>(3 516)</b>	<b>64 728</b>
<i>Solid Waste Removal</i>		61 960	64 728	64 728	3 307	10 450	13 966	(3 516)	64 728
<b>Other</b>		<b>40 292</b>	<b>6 225</b>	<b>11 225</b>	<b>68</b>	<b>936</b>	<b>5 804</b>	<b>(4 868)</b>	<b>11 225</b>
<i>Air Transport</i>		1 339	3 218	8 218	68	936	5 804	(4 868)	8 218
<i>Licensing and Regulation</i>		38 953	3 007	3 007	–	–	–	–	3 007
<b>Total Expenditure - Functional</b>	3	<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>63 523</b>	<b>177 839</b>	<b>239 634</b>	<b>(61 795)</b>	<b>973 844</b>
<b>Surplus/ (Deficit) for the year</b>		<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>	<b>44 242</b>	<b>133 243</b>

WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description	Ref	2023/24	Budget Year 2024/25							
		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		–	3 004	3 004	(1 280)	2 948	751	2 197	292,6%	3 004
Vote 2 - Office of the Municipal Manager		101 437	66 656	66 656	122	10 373	16 664	(6 291)	-37,7%	66 656
Vote 3 - Community Services		134 298	153 695	153 695	9 650	33 681	37 191	(3 510)	-9,4%	153 695
Vote 4 - Corporate Services		2 368	19	19	153	228	–	228		19
Vote 5 - Financial Services		209 749	224 929	224 929	19 757	66 618	57 582	9 036	15,7%	224 929
Vote 6 - Economic Development & Planning		29 638	111 335	114 302	571	1 463	28 576	(27 113)	-94,9%	114 302
Vote 7 - Engineering Services		482 307	544 481	544 481	41 599	143 975	136 075	7 900	5,8%	544 481
Total Revenue by Vote	2	959 797	1 104 120	1 107 087	70 572	259 287	276 839	(17 553)	-6,3%	1 107 087
Expenditure by Vote	1									
Vote 1 - Council		11 819	12 945	12 945	709	2 213	3 111	(899)	-28,9%	12 945
Vote 2 - Office of the Municipal Manager		28 496	32 114	32 114	2 496	5 880	7 850	(1 969)	-25,1%	32 114
Vote 3 - Community Services		249 539	252 128	257 128	14 627	42 761	64 306	(21 546)	-33,5%	257 128
Vote 4 - Corporate Services		66 195	89 641	89 641	4 769	15 395	22 410	(7 015)	-31,3%	89 641
Vote 5 - Financial Services		63 038	70 683	70 683	4 513	10 737	16 788	(6 051)	-36,0%	70 683
Vote 6 - Economic Development & Planning		43 038	52 018	54 985	2 894	12 934	13 675	(741)	-5,4%	54 985
Vote 7 - Engineering Services		412 044	461 348	456 348	33 516	87 920	111 494	(23 573)	-21,1%	456 348
Total Expenditure by Vote	2	874 170	970 877	973 844	63 523	177 839	239 634	(61 795)	-25,8%	973 844
Surplus/ (Deficit) for the year	2	85 627	133 243	133 243	7 049	81 448	37 206	44 242	118,9%	133 243



WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M03 September

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousand										
Revenue by Vote	1									
Vote 1 - Council		-	3 004	3 004	(1 280)	2 948	751	2 197	293%	3 004
1,1 - Office of the Mayor		-	451	451	(395)	451	113	338	300%	451
1,2 - Office of the Deputy Mayor		-	451	451	(395)	451	113	338	300%	451
1,3 - Office of the Speaker		-	751	751	(95)	751	188	563	300%	751
1,4 - Office of the Executive Council		-	451	451	(395)	451	113	338	300%	451
1,5 - Council General		-	901	901	-	846	225	620	275%	901
Vote 2 - Office of the Municipal Manager		101 437	66 656	66 656	122	10 373	16 664	(6 291)	-38%	66 656
2,1 - Municipal Manager; Executive Support		101 062	66 655	66 655	122	10 373	16 664	(6 291)	-38%	66 655
2,2 - Internal Audit		148	-	-	-	-	-	-	-	-
2,4 - Governance and Compliance: IDP		66	-	-	-	-	-	-	-	-
2,5 - Governance and Compliance: Performance Management		21	-	-	-	-	-	-	-	-
2,7 - Office of the Political Office Bearers		140	1	1	0	0	0	0	14%	1
Vote 3 - Community Services		134 298	153 695	153 695	9 650	33 681	37 191	(3 510)	-9%	153 695
3,2 - Traffic Management Services		62 152	54 607	54 607	3 473	8 781	13 652	(4 870)	-36%	54 607
3,3 - Law Enforcement Services		272	170	170	-	-	43	(43)	-100%	170
3,4 - Fire & Rescue Services		503	983	983	-	-	1	(1)	-100%	983
3,6 - Library and Information Services		9 228	12 729	12 729	1 689	1 696	3 182	(1 486)	-47%	12 729
3,7 - Integrated Waste Management		58 224	78 961	78 961	4 309	22 830	19 740	3 089	16%	78 961
3,8 - Facilities Management & Maintenance: Manager; Parks		3 919	6 246	6 246	178	374	574	(200)	-35%	6 246
Vote 4 - Corporate Services		2 368	19	19	153	228	-	228	-	19
4,2 - Human Resources Management Services		1 420	-	-	153	228	-	228	-	-
4,3 - Administration Services		209	-	-	-	-	-	-	-	-
4,4 - Corporate Communications & Intergovernmental Relations		402	-	-	-	-	-	-	-	-
4,5 - Information & Communication Technology		213	-	-	-	-	-	-	-	-
4,6 - Legal Services		114	-	-	-	-	-	-	-	-
4,7 - Social Development		10	19	19	-	-	-	-	-	19
Vote 5 - Financial Services		209 749	224 929	224 929	19 757	66 618	57 582	9 036	16%	224 929
5,1 - Director; Executive Support		14 218	12 448	12 448	1 325	2 959	3 112	(154)	-5%	12 448
5,2 - Budget & Reporting		2 666	1 800	1 800	26	53	1 800	(1 747)	-97%	1 800
5,5 - Revenue Services		192 376	210 637	210 637	18 394	63 575	52 659	10 916	21%	210 637
5,6 - Expenditure		151	-	-	-	-	-	-	-	-
5,7 - Supply Chain Management		337	44	44	12	32	11	21	188%	44
Vote 6 - Economic Development & Planning		29 638	111 335	114 302	571	1 463	28 576	(27 113)	-95%	114 302
6,1 - Director; Executive Support		15	-	-	-	-	-	-	-	-
6,2 - Local Economic Development & Tourism		3 868	1 474	1 474	-	-	369	(369)	-100%	1 474
6,3 - Town Planning		1 102	687	687	70	134	172	(38)	-22%	687
6,6 - Planning & Building Control		5 506	7 795	7 795	501	1 328	1 949	(620)	-32%	7 795
6,7 - Integrated Human Settlement		19 147	101 379	104 346	-	-	26 086	(26 086)	-100%	104 346
Vote 7 - Engineering Services		482 307	544 481	544 481	41 599	143 975	136 075	7 900	6%	544 481
7,2 - Water Services: Purification, Demand & Loss Control		224 121	229 079	229 079	16 316	63 743	57 270	6 473	11%	229 079
7,3 - Water Services: Water and Waste Water Reticulation		315	-	-	-	-	-	-	-	-
7,4 - Transport, Roads & Storm Water		447	180	180	-	-	-	-	-	180
7,5 - Electrical and Energy		250 234	290 482	290 482	23 851	77 798	72 621	5 178	7%	290 482
7,7 - Project Management Unit (PMU)		7 189	24 741	24 741	1 432	2 434	6 185	(3 751)	-61%	24 741
Total Revenue by Vote	2	959 797	1 104 120	1 107 087	70 572	259 287	276 839	(17 553)	-6%	1 107 087
Expenditure by Vote	1									
Vote 1 - Council		11 819	12 945	12 945	709	2 213	3 111	(899)	-29%	12 945
1,1 - Office of the Mayor		3 686	3 727	3 727	92	278	882	(604)	-68%	3 727
1,2 - Office of the Deputy Mayor		1 182	1 698	1 698	93	252	349	(98)	-28%	1 698
1,3 - Office of the Speaker		1 378	1 656	1 656	120	329	414	(85)	-21%	1 656
1,4 - Office of the Executive Council		2 769	2 942	2 942	191	647	736	(88)	-12%	2 942
1,5 - Council General		2 803	2 922	2 922	213	707	730	(24)	-3%	2 922
Vote 2 - Office of the Municipal Manager		28 496	32 114	32 114	2 496	5 880	7 850	(1 969)	-25%	32 114
2,1 - Municipal Manager; Executive Support		8 000	4 466	4 466	323	717	1 111	(395)	-35%	4 466
2,2 - Internal Audit		4 904	8 018	8 018	592	1 102	1 935	(834)	-43%	8 018
2,3 - Governance and Compliance: Risk Management & Compliance		2 152	1 969	1 969	216	455	471	(16)	-3%	1 969
2,4 - Governance and Compliance: IDP		2 613	3 103	3 103	190	537	776	(239)	-31%	3 103
2,5 - Governance and Compliance: Performance Management		(1 313)	4 801	4 801	258	754	1 200	(446)	-37%	4 801
2,7 - Office of the Political Office Bearers		12 139	9 757	9 757	917	2 315	2 356	(41)	-2%	9 757
Vote 3 - Community Services		249 539	252 128	257 128	14 627	42 761	64 306	(21 546)	-34%	257 128
3,1 - Director; Executive Support		5 081	3 832	3 905	354	919	976	(58)	-6%	3 905
3,2 - Traffic Management Services		64 017	49 883	49 811	2 133	5 635	11 498	(5 864)	-51%	49 811
3,3 - Law Enforcement Services		28 992	32 107	32 107	2 934	7 711	7 869	(158)	-2%	32 107
3,4 - Fire & Rescue Services		23 300	27 489	27 489	1 780	4 976	6 872	(1 896)	-28%	27 489
3,6 - Library and Information Services		13 341	16 034	16 034	949	2 808	4 008	(1 201)	-30%	16 034
3,7 - Integrated Waste Management		61 960	64 728	64 728	3 307	10 450	13 966	(3 516)	-25%	64 728
3,8 - Facilities Management & Maintenance: Manager; Parks		52 848	58 055	63 055	3 169	10 263	19 117	(8 853)	-46%	63 055
Vote 4 - Corporate Services		66 195	89 641	89 641	4 769	15 395	22 410	(7 015)	-31%	89 641
4,1 - Director; Executive Support		167	3 079	3 079	206	629	770	(141)	-18%	3 079
4,2 - Human Resources Management Services		25 234	25 960	25 960	903	2 871	6 490	(3 619)	-56%	25 960
4,3 - Administration Services		8 255	12 313	12 313	738	1 908	3 078	(1 170)	-38%	12 313
4,4 - Corporate Communications & Intergovernmental Relations		5 970	15 505	15 505	1 536	4 336	3 876	460	12%	15 505
4,5 - Information & Communication Technology		19 827	25 524	25 524	1 156	3 844	6 381	(2 537)	-40%	25 524
4,6 - Legal Services		6 282	7 261	7 261	229	1 806	1 815	(9)	-1%	7 261
4,7 - Social Development		460	-	-	-	-	-	-	-	-
Vote 5 - Financial Services		63 038	70 683	70 683	4 513	10 737	16 788	(6 051)	-36%	70 683
5,1 - Director; Executive Support		13 493	9 048	9 048	622	1 367	2 260	(893)	-40%	9 048
5,2 - Budget & Reporting		15 444	17 003	17 003	915	2 013	4 251	(2 238)	-53%	17 003
5,5 - Revenue Services		21 257	29 419	29 419	2 014	4 761	6 482	(1 720)	-27%	29 419

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousand										
5,6 - Expenditure		4 767	5 342	5 342	425	1 088	1 335	(247)	-19%	5 342
5,7 - Supply Chain Management		8 077	9 871	9 871	537	1 508	2 460	(952)	-39%	9 871
<b>Vote 6 - Economic Development &amp; Planning</b>		<b>43 038</b>	<b>52 018</b>	<b>54 985</b>	<b>2 894</b>	<b>12 934</b>	<b>13 675</b>	(741)	-5%	<b>54 985</b>
6,1 - Director; Executive Support		1 533	3 717	3 717	238	694	929	(236)	-25%	3 717
6,2 - Local Economic Development & Tourism		9 079	10 070	10 070	300	3 372	2 447	926	38%	10 070
6,3 - Town Planning		9 042	10 112	10 112	951	2 665	2 528	137	5%	10 112
6,4 - Land Use Planning;Evironmental Management		14	17	17	-	-	4	(4)	-100%	17
6,6 - Planning & Building Control		8 442	12 516	12 516	979	2 289	3 129	(840)	-27%	12 516
6,7 - Integrated Human Settlement		14 927	15 584	18 551	426	3 914	4 638	(723)	-16%	18 551
<b>Vote 7 - Engineering Services</b>		<b>412 044</b>	<b>461 348</b>	<b>456 348</b>	<b>33 516</b>	<b>87 920</b>	<b>111 494</b>	(23 573)	-21%	<b>456 348</b>
7,1 - Director; Executive Support		4 373	3 809	3 819	269	748	955	(206)	-22%	3 819
7,2 - Water Services: Purification, Demand & Loss Control		100 044	105 688	105 688	2 736	13 106	24 611	(11 505)	-47%	105 688
7,3 - Water Services: Water and Waste Water Reticulation		11 991	15 676	15 676	1 002	2 731	3 919	(1 188)	-30%	15 676
7,4 - Transport, Roads & Storm Water		32 932	34 417	34 417	710	3 382	8 604	(5 222)	-61%	34 417
7,5 - Electrical and Energy		244 295	281 084	276 074	27 443	64 890	68 237	(3 347)	-5%	276 074
7,6 - Fleet Management		8 318	11 896	11 896	828	1 624	2 974	(1 350)	-45%	11 896
7,7 - Project Management Unit (PMU)		10 091	8 778	8 778	528	1 440	2 194	(755)	-34%	8 778
<b>Total Expenditure by Vote</b>	2	<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>63 523</b>	<b>177 839</b>	<b>239 634</b>	<b>(61 795)</b>	<b>(0)</b>	<b>973 844</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>85 627</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>	<b>44 242</b>	<b>0</b>	<b>133 243</b>

WC047 Bitou - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>		477 681	531 266	531 266	44 474	125 988	132 816	(6 828)	-5%	531 266
Service charges - Electricity		230 904	262 129	262 129	23 579	67 087	65 532	1 555	2%	262 129
Service charges - Water		87 795	90 492	90 492	7 353	21 215	22 623	(1 408)	-6%	90 492
Service charges - Waste Water Management		67 358	80 372	80 372	6 217	17 482	20 093	(2 611)	-13%	80 372
Service charges - Waste management		44 964	53 852	53 852	3 871	11 633	13 463	(1 830)	-14%	53 852
Sale of Goods and Rendering of Services		7 520	9 687	9 687	609	1 629	2 422	(793)	-33%	9 687
Agency services		2 498	2 840	2 840	239	482	710	(228)	-32%	2 840
Interest earned from Receivables		13 243	13 870	13 870	904	1 831	3 468	(1 636)	-47%	13 870
Interest earned from Current and Non Current Assets		13 203	12 448	12 448	1 325	2 959	3 112	(154)	-5%	12 448
Rental from Fixed Assets		1 354	2 210	2 210	140	404	552	(148)	-27%	2 210
Licence and permits		1 427	565	565	236	410	141	268	190%	565
Operational Revenue		7 415	2 800	2 800	0	856	700	156	22%	2 800
<b>Non-Exchange Revenue</b>		432 046	442 000	444 967	24 666	131 867	111 554	20 312	18%	444 967
Property rates		178 261	191 257	191 257	16 829	51 490	47 814	3 676	8%	191 257
Surcharges and Taxes		1 420	1 589	1 589	119	365	397	(32)	-8%	1 589
Fines, penalties and forfeits		60 451	50 836	50 836	3 214	8 161	12 709	(4 548)	-36%	50 836
Licence and permits		-	796	796	-	-	199	(199)	-100%	796
Transfer and subsidies - Operational		166 503	176 893	179 860	1 867	66 782	46 265	20 516	44%	179 860
Interest		2 292	1 844	1 844	1 362	1 539	461	1 078	234%	1 844
Operational Revenue		14 750	14 835	14 835	1 274	3 530	3 709	(179)	-5%	14 835
Gains on disposal of Assets		-	3 950	3 950	-	-	-	-	-	3 950
Other Gains		8 370	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>909 728</b>	<b>973 266</b>	<b>976 233</b>	<b>69 140</b>	<b>257 855</b>	<b>244 371</b>	<b>13 484</b>	<b>6%</b>	<b>976 233</b>
<b>Expenditure By Type</b>										
Employee related costs		312 820	370 938	370 938	28 601	78 963	91 701	(12 738)	-14%	370 938
Remuneration of councillors		7 376	7 879	7 879	594	1 773	1 970	(196)	-10%	7 879
Bulk purchases - electricity		197 628	231 959	226 959	25 658	58 986	56 740	2 246	4%	226 959
Inventory consumed		16 652	18 699	18 699	894	2 142	4 675	(2 533)	-54%	18 699
Debt impairment		28 480	19 001	19 001	-	-	-	-	-	19 001
Depreciation and amortisation		48 851	40 002	40 002	-	6 667	10 000	(3 333)	-33%	40 002
Interest		20 922	14 063	14 063	-	31	3 516	(3 484)	-99%	14 063
Contracted services		77 655	103 758	106 725	3 794	11 403	26 661	(15 257)	-57%	106 725
Transfers and subsidies		9 208	12 283	17 283	-	2 064	6 358	(4 295)	-68%	17 283
Irrecoverable debts written off		74 426	61 150	61 150	347	6 107	15 287	(9 180)	-60%	61 150
Operational costs		76 823	91 144	91 144	3 637	9 702	22 726	(13 024)	-57%	91 144
Losses on Disposal of Assets		3 217	-	-	-	-	-	-	-	-
Other Losses		111	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>63 523</b>	<b>177 839</b>	<b>239 634</b>	<b>(61 795)</b>	<b>-26%</b>	<b>973 844</b>
<b>Surplus/(Deficit)</b>		<b>35 558</b>	<b>2 389</b>	<b>2 389</b>	<b>5 617</b>	<b>80 015</b>	<b>4 737</b>	<b>75 278</b>	<b>0</b>	<b>2 389</b>
Transfers and subsidies - capital (monetary allocations)		50 164	130 854	130 854	1 432	1 432	32 468	(31 036)	(0)	130 854
Transfers and subsidies - capital (in-kind)		33	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>			<b>133 243</b>
<b>Surplus/(Deficit) after income tax</b>		<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>			<b>133 243</b>
<b>Surplus/(Deficit) attributable to municipality</b>		<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>			<b>133 243</b>
<b>Surplus/ (Deficit) for the year</b>		<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>7 049</b>	<b>81 448</b>	<b>37 206</b>			<b>133 243</b>

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2023/24	Budget Year 2024/25							
		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		3 636	5 705	5 905	1 208	1 208	1 476	(269)	-18%	5 905
Vote 4 - Corporate Services		1 070	1 518	1 518	—	—	379	(379)	-100%	1 518
Vote 7 - Engineering Services		42 557	141 206	146 549	1 897	3 329	36 637	(33 309)	-91%	146 549
Total Capital Multi-year expenditure	4,7	47 263	148 429	153 972	3 104	4 536	38 493	(33 957)	-88%	153 972
Single Year expenditure appropriation	2									
Vote 2 - Office of the Municipal Manager		149	—	731	—	—	183	(183)	-100%	731
Vote 3 - Community Services		1 021	3 496	3 698	—	—	925	(925)	-100%	3 698
Vote 4 - Corporate Services		699	642	642	—	—	160	(160)	-100%	642
Vote 5 - Financial Services		33	—	—	—	—	—	—	—	—
Vote 6 - Economic Development & Planning		301	—	—	—	—	—	—	—	—
Vote 7 - Engineering Services		54 846	30 593	34 149	401	401	8 537	(8 136)	-95%	34 149
Total Capital single-year expenditure	4	57 049	34 731	39 219	401	401	9 805	(9 404)	-96%	39 219
Total Capital Expenditure	3	104 311	183 160	193 192	3 505	4 937	48 298	(43 361)	-90%	193 192
Capital Expenditure - Functional Classification										
Governance and administration		17 223	9 350	10 880	81	81	2 720	(2 639)	-97%	10 880
Executive and council		149	—	731	—	—	183	(183)	-100%	731
Finance and administration		17 073	9 350	10 150	81	81	2 537	(2 457)	-97%	10 150
Community and public safety		4 207	6 302	6 653	1 208	1 208	1 663	(456)	-27%	6 653
Community and social services		3 909	304	656	—	—	164	(164)	-100%	656
Sport and recreation		—	4 455	4 455	1 208	1 208	1 114	94	8%	4 455
Public safety		298	1 542	1 542	—	—	385	(385)	-100%	1 542
Economic and environmental services		12 288	47 401	48 338	—	—	12 085	(12 085)	-100%	48 338
Planning and development		301	—	—	—	—	—	—	—	—
Road transport		11 987	47 401	48 338	—	—	12 085	(12 085)	-100%	48 338
Trading services		70 593	120 108	127 320	2 217	3 649	31 830	(28 181)	-89%	127 320
Energy sources		19 492	26 065	29 759	—	—	7 440	(7 440)	-100%	29 759
Water management		33 290	45 070	48 538	1 643	1 643	12 134	(10 491)	-86%	48 538
Waste water management		17 811	46 673	46 673	573	2 005	11 668	(9 663)	-83%	46 673
Waste management		—	2 300	2 350	—	—	587	(587)	-100%	2 350
Total Capital Expenditure - Functional Classification	3	104 311	183 160	193 192	3 505	4 937	48 298	(43 361)	-90%	193 192
Funded by:										
National Government		29 398	29 331	29 331	2 154	3 586	7 333	(3 747)	-51%	29 331
Provincial Government		15 527	78 285	78 285	1 238	1 238	19 571	(18 334)	-94%	78 285
Transfers recognised - capital		44 924	107 616	107 616	3 391	4 823	26 904	(22 081)	-82%	107 616
Borrowing	6	35 920	50 033	52 932	19	19	13 233	(13 214)	-100%	52 932
Internally generated funds		23 434	25 511	32 643	95	95	8 161	(8 066)	-99%	32 643
Total Capital Funding	7	104 279	183 160	193 192	3 505	4 937	48 298	(43 361)	-90%	193 192

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M03 September

Vote Description		Ref	2023/24	Budget Year 2024/25								
R thousand			Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast	
<u>Capital expenditure - Municipal Vote</u>										%		
<u>Expenditure of multi-year capital appropriation</u>			1									
Vote 3 - Community Services			3 636	5 705	5 905	1 208	1 208	1 476	(269)	-18%	5 905	
3,4 - Fire & Rescue Services			–	750	750	–	–	187	(187)	-100%	750	
3,7 - Integrated Waste Management			–	500	500	–	–	125	(125)	-100%	500	
3,8 - Facilities Management & Maintenance: Manager; Parks & Recreation			3 636	4 455	4 655	1 208	1 208	1 164	44	4%	4 655	
Vote 4 - Corporate Services			1 070	1 518	1 518	–	–	379	(379)	-100%	1 518	
4,5 - Information & Communication Technology			1 070	1 518	1 518	–	–	379	(379)	-100%	1 518	
Vote 7 - Engineering Services			42 557	141 206	146 549	1 897	3 329	36 637	(33 309)	-91%	146 549	
7,2 - Water Services: Purification, Demand & Loss Control			20 704	79 393	82 061	1 816	3 248	20 515	(17 267)	-84%	82 061	
7,4 - Transport, Roads & Storm Water			1 188	36 688	37 140	–	–	9 285	(9 285)	-100%	37 140	
7,5 - Electrical and Energy			19 373	25 025	27 249	–	–	6 812	(6 812)	-100%	27 249	
7,6 - Fleet Management			1 292	100	100	81	81	25	56	223%	100	
Total multi-year capital expenditure			47 263	148 429	153 972	3 104	4 536	38 493	(33 957)	-88%	153 972	
									–			
<u>Capital expenditure - Municipal Vote</u>												
<u>Expenditure of single-year capital appropriation</u>			1									
Vote 2 - Office of the Municipal Manager			149	–	731	–	–	183	(183)	-100%	731	
2,1 - Municipal Manager; Executive Support			149	–	731	–	–	183	(183)	-100%	731	
Vote 3 - Community Services			1 021	3 496	3 698	–	–	925	(925)	-100%	3 698	
3,2 - Traffic Management Services			–	250	250	–	–	62	(62)	-100%	250	
3,3 - Law Enforcement Services			298	–	–	–	–	–	–	–	–	
3,4 - Fire & Rescue Services			–	542	542	–	–	135	(135)	-100%	542	
3,6 - Library and Information Services			273	304	304	–	–	76	(76)	-100%	304	
3,7 - Integrated Waste Management			–	1 800	1 850	–	–	462	(462)	-100%	1 850	
3,8 - Facilities Management & Maintenance: Manager; Parks & Recreation			449	600	752	–	–	188	(188)	-100%	752	
Vote 4 - Corporate Services			699	642	642	–	–	160	(160)	-100%	642	
4,5 - Information & Communication Technology			699	642	642	–	–	160	(160)	-100%	642	
Vote 5 - Financial Services			33	–	–	–	–	–	–	–	–	
5,2 - Budget & Reporting			33	–	–	–	–	–	–	–	–	
Vote 6 - Economic Development & Planning			301	–	–	–	–	–	–	–	–	
6,2 - Local Economic Development & Tourism			301	–	–	–	–	–	–	–	–	
Vote 7 - Engineering Services			54 846	30 593	34 149	401	401	8 537	(8 136)	-95%	34 149	
7,2 - Water Services: Purification, Demand & Loss Control			30 397	12 350	13 150	401	401	3 288	(2 887)	-88%	13 150	
7,4 - Transport, Roads & Storm Water			10 799	10 713	11 199	–	–	2 800	(2 800)	-100%	11 199	
7,5 - Electrical and Energy			119	1 040	2 510	–	–	628	(628)	-100%	2 510	
7,6 - Fleet Management			13 530	6 490	7 290	–	–	1 822	(1 822)	-100%	7 290	
Total single-year capital expenditure			57 049	34 731	39 219	401	401	9 805	(9 404)	(0)	39 219	
									–			
Total Capital Expenditure				104 311	183 160	193 192	3 505	4 937	48 298	(43 361)	(0)	193 192

**WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - M03 September**

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
<b>R thousands</b>						
<b>ASSETS</b>	1					
<b>Current assets</b>						
Cash and cash equivalents		165 432	60 220	50 116	139 687	50 116
Trade and other receivables from exchange transactions		54 528	75 841	75 841	78 000	75 841
Receivables from non-exchange transactions		40 213	97 230	97 230	50 444	97 230
Current portion of non-current receivables		9	11	11	9	11
Inventory		15 845	20 180	20 180	16 137	20 180
VAT		283 602	212 584	212 584	283 897	212 584
Other current assets		898	180	180	1 487	180
<b>Total current assets</b>		<b>560 528</b>	<b>466 245</b>	<b>456 141</b>	<b>569 663</b>	<b>456 141</b>
<b>Non current assets</b>						
Investment property		14 050	12 692	12 692	14 050	12 692
Property, plant and equipment		1 319 839	1 403 181	1 413 213	1 318 108	1 413 213
Heritage assets		38	35	35	38	35
<b>Total non current assets</b>		<b>1 333 926</b>	<b>1 415 909</b>	<b>1 425 940</b>	<b>1 332 196</b>	<b>1 425 940</b>
<b>TOTAL ASSETS</b>		<b>1 894 455</b>	<b>1 882 153</b>	<b>1 882 081</b>	<b>1 901 859</b>	<b>1 882 081</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Financial liabilities		20 425	1 103	1 103	20 171	1 103
Consumer deposits		11 362	9 848	9 848	11 588	9 848
Trade and other payables from exchange transactions		125 575	86 278	89 173	29 492	89 173
Trade and other payables from non-exchange transactions		(31 261)	(13 526)	(16 493)	(18 366)	(16 493)
Provision		47 936	116 950	116 950	48 258	116 950
VAT		268 421	239 157	239 157	277 309	239 157
<b>Total current liabilities</b>		<b>442 459</b>	<b>439 810</b>	<b>439 737</b>	<b>368 452</b>	<b>439 737</b>
<b>Non current liabilities</b>						
Financial liabilities		107 718	130 734	130 734	107 718	130 734
Provision		13 801	10 320	10 320	13 540	10 320
Other non-current liabilities		70 559	58 456	58 456	70 559	58 456
<b>Total non current liabilities</b>		<b>192 078</b>	<b>199 510</b>	<b>199 510</b>	<b>191 817</b>	<b>199 510</b>
<b>TOTAL LIABILITIES</b>		<b>634 536</b>	<b>639 320</b>	<b>639 247</b>	<b>560 268</b>	<b>639 247</b>
<b>NET ASSETS</b>	2	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>	<b>1 341 591</b>	<b>1 242 834</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1 183 237	1 167 034	1 167 034	1 264 910	1 167 034
Reserves and funds		76 681	75 800	75 800	76 681	75 800
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>	<b>1 341 591</b>	<b>1 242 834</b>

**WC047 Bitou - Table C7 Monthly Budget Statement - Cash Flow - M03 September**

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
<b>R thousands</b>										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	1								%	
<b>Receipts</b>										
Property rates		644	175 067	175 067	14 654	46 053	43 767	2 287	5%	175 067
Service charges		–	434 972	434 972	25 642	84 301	108 743	(24 442)	-22%	434 972
Other revenue		67	26 596	26 596	4 797	18 704	6 649	12 055	181%	26 596
Transfers and Subsidies - Operational		6 262	176 723	176 723	2 121	70 824	45 187	25 637	57%	176 723
Transfers and Subsidies - Capital		–	130 854	130 854	10 284	10 284	32 468	(22 184)	-68%	130 854
Interest		11 284	12 448	12 448	2 767	5 510	3 112	2 398	77%	12 448
Dividends		–	–	–	–	–	–	–		–
<b>Payments</b>										
Suppliers and employees		(793 639)	(776 920)	(776 920)	(43 684)	(254 360)	(194 230)	60 130	-31%	(64 231)
Interest		–	(14 063)	(14 063)	–	(31)	(3 516)	(3 484)	99%	(14 063)
Transfers and Subsidies		–	(11 983)	(11 983)	–	(2 064)	(2 683)	(620)	23%	(11 983)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(775 382)</b>	<b>153 694</b>	<b>153 694</b>	<b>16 580</b>	<b>(20 780)</b>	<b>39 497</b>	<b>60 277</b>	<b>153%</b>	<b>866 384</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		–	3 950	3 950	–	–	–	–		3 950
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
<b>Payments</b>										
Capital assets		(114 140)	(183 160)	(193 192)	(3 505)	(4 937)	48 298	53 235	110%	193 192
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(114 140)</b>	<b>(179 210)</b>	<b>(189 242)</b>	<b>(3 505)</b>	<b>(4 937)</b>	<b>48 298</b>	<b>53 235</b>	<b>110%</b>	<b>197 142</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	50 033	50 033	–	–	–	–		50 033
Increase (decrease) in consumer deposits		–	–	–	76	226	–	226	0%	–
<b>Payments</b>										
Repayment of borrowing		–	(20 372)	(20 372)	–	(254)	–	254	0%	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>–</b>	<b>29 662</b>	<b>29 662</b>	<b>76</b>	<b>(28)</b>	<b>–</b>	<b>28</b>	<b>0%</b>	<b>50 033</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(889 522)</b>	<b>4 146</b>	<b>(5 885)</b>	<b>13 150</b>	<b>(25 745)</b>	<b>87 795</b>			<b>1 113 559</b>
Cash/cash equivalents at beginning:		95 078	59 740	59 740		165 432	59 740			165 432
Cash/cash equivalents at month/year end:		(794 444)	63 886	53 855		139 687	147 535			1 278 991

WC047 Bitou - Supporting Table SC1 Material variance explanations - M03 September

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



**WC047 Bitou - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September**

Description of financial indicator	Basis of calculation	Ref	2023/24	Budget Year 2024/25			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
<b><u>Borrowing Management</u></b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2,4%	5,6%	5,6%	3,8%	5,6%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		34,4%	27,3%	27,4%	0,4%	27,4%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		17,2%	11,7%	12,0%	9,0%	12,0%
Gearing	Long Term Borrowing/ Funds & Reserves		140,5%	172,5%	172,5%	140,5%	172,5%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	126,7%	106,0%	103,7%	154,6%	103,7%
Liquidity Ratio	Monetary Assets/Current Liabilities		37,4%	13,7%	11,4%	37,9%	11,4%
<b><u>Revenue Management</u></b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		10,5%	17,8%	17,7%	50,4%	17,7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Creditors Management</u></b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b><u>Funding of Provisions</u></b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b><u>Other Indicators</u></b>							
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		34,4%	38,1%	38,0%	30,6%	38,0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		4,3%	4,9%	4,9%	0,7%	4,9%
Interest & Depreciation	I&D/Total Revenue - capital revenue		7,7%	5,6%	5,5%	2,6%	5,5%
<b><u>IDP regulation financial viability indicators</u></b>							
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 - M03 September

Description	NT Code	Budget Year 2024/25										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	7 577	2 735	2 660	2 427	86 821	-	-	-	102 221	89 249	25	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	18 351	1 688	804	484	15 907	-	-	-	37 234	16 391	68	-
Receivables from Non-exchange Transactions - Property Rates	1400	12 280	2 527	2 252	1 169	42 339	-	-	-	60 567	43 508	121	-
Receivables from Exchange Transactions - Waste Water Management	1500	9 422	2 478	2 257	1 918	96 228	-	-	-	112 303	98 146	87	-
Receivables from Exchange Transactions - Waste Management	1600	6 116	1 607	1 405	1 253	57 721	-	-	-	68 102	58 975	45	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	282	179	762	228	(20 227)	-	-	-	(18 777)	(19 999)	1	-
Total By Income Source	2000	54 027	11 215	10 139	7 479	278 789	-	-	-	361 650	286 269	347	-
2023/24 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	745	252	227	129	1 949	-	-	-	3 302	2 079	-	-
Commercial	2300	6 229	730	442	330	4 722	-	-	-	12 452	5 052	-	-
Households	2400	47 053	10 234	9 471	7 020	272 117	-	-	-	345 895	279 138	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	54 027	11 215	10 139	7 479	278 789	-	-	-	361 650	286 269	-	-

WC047 Bitou - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2024/25									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	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	2 501	-	-	-	-	-	-	-	2 501	-
Total By Customer Type	1000	2 501	-	-	-	-	-	-	-	2 501	-

WC047 Bitou - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

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	Call deposit	No	Variable	8.400	No	No	N/A	8 287	92	(8 379)	-	-
Absa Bank: 9377092408-3		Call deposit	Call deposit	No	Variable	8.400	No	No	N/A	3 011	34	(3 044)	-	-
Absa Bank: 9380348553		Call deposit	Call deposit	No	Variable	8.900	No	No	N/A	19 788	145	-	-	19 933
Standard Bank: 488607000-079		Call deposit	Call deposit	No	Variable	8.250	No	No	N/A	5 416	36	-	-	5 453
Standard Bank: 488607000-078		Call deposit	Call deposit	No	Variable	8.250	No	No	N/A	5 416	36	-	-	5 453
Absa Bank: 9381946782		Call deposit	Call deposit	No	Variable	8.900	No	No	N/A	11 900	87	-	-	11 967
Absa Bank: 2081502443		180 days	Fixed deposit	No	Fixed	9.390	No	No	10/09/2024	10 280	183	(10 463)	-	-
Nedbank: 037881052406		365 days	Fixed deposit	No	Fixed	9.020	No	No	11/09/2025	-	-	-	50 000	50 000
Standard bank: 488607000-087		360 days	Fixed deposit	No	Fixed	8.850	No	No	06/09/2025	-	-	-	47 745	47 745
Standard bank: 488607000-088		150 days	Fixed deposit	No	Fixed	9.025	No	No	08/02/2025	-	-	-	12 385	12 385
Municipality sub-total										64 099	613		110 130	152 956

WC047 Bitou - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		3 650	159 289	159 289	2 121	66 349	2 635	63 714	2417,9%	5 141
Operational Revenue:General Revenue:Equitable Share		–	154 148	154 148	–	64 228	–	64 228		–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 879	1 474	1 474	321	321	368	(48)	-12,9%	1 474
Local Government Financial Management Grant [Schedule 5B]		1 771	1 800	1 800	1 800	1 800	1 800	–		1 800
Municipal Disaster Grant [Schedule 5B]		–	1 867	1 867	–	–	467	(467)	-100,0%	1 867
<b>Provincial Government:</b>		11 307	26 043	26 043	–	4 475	6 167	(1 692)	-27,4%	26 043
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION		7 353	–	–	–	3 303	–	3 303		–
LIBRARY SERVICES: REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPAL		700	–	–	–	–	–	–		–
COMMUNITY DEVELOPMENT WORKERS - OPERATIONAL		19	19	19	–	–	–	–		19
MUNICIPAL LIBRARY SUPPORT - OPERATIONAL		1 792	2 465	2 465	–	1 172	616	556	90,2%	2 465
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT: PROVINCES (BENEFICIA		–	5 553	5 553	–	–	1 388	(1 388)	-100,0%	5 553
PROVINCIAL EMERGENCY FUNDING		120	–	–	–	–	–	–		–
WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT		140	180	180	–	–	–	–		180
HUMAN SETTLEMENT DEVELOPMENT GRANT (BENEFICIARIES)		–	1 176	1 176	–	–	–	–		1 176
Specify (Add grant description)		1 182	16 650	16 650	–	–	4 163	(4 163)	-100,0%	16 650
<b>District Municipality:</b>		390	170	170	–	–	170	(170)	-100,0%	170
SAFETY PLANS		390	–	–	–	–	–	–		–
Specify (Add grant description)		–	170	170	–	–	170	(170)	-100,0%	170
<b>Other grant providers:</b>		832	–	–	–	–	–	–		–
Departmental Agencies and Accounts		832	–	–	–	–	–	–		–
<b>Total Operating Transfers and Grants</b>	5	16 179	185 502	185 502	2 121	70 824	8 972	61 852	689,4%	31 354
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		25 557	34 874	34 874	10 284	10 284	8 719	1 566	18,0%	34 874
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		3 774	–	–	–	–	–	–		–
Municipal Infrastructure Grant [Schedule 5B]		21 783	22 874	22 874	6 284	6 284	5 719	566	9,9%	22 874
Water Services Infrastructure Grant [Schedule 5B]		–	12 000	12 000	4 000	4 000	3 000	1 000	33,3%	12 000
<b>Provincial Government:</b>		16 023	79 330	79 330	–	–	19 587	(19 587)	-100,0%	79 330
Specify (Add grant description)		–	350	350	–	–	87	(87)	-100,0%	350
Specify (Add grant description)		15 673	–	–	–	–	–	–		–
Specify (Add grant description)		350	–	–	–	–	–	–		–
Specify (Add grant description)		–	980	980	–	–	–	–		980
Specify (Add grant description)		–	78 000	78 000	–	–	19 500	(19 500)	-100,0%	78 000
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
<b>Total Capital Transfers and Grants</b>	5	41 580	114 204	114 204	10 284	10 284	28 306	(18 022)	-63,7%	114 204
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	57 758	299 706	299 706	12 405	81 108	37 278	43 830	117,6%	145 558

WC047 Bitou - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description		Ref	2023/24	Budget Year 2024/25							
			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:			5 470	157 422	157 422	26	64 861	1 719	63 142	3674,3%	(1 474)
Operational Revenue:General Revenue:Equitable Share			–	154 148	154 148	–	64 228	–	64 228		–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]			1 879	1 474	1 474	–	580	369	212	57,4%	(1 474)
Local Government Financial Management Grant [Schedule 5B]			2 449	1 800	1 800	26	53	1 350	(1 297)	-96,1%	–
Municipal Infrastructure Grant [Schedule 5B]			1 142	–	–	–	–	–	–		–
Provincial Government:			15 130	29 340	32 307	1 688	1 693	8 027	(6 334)	-78,9%	(32 045)
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION			7 353	19 816	19 816	1 669	1 669	4 954	(3 285)	-66,3%	(19 816)
LIBRARY SERVICES: REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPAL			1 009	–	–	–	–	–	–		–
COMMUNITY DEVELOPMENT WORKERS - OPERATIONAL			10	19	19	–	–	–	–		(19)
MUNICIPAL LIBRARY SUPPORT - OPERATIONAL			1 171	2 465	2 465	18	24	616	(592)	-96,1%	(2 465)
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT: PROVINCES (BENEFICIA			1 638	5 553	8 143	–	–	2 036	(2 036)	-100,0%	(8 143)
TITLE DEEDS RESTORATION			–	–	377	–	–	94	(94)	-100,0%	(377)
PROVINCIAL EMERGENCY FUNDING			115	131	131	–	–	33	(33)	-100,0%	131
WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT			140	180	180	–	–	–	–		(180)
Specify (Add grant description)			13	–	–	–	–	–	–		–
HUMAN SETTLEMENT DEVELOPMENT GRANT (BENEFICIARIES)			–	1 176	1 176	–	–	294	(294)	-100,0%	(1 176)
Specify (Add grant description)			3 680	–	–	–	–	–	–		–
District Municipality:			390	340	340	–	–	213	(213)	-100,0%	(340)
SAFETY PLANS			390	–	–	–	–	–	–		–
Specify (Add grant description)			–	340	340	–	–	213	(213)	-100,0%	(340)
Other grant providers:			801	–	–	153	228	–	228		–
Departmental Agencies and Accounts			801	–	–	153	228	–	228		–
Total operating expenditure of Transfers and Grants:			21 790	187 102	190 069	1 867	66 782	9 958	56 824	570,6%	(33 859)
National Government:			33 617	34 874	34 874	1 432	1 432	8 719	(7 286)	-83,6%	(34 874)
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]			3 631	–	–	–	–	–	–		–
Municipal Infrastructure Grant [Schedule 5B]			29 986	22 874	22 874	1 432	1 432	5 719	(4 286)	-75,0%	(22 874)
Water Services Infrastructure Grant [Schedule 5B]			–	12 000	12 000	–	–	3 000	(3 000)	-100,0%	(12 000)
Provincial Government:			16 547	95 980	95 980	–	–	23 750	(23 750)	-100,0%	(95 980)
Specify (Add grant description)			314	–	–	–	–	–	–		–
Specify (Add grant description)			13 734	–	–	–	–	–	–		–
Specify (Add grant description)			345	–	–	–	–	–	–		–
Specify (Add grant description)			–	980	980	–	–	–	–		(980)
COMMUNITY LIBRARY SERVICES - CAPITAL			–	350	350	–	–	87	(87)	-100,0%	(350)
Specify (Add grant description)			–	78 000	78 000	–	–	19 500	(19 500)	-100,0%	(78 000)
HUMAN SETTLEMENT DEVELOPMENT - CAPITAL			2 153	16 650	16 650	–	–	4 163	(4 163)	-100,0%	(16 650)
Total capital expenditure of Transfers and Grants			50 164	130 854	130 854	1 432	1 432	32 468	(31 036)	-95,6%	(130 854)
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS			71 954	317 956	320 923	3 299	68 214	42 426	25 787	60,8%	(164 713)

WC047 Bitou - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M03 September

Description	Ref	Budget Year 2024/25				
		Approved Rollover 2023/24	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 - M03 September

Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25							
		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
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		5 780	5 882	5 882	521	1 434	1 470	(36)	-2%	5 882
Pension and UIF Contributions		515	882	882	(6)	88	221	(133)	-60%	882
Medical Aid Contributions		121	127	127	(11)	6	32	(25)	-80%	127
Motor Vehicle Allowance		375	346	346	40	95	86	8	9%	346
Cellphone Allowance		584	642	642	51	150	160	(10)	-6%	642
<b>Sub Total - Councillors</b>		<b>7 376</b>	<b>7 879</b>	<b>7 879</b>	<b>594</b>	<b>1 773</b>	<b>1 970</b>	<b>(196)</b>	<b>-10%</b>	<b>7 879</b>
<b>% increase</b>	4		<b>6,8%</b>	<b>6,8%</b>						<b>6,8%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		18 156	10 851	10 851	894	2 831	2 713	118	4%	10 851
Pension and UIF Contributions		821	1 465	1 465	53	190	366	(176)	-48%	1 465
Medical Aid Contributions		74	193	193	4	22	48	(26)	-54%	193
Performance Bonus		526	905	905	-	-	226	(226)	-100%	905
Motor Vehicle Allowance		724	1 131	1 131	43	182	283	(101)	-36%	1 131
Cellphone Allowance		246	384	384	15	48	96	(48)	-50%	384
Housing Allowances		5	-	-	-	-	-	-	-	-
Other benefits and allowances		82	2 208	2 208	59	60	552	(492)	-89%	2 208
Payments in lieu of leave		60	348	348	-	-	87	(87)	-100%	348
<b>Sub Total - Senior Managers of Municipality</b>		<b>20 695</b>	<b>17 483</b>	<b>17 483</b>	<b>1 068</b>	<b>3 332</b>	<b>4 371</b>	<b>(1 039)</b>	<b>-24%</b>	<b>17 483</b>
<b>% increase</b>	4		<b>-15,5%</b>	<b>-15,5%</b>						<b>-15,5%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		172 597	203 854	203 854	19 077	51 593	50 963	629	1%	203 854
Pension and UIF Contributions		28 981	34 679	34 679	2 663	7 575	8 670	(1 095)	-13%	34 679
Medical Aid Contributions		18 623	24 393	24 393	1 569	4 713	6 098	(1 385)	-23%	24 393
Overtime		27 589	19 547	19 547	2 359	6 533	4 887	1 646	34%	19 547
Performance Bonus		62	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		10 803	12 536	12 536	937	2 748	3 134	(386)	-12%	12 536
Cellphone Allowance		1 695	1 709	1 709	154	453	427	25	6%	1 709
Housing Allowances		911	1 045	1 045	82	238	261	(23)	-9%	1 045
Other benefits and allowances		21 504	22 882	22 882	600	1 687	4 688	(3 000)	-64%	22 882
Payments in lieu of leave		2 473	6 026	6 026	92	92	1 506	(1 415)	-94%	6 026
Long service awards		1 703	1 077	1 077	-	-	269	(269)	-100%	1 077
Post-retirement benefit obligations		5 184	25 708	25 708	0	0	6 427	(6 427)	-100%	25 708
<b>Sub Total - Other Municipal Staff</b>		<b>292 125</b>	<b>353 455</b>	<b>353 455</b>	<b>27 533</b>	<b>75 631</b>	<b>87 330</b>	<b>(11 699)</b>	<b>-13%</b>	<b>353 455</b>
<b>% increase</b>	4		<b>21,0%</b>	<b>21,0%</b>						<b>21,0%</b>
<b>Total Parent Municipality</b>		<b>320 196</b>	<b>378 817</b>	<b>378 817</b>	<b>29 195</b>	<b>80 736</b>	<b>93 671</b>	<b>(12 935)</b>	<b>-14%</b>	<b>378 817</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Board Members of Entities</b>										
<b>Sub Total - Executive members Board</b>	2	-	-	-	-	-	-	-	-	-
<b>% increase</b>	4									
<b>Senior Managers of Entities</b>										
<b>Sub Total - Senior Managers of Entities</b>	4	-	-	-	-	-	-	-	-	-
<b>% increase</b>	4									
<b>Other Staff of Entities</b>										
<b>Sub Total - Other Staff of Entities</b>	4	-	-	-	-	-	-	-	-	-
<b>% increase</b>	4									
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>320 196</b>	<b>378 817</b>	<b>378 817</b>	<b>29 195</b>	<b>80 736</b>	<b>93 671</b>	<b>(12 935)</b>	<b>-14%</b>	<b>378 817</b>
<b>% increase</b>	4		<b>18,3%</b>	<b>18,3%</b>						<b>18,3%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>312 820</b>	<b>370 938</b>	<b>370 938</b>	<b>28 601</b>	<b>78 963</b>	<b>91 701</b>	<b>(12 738)</b>	<b>-14%</b>	<b>370 938</b>



WC047 Bitou - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Ref	Budget Year 2024/25												2024/25 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	September Outcome	October Budget	November Budget	December Budget	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousands</b>	<b>1</b>															
<b>Cash Receipts By Source</b>																
Property rates		15 982	15 417	14 654	14 589	14 589	14 589	14 589	14 589	14 589	14 589	14 589	12 302	175 067	189 142	199 917
Service charges - electricity revenue		19 234	21 227	13 303	20 201	20 201	20 201	20 201	20 201	20 201	20 201	20 201	27 040	242 412	274 437	306 924
Service charges - water revenue		7 048	4 976	3 494	6 693	6 693	6 693	6 693	6 693	6 693	6 693	6 693	11 255	80 318	90 909	98 792
Service charges - Waste Water Management		6 602	4 302	633	5 781	5 781	5 781	5 781	5 781	5 781	5 781	5 781	11 586	69 370	77 826	84 179
Service charges - Waste Mangement		4 516	2 678	371	3 573	3 573	3 573	3 573	3 573	3 573	3 573	3 573	6 725	42 872	46 248	49 333
Rental of facilities and equipment		133	127	103	249	249	249	249	249	249	249	249	635	2 994	3 173	3 107
Interest earned - external investments		378	1 536	1 325	1 037	1 037	1 037	1 037	1 037	1 037	1 037	1 037	911	12 448	12 573	12 698
Interest earned - outstanding debtors		(3)	832	1 442	—	—	—	—	—	—	—	—	(2 271)	(0)	—	—
Fines, penalties and forfeits		540	2 281	1 474	814	814	814	814	814	814	814	814	(1 040)	9 767	10 310	10 773
Licences and permits		79	95	236	113	113	113	113	113	113	113	113	44	1 361	1 437	1 516
Agency services		—	243	239	237	237	237	237	237	237	237	237	465	2 840	2 971	3 104
Transfers and Subsidies - Operational		—	68 703	2 121	791	791	41 805	791	791	41 805	791	791	17 543	176 723	208 662	260 111
Other revenue		(6 353)	4 839	10 584	803	803	803	803	803	803	803	803	(5 859)	9 634	8 143	8 356
<b>Cash Receipts by Source</b>		<b>48 156</b>	<b>127 257</b>	<b>49 980</b>	<b>54 881</b>	<b>54 881</b>	<b>95 895</b>	<b>54 881</b>	<b>54 881</b>	<b>95 895</b>	<b>54 881</b>	<b>54 881</b>	<b>79 337</b>	<b>825 807</b>	<b>925 830</b>	<b>1 038 813</b>
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National /		—	—	10 284	1 009	29	32 410	29	29	32 410	29	29	54 595	130 854	92 769	47 549
Proceeds on Disposal of Fixed and Intangible Assets		—	—	—	—	—	—	—	—	—	—	—	3 950	3 950	—	—
Short term loans		—	—	—	—	—	(10 186)	—	—	—	—	—	39 847	29 662	29 408	13 351
Increase (decrease) in consumer deposits		57	93	76	—	—	—	—	—	—	—	—	(226)	—	—	—
<b>Total Cash Receipts by Source</b>		<b>48 213</b>	<b>127 350</b>	<b>60 339</b>	<b>55 890</b>	<b>54 910</b>	<b>118 120</b>	<b>54 910</b>	<b>54 910</b>	<b>128 305</b>	<b>54 910</b>	<b>54 910</b>	<b>177 503</b>	<b>990 272</b>	<b>1 048 006</b>	<b>1 099 712</b>
<b>Cash Payments by Type</b>																
Employee related costs		421	26 013	55 150	35 215	35 215	36 752	35 215	35 215	38 290	35 215	35 215	60 812	428 728	445 251	457 392
Remuneration of councillors		571	608	594	—	—	—	—	—	—	—	—	(1 773)	—	—	—
Interest		17	15	—	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	4 656	14 063	17 827	21 484
Bulk purchases - Electricity		—	33 328	25 658	19 330	19 330	19 330	19 330	19 330	19 330	19 330	19 330	18 334	231 959	266 753	306 766
Acquisitions - water & other inventory		140	1 367	926	1 486	1 486	1 486	1 486	1 486	1 486	1 486	1 486	3 510	17 830	18 608	19 713
Contracted services		4 068	3 542	3 794	8 200	8 200	8 200	8 200	8 200	8 200	8 200	8 200	21 397	98 403	119 610	160 224
Transfers and subsidies - other		—	2 064	—	—	—	—	—	—	—	—	—	(2 064)	—	—	—
Other expenditure		89 567	(23 965)	32 577	—	—	—	—	—	—	—	—	(98 180)	—	—	—
<b>Cash Payments by Type</b>		<b>94 784</b>	<b>42 973</b>	<b>118 698</b>	<b>65 403</b>	<b>65 403</b>	<b>66 940</b>	<b>65 403</b>	<b>65 403</b>	<b>68 478</b>	<b>65 403</b>	<b>65 403</b>	<b>6 693</b>	<b>790 983</b>	<b>868 049</b>	<b>965 579</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		—	1 432	3 505	—	—	—	—	—	—	—	—	(4 937)	—	—	—
Repayment of borrowing		126	128	—	—	—	—	—	—	—	—	—	(254)	—	—	—
<b>Total Cash Payments by Type</b>		<b>94 910</b>	<b>44 533</b>	<b>122 203</b>	<b>65 403</b>	<b>65 403</b>	<b>66 940</b>	<b>65 403</b>	<b>65 403</b>	<b>68 478</b>	<b>65 403</b>	<b>65 403</b>	<b>1 502</b>	<b>790 983</b>	<b>868 049</b>	<b>965 579</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(46 697)</b>	<b>82 817</b>	<b>(61 864)</b>	<b>(9 512)</b>	<b>(10 492)</b>	<b>51 179</b>	<b>(10 492)</b>	<b>(10 492)</b>	<b>59 828</b>	<b>(10 492)</b>	<b>(10 492)</b>	<b>176 001</b>	<b>199 289</b>	<b>179 958</b>	<b>134 134</b>
Cash/cash equivalents at the month/year beginning:		165 432	118 735	201 552	139 687	130 175	119 683	170 862	160 370	149 878	209 705	199 213	188 721	165 432	364 721	544 679
Cash/cash equivalents at the month/year end:		118 735	201 552	139 687	130 175	119 683	170 862	160 370	149 878	209 705	199 213	188 721	364 721	364 721	544 679	678 813

WC047 Bitou - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		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										

[illegible]

WC047 Bitou - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2023/24	Budget Year 2024/25							
	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	–	15 263	16 099	–	–	16 099	–	0,0%	0%
August	381	15 263	16 099	1 432	1 432	32 199	30 766	95,6%	1%
September	3 694	15 263	16 099	3 505	4 937	48 298	43 361	89,8%	3%
October	6 164	15 263	16 099	–	4 937	64 397	59 460	92,3%	3%
November	12 324	15 263	16 099	–	4 937	80 496	75 559	93,9%	3%
December	5 300	15 263	16 099	–	4 937	96 596	91 659	94,9%	3%
January	1 046	15 263	16 099	–	4 937	112 695	107 758	95,6%	3%
February	9 804	15 263	16 099	–	4 937	128 794	123 857	96,2%	3%
March	3 788	15 263	16 099	–	4 937	144 893	139 956	96,6%	3%
April	9 418	15 263	16 099	–	4 937	160 993	156 056	96,9%	3%
May	14 226	15 263	16 099	–	4 937	177 092	172 155	97,2%	3%
June	38 166	15 264	16 100	–	4 937	193 192	188 255	97,4%	3%
Total Capital expenditure	104 311	183 160	193 192	4 937					

WC047 Bitou - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>39 021</b>	<b>99 385</b>	<b>101 189</b>	<b>1 630</b>	<b>1 630</b>	<b>25 297</b>	<b>(23 668)</b>	<b>-93,6%</b>	<b>101 189</b>
Roads Infrastructure		7 138	44 573	44 573	-	-	11 143	(11 143)	-100,0%	44 573
Roads		7 138	44 573	44 573	-	-	11 143	(11 143)	-100,0%	44 573
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		4 169	15 241	17 045	-	-	4 261	(4 261)	-100,0%	17 045
Power Plants		-	-	1 470	-	-	368	(368)	-100,0%	1 470
MV Substations		79	7 861	7 861	-	-	1 965	(1 965)	-100,0%	7 861
MV Networks		4 090	7 380	7 714	-	-	1 929	(1 929)	-100,0%	7 714
Water Supply Infrastructure		23 214	18 043	18 043	1 630	1 630	4 511	(2 881)	-63,9%	18 043
Pump Stations		19 184	4 443	4 443	401	401	1 111	(710)	-63,9%	4 443
Distribution		3 854	13 400	13 400	1 229	1 229	3 350	(2 121)	-63,3%	13 400
Capital Spares		176	200	200	-	-	50	(50)	-100,0%	200
Sanitation Infrastructure		4 500	21 028	21 028	-	-	5 257	(5 257)	-100,0%	21 028
Reticulation		787	13 528	13 528	-	-	3 382	(3 382)	-100,0%	13 528
Waste Water Treatment Works		3 713	3 500	3 500	-	-	875	(875)	-100,0%	3 500
Capital Spares		-	4 000	4 000	-	-	1 000	(1 000)	-100,0%	4 000
Solid Waste Infrastructure		-	500	500	-	-	125	(125)	-100,0%	500
Waste Transfer Stations		-	500	500	-	-	125	(125)	-100,0%	500
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>301</b>	<b>3 300</b>	<b>3 300</b>	<b>-</b>	<b>-</b>	<b>825</b>	<b>(825)</b>	<b>-100,0%</b>	<b>3 300</b>
Community Facilities		301	3 300	3 300	-	-	825	(825)	-100,0%	3 300
Cemeteries/Crematoria		-	1 500	1 500	-	-	375	(375)	-100,0%	1 500
Parks		301	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	1 800	1 800	-	-	450	(450)	-100,0%	1 800
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>7 986</b>	<b>2 995</b>	<b>4 929</b>	<b>-</b>	<b>-</b>	<b>1 232</b>	<b>(1 232)</b>	<b>-100,0%</b>	<b>4 929</b>
Operational Buildings		7 986	2 995	4 929	-	-	1 232	(1 232)	-100,0%	4 929
Yards		5 664	1 795	1 795	-	-	449	(449)	-100,0%	1 795
Capital Spares		2 322	1 200	3 134	-	-	784	(784)	-100,0%	3 134
Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>1 286</b>	<b>3 040</b>	<b>3 418</b>	<b>-</b>	<b>-</b>	<b>855</b>	<b>(855)</b>	<b>-100,0%</b>	<b>3 418</b>
Computer Equipment		1 286	3 040	3 418	-	-	855	(855)	-100,0%	3 418
<b>Furniture and Office Equipment</b>		<b>302</b>	<b>320</b>	<b>1 051</b>	<b>-</b>	<b>-</b>	<b>263</b>	<b>(263)</b>	<b>-100,0%</b>	<b>1 051</b>
Furniture and Office Equipment		302	320	1 051	-	-	263	(263)	-100,0%	1 051
<b>Machinery and Equipment</b>		<b>7 345</b>	<b>3 174</b>	<b>3 174</b>	<b>81</b>	<b>81</b>	<b>794</b>	<b>(713)</b>	<b>-89,8%</b>	<b>3 174</b>
Machinery and Equipment		7 345	3 174	3 174	81	81	794	(713)	-89,8%	3 174
<b>Transport Assets</b>		<b>13 530</b>	<b>4 830</b>	<b>4 830</b>	<b>-</b>	<b>-</b>	<b>1 207</b>	<b>(1 207)</b>	<b>-100,0%</b>	<b>4 830</b>
Transport Assets		13 530	4 830	4 830	-	-	1 207	(1 207)	-100,0%	4 830
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Living resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>69 771</b>	<b>117 043</b>	<b>121 891</b>	<b>1 710</b>	<b>1 710</b>	<b>30 473</b>	<b>28 762</b>	<b>94,4%</b>	<b>121 891</b>

**WC047 Bitou - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September**

Description	Ref	2023/24	Budget Year 2024/25							
		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>		1 602	1 040	1 040	–	–	260	(260)	-100,0%	1 040
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		1 602	1 040	1 040	–	–	260	(260)	-100,0%	1 040
MV Networks		1 602	1 040	1 040	–	–	260	(260)	-100,0%	1 040
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
<u>Community Assets</u>		–	–	352	–	–	88	(88)	-100,0%	352
Community Facilities		–	–	352	–	–	88	(88)	-100,0%	352
Halls		–	–	352	–	–	88	(88)	-100,0%	352
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
<u>Heritage assets</u>		–	–	–	–	–	–	–	–	–
								–		
<u>Investment properties</u>		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
<u>Other assets</u>		2 425	2 850	2 850	–	–	712	(712)	-100,0%	2 850
Operational Buildings		2 425	2 850	2 850	–	–	712	(712)	-100,0%	2 850
Yards		1 987	2 000	2 000	–	–	500	(500)	-100,0%	2 000
Capital Spares		438	850	850	–	–	212	(212)	-100,0%	850
Housing		–	–	–	–	–	–	–	–	–
<u>Biological or Cultivated Assets</u>		–	–	–	–	–	–	–	–	–
<u>Intangible Assets</u>		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
<u>Computer Equipment</u>		114	250	250	–	–	62	(62)	-100,0%	250
Computer Equipment		114	250	250	–	–	62	(62)	-100,0%	250
<u>Furniture and Office Equipment</u>		–	–	–	–	–	–	–	–	–
<u>Machinery and Equipment</u>		–	–	–	–	–	–	–	–	–
<u>Transport Assets</u>		–	1 760	1 760	–	–	440	(440)	-100,0%	1 760
Transport Assets		–	1 760	1 760	–	–	440	(440)	-100,0%	1 760
<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	4 142	5 900	6 252	–	–	1 563	1 563	100,0%	6 252

WC047 Bitou - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>20 885</b>	<b>21 744</b>	<b>21 744</b>	<b>53</b>	<b>267</b>	<b>5 436</b>	<b>(5 169)</b>	<b>-95,1%</b>	<b>21 744</b>
Roads Infrastructure		9 448	7 731	7 731	-	-	1 933	(1 933)	-100,0%	7 731
Roads		9 448	7 731	7 731	-	-	1 933	(1 933)	-100,0%	7 731
Storm water Infrastructure		-	800	800	-	-	200	(200)	-100,0%	800
Storm water Conveyance		-	800	800	-	-	200	(200)	-100,0%	800
Electrical Infrastructure		2 126	7 680	7 680	53	267	1 920	(1 653)	-86,1%	7 680
Power Plants		-	300	300	-	-	75	(75)	-100,0%	300
HV Switching Station		1 727	1 971	1 971	53	267	493	(225)	-45,7%	1 971
MV Substations		399	5 409	5 409	-	-	1 352	(1 352)	-100,0%	5 409
Water Supply Infrastructure		6 635	2 854	2 854	-	-	714	(714)	-100,0%	2 854
Dams and Weirs		4 768	63	63	-	-	16	(16)	-100,0%	63
Boreholes		1 090	1 234	1 234	-	-	308	(308)	-100,0%	1 234
Water Treatment Works		765	1 537	1 537	-	-	384	(384)	-100,0%	1 537
Distribution		13	21	21	-	-	5	(5)	-100,0%	21
Sanitation Infrastructure		2 676	2 679	2 679	-	-	670	(670)	-100,0%	2 679
Pump Station		2 597	2 509	2 509	-	-	627	(627)	-100,0%	2 509
Reticulation		79	170	170	-	-	42	(42)	-100,0%	170
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>1 065</b>	<b>3 334</b>	<b>3 334</b>	<b>5</b>	<b>7</b>	<b>834</b>	<b>(827)</b>	<b>-99,2%</b>	<b>3 334</b>
Community Facilities		1 052	2 784	2 784	5	7	696	(690)	-99,1%	2 784
Halls		263	440	440	-	-	110	(110)	-100,0%	440
Centres		115	981	981	5	5	245	(240)	-97,9%	981
Fire/Ambulance Stations		468	603	603	-	-	151	(151)	-100,0%	603
Cemeteries/Crematoria		-	261	261	-	-	65	(65)	-100,0%	261
Public Ablution Facilities		206	500	500	-	1	125	(124)	-99,0%	500
Sport and Recreation Facilities		13	550	550	-	-	137	(137)	-100,0%	550
Outdoor Facilities		13	550	550	-	-	137	(137)	-100,0%	550
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>4 133</b>	<b>6 660</b>	<b>6 660</b>	<b>26</b>	<b>182</b>	<b>1 665</b>	<b>(1 483)</b>	<b>-89,0%</b>	<b>6 660</b>
Operational Buildings		4 133	6 660	6 160	26	182	1 540	(1 358)	-88,2%	6 160
Municipal Offices		4 133	6 660	6 160	26	182	1 540	(1 358)	-88,2%	6 160
Housing		-	-	500	-	-	125	(125)	-100,0%	500
Staff Housing		-	-	500	-	-	125	(125)	-100,0%	500
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets</b>		<b>7 203</b>	<b>8 315</b>	<b>8 315</b>	<b>316</b>	<b>567</b>	<b>2 079</b>	<b>(1 512)</b>	<b>-72,7%</b>	<b>8 315</b>
Licences and Rights		7 203	8 315	8 315	316	567	2 079	(1 512)	-72,7%	8 315
Computer Software and Applications		7 203	8 315	8 315	316	567	2 079	(1 512)	-72,7%	8 315
<b>Computer Equipment</b>		<b>176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment		176	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		<b>20</b>	<b>214</b>	<b>214</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>(54)</b>	<b>-100,0%</b>	<b>214</b>
Furniture and Office Equipment		20	214	214	-	-	54	(54)	-100,0%	214
<b>Machinery and Equipment</b>		<b>859</b>	<b>1 952</b>	<b>1 952</b>	<b>51</b>	<b>51</b>	<b>488</b>	<b>(437)</b>	<b>-89,5%</b>	<b>1 952</b>
Machinery and Equipment		859	1 952	1 952	51	51	488	(437)	-89,5%	1 952
<b>Transport Assets</b>		<b>4 796</b>	<b>5 529</b>	<b>5 529</b>	<b>555</b>	<b>708</b>	<b>1 382</b>	<b>(674)</b>	<b>-48,8%</b>	<b>5 529</b>
Transport Assets		4 796	5 529	5 529	555	708	1 382	(674)	-48,8%	5 529
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Living resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>39 137</b>	<b>47 749</b>	<b>47 749</b>	<b>1 006</b>	<b>1 782</b>	<b>11 937</b>	<b>10 155</b>	<b>85,1%</b>	<b>47 749</b>

WC047 Bitou - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b><u>Depreciation by Asset Class/Sub-class</u></b>										
<b>Infrastructure</b>		<b>29 670</b>	<b>28 762</b>	<b>28 762</b>	<b>-</b>	<b>4 794</b>	<b>7 190</b>	<b>(2 397)</b>	<b>-33,3%</b>	<b>28 762</b>
Roads Infrastructure		7 120	7 252	7 252	-	1 209	1 813	(604)	-33,3%	7 252
Roads		6 402	6 536	6 536	-	1 209	1 634	(425)	-26,0%	6 536
Road Structures		719	716	716	-	-	179	(179)	-100,0%	716
Storm water Infrastructure		2 150	1 188	1 188	-	198	297	(99)	-33,3%	1 188
Drainage Collection		326	336	336	-	-	84	(84)	-100,0%	336
Storm water Conveyance		1 824	852	852	-	198	213	(15)	-7,1%	852
Electrical Infrastructure		4 763	4 123	4 123	-	687	1 031	(344)	-33,3%	4 123
MV Substations		902	828	828	-	-	207	(207)	-100,0%	828
MV Networks		1 952	1 896	1 896	-	687	474	213	45,0%	1 896
LV Networks		1 898	1 399	1 399	-	-	350	(350)	-100,0%	1 399
Capital Spares		11	-	-	-	-	-	-	-	-
Water Supply Infrastructure		8 014	8 506	8 506	-	1 418	2 126	(709)	-33,3%	8 506
Boreholes		433	447	447	-	-	112	(112)	-100,0%	447
Reservoirs		1 601	1 636	1 636	-	-	409	(409)	-100,0%	1 636
Pump Stations		1 999	2 057	2 057	-	-	514	(514)	-100,0%	2 057
Water Treatment Works		2 528	2 849	2 849	-	1 418	712	705	99,1%	2 849
Bulk Mains		809	851	851	-	-	213	(213)	-100,0%	851
Distribution		643	665	665	-	-	166	(166)	-100,0%	665
Sanitation Infrastructure		5 879	5 898	5 898	-	983	1 474	(491)	-33,3%	5 898
Pump Station		3 798	3 838	3 838	-	983	960	23	2,4%	3 838
Reticulation		879	917	917	-	-	229	(229)	-100,0%	917
Waste Water Treatment Works		884	796	796	-	-	199	(199)	-100,0%	796
Outfall Sewers		318	346	346	-	-	87	(87)	-100,0%	346
Solid Waste Infrastructure		1 237	1 277	1 277	-	213	319	(106)	-33,3%	1 277
Landfill Sites		263	272	272	-	-	68	(68)	-100,0%	272
Waste Transfer Stations		973	1 005	1 005	-	213	251	(38)	-15,3%	1 005
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		507	519	519	-	87	130	(43)	-33,3%	519
Data Centres		273	282	282	-	87	70	16	22,9%	282
Core Layers		25	26	26	-	-	6	(6)	-100,0%	26
Distribution Layers		208	212	212	-	-	53	(53)	-100,0%	212
<b>Community Assets</b>		<b>2 997</b>	<b>3 085</b>	<b>3 085</b>	<b>-</b>	<b>514</b>	<b>771</b>	<b>(257)</b>	<b>-33,3%</b>	<b>3 085</b>
Community Facilities		1 699	1 752	1 752	-	-	438	(438)	-100,0%	1 752
Halls		81	81	81	-	-	20	(20)	-100,0%	81
Centres		268	301	301	-	-	75	(75)	-100,0%	301
Clinics/Care Centres		3	3	3	-	-	1	(1)	-100,0%	3
Testing Stations		64	66	66	-	-	16	(16)	-100,0%	66
Libraries		664	683	683	-	-	171	(171)	-100,0%	683
Cemeteries/Crematoria		45	51	51	-	-	13	(13)	-100,0%	51
Public Open Space		165	148	148	-	-	37	(37)	-100,0%	148
Public Ablution Facilities		81	80	80	-	-	20	(20)	-100,0%	80
Airports		327	337	337	-	-	84	(84)	-100,0%	337
Sport and Recreation Facilities		1 299	1 333	1 333	-	514	333	181	54,2%	1 333
Outdoor Facilities		1 299	1 333	1 333	-	514	333	181	54,2%	1 333
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investment properties</b>		<b>(1 359)</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>-32,7%</b>	<b>1</b>
Revenue Generating		(1 359)	1	1	-	0	0	(0)	-32,7%	1
Improved Property		(1 359)	1	1	-	0	0	(0)	-32,7%	1
<b>Other assets</b>		<b>841</b>	<b>856</b>	<b>856</b>	<b>-</b>	<b>143</b>	<b>214</b>	<b>(71)</b>	<b>-33,3%</b>	<b>856</b>
Operational Buildings		841	856	856	-	143	214	(71)	-33,3%	856
Municipal Offices		827	856	856	-	143	214	(71)	-33,3%	856
Capital Spares		14	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>1 007</b>	<b>1 264</b>	<b>1 264</b>	<b>-</b>	<b>211</b>	<b>316</b>	<b>(105)</b>	<b>-33,3%</b>	<b>1 264</b>
Computer Equipment		1 007	1 264	1 264	-	211	316	(105)	-33,3%	1 264
<b>Furniture and Office Equipment</b>		<b>404</b>	<b>836</b>	<b>836</b>	<b>-</b>	<b>139</b>	<b>209</b>	<b>(70)</b>	<b>-33,3%</b>	<b>836</b>
Furniture and Office Equipment		404	836	836	-	139	209	(70)	-33,3%	836
<b>Machinery and Equipment</b>		<b>1 114</b>	<b>1 241</b>	<b>1 241</b>	<b>-</b>	<b>207</b>	<b>310</b>	<b>(103)</b>	<b>-33,3%</b>	<b>1 241</b>
Machinery and Equipment		1 114	1 241	1 241	-	207	310	(103)	-33,3%	1 241
<b>Transport Assets</b>		<b>3 973</b>	<b>3 958</b>	<b>3 958</b>	<b>-</b>	<b>660</b>	<b>989</b>	<b>(330)</b>	<b>-33,3%</b>	<b>3 958</b>
Transport Assets		3 973	3 958	3 958	-	660	989	(330)	-33,3%	3 958
<b>Land</b>		<b>10 203</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land		10 203	-	-	-	-	-	-	-	-



Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Total Depreciation	1	48 851	40 002	40 002	-	6 667	10 000	3 333	33,3%	40 002

WC047 Bitou - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>26 101</b>	<b>56 010</b>	<b>60 842</b>	<b>587</b>	<b>2 019</b>	<b>15 210</b>	<b>(13 191)</b>	<b>-86,7%</b>	<b>60 842</b>
Roads Infrastructure		3 636	5 000	5 000	-	-	1 250	(1 250)	-100,0%	5 000
Roads		3 636	5 000	5 000	-	-	1 250	(1 250)	-100,0%	5 000
Storm water Infrastructure		1 213	7 620	8 558	-	-	2 139	(2 139)	-100,0%	8 558
Storm water Conveyance		1 213	7 620	8 558	-	-	2 139	(2 139)	-100,0%	8 558
Electrical Infrastructure		11 703	6 682	7 109	-	-	1 777	(1 777)	-100,0%	7 109
MV Networks		10 685	4 682	4 976	-	-	1 244	(1 244)	-100,0%	4 976
LV Networks		1 017	2 000	2 133	-	-	533	(533)	-100,0%	2 133
Water Supply Infrastructure		3 900	22 485	25 952	14	14	6 488	(6 474)	-99,8%	25 952
Reservoirs		-	4 250	5 050	-	-	1 262	(1 262)	-100,0%	5 050
Water Treatment Works		-	1 500	1 500	5	5	375	(370)	-98,7%	1 500
Distribution		3 900	16 235	18 902	9	9	4 726	(4 717)	-99,8%	18 902
Capital Spares		-	500	500	-	-	125	(125)	-100,0%	500
Sanitation Infrastructure		5 649	14 223	14 223	573	2 005	3 556	(1 550)	-43,6%	14 223
Pump Station		4 199	-	-	-	-	-	-	-	-
Reticulation		1 450	2 000	2 000	19	19	500	(481)	-96,2%	2 000
Waste Water Treatment Works		-	12 223	12 223	554	1 987	3 056	(1 069)	-35,0%	12 223
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>4 298</b>	<b>3 460</b>	<b>3 460</b>	<b>1 208</b>	<b>1 208</b>	<b>865</b>	<b>343</b>	<b>39,6%</b>	<b>3 460</b>
Community Facilities		662	504	504	-	-	126	(126)	-100,0%	504
Halls		449	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	200	200	-	-	50	(50)	-100,0%	200
Libraries		213	304	304	-	-	76	(76)	-100,0%	304
Sport and Recreation Facilities		3 636	2 955	2 955	1 208	1 208	739	469	63,5%	2 955
Outdoor Facilities		3 636	2 955	2 955	1 208	1 208	739	469	63,5%	2 955
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investment properties</b>		<b>-</b>	<b>435</b>	<b>435</b>	<b>-</b>	<b>-</b>	<b>109</b>	<b>(109)</b>	<b>-100,0%</b>	<b>435</b>
Revenue Generating		-	435	435	-	-	109	(109)	-100,0%	435
Improved Property		-	435	435	-	-	109	(109)	-100,0%	435
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>-</b>	<b>62</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>(15)</b>	<b>-100,0%</b>	<b>62</b>
Computer Equipment		-	62	62	-	-	15	(15)	-100,0%	62
<b>Furniture and Office Equipment</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Machinery and Equipment</b>		<b>-</b>	<b>250</b>	<b>250</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>(62)</b>	<b>-100,0%</b>	<b>250</b>
Machinery and Equipment		-	250	250	-	-	62	(62)	-100,0%	250
<b>Transport Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Living resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>1</b>	<b>30 398</b>	<b>60 217</b>	<b>65 049</b>	<b>1 795</b>	<b>3 227</b>	<b>16 262</b>	<b>13 035</b>	<b>80,2%</b>	<b>65 049</b>

## Section 2: Finance

ITEM C/2/237/10/24

### REPORT ON UNAUTHORIZED EXPENDITURE Q1 ENDING 30 SEPTEMBER 2024

**Portfolio Comm:** Finance & Corporate Services  
**File Ref:** 9/1/3/4

**Demarcation:** All Wards  
**Delegation:** Council

**Attachment:** Annexure “A” – Unauthorised expenditure report

**Report from:** Acting Director: Financial Services

**Date** 15 October 2024

#### **PURPOSE OF THE REPORT**

The purpose of this report is to present unauthorised expenditure reported for quarter 1 ending 30 September 2024.

#### **BACKGROUND/DISCUSSION**

The municipality is required by MFMA to prevent, disclose the unauthorised expenditure to council when it has been incurred. However, these expenditures can only be accurately disclosed at year end.

The following is the definition of unauthorized budget in terms section 1 of the MFMA:

*“Unauthorised expenditure”, in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—*

- (a) Overspending of the total amount appropriated in the municipality’s approved budget;*
- (b) Overspending of the total amount appropriated for a vote in the approved budget;*
- (c) Expenditure from a vote unrelated to the department or functional area covered by the vote;*
- (d) Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;*
- (e) Spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of “allocation” otherwise than in accordance with any conditions of the allocation; or*
- (f) A grant by the municipality otherwise than in accordance with this Act.*

#### **FINANCIAL IMPLICATIONS**

Financial implications are attached on Annexures A

## Section 2: Finance

### **RELEVANT LEGISLATION**

Section 32 of the MFMA states the following:

*(1) Without limiting liability in terms of the common law or other legislation- a political office-bearer of a municipality is liable for unauthorized expenditure if that office-bearer knowingly or after having been advised by the accounting officer of the municipality that the expenditure is likely to result in unauthorized expenditure, instructed an official-of the municipality to incur the expenditure the accounting officer is liable for unauthorized expenditure deliberately or negligently incurred by the accounting officer. Subject to subsection (3); (c) any political office-bearer or official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure; or (d) any political office-bearer or official of a municipality who deliberately or negligently made or authorized a fruitless and wasteful expenditure is liable for that expenditure.*

*(2) A municipality must recover unauthorized, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure-*

*(a) In the case of unauthorized expenditure, is-*

*(i) Authorized in an adjustments budget; or*

*(ii) Certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and*

*(b) In the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by the council.*

*(3) If the accounting officer becomes aware that the council, the mayor or the executive committee of the municipality, as the case may be, has taken a decision which, if implemented, is likely to result in unauthorized, irregular or fruitless and wasteful committee, as irrecoverable and written off by the council: and expenditure, the accounting officer is not liable for any ensuing unauthorized. Irregular or fruitless and wasteful expenditure provided that the accounting officer has informed the council, the mayor or the executive committee, in writing, that the expenditure is likely to be unauthorized, irregular or fruitless and wasteful expenditure. Government in the province and the Auditor-General, in writing, of-*

*(4) The accounting officer must promptly inform the mayor, the MEC for local*

*(a) Any unauthorized, irregular or fruitless and wasteful expenditure incurred by*

*(b) Whether any person is responsible or under investigation for such*

*(c) The steps that have been taken the municipality; unauthorized, irregular or fruitless and wasteful expenditure; and*

*(i) To recover or rectify such expenditure; and*

*(ii) To prevent a recurrence of such expenditure.*

*(5) The writing off in terms of subsection (2) of any unauthorized, irregular or fruitless and wasteful expenditure as irrecoverable, is no excuse in criminal or disciplinary proceedings against a person charged with the commission of an offence or a breach of this Act relating to such unauthorized, irregular or fruitless and wasteful expenditure.*

## **Section 2: Finance**

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That Council takes note of the unauthorised expenditure that was incurred for Q1.
2. That the matter be dealt with in accordance with Section 32 of the MFMA, be investigated and the necessary consequence management processes be engaged with by the Municipal Manager.

## Annexure A



Province Western Cape Provincial Treasury

Name of Municipality Bitou Local Municipality

Register of Unauthorised Expenditure 2024/2025

			Transaction details								Status					
No.	Date of discovery	Date Reported to Accounting Officer	Date of Payment	Payment Number	Amount incl VAT	Description of Incident	Person Liable (Official or Political office bearer)	Type of Prohibited Expenditure	UI	DP	CC	TR	P	WO	General comments	
1	30-Sep-24		01-Aug-24	17207	255 750,00	ACCOMMODATION FOR AUGUST 2024(Accommodation for eleven officials attending traffic college)	Chief Law enforcement/ Ch	Unauthorised							Reported to the CFO	
2	30-Sep-24		25-Aug-24		247 500,00	SCM DEVIATIONS: FOR THE PROVISION OF ACCOMMODATION FOR ELEVEN OFFICIALS ATTENDING TRAFFIC COLLEGE	Chief Law enforcement/ Ch	Unauthorised							Reported to the CFO	
3	30-Sep-24		27-Sep-24	19329	255 750,00	ACCOMMODATION FOR OCTOBER 2024(Accommodation for eleven officials attending traffic college)	Chief Law enforcement/ Ch	Unauthorised							Reported to the CFO	
				Total	R 759 000,00											

### Abbreviations:

UI: Irregular expenditure Under Investigation

DP: Disciplinary process initiated against responsible person

CC: Criminal charges laid with SAPS

TR: Transferred to receivables for recovery

P: Paid or in process of paying in installments

WO: Written-off by council as irrecoverable

ITEM C/2/238/10/24

**VIREMENT REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024**

**Portfolio Comm:** Finance & Engineering  
**File Ref:** 9/1/3/4

**Demarcation:** All Wards  
**Delegation:** Council

**Attachments:** Annexure A: Virement Register – First Quarter

**Report from:** Chief Financial Officer

**Date:** 14 October 2024

**PURPOSE OF THE REPORT**

To report to the Council on those virements / transfer of funds that have taken place during the quarter, in accordance with the Virement Policy of the municipality.

**BACKGROUND/DISCUSSION**

A “**virement**” is the process of transferring an approved budget allocation from one operating line item or capital project to another, with the approval of the relevant Manager. It allows limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure, savings, etc., as they arise, to accelerate service delivery in a financially responsible manner.

**FINANCIAL IMPLICATIONS**

Since virements are done within a specific vote and based on savings identified, there are no financial implications.

**LEGAL REQUIREMENTS**

**Section 52(d) of MFMA**

*The Executive mayor of a municipality must, within thirty days of the end of each quarter submit a report to council on the implementation of the budget and the financial state of affairs of the municipality.*

**RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That cognisance be taken of the virements that have been considered or processed during the first quarter of the 2024 2025 financial year.



VIREMENT REGISTER_FIRST QUARTER 2024/2025						
Date	Ukey No	Item Description	Amount		Ref No	Directorate
			Increase	Decrease		
6/8/2024	NEW	Own Transport	25,000.00		1	Community services
6/8/2024	NEW	Accommodation	20,000.00		1	Community services
6/8/2024	NEW	Daily Allowance	25,000.00		1	Community services
6/8/2024	NEW	Food and Beverage	2,500.00		1	Community services
6/8/2024	20230703047107	Traffic Signage		(72,500.00)	1	Community services
20/08/2024	20230703047059	Seminars, Conference, Workshops and Events: National	5,000.00	(8,786.00)	2	Engineering Services
20/08/2024	NEW	Air Transport	8,786.00		2	Engineering Services
20/08/2024	20240627073676	Registration Fees:Professional and Regulatory bodi		(5,000.00)	2	Engineering Services
20/08/2024	20230703047040	Registration Fees:Professional and Regulatory bodi	5,000.00		2	Engineering Services
20/08/2024	20230703047082	Operational cost: Professional Bodies, Membership a		(5,000.00)	2	Engineering Services
27/08/2024	20220714033593	Maintenance of Building and Facilities		(500,000.00)	3	Planning and Development
27/08/2024	NEW	Maintenance of Building and Facilities	500,000.00		3	Planning and Development
28/08/2024	NEW	Outsourced : Catering Services	75,000.00		4	Community Services
28/08/2024	20240627073304	Outsourced Services: Fire Services		(75,000.00)	4	Community Services
12/9/2024	20220714035113	Daily Allowance	21,080.00		5	Engineering Service
12/9/2024	20230703047113	Signage		(21,080.00)	5	Engineering Service



--	--	--	--	--	--	--



## Section 2: Finance

ITEM C/2/239/10/24

### COST CONTAINMENT REPORT FOR THE QUARTER ENDING 30 SEPTEMBER 2024

**Portfolio Comm:** Finance & Corporate Services  
**File Ref** 9/1/3/4

**Demarcation:** All Wards  
**Delegation:** Council

**Attachment:** Annexure “A” – Cost Containment report Q1

**Report from:** Acting Director: Financial Services

**Date:** 14 October 2024

#### **PURPOSE OF THE REPORT**

The purpose of the report is to present the quarterly cost containment report in terms of Municipal Finance Management Act circular 82 and Cost containment policy of Bitou Municipality.

#### **BACKGROUND/DISCUSSION**

The municipality has developed Cost Containment policy which was adopted by council in January 2020. This policy document seeks to implement National Treasury Cost Containment Regulation and MFMA Circulars applicable to Cost Containment. The object of the Policy, in line with Sections 62(1) (a), 78(1) (b), 95(a) and 105(1) (b) of the Act, is to ensure that resources of the Municipality are used effectively, efficiently and economically by implementing the cost containment regulations. This policy seeks to encourage the reduction and excessive spending on the items listed on the attached annexure.

#### **EXECUTIVE SUMMARY**

The cost containment quarterly performance is measured by comparing current financial year first quarter figures with last financial year first quarter figures. As can be seen on Annexure A, the municipality has enforced the cost containment policy. It is evident that in most expenditure categories, the municipality is spending less on the current financial year when compared to the previous year. Considering the current financial performance, it is necessary to further apply savings and austerity measures in all expenditure, it is also necessary to ensure that value for money is attained in all procurement processes and when expenditure decisions are made, this will aid in the financial recovery and ultimately ensure the financial sustainability of the municipality.

#### **FINANCIAL IMPLICATIONS**

Financial implications are attached on the Annexure

## **Section 2: Finance**

### **RELEVANT LEGISLATION**

Municipal Finance Management Act circular 82  
Cost Containment Regulation  
Bitou Municipality Cost Containment policy

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That Council take note of Cost Containment Report for the quarter ending 30 September 2024.

## WC047\_2025\_Q1\_Cost Containment In-Year Report

Measures	BUDGET 2023/24	Q1 Actuals	Savings	BUDGET 2023/2024	Q1 Actuals
	R'000	R'000	R'000	R'000	R'000
Use of consultants	61,403,891.00	6,469,950.53	(5,701,300.53)	39,366,858.00	768,650.00
Vehicles used for political office-	72,000.00	19,754.35	27,345.65	53,700.00	47,100.00
Travel and subsistence	2,089,987.00	360,096.83	(195,883.54)	1,687,909.00	164,213.29
Domestic accomodation	992,221.00	201,331.34	(108,154.60)	93,176.74	93,176.74
Sponsorship, events and catering	1,843,080.00	219,672.22	(112,183.37)	1,479,159.00	107,488.85
Communication	3,482,250.00	596,207.04	(132,830.62)	3,020,742.00	463,376.42
Other related expenditure items	38,893,338.00	4,131,429.64	(859,051.63)	44,688,961.00	3,272,378.01
<b>Total</b>	<b>108,776,767.00</b>	<b>11,998,441.95</b>	<b>(7,082,058.64)</b>	<b>90,390,505.74</b>	<b>4,916,383.31</b>

ITEM C/2/240/10/24

**LIST OF WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**Portfolio Comm:** Finance & Engineering  
**File Ref:** 5/15/6

**Demarcation:** All Wards  
**Delegation:** Council

**Attachments:** Annexure A - Section 11(1)(e) Withdrawals  
Annexure B – Provincial Treasury Withdrawals Report  
Annexure C – Bank Account Withdrawals Not in Terms of an Approved Budget

**Report from:** Chief Financial Officer

**Date:** October 2024

**Purpose of the report**

To report on specific withdrawals from the municipal bank account in terms of the Local Government: Municipal Finance Management Act, 2003.

**Background/Discussion**

It should be noted that withdrawals in terms of Section 11(1)(b) to (j) of the Local Government: Municipal Financial Management Act, 2003, were made during the quarter July 2024 to September 2024

The following information should be noted:

Section 11(1) (b): Expenditures that were authorised in terms of Section 26(4)

No withdrawals

Section 11(1) (c): Unforeseeable and unavoidable expenditures

No withdrawals

Section 11(1) (d): Withdrawals in respect of Trust, and so forth

No withdrawals

Section 11(1) (e): Monies paid over to a person or state body received on behalf of that person or state body

R 4 381 588.32 as per Annexure A attached



## Section 2: Finance

### Section 11: Withdrawals 11(1)(f): Monies erroneously deposited into bank account

R0.00

### Section 11(1)(g): Guarantees, sureties and security deposits refunded

R 37 791.72 as per Annexure B attached

### Section 11(1)(h) Cash management and investments

R 210 130 000 as per Annexure B attached

### Section 11(1)(i): Increased expenditure in terms of Section 31

No withdrawals

### Section 11(1)(j): Other purposes as prescribed

R 4 069 836.33 for VAT purposes as per Annexure B attached.

### **Financial Implications**

No financial implications

### **Legal requirements**

Section 11(4) of the Local Government: Municipal Financial Management Act, 2003 reads as follows:

*“The Accounting Officer must within thirty (30) days after the end of each quarter-*

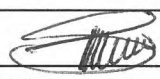
*(a) Table in the municipal council a consolidated report of all withdrawals made in terms of sub section (1)(b) to (j) during the quarter, and*

*(b) Submit a copy of the report to the relevant provincial treasury and the Auditor-General”.*

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That the Municipal Council confirms the withdrawals that were made in terms of Section 11 (1) (b) to (j) of the Local Government: Municipal Financial Management Act, 2003 for the quarter July 2024 to September 2024.
2. That the report accordingly be presented to the Provincial Treasury: Western Cape and Auditor – General, as determined by Section 11(4) (b) of the Local Government: Municipal Finance Management Act, 2003.

**PROVINCIAL TREASURY**  
**Withdrawals from Municipal Bank Accounts**  
**In accordance with Section 11, Sub-section 1 (b) to (j)**

<b>NAME OF MUNICIPALITY:</b>		BITOU MUNICIPALITY		
<b>MUNICIPAL DEMARCATION CODE:</b>		WCO47		
<b>QUARTER ENDED:</b>		30-Sep-24		
<b>MFMA section 11.</b> (1) Only the <i>accounting officer</i> or the <i>chief financial officer</i> of a <i>municipality</i> , or any other senior financial <i>official</i> of the <i>municipality</i> acting on the written authority of the <i>accounting officer</i> may withdraw money or authorise the withdrawal of money from any of the <i>municipality's</i> bank accounts, and may do so only -  (b) to defray expenditure authorised in terms of section 26(4), (c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1), (d) in the case of a bank account opened in terms of section 12 to make payments from the account in accordance with subsection (4) of that section, (e) to pay over to a person or organ of state money received by the <i>municipality</i> on behalf of that person or organ of state, including - (i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement, or (ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state, (f) to refund money incorrectly paid into a bank account, (g) to refund guarantees, sureties and <i>security</i> deposits, (h) for cash management and <i>investment</i> purposes in accordance with section 13, (i) to defray increased expenditure in terms of section 31, or (j) for such other purposes as may be <i>prescribed</i>  (4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> - (a) table in the <i>municipal council</i> a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that <i>quarter</i> , and (b) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor General</i>	<b>Amount</b>	<b>Reason for withdrawal</b>		
		R 0 00		
		R 0 00		
		R 0 00		
		R 0 00		
		R 4,381,588 32	Motor Registration and RTMC transaction fees	
		R 0 00		
		R 0 00		
		R 37,791 72	Refunds on consumer deposits	
		R 210,130,000 00		
		R 0 00		
		R4 069 836 33	VAT	
<b>Name and Surname:</b> Felix Martin Lotter <b>Rank/Position:</b> Chief Financial Officer (Acting) <b>Signature:</b> 				
<b>Tel number</b>	<b>Fax number</b>	<b>Email Address</b>		
044 501 3000		flotter@plett.gov.za		

**The completed form must reach Mr Wesley Baatjies at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 8662, Fax 021 483 8623, Email: wbaatjie@pgwc.gov.za on or before the 15th of the month following the end of each quarter.**

## BITOU MUNICIPALITY

CHEQUE LIST IN TERMS OF SECTION 11(1)(e) OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 2003

JULY				
Date	Beneficiary	Details	Reference	Amount
01/08/2024	THE PROVINCE OF THE WESTERN CAPE	MOTOR REGISTRATION /LICENCE FEES	000000900007581	123,177.69
13/08/2024	THE PROVINCE OF THE WESTERN CAPE	MOTOR REGISTRATION /LICENCE FEES	000000900007586	275,250.87
13/08/2024	RTMC TRANSACTION FEES	MOTOR REGISTRATION /LICENCE FEES	000000900007587	51,984.00
01/08/2024	THE PROVINCE OF THE WESTERN CAPE	MOTOR REGISTRATION /LICENCE FEES	000000900007585	238,710.26
01/08/2024	THE PROVINCE OF THE WESTERN CAPE	MOTOR REGISTRATION /LICENCE FEES	000000900007583	302,005.98
01/08/2024	RTMC TRANSACTION FEES	MOTOR REGISTRATION /LICENCE FEES	000000900007584	25,992.00
01/08/2024	RTMC TRANSACTION FEES	MOTOR REGISTRATION /LICENCE FEES	000000900007582	24,840.00
01/08/2024	RTMC-TRANSACTION FEES	MOTOR REGISTRATION /LICENCE FEES	000000900007580	18,288.00
05/08/2024	THE PROVINCE OF WESTERN CAPE	MOTOR REGISTRATION /LICENCE FEES	000000900007590	69,280.22
05/08/2024	RTMC -TRANSACTION FEES AUGUST WEEK 1	RTMC -TRANSACTION FEES AUGUST WEEK 1	000000900007591	10,584.00
01/08/2024	RTMC TRANSACTION FEES	MOTOR REGISTRATION /LICENCE FEES	000000900007589	28,512.00
01/08/2024	THE PROVINCE OF THE WESTERN CAPE	MOTOR REGISTRATION /LICENCE FEES	000000900007588	273,355.58
05/08/2024	THE PROVINCE OF THE WESTERN CAPE	MOTOR REGISTRATION -RTMC	000000900007629	443,641.38
05/08/2024	TRANSACTION FEES WEEK NO :5 JULY 2024	MOTOR REGISTRATION -RTMC	000000900007628	38,880.00
12/08/2024	LICENCE FEE	LICENCE FEE	000000900007833	298,943.66
12/08/2024	LICENCE FEE	LICENCE FEE	000000900007834	30,168.00
02/09/2024	TRANSACTION FEES	LICENCE FEE	20251017	278,941.26
Total Withdrawals				2,532,554.90
AUGUST				
Date	Beneficiary	Details	Reference	Amount
12/09/2024	THE PROVINCE OF WESTERN CAPE	WEEK NO 4 FROM 19-25 AUGUST 2024	000000900008147	294,546.19
12/09/2024	RTMC TRANSACTION FEES	WEEK NO 4 FROM 19 TO 25 AUGUST 2024	000000900008148	26,712.00
12/09/2024	THE PROVINCE OF WESTERN CAPE	WEEK 1 - 02-08 SEPTEMBER 2024	000000900008149	335,819.14
12/09/2024	RTMC -TRANSACTION FEES	SEPTEMBER WEEK 1 2024	000000900008150	35,856.00
12/09/2024	THE PROVINCE OF WESTERN CAPE	AUGUST WEEK 5	000000900008151	243,652.39
12/09/2024	RTMC-TRANSACTION FEES	AUGUST WEEK 5 2024	000000900008152	33,120.00
18/09/2024	TRANSACTION FEE	LICENCE FEE	20251039	274,972.00
19/09/2024	RTMC-TRANSACTION FEES	RTMC-TRANSACTION FEES -SEPTEMBER WEEK	000000900008304	29,664.00
16/09/2024	THE PROVINCE OF WESTERN CAPE	THE PROVINCE OF WESTERN CAPE -SEPTEMBER	000000900008303	247,657.86
16/09/2024	LICENCE FEE	LICENCE FEE	000000900008444	300,609.84
16/09/2024	LICENCE FEE	LICENCE FEE	000000900008443	26,424.00
Total Withdrawals				1,849,033.42
Total Withdrawals				4,381,588.32





## Consolidated Quarterly Report for period 01 July 2024 to 30 September 2024

D

[illegible]

The Accounting Officer must include information motivating the non-budgetted withdrawals, action taken to rectify the breach and identify how funding will be sourced through an Adjustments Budget. This motivation can be an additional report to council or incorporated into the table above by inserting additional space. This report must be tabled in Council within 30 days after the end of each quarter where a withdrawal occurs.

1. Section 11(b) - Expenditure authorised by the MEC for finance in terms of section 26 (4) when a municipality has failed to approve a budget by 30 June,
2. Section 11(c) - Unforeseeable and unavoidable expenditure authorised by the mayor in terms of section 29 (1),
3. Section 11(d) - Payments from a trust, charitable or relief fund without budget appropriation in terms of section 12(4),
4. Section 11(e) - Payments to a person or organ of state of money received by the municipality on behalf of that person or organ of state, including
  - (i) money collected by the municipality on behalf of that person or organ of state by agreement, or
  - (ii) any insurance or other payments received by the municipality for that person or organ of state,
5. Section 11(f) - Refund money incorrectly paid into a bank account,
6. Section 11(g) - Refund guarantees, sureties and security deposits,
7. Section 11(h) - Payments for cash management and investment purposes in accordance with section 13,
8. Section 11(i) - To defray increased expenditure on a multi-year capital project in terms of section 31,
9. Section 11(j) - Payments for such other purposes as may be prescribed from time-to-time

1 Table this report in a full council meeting, including additional motivation on action taken to rectify, within 30 days after the end of each quarter (section 11(4))  
2 Submit a copy to the relevant National Treasury, provincial treasury and the Auditor-General

# **SECTION 3**

## **CORPORATE SERVICES**

### Section 3: Corporate Services

**ITEM C/3/246/10/24**

#### **SCHEDULE OF MEETINGS FOR COUNCILLORS FOR 2025 FOR PORTFOLIO COMMITTEES, MAYORAL COMMITTEES AND COUNCIL**

**Portfolio Comm:** Finance and Corporate Services  
**File Ref:** 3/2/3

**Demarcation:** All Wards  
**Delegation:** Council

**Attachments:** Not applicable

**Report from:** Director: Corporate Services

**Author:** Manager Administration

**Date:** 8 October 2024

#### **PURPOSE OF THE REPORT**

To submit a time schedule of meeting dates for the Portfolio Committees, Mayoral Committee and Council Meetings for 2025 for consideration and adoption.

#### **BACKGROUND/ DISCUSSION**

Sufficient time between the Committee meetings needs to be allowed to prepare the recommendations of the various committees and to insert same onto each ensuing Committee's Agenda.

The scheduled dates of SALGA Working Committees, the Garden Route District Municipality, Speakers Forum, and other Council related meetings are not yet available, but if it is found that any of the dates scheduled for Bitou Council conflicts with that of SALGA Working Committees, Speakers Forum, etc., a report will be submitted to Council to amend Bitou's schedule accordingly.

The legislative timeframes were taken into consideration when drafting the schedule.

Below are the proposed meeting dates for the Portfolio Committees, Mayoral Committee and Council for 2025;

<b>MEETING SCHEDULE: 2025</b>					
<b>Closing Dates for Agendas</b>	<b>Preliminary Meeting</b>	<b>Portfolio Committees</b>	<b>Mayoral Committee Meetings</b>	<b>Ordinary Council Meeting</b>	<b>Special Council Meeting</b>
9/1/2025	11/1/2025	15/1/2025 16/1/2025	24/1/2025	27/1/2025	

### Section 3: Corporate Services

5/2/2025	7/2/2025	12/2/2025 13/2/2025	21/2/2025		27/2/2025 (Adjustment budget approval)
4/3/2025	6/3/2025	12/3/2025 13/3/2025	19/3/2025		26/3/2025 (Draft Annual Budget and IDP approval)
8/4/2025	10/4/2025	16/4/2025 17/4/2025	23/4/2025	30/4/2025	
6/5/2025	8/5/2025	14/5/2025 15/5/2025	22/5/2025		30/5/2025 (Budget approval and IDP Adoption)
5/6/2025	12/6/2025	18/6/2025 18/6/2025	26/6/2025		
8/7/2025	10/7/2025	16/7/2025 17/7/2025	23/7/2025	30/7/2025	
5/8/2025	7/8/2025	13/8/2025 14/8/2025	19/8/2025		25/8/2023 (Budget and IDP Process plan and rollover budget approval)
8/9/2025	10/9/2025	17/9/2025 18/9/2025	24/9/2025		
7/10/2025	9/10/2025	15/10/2025 16/10/2025	23/10/2025	30/10/2025	
11/11/2025	13/11/2025	19/11/2025 20/11/2025	27/11/2025		

Special Council meetings will be scheduled as and when required and in terms of the Municipal Structures Act and Rules of Order of Bitou Local Municipality.

The schedule will be published on the Bitou Municipal website as prescribed by Section 29A of the Municipal Structures Act.

#### **RELEVANT LEGISLATION**

Local Government Municipal Structures Act, No. 117 of 1998 (as amended)

#### **Comments: Director Engineering Services**

The recommendations of the acting Municipal Manager are supported.

#### **Comments: acting Director: Economic Development & Planning**

The recommendations of the acting Municipal Manager are supported.

#### **Comments acting Chief Financial Officer**

The recommendations of the acting Municipal Manager are supported.

#### **Comments: acting Director Community Services**

The recommendations of the acting Municipal Manager are supported.

**RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That the following schedule of dates for the Portfolio Committee Meetings, Mayoral Committee Meetings and Council Meetings for the year 2025, be approved:

<b>MEETING SCHEDULE: 2025</b>					
<b>Closing Dates for Agendas</b>	<b>Preliminary Meeting</b>	<b>Portfolio Committees</b>	<b>Mayoral Committee Meetings</b>	<b>Ordinary Council Meeting</b>	<b>Special Council Meeting</b>
9/1/2025	11/1/2025	15/1/2025 16/1/2025	24/1/2025	27/1/2025	
5/2/2025	7/2/2025	12/2/2025 13/2/2025	21/2/2025		27/2/2025 (Adjustment budget approval)
4/3/2025	6/3/2025	12/3/2025 13/3/2025	19/3/2025		26/3/2025 (Draft Annual Budget and IDP approval)
8/4/2025	10/4/2025	16/4/2025 17/4/2025	23/4/2025	30/4/2025	
6/5/2025	8/5/2025	14/5/2025 15/5/2025	22/5/2025		30/5/2025 (Budget approval and IDP Adoption)
5/6/2025	12/6/2025	18/6/2025 18/6/2025	26/6/2025		
8/7/2025	10/7/2025	16/7/2025 17/7/2025	23/7/2025	30/7/2025	
5/8/2025	7/8/2025	13/8/2025 14/8/2025	19/8/2025		25/8/2023 (Budget and IDP Process plan and rollover budget approval)
8/9/2025	10/9/2025	17/9/2025 18/9/2025	24/9/2025		
7/10/2025	9/10/2025	15/10/2025 16/10/2025	23/10/2025	30/10/2025	
11/11/2025	13/11/2025	19/11/2025 20/11/2025	27/11/2025		

2. That the schedule of meetings be published as prescribed by Section 29A of the Local Government Municipal Structures Act, No 117 of 1998.
3. That any other Special Council meetings be scheduled and published as and when required as prescribed by the Local Government Municipal Structures Act, No 117 of 1998 and the Bitou Municipality Rules of Order by-law.



### Section 3: Corporate Services

#### **RECOMMENDED BY THE FINANCE AND CORPORATE SERVICES PORTFOLIO COMMITTEE**

1. That the following schedule of dates for the Portfolio Committee Meetings, Mayoral Committee Meetings and Council Meetings for the year 2025, be approved:

<b>MEETING SCHEDULE: 2025</b>					
<b>Closing Dates for Agendas</b>	<b>Preliminary Meeting</b>	<b>Portfolio Committees</b>	<b>Mayoral Committee Meetings</b>	<b>Ordinary Council Meeting</b>	<b>Special Council Meeting</b>
9/1/2025	11/1/2025	15/1/2025 16/1/2025	24/1/2025	27/1/2025	
<b>Closing Dates for Agendas</b>	<b>Preliminary Meeting</b>	<b>Portfolio Committees</b>	<b>Mayoral Committee Meetings</b>	<b>Ordinary Council Meeting</b>	<b>Special Council Meeting</b>
5/2/2025	7/2/2025	12/2/2025 13/2/2025	21/2/2025		27/2/2025 (Adjustment budget approval)
4/3/2025	6/3/2025	12/3/2025 13/3/2025	19/3/2025		26/3/2025 (Draft Annual Budget and IDP approval)
8/4/2025	10/4/2025	16/4/2025 17/4/2025	23/4/2025	30/4/2025	
6/5/2025	8/5/2025	14/5/2025 15/5/2025	22/5/2025		30/5/2025 (Budget approval and IDP Adoption)
5/6/2025	12/6/2025	18/6/2025 18/6/2025	26/6/2025		
8/7/2025	10/7/2025	16/7/2025 17/7/2025	23/7/2025	30/7/2025	
5/8/2025	7/8/2025	13/8/2025 14/8/2025	19/8/2025		25/8/2023 (Budget and IDP Process plan and rollover budget approval)
8/9/2025	10/9/2025	17/9/2025 18/9/2025	24/9/2025		
7/10/2025	9/10/2025	15/10/2025 16/10/2025	23/10/2025	30/10/2025	
11/11/2025	13/11/2025	19/11/2025 20/11/2025	27/11/2025		

2. That the schedule of meetings be published as prescribed by Section 29A of the Local Government Municipal Structures Act, No 117 of 1998.
3. That any other Special Council meetings be scheduled and published as and when required as prescribed by the Local Government Municipal Structures Act, No 117 of 1998 and the Bitou Municipality Rules of Order by-law.

# **SECTION 4**

## **COMMUNITY SERVICES**

## Section 4: Community Services

ITEM C/4/227/10/24

### BY LAW RELATING TO TRADING OF LIQUOR BY LICENSED ESTABLISHMENTS

**Portfolio Comm:** Engineering & Community Services

**Demarcation:** All Wards

**File Ref:** 1/3/1/43

**Delegation:** Council

**Attachments:** Annexure A Draft By-Law relating to By-law for the Control of Undertakings that Sell Liquor to the Public.

**Report from:** Director Community Services

**Author:** Chief Law Enforcement & Municipal Security

**Date:** 01 October 2024

#### **PURPOSE OF THE REPORT**

For the Council to consider and adopt in principle the Control of Undertakings/establishments that Sell Liquor to the Public.

#### **BACKGROUND /DISCUSSION**

Section 156 of the Constitution clearly stipulates that a local authority has executive authority in respect of, and has the right to administer, the local government matters as set out in Part B of Schedule 4 and Part B of Schedule 5 of the Constitution.

Section 156(2) specifically provides that a municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.

Section 12 of the Municipal System Act 32 of 2000, as amended, sets out the legislative procedure for the passing of by-laws. These provisions are to be read together with the Bitou Municipality's Rules of Order for the conduct of meetings of the Council.

Chapter 7 of the Rules of Order sets out the procedure for the adoption of by-laws.

At present the Bitou Municipality by law deals with the rules that govern the selling or trading and regulation of trading hours by licensed liquor establishments. The by-law in its current form fails to address issues such as the role of liquor retailers in respect of times; the promotion of a safe, secure, and healthy environment in and outside their premises, and matters related thereto, which are often vague and ambiguous.

The by-law in its current form seeks to address the intention of the municipality to set trading times and enforcement mechanisms for the control of licensed premises that sell liquor to the public and which are situated within the jurisdiction of the Bitou Municipality.

As a town whose main economic driver is tourism and with a very diverse residency, it is submitted that public amenities require legislation that deals with it specifically.

## **Section 4: Community Services**

The attached draft by-law was compiled taking cognisance of national legislation and the needs of the Bitou Community. The inputs of the community and other private stakeholders will be obtained during the public consultation process.

### **FINANCIAL IMPLICATION**

Cost of publication of the by-law

Cost of advertising for public comment

### **RELEVANT LEGISLATION**

- Constitution of the Republic of South Africa, 1996
- Municipal Systems Act 32 of 2000, as amended.
- Western Cape Liquor Act (Act 4 of 2008)
- Criminal Procedure Act (51 of 1977)
- Businesses Act of 1991 (Act No. 71 of 1991)

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That the Council notes the report and draft by-law relating to the Control of Undertakings that Sell Liquor to the Public
2. That the Council in principle approves and adopts the draft by-law relating to the Control of Undertakings that Sell Liquor to the Public and be published for public comments
3. That the draft by-law, together with comments or input received from the public and other stakeholders, be resubmitted to the Council following the closure of the public participation process, for final consideration and adoption.

### **RECOMMENDED BY THE ENGINEERING AND COMMUNITY SERVICES PORTFOLIO COMMITTEE**

1. That the Council notes the report and draft by-law relating to the Control of Undertakings that Sell Liquor to the Public.
2. That the Council in principle approves and adopts the draft by-law relating to the Control of Undertakings that Sell Liquor to the Public and be published for public comments.
3. That the draft by-law, together with comments or input received from the public and other stakeholders, be resubmitted to the Council following the closure of the public participation process, for final consideration and adoption.

## **BITOU MUNICIPALITY**

### **By-law for the Control of Undertakings that Sell Liquor to the Public,**

To provide for the control of undertakings that sell liquor to the public within the area of jurisdiction of the Bitou Municipality; permitted trading times; a safe and healthy environment and to provide for matters related thereto.

#### **Table of Content**

##### Chapter 1: Interpretation

1. Definitions
2. Application
3. General prohibition
4. Standard trading times
5. Trading days and hours for the sale of liquor off the licensed premises

##### Chapter 2: Extended trading times

6. Application for extended trading days and hours
7. Revocation of consent for extended liquor trading days and hours
8. Prevention of illegal sale of liquor and seizure of liquor

##### Chapter 3: Obligations of the Licensee

9. Display of signage and certificates

Provision of free drinking water

Provision of ablution facilities for patrons

10. Safety and security
11. Liquor premises must be weapon-free
12. Nuisances

##### Chapter 4: Miscellaneous

13. Delegations
14. Indemnity
15. Offences and Penalties
16. Repeal of previous by-laws
17. Short title and commencement

## Preamble

**WHEREAS** a municipality may, in terms of section 156 of the Constitution, make and administer by-laws for the effective administration of matters which it has the right to administer.

**WHEREAS** it is the intention of the municipality to set trading times and enforcement mechanisms for the control of licensed premises that sell liquor to the public and which are situated within the jurisdiction of the Bitou Municipality.

**NOW THEREFORE, BE IT ENACTED** by the Council of the Bitou Municipality, as follows:

## CHAPTER 1: INTERPRETATION

### 1. Definitions

In this by-law, words used in the masculine gender include the feminine, the singular includes the plural, and vice versa. The English text prevails in the event of an inconsistency between the different texts and unless the context otherwise indicates -

**“Act”** means the Western Cape Liquor Act (Act 4 of 2008) as may be amended and the regulations in terms thereof.

**“Authorised official”** means an employee of the municipality who has been authorised to enforce this by-Law or an inspector appointed in terms of section 73(4) of the Act.

**“Designated liquor officer”** means a person designated as such in terms of section 73(1) of the Act.

**“Guest accommodation establishment”** means residential premises zoned to provide lodging, meals, and other guest services for transient guests for compensation and includes:

- (a) a backpacker’s lodge.
- (b) a bed-and-breakfast establishment.
- (c) a guest house and guest farm or lodge and:
- (d) facilities for business meetings, conferences, events, or training sessions of resident guests, but excludes a hotel.

**“Hotel”** means premises used to provide lodging, meals, and other guest services for transient guests for compensation, and includes —

- (a) a restaurant or restaurants forming part of the hotel.
- (b) conference and entertainment facilities that are subservient and ancillary to the dominant use of the premises as a hotel; and
- (c) premises that are licensed to sell liquor for consumption on the property, but exclude an off-consumption facility, guest accommodation establishment, dwelling house, or dwelling unit.

**“Licensed premises”** means the premises upon which liquor may sold, consumed, or stored in terms of the Act.

**“licensee”** means a person to whom a liquor license has been issued in terms of the Act and includes the manager appointed in terms of the Act, a person acting for or on behalf of such license holder or manager, and any person employed or in the service of such license holder or manager.

**“liquor”** means any liquor product, liquid, or substance as defined in the Act or the Liquor Products Act (Act 60 of 1989) as may be amended and the regulations in terms thereof.

**“Motor vehicle”** means a vehicle designed or adapted for propulsion or haulage on a road using fuel, gas, or electricity, including a trailer or an agricultural or other implement designed or adapted to be drawn by such vehicle and vehicles designed or adapted to transport passengers.

**“Municipality”** means the Bitou Municipality, a municipality established by the in terms of section 12 notice issued in terms of the Local Government: Municipal Structures Act or any political structure, political office bearer, or employee of the municipality acting in terms of delegated authority.

**“Night club”** means any place of entertainment that may generate noise from karaoke, amplified or live music, or revelry and includes a theatre, amusement park, and dance hall.

**“premises”** means a place, land, building, or part of a building or motor vehicle.

**“residential”** means an area defined as residential by the Municipality and indicated as such by a certificate issued in terms of section 9 of this by-law.

**“sell”** means to —

- (a) supply, avail, offer, advertise or expose; or
- (b) exchange for money or to dispose of liquor in any way for any type of consideration,

and **“sale”** and **“sold”** have corresponding meanings.

**“Special event”** means a fundraising event in aid of an education or welfare organisation, any exhibition, sports meeting, cultural gathering, or artistic performance.

**“Standard trading times”** means trading days and trading hours as contemplated in sections 4 and 5 of these by-laws and excludes extended trading days and hours that may be approved by the municipality in terms of section 6 of this By-law.

**“Tourist facility”** means an amenity for tourists such as a wine-producing farm, liquor tasting facility, lecture room, restaurant, gift shop, and liquor outlet where only liquor manufactured on the premises is sold to the public.

**“weapon”** means any object, including a firearm, capable of causing death or inflicting bodily harm.

**“Western Cape Liquor Authority”** means the independent juristic person established by section 2 of the Act; and

**“zoning”** means a method of development management that designates land under provisions and rules concerned with categorizing land according to usage and purpose, the extent of which is contained in the Municipality's Zoning Scheme Regulations.

and **“zoned”** has a corresponding meaning.

## 2. Application

This by-law applies to licensees that sell liquor to the public within the jurisdiction of the Bitou Municipality.

### **3. General prohibition**

A licensee may not sell liquor for consumption on or off the licensed premises-

- (a) other than under this by-law.
- (b) outside the days and hours that have been determined by the municipality; or
- (c) without a valid liquor license that has been issued as contemplated in the Act.

### **4. Standard trading times**

Trading days and hours for sale and consumption of liquor on the licensed premises.

- (1) A licensee may subject to the terms as stated below, sell liquor for consumption on the licensed premises on the days of the week and during the hours as set out in Schedule 1 attached hereto.
- (2) A licensee who sells liquor for consumption on the licensed premises may not allow any consumption of liquor on the licensed premises at a time when the sale of liquor is not permitted.
- (3) A licensee in respect of a hotel or guest accommodation establishment:
  - (a) may provide access to a pre-stocked bar facility inside a private suite or room for the enjoyment of a guest occupying such private suite or room; and
  - (b) may not restock such bar facilities during the hours the establishment is not allowed to sell liquor.
- (4) A licensee in respect of a hotel or guest accommodation establishment may not provide liquor to guests or visitors outside of the standard trading times unless under subsection (4);

### **5. Trading days and hours for the sale of liquor off the licensed premises**

A licensee for consumption off the licensed premises may sell liquor on the days of the week and during the hours as set out in Schedule 1 attached hereto.

## **CHAPTER 2: EXTENDED TRADING TIMES**

### **6. Application for extended trading days and hours**

- (1) A licensee may, upon payment of the required fee per application, submit a written application to the municipality to extend the liquor trading days and hours in respect of licensed premises.

The above-mentioned written application must be submitted to the Municipal Manager twenty-one (21) days before the event as applied for.

Applications for extension of liquor trading days and hours that are submitted late, not within the twenty-one (21) days as referred to above, must be accompanied by an application for condonation, to be considered by the municipality.

- (2) An application for an extension of liquor trading days and hours will only be considered for special events to be hosted at the licensed premises where liquor is sold, during other festivals, or over long weekends; and the municipality may refuse or approve such application with or without terms and conditions.



- (3) If an event falls within the ambit of Bitou Municipality's Holding of Events By-law, such approval of the event must accompany an application for an extension of liquor trading days and hours.
- (4) No rights accrue to any person who has applied for an extension of trading days and hours before the receipt of approval from the municipality.
- (5) The municipality must, when considering an application for the extension of trading days and hours, consider factors which may include:
  - (a) the outcome of community consultation.
  - (b) the public interest.
  - (c) the proximity of the licensed premises to a residential area, cultural, religious, or educational facility.
  - (d) the planning and zoning requirements of the municipality.
  - (e) the validity of a business license issued in terms of the Businesses Act of 1991 (Act No. 71 of 1991) where applicable.
  - (f) the potential impact on the tranquillity and well-being of the community.
  - (g) previous suspension, amendment, or revocation of extended trading days and hours.
  - (h) the validity of the liquor license.
  - (i) reports from the Western Cape Liquor Authority, the South African Police Services, and the law enforcement section of the municipality; and
  - (j) the applicant's comments in respect of paragraphs (a) to (i) and the steps proposed to mitigate —
    - (i) the risks to the surrounding community.
    - (ii) nuisances in the surrounding community.
    - (iii) the possible benefits of extended liquor trading hours and days in the surrounding community.
- (5) The municipality may not grant an extension unless it is satisfied on a balance of probabilities that —
  - a) the granting thereof is in the public interest.
  - b) the applicant is of good character, and not disqualified from holding a license in terms of the Act.
  - (c) the premises on which the sale or consumption of liquor will take place are or will upon completion be suitable for use by the applicant for the licence.
  - (d) the applicant has the right to occupy the licensed premises; and
  - (e) the granting of the application does not prejudice —
    - (i) the residents of a residential area.
    - (ii) the residents of an institution for the aged or frail.
    - (iii) the learners of an educational institution who are under the age of eighteen (18) years.
    - (iv) the patients of an institution for drug or alcohol-related dependencies; or
    - (v) the congregants of a religious institution found in the vicinity of the proposed licensed premises.

## **7. Revocation of consent for extended liquor trading days and hours**

- (1) An authorised official may with immediate effect, by written notice, revoke consent for extended trading days and hours, upon failure by the licensee to follow any condition of the consent for the extended trading days and hours.
- (2) An authorised official must, within 48 hours of revoking the consent for extended trading days and hours, deliver copies of such revocation to the Western Cape Liquor Authority, the designated liquor officer for that area, and the Municipal Manager of the municipality.
- (3) The municipality and/or the Western Cape Liquor Authority is not liable for any loss of income suffered by a licensee as a result of a revocation of consent.

## **8. Prevention of illegal sale of liquor and seizure of liquor**

- (1) An authorised official may temporarily close licensed premises and/or in terms of the Criminal Procedure Act (51 of 1977) seize and/or impound any liquor offered for sale on a licensed premise in contravention of:
  - (a) the municipal zoning schemes.
  - (b) this by-law; or
  - (c) the conditions, imposed by the Western Cape Liquor Authority or the municipality, in respect of that licensed premises.
- (2) The municipality may recover from the licensee all costs incurred by the municipality to temporarily close the premises and to seize or impound liquor as contemplated in subsection (1).

## **CHAPTER 3: OBLIGATIONS ON THE LICENSEE**

### **9. Display of signage and certificates**

- (1) A licensee must, to the satisfaction of the authorised official, ensure that the following certificates are prominently displayed inside the licensed premises:
  - (a) the certificate issued by the municipality stating the zoning or land use in respect of the premises for purposes of this by-law; and
  - (b) the population certificate in respect of the premises issued in terms of the Community Fire Safety by-law of the municipality.
- (2) A licensee must, to the satisfaction of the authorised official, ensure that the following information is prominently displayed on the front door or window of the premises in characters not less than five centimetres in height:
  - (a) the liquor license number under which liquor may be sold; and
  - (b) the hours during which liquor may be sold.

### **10. Safety and security**

- (1) A licensee must ensure compliance with all applicable legislation and must adhere to all the safety requirements under the Council's Community Fire Safety By-law
- (2) A licensee must ensure that reasonable and adequate safety and security measures are in place for the protection of patrons by ensuring, amongst others but not limited to, that —

- (a) the storage of goods and equipment and the condition of the premises and any structure thereon do not endanger the lives of patrons inside the premises; and
- (b) there is adequate lighting on the outside of the premises where patrons and staff access and exit the licensed premises.

### **Provision of free drinking water**

Free drinking water, which includes tap water, must be made easily available at all on-consumption liquor outlets to the patrons.

### **Provision of ablution facilities for patrons**

All on-consumption outlets must provide ablution facilities for each gender and cater to people with disabilities at no additional cost to the patrons.

## **11. Liquor premises must be weapon-free.**

- (1) A licensee must ensure that no weapons or sharp objects are allowed inside on consumption liquor premises.
- (2) A licensee may not allow any person to bring a weapon or sharp object onto the licensed premises.

## **12. Nuisances**

- (1) A licensee must take all reasonable steps to ensure that the residents of the surrounding community are not unreasonably affected or inconvenienced by noise or other nuisances emanating from the licensed premises.
- (2) A licensee must at all times keep the licensed premises clean and free from pollution and litter.
- (3) A licensee must at all times keep the licensed premise and public areas surrounding the licensed premises:
  - (a) free of litter, pollution, and liquor containers; and
  - (b) hygienic and free of noxious odours.
- (4) The licensee must at all times prevent loitering by patrons outside the liquor premises.
- (5) A licensee must ensure that all sales of liquor are confined to the licensed premises.
- (6) A licensee must in respect of off-consumption premises ensure that no liquor is consumed on the premises or in public in the vicinity of the premises.
- (7) A licensee must in respect of on consumption premises ensure that no liquor is taken from the premises.

## CHAPTER 4: MISCELLANEOUS

### 13. Delegations

The municipality may delegate any power or function in terms of this by-law to a political structure, political office bearer or official of the municipality.

### 14. Indemnity

The municipality, Western Cape Liquor Authority, and any of their employees are not liable for any damages or costs as a result of any action undertaken in the execution of their duties in terms of this by-law.

### 15. Offences and penalties

A licensee who contravenes or does not comply with a —

- (a) provision of this by-law.
- (b) condition or instruction in connection with this by-law; or
- (c) notice from an authorised official,

is guilty of an offense and is liable to a fine, or upon conviction, to imprisonment for a period not exceeding three years, or to both such fine and such imprisonment.

### 16. Repeal of previous by-laws

- (a) Bitou Municipality Liquor Trading Days and Hours By-law,
- (b) The provisions of any by-law previously promulgated by the municipality or by any of the disestablished municipalities now incorporated in the Bitou Municipality, are hereby repealed as far as they relate to matters provided for in this by-law.

### 17. Short title

This by-law is called the Control of Undertakings that Sell Liquor By-Law and comes into operation on the date of promulgation thereof in the Western Cape Government Gazette.

## Schedule 1

### Standard Trading Days and Hours

COLUMN 1	COLUMN 2
TYPE OF LICENSE	TRADING HOURS
Section 33 (a) license – micro production and sale of liquor both on and off consumption (cellars, winemakers, home distillers)	On consumption 7h00 – 2h00 Monday to Saturday 7h30 – 23h00 on Sunday  Off consumption 7h30 – 20h00 Monday to Sunday

<p>Section 33 (b) licenses for the sale of liquor for consumption on the premises Sports clubs, bars, sports bars, night club, jazz clubs, pubs and grub, taverns, restaurants)</p> <p>Hotel, B&amp;B and Casino</p>	<p>7h30 – 02h00 (the next day) Monday to Saturday</p> <p>7h30 – 00h00 Sunday</p> <p>24 hours per day</p>
<p>Section 33 (c) licenses off consumption sales (Liquor stores, general dealers, supermarkets, boutiques, food stores, wholesales)</p>	<p>07h00 – 02h00 Monday to Sunday</p>
<p>Section 33 (d) licenses for the sale of liquor both on and off-consumption (Exceptional Circumstances)</p>	<p>On and Off Consumption</p> <p>7h30 – 24h00 Monday to Thursday</p> <p>7h30 – 02h00 Friday to Saturday</p> <p>7h30 – 00h00 Sunday</p>
<p>Section 33 (e) licenses for the sale of liquor for both on and off-consumption at special events (concerts, festivals, sports, and entertainment events)</p>	<p>On and Off Consumption</p> <p>7h00 – 02h00 Monday to Sunday</p>
<p>Temporary License in terms of section 33 (f) for the sale of liquor for both on and off-consumption.</p>	<p>The trading hours will be similar to those contained in this schedule, depending on the type of license applied for.</p>

# **SECTION 5**

## **ENGINEERING SERVICES**

ITEM C/5/170/10/24

**CAPITAL PROJECTS IMPLEMENTATION PLAN (CPIP): MONTHLY PROGRESS  
REPORT FOR PERIOD ENDING SEPTEMBER 2024**

**Portfolio Comm:** Engineering & Community Services  
**File Ref:** 5/7/1/12

**Demarcation:** All Wards  
**Delegation:** Council

**Attachments** None

**Report from:** Director Engineering Services

**Author:** Manager: Project Management Unit (PMU)

**Date:** 07 October 2024

**PURPOSE OF THE REPORT**

For Council to note the progress with the planning and implementation of all Capital Projects managed by Engineering Services' Project Management Unit (PMU) for the Financial Year 2024/25 period ending September 2024.

**BACKGROUND /DISCUSSION**

The PMU of the Engineering Services Department is implementing several Capital Projects for the Medium-Term Revenue and Expenditure Framework (MTREF) period that includes grant, own and loan funded projects.

The PMU has drafted a detailed Capital Project Implementation Plan (CPIP) to plan and monitor the progress of projects from inception to completion, to ensure the successful delivery of the desired outcomes.

A summary of the progress for the various projects is given below.

The Capital Project Implementation Plan (CPIP) is attached to this report indicating the status of each project.

## Section 5: Engineering Services

VOTE	PROJECT	STATUS	PROGRAMME DETAILS		2024/25 FINANCIAL PROGRESS – SEPTEMBER 2024			COMMENTS
			Appointment Date	Planned Completion Date	YTD Exp.	Shadow	Commit	
PURIFICATION, DEMAND & LOSS CONTROL: WATER								
20240627068685	PUMP STATION EQUIPMENT	Procurement	July 2024	June 2027	0%	0%	0%	Original tender was cancelled. Tender was re-advertised in September 2024.
20240627067836	NATURES VALLEY RESERVOIR	Construction	April 2024	June 2025	2%	16%	80%	Contractor appointed.
20240627068454	PLETT WTW: NEW PUMP STATION (MIG)	Construction	April 2024	June 2025	9%	12%	79%	Contractor appointed.
20240627073135	UPGRADE SAND FILTER PLETT WTW (AFR)	Construction	April 2024	June 2025	0%	4%	58%	Contractor appointed.
20230703045694	REPLACEMENT OF AC PIPES	Construction	July 2023	June 2025	0%	0%	0%	Multi-year contract in place. Contractor appointed. Scope of works to finalised in line with available budget.
20240627073114	KURLAND: UPGRADE WTW (WSIG)	Procurement	April 2024	June 2026	0%	0%	0%	Multi-year project. Tender closed on 13 September 2024. Tender evaluation in progress.
20240627073111	KURLAND: UPGRADE WTW (BOR)	Procurement	April 2024	June 2026	0%	17%	0%	Multi-year project. Tender will be advertised in August 2024.
20240627073117	NATURES VALLEY WTW	Preliminary Design	July 2024	June 2025	0%	0%	0%	PSP has been appointed.



## Section 5: Engineering Services

VOTE	PROJECT	STATUS	PROGRAMME DETAILS		2024/25 FINANCIAL PROGRESS – SEPTEMBER 2024			COMMENTS
			Appointment Date	Planned Completion Date	YTD Exp.	Shadow	Commit	
PURIFICATION, DEMAND & LOSS CONTROL: SEWER								
20240627069307	PUMP STATION EQUIPMENT	Procurement	July 2024	June 2027	0%	0%	0%	Original tender was cancelled. Tender was re-advertised in September 2024.
20240627073099	SLUDGE HANDLING GANSEVALLEI WWTW	Preliminary Design	April 2024	June 2025	0%	0%	0%	PSP has been appointed. Preliminary Design has commenced.
20240627073108	KURLAND WASTE WATER TREATMENT WORKS (MIG)	Construction	April 2024	June 2026	16%	10%	74%	Contractor has been appointed.
20240627073102	UPGRADE SEWER RETICULATION	Construction	July 2023	June 2025	1%	0%	0%	Multi-year contract in place. Contractor has been appointed. Scope of works to be finalised in line with available budget.
20240627073105	SECURITY FENCING - WASTE WATER PLANTS	Construction	July 2024	June 2025	0%	98%	98%	Construction of Kurland WTW fencing has been completed.  Ganse Vallei WWTW Fencing has commenced.
PARKS AND RECREATION: PARKS MAINTENANCE AND HORTICULTURE								
20230703045595	UPGRADING OF KRANSHOEK SPORTFIELD FLOODLIGHTING (AFR)	Construction	March 2024	Dec 2025	1%	89%	90%	This is a multiyear project. The consultant and contractors have been appointed.  Construction has commenced with completion anticipated by end November 2024.
20240627072561	UPGRADING OF KRANSHOEK SPORTFIELD FLOODLIGHTING (MIG)	Construction	March 2024	Dec 2025	54%	46%	100%	This is a multiyear project. The consultant and contractors have been appointed.  Construction has commenced with completion anticipated by end November 2024.

## Section 5: Engineering Services

### **Financial Implication**

The capital budget managed by the PMU is reflected below (excluding VAT):

Funding	Budget	YTD Expenditure		Shadow		Available	
		(R)	(%)	(R)	(%)	(R)	(%)
MIG	18,895,912.00	3,584,591.57	19%	15,311,320.43	81%	-	0%
WSIG	10,434,783.00	-	0%	800,000.00	8%	9,634,783.00	92%
BORROWING	12,050,000.00	139,632.49	1%	7,013,260.30	53%	8,723,234.86	85%
AFR	10,317,526.00	14,200.00	0%	1,580,091.14	15%	6,197,285.21	46%
<b>SUMMARY</b>	<b>51,698,221.00</b>	3,738,424.06	7%	24,704,671.87	47%	24,555,303.07	46%

### **Challenges**

- Financial reporting one month behind against actual expenditure. (Note that not all financial transactions were finalized at the time report was generated).
- Kurland Water Treatment Works (WSIG)
  - Tender for the Mechanical and Electrical portion of the works was advertised, and tenders closed on 26 January 2024. Due to various challenges experienced during the tender evaluation process, the tender evaluation process was not completed, and the tender validity period lapsed.

The tender was re-advertised and will close on 13 September 2024. This has resulted in a significant delay (approx. 8 months) and will negatively impact the WSIG expenditure for the reporting period up to December 2024.

The tender is currently being evaluated.

- Pumpstation Equipment

Tender for the Mechanical Engineering Works for Various Pump Station and Infrastructure was advertised and tenders closed on 3 May 2024. Due to various challenges experienced during the tender evaluation process, the tender evaluation process was not completed and the tender was cancelled.

The tender will be re-advertised in September 2024 and tenders will close in October 2024. This has resulted in a significant delay (approx. 6 months) and will negatively impact the CAPEX & OPEX expenditure for the reporting period up to December 2024.

### **RELEVANT LEGISLATION**

- Municipal Finance Management Act
- Preferential Procurement Policy Framework Act
- Supply Chain Management Regulations
- Construction Industry Development Board Act and Regulations
- National Environmental Management Act and Regulations
- Occupational Health & Safety Act 1993 and Construction Regulations

**RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That Council takes cognizance of the Capital Projects Implementation Plan (CPIP) for the period ending September 2024.

**RECOMMENDED BY THE ENGINEERING AND COMMUNITY SERVICES PORTFOLIO COMMITTEE**

1. That Council takes cognizance of the Capital Projects Implementation Plan (CPIP) for the period ending September 2024, **and that the required spending percentage (%) will be achieved in December 2024.**
2. **That the under-expenditure of MIG funding at this stage be noted with concern.**
3. **That it be noted that the risks of not spending grant funding and any other risks (associated with delays) also be reported in future.**

## Section 5: Engineering Services

ITEM C/5/171/10/24

### PROGRESS REPORT: PROPOSED UPGRADING AND EXTENSION OF THE GANSEVALLEI WASTEWATER TREATMENT WORKS

**Portfolio Comm:** Engineering & Community Services

**Demarcation:** All Wards.

**File Ref:** 3/1/3/5/1

**Delegation:** Council

**Attachments** None

**Report from:** Director: Engineering Services

**Author:** Senior Manager: Water Services

**Date:** 07 October 2024

#### **PURPOSE OF THE REPORT**

The purpose of this report is to an update regarding progress towards the proposed upgrading and extension of the Gansevallei wastewater treatment works.

#### **BACKGROUND**

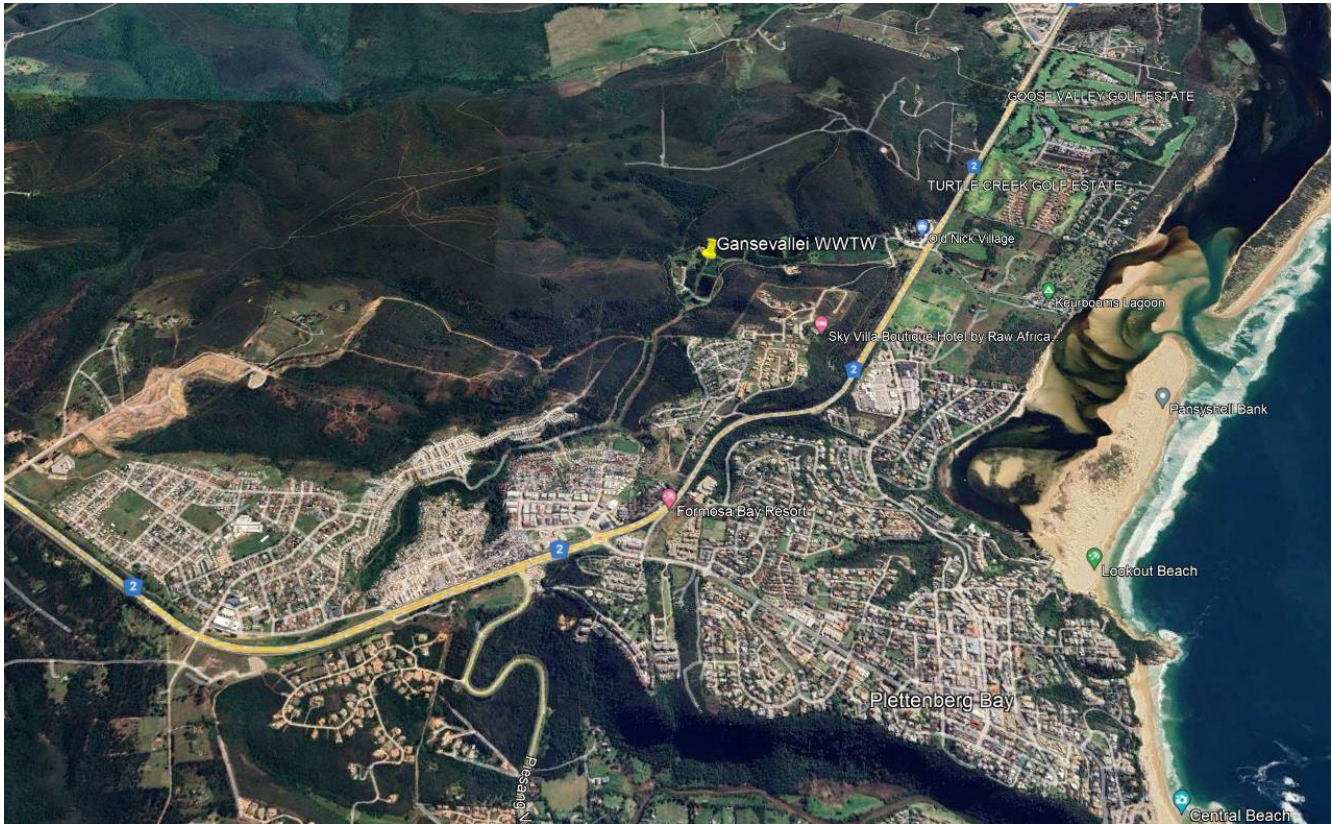
The Gansevallei WWTW serves the majority of the Plettenberg Bay area, including New Horizons, Kwanokuthula, Wittedrift, Green Valley, Bossiesgif, Qolweni, Keurbooms Strand, Longships, Robberg, Kranshoek and Plettenberg Bay Central town.

The present Gansevallei WWTW is designed for an average dry weather flow rate (ADWF) of 6250 m<sup>3</sup>/day with provision to treat a peak holiday ADWF of 9000 m<sup>3</sup>/day for a short period only. The plant employs an extended aeration process to treat wastewater to meet the Department of Water and Sanitation regulatory effluent discharger requirements. It discharges its effluent into the Gansevallei stream, a tributary of the Keurbooms which is an environmentally sensitive area.

Gansevallei Wastewater Treatment Works (WWTW) treats the domestic and light industrial wastewater from the Plettenberg Bay area **Figure 1** depicts the location of the Gansevallei WWTW.

## Section 5: Engineering Services

**Figure 1**



### Description of Gansevallei Water Treatment Works

Gansevallei WWTW has a design capacity of 6 Ml/d in dry weather conditions and can operate up to 9 Ml/d during peak season.

The works consists of the following components as depicted in **Figure 2-1** and **Figure 2-2** below

A – Inlet Works  
B – Biological Nutrient removal  
C – Clarifiers  
D – Disinfection  
E1 – Waste Sludge Pond  
E2 – Emergency Storage Pond  
F – Maturation ponds  
G - Screening

H - Degritting  
I – Flow Measurement  
J – Admin Building  
K – Anaerobic/Anoxic Zone  
L – Aeration Zone  
M – Clarification and RAS/WAS pumps



## Section 5: Engineering Services

Figure 2-1



Figure 2-2





## Section 5: Engineering Services

The works have been designed to operate with an MLSS of 3500 mg/L in the Aeration Basin under ultimate peak flow conditions. The sludge age at that stage would be 10 days. The WWTW normally operates with a sludge age of 15 to 20 days under average dry weather flow conditions but is reduced to 10 days under peak conditions. The sludge lagoons are unlined, which may cause possible pollution of groundwater.

Over the years waste sludge has been allowed to overflow from the sludge disposal lagoons into the maturation ponds and the first pond is now virtually full of sludge. **(Picture 1 and 2)** This results in the effluent quality discharged from the plant clarifiers deteriorating in the ponds, rather than improving.

**Picture 1**



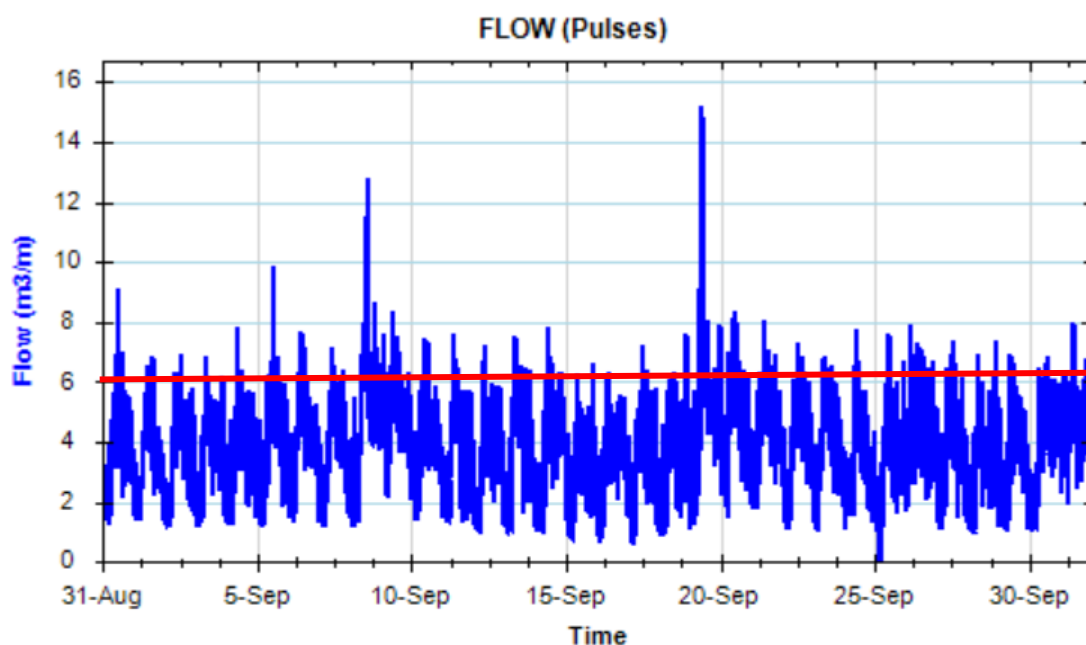
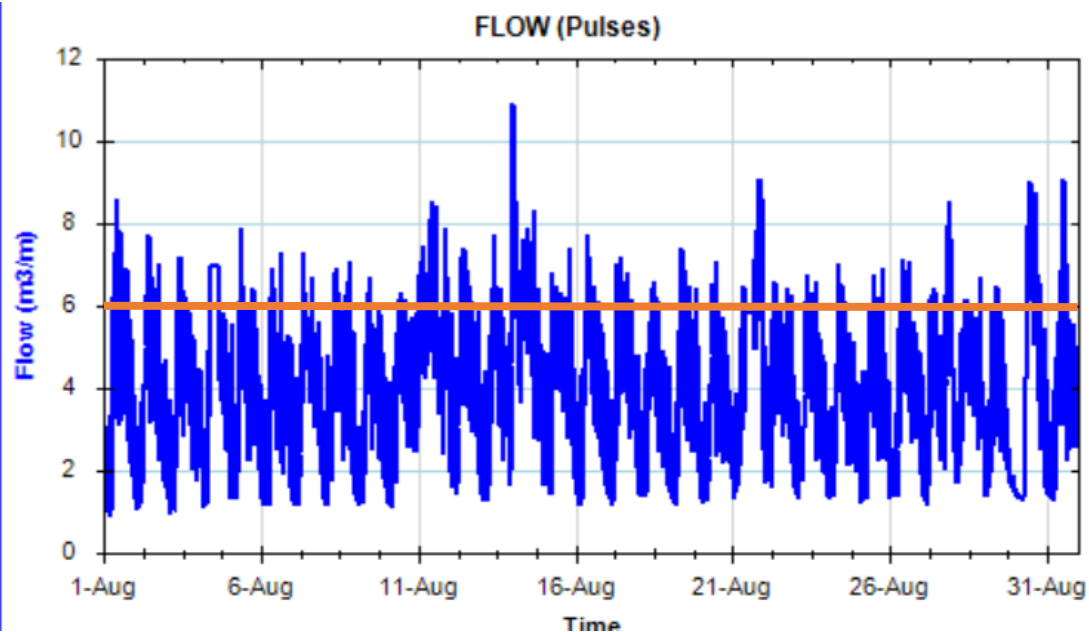
**Picture 2**



It is unacceptable for a maturation pond to be full of sludge leading to the polluting of the clarifier effluent and in turn leading to excessive chlorine requirements and eutrophication of the receiving stream and possibly the lagoon. The solution to this would be to empty the sludge from the pond and deposit it on the sludge field for it to dry out as was originally envisaged. This emphasises the fact that the sludge fields are an integral and necessary part of the treatment plant and so should not be given over to other usage.

## Section 5: Engineering Services

Daily flow readings at the inlet works are recorded electronically. As can be seen from attached graphs below, the plant is almost reaching its hydraulic design capacity. This compromises the plants' ability to handle both the incoming hydraulic as well as organic load.



Going forward it will become a greater challenge to treat the final effluent to meet and comply with the applicable General Limits as prescribed in the valid Water Use Licence (WUL) (License no 19/K60F/FG/4565) dated 8 July 2016.



## **Section 5: Engineering Services**

Numerous proposed private developments are envisaged and/or are in the process of being developed within the greater Plettenberg Bay area. All effluent generated is discharged at the Gansevallei WWTW which will place a greater load (both hydraulically and organic) on the existing treatment works, resulting in final outflow effluent of a poor standard which will not complying with permit conditions.

The available existing limited treatment capacity must be reserved for the current subsidised housing developments. This effectively means in theory that the wastewater treatment works require to be upgraded to accommodate any new developments within the greater Plettenberg Bay area.

### **DISCUSSION**

The Engineering Directorate appointed and tasked a Service Provider to prepare a Technical Report, and subsequent Preliminary Design Report during the 2023/24 financial year. We received the Preliminary Design Report (PDR) on 28 June 2024.

It must be noted that these two reports were commissioned within the constraints and limitations of the available funding during the 2023/24 FY.

Due to the magnitude of the project is we intend to implement construction in a phased approach over a multi-year period. The implementation is based on an estimated 36-month construction period assuming full project funding is available.

The proposed phases are:

- Phase 1 – Sludge Management (15Ml/d)
- Phase 2 – Inlet Works and Balancing tank (15Ml/d)
  
- Phase 3 – BNR, Clarifier & Disinfection (9Ml/d)

### **ESTIMATED PROJECT BUDGETS**

There are however critical preliminary activities (“Additional Services”) that is required to complete to enable.

1. final treatment process
2. finalized the design of the infrastructure components both Civil and Mechanical and Electrical
3. and to obtain statutory approval.

At this early stage of the project, high-level estimates are used as the basis to calculate both the Indirect Cost (Planning and Design), as well as Direct Costs (implementation and construction cost) for the Preliminary Design Report which is summarised below.

The estimate costs will be “refined” and adjusted once the Detailed Design is completed.

These preliminary activities (“Additional Services”) are, but not limited to, with estimated cost are.

- a) Topographical Survey of the site: R 350 000-00
- b) Environmental Assessment Scoping Report: R 250 000-00

## Section 5: Engineering Services

- c) Water Use License application: R 258 750-00
- d) Geotechnical Investigation: R 500 000-00

Indirect costs Estimate Excluding VAT

Professional Fees	R 10 252 032.40
Additional Services	R1 358 750.00
Construction Monitoring	R1 974 000.00
<b>TOTAL Excl VAT</b>	<b>R 13 584 782.40</b>

Construction Cost Estimate Excluding VAT

Description	Phase 1	Phase 2	Phase 3	Total Excl VAT
	Sludge Management (15Ml/d)	Inlet Works and Balancing tank (15Ml/d)	BNR, Clarifier & Disinfection (9Ml/d)	
Civil Works	R30 534 818.00	R29 916 488.00	R58 310 159.00	R118 761 465.00
Mechanical Works	R34 064 259.00	R10 219 277.00	R17 032 129.00	R61 315 665.00
Electrical Works	R28 151 731.00	R22 390 277.00	R15 429 639.00	R65 971 646.00
<b>TOTAL Excl VAT</b>	<b>R92 750 808.00</b>	<b>R62 526 042.00</b>	<b>R90 771 927.00</b>	<b>R246 048 776.00</b>

### **PROGRESS TO DATE**

Currently the project is only at *Preliminary Design Report* stage.

To take the project up to *Final Design* stage the estimate cost and funding required is:

Professional Fees up to Stage 6 (Design and documentation)	R 3 229 410,21
Additional Services	R1 358 750.00
<b>TOTAL Excl VAT</b>	<b>R 4 588 160,21</b>

Only once we received all statutory approvals eg. Environmental Authorization (EIA) and Water Use License (WULA) can we proceed to Final Design Stage, followed by procurement for the Construction Phase. The statutory approval process can lengthy and might contain recommendations to be included in the final design going forward.

Time frame for implementation up to *Final Design Stage* only is estimated to be 12 to 18 months.

## Section 5: Engineering Services

Indicative Time frame for implementation and costing.

Activities	Months	24/25	25/26	26/27	27/28	28/29	29/30	Est Cost Ex VAT
Final Design and Authorizations	18							R 4 588 160,21
Procurement	6							R 1 537 804,86
Construction /Monitoring	36							R 252 482 390,00
Commission and close-out	6							R 1 025 203,24
								<b>R 259 633 558,00</b>

### **FINANCIAL IMPLICATION**

R 1 500 000-00 AFR funding on the 2024/25 FY Capital Budget will be utilized to continue to fund activities required to reach the final design stage.

### **RELEVANT LEGISLATION**

Bitou Municipal Water Services By-laws  
National Water Act  
Municipal Finance Management Act.  
Supply Chain Regulations.  
National Environmental Management Act.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

That the progress report Proposed upgrading and extension of the Gansevallei Wastewater treatment works be noted.

### **RECOMMENDED BY THE ENGINEERING & COMMUNITY SERVICES PORTFOLIO COMMITTEE**

1. That the progress report Proposed upgrading and extension of the Gansevallei Wastewater treatment works be noted.
2. That the sludge in the Gansevallei dam be cleared before the festive season.

# **SECTION 6**

## **ECONOMIC DEVELOPMENT AND PLANNING**

## Section 6: Planning & Development

ITEM C/6/159/10/24

### ALIENATION OF A PORTION OF ERF 5342, KWANOKUTHULA TO ALLOW THE CONSTRUCTION OF TEMPORARY CLASSROOMS FOR MURRAY HIGH

**Portfolio Comm:** Strategic Services & Office of the MM      **Demarcation:** Ward 6  
**File Ref:** 18/5342/PB      **Delegation:** Council

**Attachments:**      Annexure “A” – Application letter  
Annexure “B” – Site Development Plan  
Annexure “C” – Aerial Photo

**Report from:**      Acting Director: Planning & Development

**Author:**      Manager: Planning & Building Control

**Date:**      8 October 2024

#### **PURPOSE OF THE REPORT**

To inform the Council of the following requests by the Department of Education:

- (i) To increase the land (a portion of Erf 5342) required for the expansion of Murray High from 1 ha to approximately 3 ha;
- (ii) To purchase (rather than to lease) the land.

To recommend to Council that the request from the Department be approved.

#### **EXECUTIVE SUMMARY**

The Council has previously approved the lease of a portion of Erf 5342 (approximately 1 ha) to the Department of Education for a period of 9 years and 11 months to allow the expansion of Murray High School. The Department has now requested that the land area be increased to approximately 3 ha, and also requested that the land be sold to them (rather than leased). The application is supported.

#### **BACKGROUND / DISCUSSION**

During the Council meeting of May 2022, a request by the Department of Education to lease a portion ( $\pm$  1 ha) of Erf 5342 to construct temporary classrooms for Murray High School was considered. Council at the time resolved as follows:

1. *That the Council notes the following:*

- (a) *That the Department of Education has requested the Municipality to make land available for the construction of temporary classrooms for Murray High School.*
- (b) *That a portion of the vacant Erf 5342 (Kwanokuthula) has been identified as the most appropriate option to accommodate the temporary classrooms.*

## **Section 6: Planning & Development**

2. *That it be resolved for the purposes of Section 14 (1) and 14 (2) (a) of the MFMA, read with Section 5 (b) (i) of the Asset Transfer Regulations, that the whole of Erf 5342 (Kwanokuthula) is not required to provide a minimum level of basic municipal services.*
3. *That it be resolved for the purposes of Section 7 (a) of the Asset Transfer Regulations that the whole of Erf 5342 (Kwanokuthula) will not be required by the Municipality during the lease period.*
4. *That after due consideration of all the prescribed requirements in principle approval be granted in terms of Section 5 (b) (ii), read with Section 5 (6), of the Asset Transfer Regulations for the lease of a portion of Erf 5342 (Kwanokuthula) to the Department of Education, subject to the following conditions:*
  - (a) *That it be recorded that the purpose of the lease is to allow the construction of temporary classrooms and related facilities for Murray High School, and that should such classrooms not be constructed within a period of 12 months this approval will lapse;*
  - (b) *That the lease period be for 9 years and 11 months;*
  - (c) *That the land be leased at a nominal rental to be determined by the Municipal Manager;*
  - (d) *That the exact extent of the lease area be determined on site by the Municipal Manager in consultation with the Department of Education;*
  - (e) *That a Service Level Agreement be entered into between the Department of Education and the Municipality prior to implementation of the project, and that this agreement addresses (but not be limited to) aspects such as the provision / protection of services, security, etc.*
5. *That authority be delegated to the Municipal Manager to, subject to the requirements of paragraph 4 above, enter into a lease agreement with the Department of Education in respect of the identified portion of Erf 5342 (Kwanokuthula).*

The project has been implemented, and what was eventually constructed is of a permanent rather than a temporary nature.

In a letter dated 23 August 2024, attached as Annexure 'A' the Department of Education has not only requested that the area be increased from the original  $\pm 1$  ha to approximately 3 ha, but also that the land be purchased (rather than leased) by the Department. The proposed Site Development Plan is attached as Annexure 'B'.

Although the proposal is supported, cognizance should be taken of the fact that approval of the application will severely impact on any possible future expansion of the municipal sport field. The blue line on the plan attached as Annexure 'C' shows the approximate position of the new boundary between the expanded Murray High School and the sport field.

## **Section 6: Planning & Development**

It should be noted that even though the transfer of a capital asset to an organ of state is exempted from the provisions of Sections 14 and 90 of the MFMA, the Asset Transfer Regulations still require the Council to determine by resolution that the land is not required for the provision of a basic level of municipal services.

### **FINANCIAL IMPLICATION**

The land will be purchased by the Department at a market related price.

### **RELEVANT LEGISLATION**

MFMA

Asset Transfer Regulations

#### **Comments: Acting Director Financial Services**

The letter from the department indicates that in terms of the Western Cape Land Administration Act, Act 6 of 1998, land purchased for provincial purposes must be purchased at a price equal to or lower than the current market value.

Section 14(2) of the Municipal Finance Management Act, Act 56 of 2003 require a municipal council to consider the fair market value of a property upon alienation thereof, where a property is transferred to an organ of state, this is not necessarily a requirement, however, considering the context of the scarcity of land for residential and other developmental and economic opportunities, it is necessary to consider the value as council may in future be required to purchase land at a very high cost to replace the land it is now requested to forfeit. It is therefore important that council consider the asset preservation principle as referred to in Regulation 3(d) of the Municipal Asset Transfer Regulations, 2008.

The current zoning of the property is government purposes.

The exemption referred to in Section 14(6) refers to categories of assets approved by the National Treasury, as well as a prescribed framework of which no further reference can be found.

To ensure that the current as well as future financial interest of the municipality is protected it would be advisable that a market valuation be determined that would guide the selling price of the property and to ensure that money is available for possible future acquisition of land as may be required for residential, commercial, institutional or other purpose as the municipality may decide.

Augmentation and bulk service contributions needs to be calculated by the Engineering Department and would be payable by the Department in accordance with normal municipal policy requirements.

#### **Comments: Acting Director Community Services**

The proposal by the Department to purchase the land on a market related price is supported.

## **Section 6: Planning & Development**

### **Comments: Director Engineering Services**

There is a borehole located in the south-west corner of Erf 5342.

Request supported subject to the borehole and ancillary works being excluded from the asset disposal.

### **Comments Manager: Legal Services**

The recommendation by the Acting Municipal Manager is supported.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That the Council notes the content of the letter dated 23 August 2024 received from the Department of Education.
2. That it be resolved for the purposes of Regulation 20(1)(f)(i) of the Asset Transfer Regulations that the whole of Erf 5342 (Kwanokuthula) is not required to provide a minimum level of basic municipal services and that the portion to be purchased by the Department is surplus to the needs of the Municipality.
3. That approval be granted for the selling of a portion of Erf 5342 (Kwanokuthula) to the Department of Education, subject to the following conditions:
  - (a) That the land unit to be sold be between 2,5 – 3 ha, as shown on the plan submitted by the Department;
  - (b) That the selling price be market related;
  - (c) That all costs pertaining to the subdivision and registration of the land be for the account of the Department;
  - (d) That a Service Level Agreement be entered into between the Department of Education and the Municipality prior to transfer of the property to address aspects such as the provision and/or expansion of municipal services, the payment of augmentation and connection fees, and related matters.
5. That authority be delegated to the Municipal Manager to determine the reasonable market related value of the land to be sold.



## Section 6: Planning & Development

### **RECOMMENDED BY THE STRATEGIC SERVICES AND OFFICE OF THE MUNICIPAL MANAGER**

1. That the Council notes the content of the letter dated 23 August 2024 received from the Department of Education.
2. That it be resolved for the purposes of Regulation 20(1)(f)(i) of the Asset Transfer Regulations that the whole of Erf 5342 (Kwanokuthula) is not required to provide a minimum level of basic municipal services and that the portion to be purchased by the Department is surplus to the needs of the Municipality.
3. That approval be granted for the **donation** of a portion of Erf 5342 (Kwanokuthula) to the Department of Education, subject to the following conditions:
  - (a) That the land unit to be **donated** be between 2 ,5 – 3 ha, as shown on the plan submitted by the Department;*
  - (b) That all costs pertaining to the subdivision and registration of the land be for the account of the Department;*
  - (c) That a Service Level Agreement be entered into between the Department of Education and the Municipality prior to transfer of the property to address aspects such as the provision and/or expansion of municipal services, the payment of augmentation and connection fees, and **the combined use of the sports field in future.***



Western Cape  
Government

Department Infrastructure

Esmé Davis

Immovable Asset Management: Property Acquisitions  
Esme.Davis@westerncape.gov.za | Tel: 021 483 4453

The Bitou Municipality  
Private Bag x1002  
PLETTENBERG BAY  
6600

**Attention: Ludolph Gericke**

**PROPOSED ACQUISITION OF A PORTION OF ERF 5342 PLETTENBERG BAY (NEW MURRAY HS)**

Due to the need to meet the demand for educational space in the area, an application is hereby made for the acquisition of a Portion of Erf 5342 Plettenberg Bay (the Property), to the Western Cape Government (WCG).

We need to provide immediate relief to the Murray High School, by starting a second high school in the area. Should the site be feasible for the brick-and-mortar school, we will require between 2.5 and 3ha.

All municipal services will be required, including water, sewerage, electricity, vehicular access and refuse removal. There are bulk services available in the area, and the services connection fees etc. will be for the account of the WCG. Attached hereto the proposed layout for the Property for ease of reference.

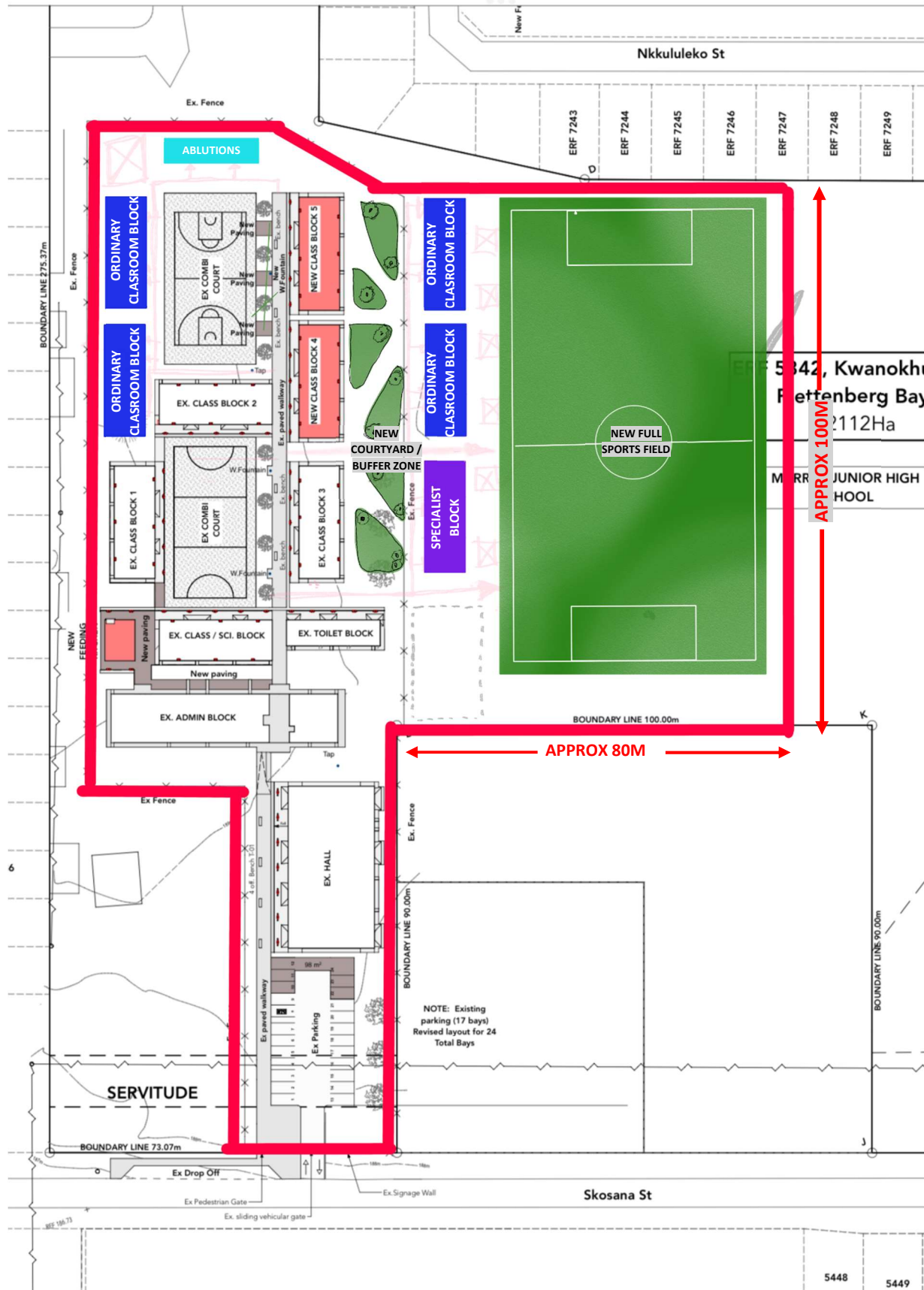
Kindly investigate and advise as to the terms and conditions applicable to the proposed acquisition of the Property into the name of the WCG.

Your assistance in expediting this is greatly appreciated.

It should be noted that the Western Cape Land Administration Act, Act 6 of 1998, stipulates that property acquired for provincial purposes must be purchased for a sum equivalent to or less than the property's current market value.

  
DIRECTOR: ACQUISITIONS

DATE: 23/08/2024





**Annexure A**

232 12



## Section 6: Planning & Development

ITEM C/6/160/10/24

### **‘COMING TOGETHER URBAN INTEGRATION PROJECT’: ERVEN 2096 AND 2856**

<b><u>Portfolio Comm:</u></b>	<b>Strategic Services</b>	<b><u>Demarcation:</u> Ward 2</b>
<b><u>File Ref:</u></b>	<b>18/2096/PB</b>	<b><u>Delegation:</u> Council</b>
<b><u>Attachments:</u></b>	<b>Annexure “A” – Locality Plan Annexure “B” – Marine Way Housing Precinct Plan</b>	
<b><u>Report from:</u></b>	<b>Acting Director: Planning &amp; Development</b>	
<b><u>Author:</u></b>	<b>Manager: Planning &amp; Building Control</b>	
<b><u>Date:</u></b>	<b>8 October 2024</b>	

### **PURPOSE OF THE REPORT**

To inform the Council of the background to and current status of the proposed selling of the municipal houses on Erf 2096, and to recommend to Council that this alienation process be not proceeded with but that both Erf 2096 and Erf 2856 be rather reserved to become part of the ‘Coming Together’ project.

### **EXECUTIVE SUMMARY**

Erf 2096 accommodates the offices/workshops of the Technical Services Department as well as a number of municipal houses. The Council previously expressed a desire that these municipal houses should be subdivided and ‘sold off’.

As these properties were previously deemed to be part of the ‘Coming Together Urban Integration Project’, and as it is considered prudent for the financial viability of the new offices in Ladywood, it is recommended that the subdivision and alienation process be not proceeded with. It is also recommended that the vacant Public Open Space Erf 2856 should equally be incorporated as part of the ‘Coming Together Project’.

### **BACKGROUND /DISCUSSION**

Erf 2096 is an unsubdivided property in ownership of the Municipality. It consists of the offices and workshops of the Technical Services Department as well as a number of municipal houses (shown as 1 – 12 on the Locality Plan attached as Annexure ‘A’). The property is situated within the declared Restructuring Zone and is also a Priority Human Settlements and Housing Development Area (‘PHSHDA’) as identified by the National Department of Housing.

The portion of Erf 2096 shown as number 13 on the Locality Plan was in the past used as a ‘Padkamp’ by the Provincial Roads Department. This use has been discontinued and it seems that the current buildings (or those that are still habitable) are being used by (assumably) employees of the Provincial Roads Department.

## **Section 6: Planning & Development**

Erf 2856 behind the premises of the Technical Services Department is a vacant Public Open Space in ownership of the Municipality.

During a meeting held on 31 January 2023 the Council considered the proposed alienation of a number of properties, which included the municipal houses on Erf 2096. At that time the following comment was made in the report that served before the Council:

*“At present there is a total number of twelve (12) properties on erf 2096. These properties will only be capable of disposal once the subdivision process has been finalized.*

*It is further proposed, as a result of lack of office accommodation for officials and the resultant costs associated to rental, that properties currently utilized as office accommodation be retained, pending a resolution as to office accommodation for municipal staff”.*

Preliminary steps to achieve the subdivision of the properties concerned have been commenced with.

However, in accordance with the original ‘Coming Together’ proposals it was envisaged that Erf 2096 (including the ‘Padkamp’) as well as Erf 2856 would have been made available for higher density middle income housing, as conceptually shown on the attached Annexure ‘B’.

In order to ensure the viability of the future new municipal offices in Ladywood it is considered prudent that Erven 2096 and 2856 should remain an integral part of the ‘Coming Together’ project, and in particular that the municipal houses be not separately subdivided and ‘sold off’.

### **FINANCIAL IMPLICATION**

None at this stage. The financial implications will only become relevant once the ‘Coming Together’ project is fully implemented.

### **RELEVANT LEGISLATION**

MFMA  
Asset Transfer Regulations (2008)

### **Comments: Acting Director Financial Services**

The recommendation is noted.

### **Comments: Director Corporate Services**

The recommendation is noted.

### **Comments: Acting Director Community Services**

The recommendation is noted.

## **Section 6: Planning & Development**

### **Comments: Director Engineering Services**

I support the idea of retaining the assets until it can be conclusively established they are not required or will form part of the coming together project.

### **Comments Manager: Legal Services**

The recommendation is noted.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That pursuant to the Council resolution dated 31 August 2022 (Item C/4/22/08/22) and the subsequent public participation that took place as reported to Council on 31 January 2023 (Item C/4/56/01/23) it be resolved that the staff and related houses situated on the undivided Erf 2096, Plettenberg Bay may be disposed of at prices not less than market value once there properties have been subdivided.
2. That the Municipal Manager be mandated to proceed with the subdivision of Erf 2096, Plettenberg Bay to create separate erven for each staff house situated on the property.
3. That it be accepted in principle that the portions of Erf 2096 that accommodates the Engineering Department and the area that was previously used by the Provincial Roads Department as well as Public Open Space Erf 2856 be retained as strategic assets that form part of the 'Coming Together' project.
4. That reasonable notice be given to the Provincial Roads Department and/or the occupiers of the dwelling houses to vacate the premises previously used by the Provincial Roads Department

### **RECOMMENDED BY THE STRATEGIC SERVICES AND OFFICE OF THE MUNICIPAL MANAGER**

1. That pursuant to the Council resolution dated 31 August 2022 (Item C/4/22/08/22) and the subsequent public participation that took place as reported to Council on 31 January 2023 (Item C/4/56/01/23) it be resolved that the staff and related houses situated on the undivided Erf 2096, Plettenberg Bay may be disposed of at prices not less than market value once there properties have been subdivided.
2. That the Municipal Manager be mandated to proceed with the subdivision of Erf 2096, Plettenberg Bay to create separate erven for each staff house situated on the property.
3. That it be accepted in principle that the portions of Erf 2096 that accommodates the Engineering Department and the area that was previously used by the Provincial Roads Department as well as Public Open Space Erf 2856 be retained as strategic assets that form part of the 'Coming Together' project.
4. That reasonable notice be given to the Provincial Roads Department and/or the occupiers of the dwelling houses to vacate the premises previously used by the Provincial Roads Department.

## Section 6: Planning & Development

5. That legal services give a brief opinion on the following proposals of the Portfolio committee prior to the Mayoral committee meeting;
  - a. *Giving preference to current occupants of properties that are being earmarked for alienation.*
  - b. *Whether the properties can be disposed of to the current occupants for less than the market related value.*
  - c. *Whether occupants who opt to purchase the property, will be afforded an opportunity to pay in instalments, within a predetermined timeframe.*





# Annexure A

Netcare 911 - Plettenberg Bay

13

Electrical and Mechanical Engineering Services

Marine Way Animal Hospital

Plettenberg Bay Cemetery Central

Traffic Department Plettenberg Bay

Seagulls Nest Self Catering House

2748

6

7

8

9

Fiery Cross St

Flying Cloud Dr

10

11

12

1

2

3

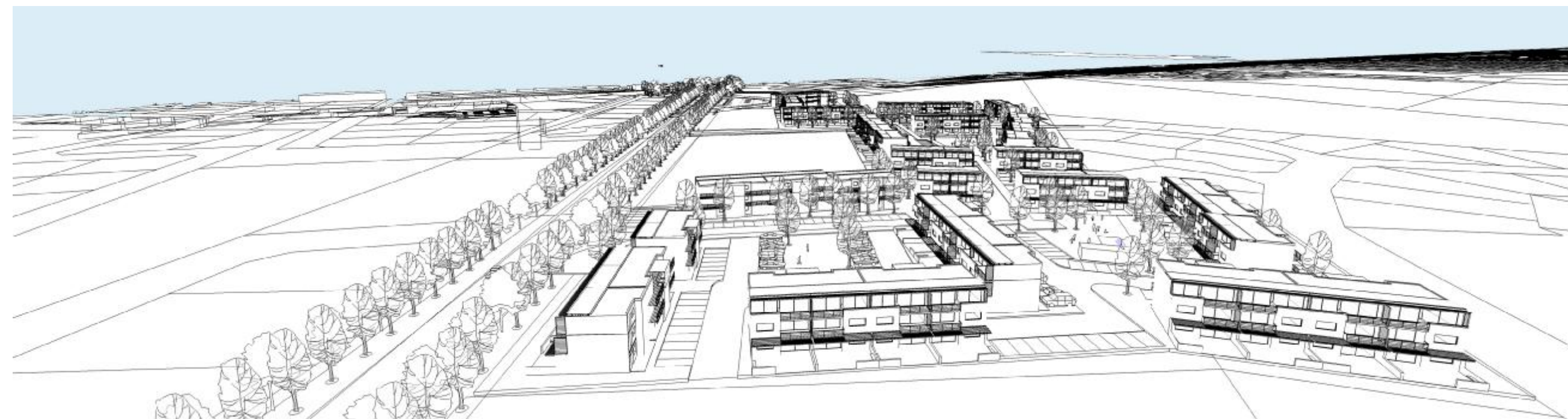
Athena Rd

Plett Pre Primary School

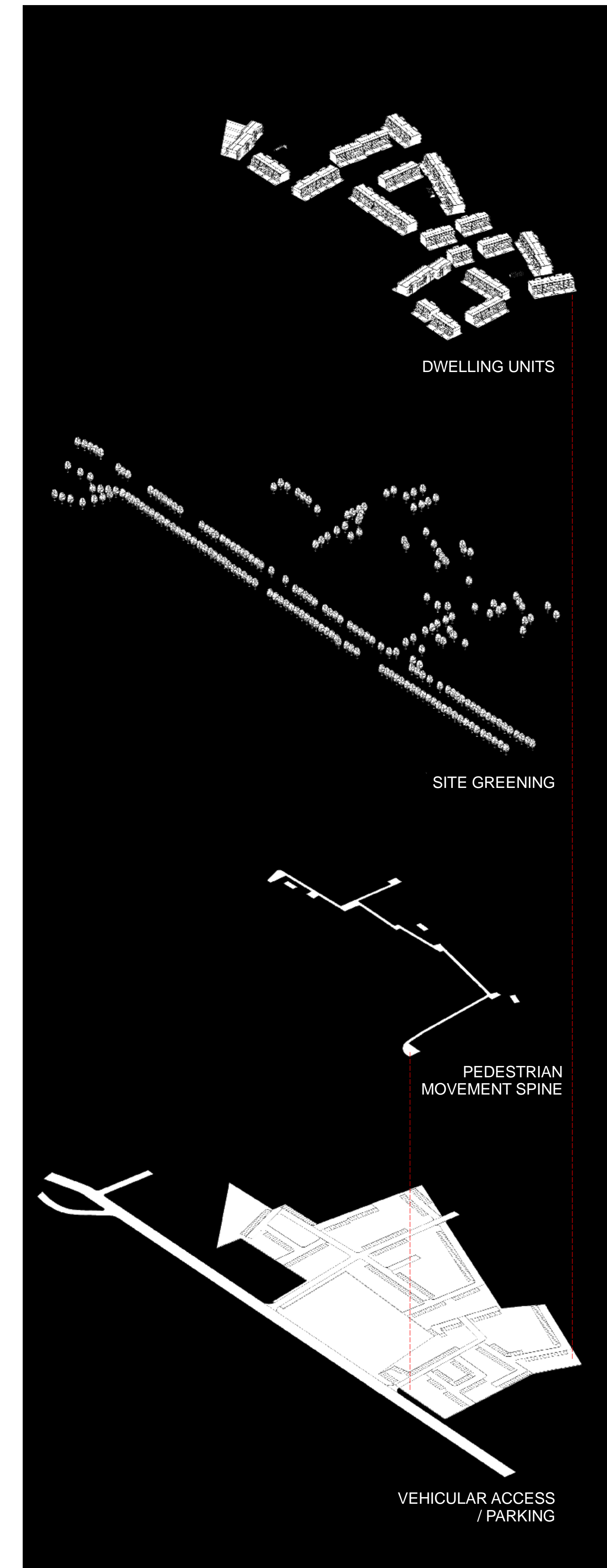
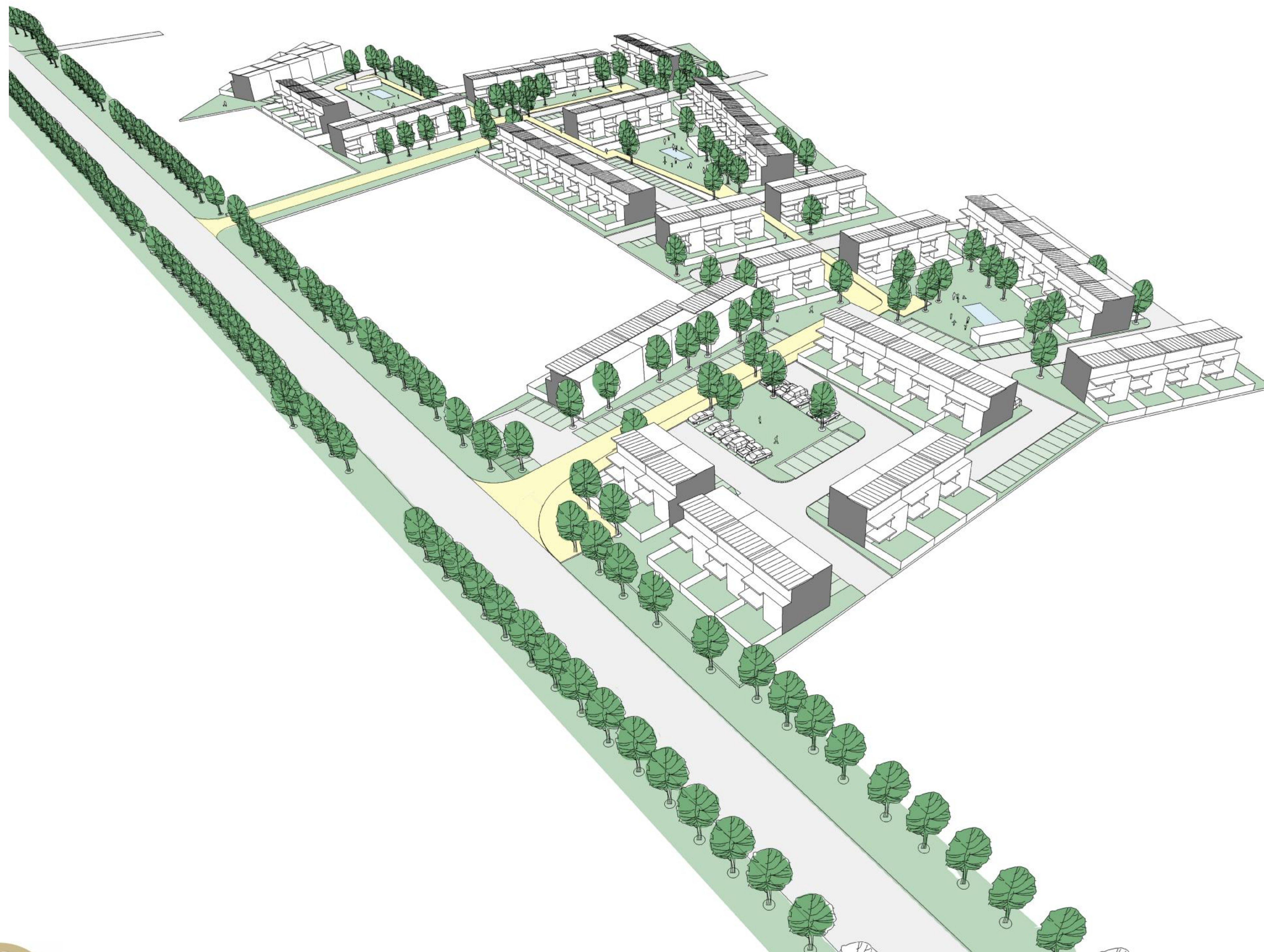
Sand Filter

Garden Route Air Conditioning





Annexure B



## CONTEXT & ANALYSIS 7



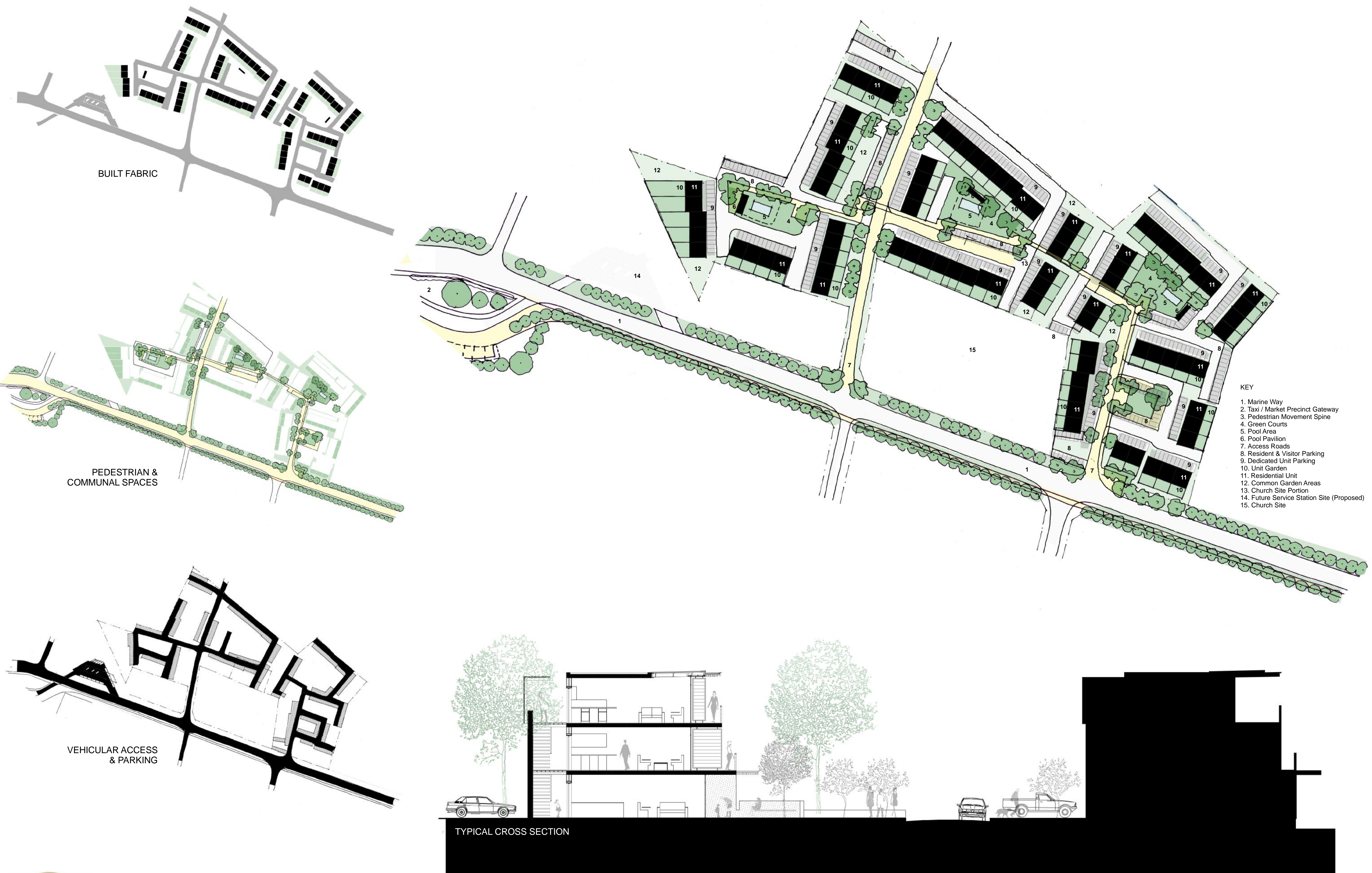
**COMING TOGETHER**

BITOU LOCAL MUNICIPALITY-URBAN INTEGRATION & SUSTAINABLE HUMAN SETTLEMENTS STRATEGY

MARINE WAY HOUSING PRECINCT 18

**CONCEPTWORKS**  
urbanism architecture design

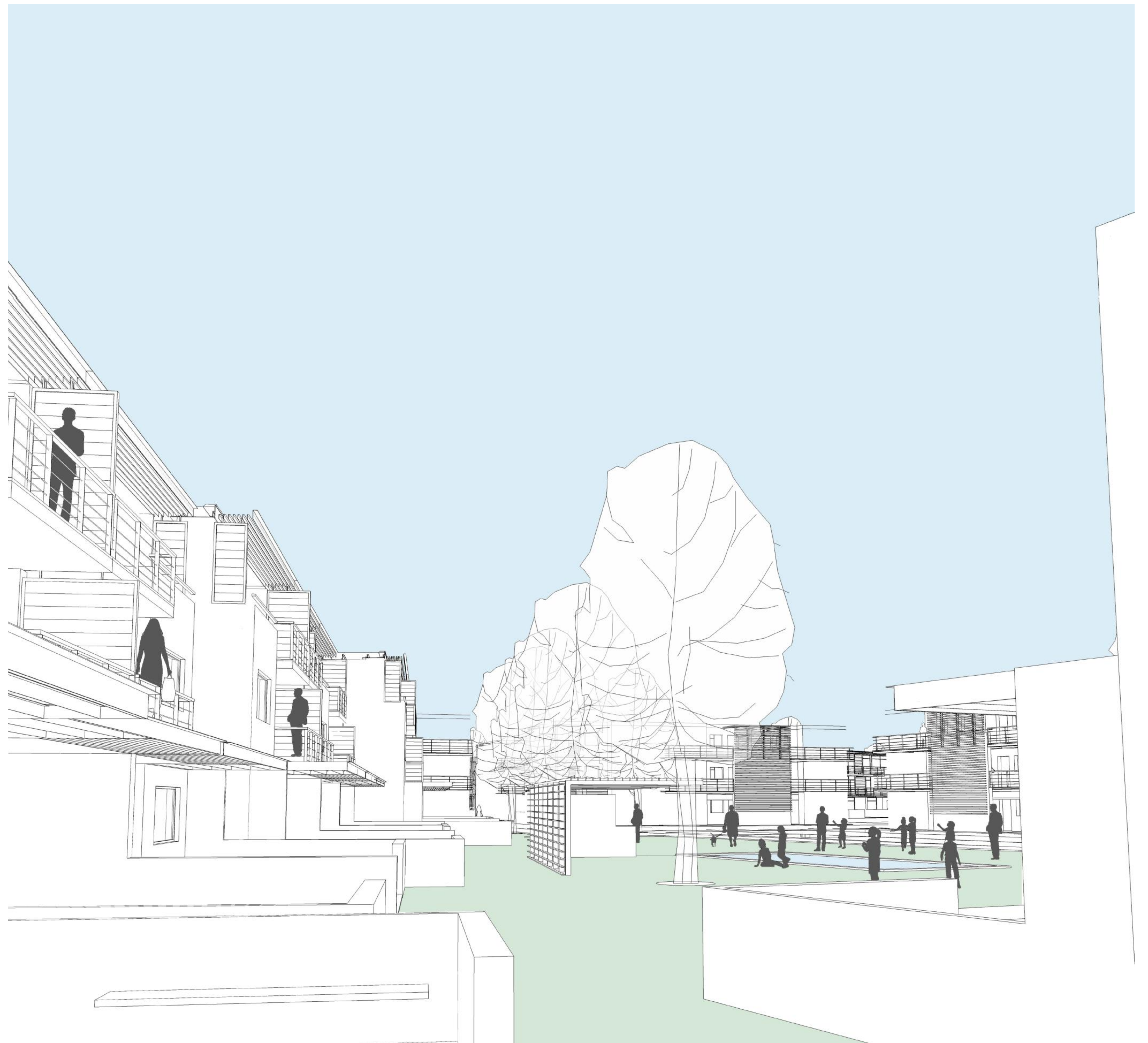
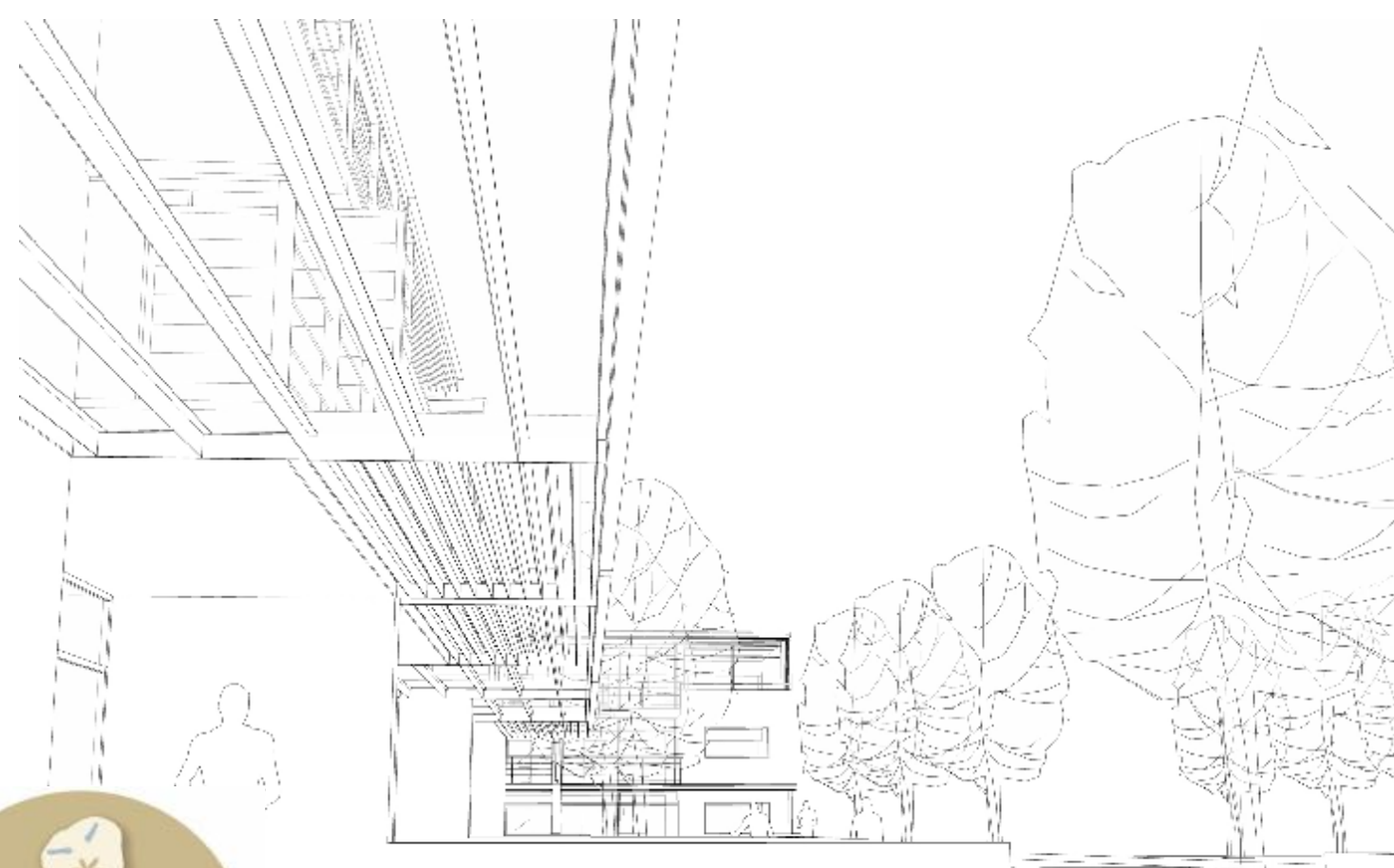
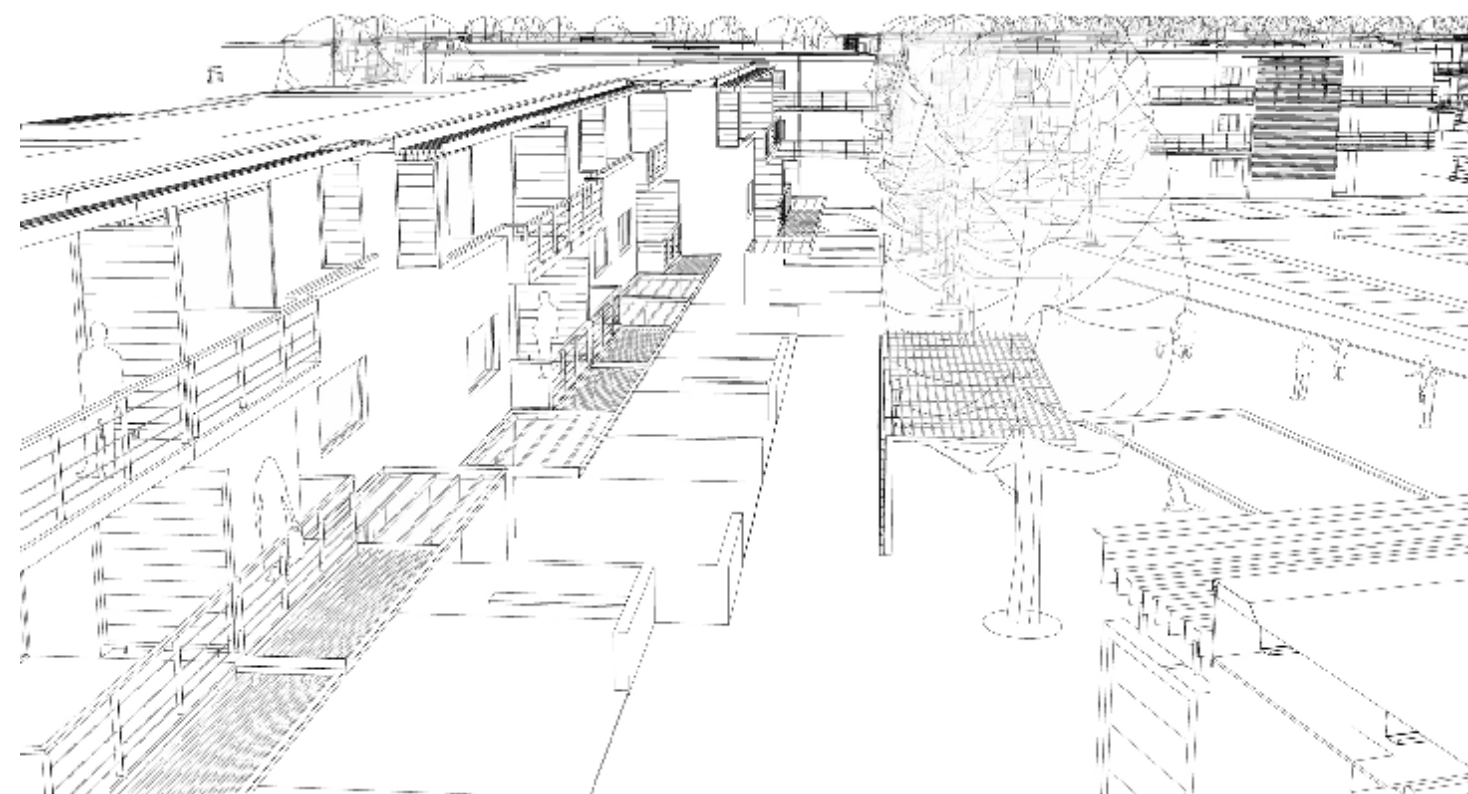




# PRECINCT PLANS 8







## COMING TOGETHER

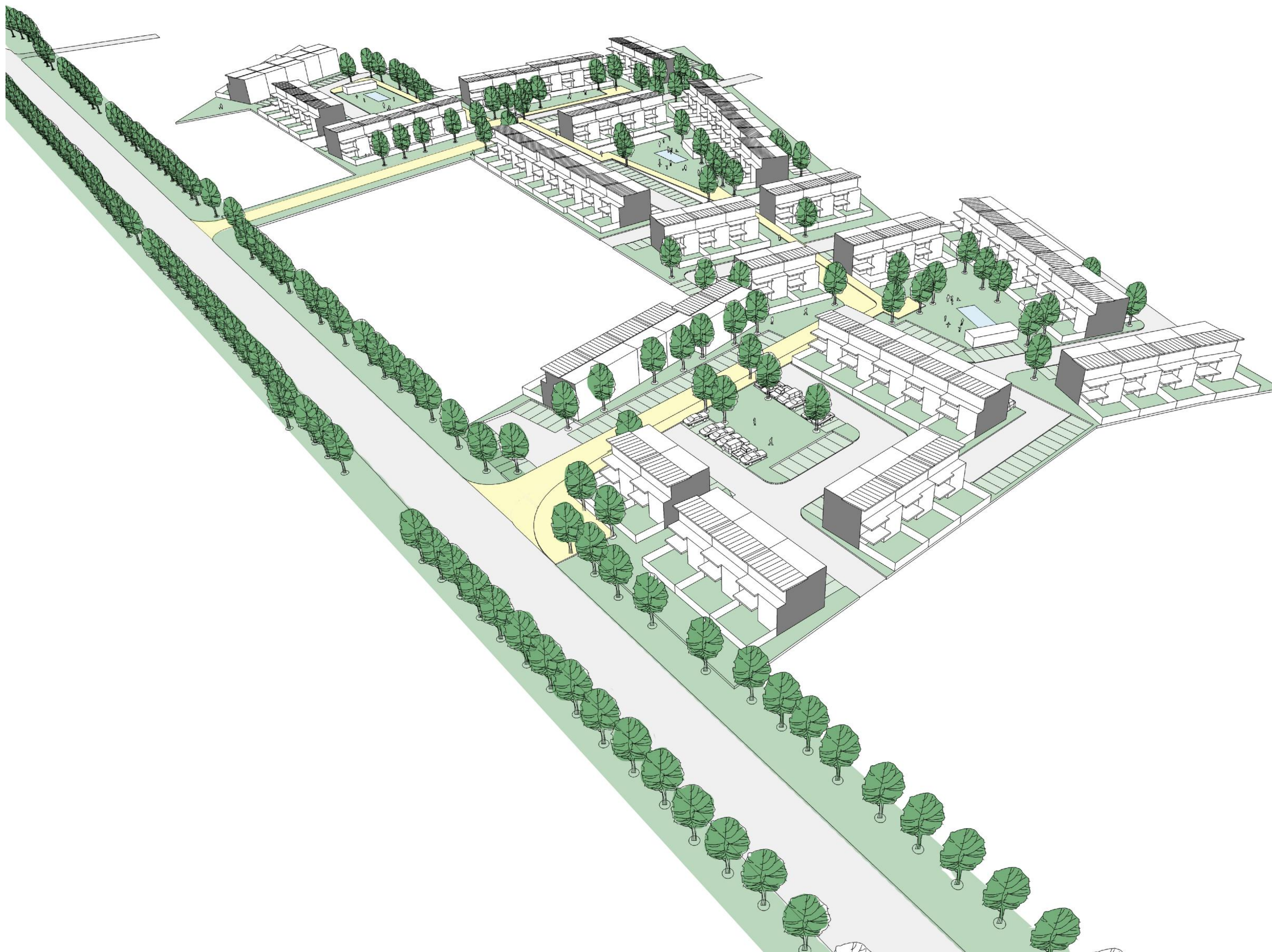
BITOU LOCAL MUNICIPALITY-URBAN INTEGRATION & SUSTAINABLE HUMAN SETTLEMENTS STRATEGY

MARINE WAY HOUSING PRECINCT 18

CONCEPTWORKS  
urbanism architecture design

PERSPECTIVE VIEWS 10





## 3-D VIEW OF PRECINCT 9



**COMING TOGETHER**

BITOU LOCAL MUNICIPALITY-URBAN INTEGRATION & SUSTAINABLE HUMAN SETTLEMENTS STRATEGY

MARINE WAY HOUSING PRECINCT 18

**CONCEPTWORKS**

urbanism architecture design



## Section 6: Planning and Development

ITEM C/6/161/10/24

### IDENTIFICATION OF MUNICIPAL-OWNED LAND FOR DEVELOPMENT PURPOSES

**Portfolio Comm:** Strategic Services and Office of the MM **Demarcation:** All Wards  
**File Ref:** 15/1 **Delegation:** Council

**Attachments:**

Annexure A –	Erven 1496 & 993 Kranshoek
Annexure B –	Portion 3 of Farm 437 (Ebenezer)
Annexure C -	Portion of Portion 41 of Farm 437 (New Horizons)
Annexure D -	Various erven (New Horizons)
Annexure E-	New Horizons plot allocation
Annexure F -	Erf 14 Kurland
Annexure G -	Valuation Report (Erf 14 Kurland)
Annexure H -	Portion A o Erf 1725

**Report from:** Acting Director: Planning & Development

**Author:** Manager: Planning & Building Control

**Date:** 9 October 2024

### **PURPOSE OF THE REPORT**

To inform the Council of the status of the various initiatives to dispose of municipal land, and to obtain formal approval for the disposal of Erf 14, Kurland.

### **EXECUTIVE SUMMARY**

Council previously resolved that a number of vacant properties should be disposed of through a SCM process. With the exception of the property identified as a possible ‘solar farm’ it is envisaged that the tenders will be advertised towards the end of October.

As Erf 14 Kurland was previously removed from the list of properties earmarked for alienation no formal Council resolution to dispose of this property was taken. This anomaly is corrected and it is recommended that the alienation of this site be proceeded with.

A recommendation is made that where tender awards were made more than 5 years ago but the beneficiaries have failed to act in accordance with those awards they be cancelled.

Lastly, it is recommended that those municipal houses / flats that were previously advertised for disposal through a SCM process, and where no responsive tenders were received, be re-advertised.

## **Section 6: Planning and Development**

### **BACKGROUND /DISCUSSION**

#### **Introduction:**

Council previously determined that the following properties are not required by the Municipality for its own purposes or for the provision of a basic level of municipal service:

- (a) Erf 1496, Kranshoek;
- (b) Erf 993, Kranshoek;
- (c) Remainder of Portion 3 of the Farm Hillview No. 437.
- (d) Portion of Portion 41 of the Farm Hillview No. 437;
- (e) Erven 8766, 8767, 8768, 8774, 8775, 8778, 8779, 8781, 8783, and 8785, Plettenberg Bay (New Horizons);
- (f) Portion of Erf 117, Kurland;

Public participation took place, and after consideration of the comments received the Council resolved that, with the exception of the Portion of Erf 117, Kurland, the properties may be alienated through a Supply Chain (tender) process.

#### **Erven 1496 & 993, Kranshoek**

These are two vacant business stands in Kranshoek as shown on Annexure 'A'. The specifications are being prepared, and it is expected that the tender would be advertised towards the end of October 2024.

#### **Remainder of Portion 3 of the Farm Hillview No. 437**

This is the vacant land at the entrance to Ebenezer which is earmarked for a shopping centre as shown on Annexure 'B'. The specifications have been completed and are awaiting approval by the Bid Specifications Committee. It is expected that the tender would be advertised before the end of October 2024.

#### **Portion of Portion 41 of the Farm Hillview No. 437**

This is the land immediately to the north of New Horizons as shown on Annexure 'C'. It was envisaged that it could possibly be used as a 'solar farm'. The specifications for this tender are slightly more complicated, but it is expected that it will be advertised before the end of the year.

#### **New Horizons (various erven)**

There are a number of vacant properties in the Swarthout Road area (as shown in red on Annexure 'D') that are registered in the name of the Municipality. However, subsequent to the Council resolution to sell these land parcels it came to the attention of the Department that these properties have been allocated to beneficiaries as far back as 2003 already (see the attached Annexure 'D').

It seems that it is a regular occurrence in all areas that stands have been allocated many years ago (assumingly through a tender or similar process) but where those beneficiaries have never paid the purchase price and have never taken ownership. This is not acceptable as those properties are then effectively 'sterilized' and are vacant until such time that those beneficiaries decide to act. To avoid such

## **Section 6: Planning and Development**

a scenario it is suggested that the ‘in-principle’ decision be taken that if a plot allocation was done through a tender or similar process and where the beneficiaries have not acted within a period of 5 years those allocations be cancelled.

### **Erf 14 Kurland**

An extract from the General Plan for Kurland showing this property is attached as Annexure ‘F’. Erf 14 is the vacant land earmarked for a small shopping center while the adjacent Erf 15 accommodates a church. The property was initially incorrectly referred to as Erf 117 based on incorrect numbering that appeared on the GIS system.

A public participation process was conducted and the only concerns that were raised was the perceived fact that the church is located on the land to be alienated. However, a final decision to proceed with the selling of this particular land portion was not taken as a valuation report was not available at the time. This valuation report was subsequently commissioned, but due to an oversight the matter was never referred back to the Council. It is now necessary for a formal decision to proceed with the selling of Erf 14, Kurland. The specifications process will be proceeded with in expectation that the decision will be taken, and the tender advertisement can take place shortly after the Council meeting.

Section 14 of the MFMA and Section 7 of the Asset Transfer Regulations stipulate certain criteria that the Council must take into account when considering the disposal of (non – exempted) capital assets. These criteria will be applied to Erf 14:

- (a) Council must consider the fair market value and the economic and community value to be received in exchange for the land (Section 14 (2) (b) of the MFMA).

Comment: The market value for Erf 14 is R490 000 (see the Valuation Report attached as Annexure ‘G’).

The economic benefit to the community would be the potential development of a small shopping centre.

- (b) The land may not be required by the Municipality for its own purposes at a later date (Section 7 (a) of the Asset Transfer Regulations).

Comment: Erf 14 will not in future be required by the Municipality for its own purposes.

- (c) Council must consider the gain or loss that is expected to result from the disposal of the land (Section 7 (b) of the Asset Transfer Regulations).

Comment: The loss is the permanent disposal of Erf 14.  
The gain is that the Municipality will be compensated for at least the market value of Erf 14.

- (d) Council must consider the extent to which any compensation will result in significant economic or financial gain or loss (Section 7 (c) of the Asset Transfer Regulations).

Comment: The financial gain will be at least R490 000.



## **Section 6: Planning and Development**

- (e) Council must consider the risks and rewards associated with the control of the land to be sold in relation to the Municipality's interests (Section 7 (d) of the Asset Transfer Regulations).

Comment: Unlawful land invasion is a potential risk on any vacant municipal land.  
There are no rewards associated with the current control by the Municipality of Erf 14.

- (f) Council must consider the effect that the disposal may have on the credit rating of the Municipality and its ability to raise borrowings in the future (Section 7 (e) of the Asset Transfer Regulations).

Comment: Erf 14 does not qualify as a 'high value' asset and the disposal thereof will have no impact on any of these factors.

- (g) Council must consider any limitations or conditions attached to the capital asset and the consequences of any potential non-compliance with those conditions (Section 7 (f) of the Asset Transfer Regulations).

Comment: This does not apply to Erf 14.

- (h) Council must consider the estimated costs of the transfer (Section 7 (g) of the Asset Transfer Regulations).

Comment: The transfer costs will be the responsibility of the successful purchaser.

- (i) Council must consider the transfer of any liabilities and reserve funds associated with the land (Section 7 (h) of the Asset Transfer Regulations).

Comment: Not applicable.

- (j) Council must consider any representations received (Section 7 (i) of the Asset Transfer Regulations).

Comment: Although a number of 'in principle' objections against the selling of any municipal land whatsoever as well as a few concerns about the selling of land on which the church is situated were received they were based on a clear misunderstanding of what was envisaged. The Ward Committee has agreed to the proposal.

- (k) Council must consider the views of the National or Provincial Treasury (Section 7 (j) of the Asset Transfer Regulations).

Comment: As Erf 14 is not a 'high-value' asset this requirement is not applicable.

- (l) Council must consider the interest of any State Department, of the Municipality and of the local community (Section 7 (k) of the Asset Transfer Regulations).

Comment: No State Department has any interest in the matter.  
The interests of the community relate to the potential positive impact of a potential small shopping centre.

## **Section 6: Planning and Development**

- (m) Any disposal of land must be fair, equitable, transparent and competitive (Section 14 (5) of the MFMA).

Comment: The prescribed Supply Chain process will be followed.

- (n) The legislative regime applicable to the proposed disposal must be complied with (Section 7 (1) of the Asset Transfer Regulations).

Comment: This has to date and will in future be complied with.

### **Portion A of Erf 1725, Plettenberg Bay:**

Portion B of Erf 1725 is at the corner of Pachena Point and Fowdey Rocks Avenues as shown in red on Annexure 'H'. A tender award in respect of this land was made during 2009, and the Council previously resolved that the project may be proceeded with. The rezoning and subdivision process has been virtually completed, and it is expected that the matter will be considered by the Planning Tribunal towards the end of October.

### **Other Properties**

The Council previously resolved that the following properties may also be alienated:

Erf 226, Nature's Valley (municipal house / St Georges Avenue)  
Erf 2244, New Horizons (municipal house / Bitou Crescent)  
Erf 2324, Plettenberg Bay (municipal house / Park Lane)  
Erf 2668, Plettenberg Bay (municipal house / Oriental Place)  
Units 11 & 12, Erf 2941, Plettenberg Bay (municipal flats / Shoprite Centre)

It was a requirement of the Council resolution that the properties be sold for not less than market value. The Supply Chain tender process was followed, and none of the compliant tenderers have submitted bids at or above market value.

It is recommended that tenders be again invited.

### **FINANCIAL IMPLICATION**

The Municipality can potentially derive an income from disposing of underutilized municipal-owned properties for development purposes.

### **RELEVANT LEGISLATION**

Local Government: Municipal Finance Management Act, 2003 (MFMA) and Municipal Asset Transfer Regulations, 2008.

### **Comments: Director Financial Services**

I do not support recommendation 2 as the time frame of 5 years is too long, rather consider a 12 month period to take transfer and 2 years to engage with or develop the property for the intended use, we cannot allow persons to speculate with properties that could have been better used by someone else.

## **Section 6: Planning and Development**

If authorization was already granted by council for the properties to be disposed of and compliance with the Asset Transfer Regulations was done, I support the remainder of the recommendations.

### **Comments: Manager Legal Services**

The recommendation by the Acting Municipal Manager is supported.

### **RECOMMENDED BY THE ACTING MUNICIPAL MANAGER**

1. That the Council notes the status of the process to alienate the following properties:
  - (a) *Erf 1496, Kranshoek;*
  - (b) *Erf 993, Kranshoek;*
  - (c) *Erven 8766, 8767, 8768, 8774, 8775, 8778, 8779, 8781, 8783, and 8785, Plettenberg Bay (New Horizons);*
  - (d) *Portion A of Erf 1725, Plettenberg Bay;*
  - (e) *Portion of Portion 41 of the Farm Hillview No. 437;*
  - (f) *Remainder of Portion 3 of the Farm Hillview No. 437.*
2. That it be accepted as a principle that if a land allocation is made through a tender process and the beneficiary fails to pay the purchase price and fail to take transfer of the land within a period of 5 years the allocation to that beneficiary be cancelled.
3. That Council notes the outcome of the public participation process in relation to the proposed alienation of Erf 14, Kurland, and that it be confirmed for the purposes of Section 14 (2) of the MFMA and Section 7 (a) of the Asset Transfer Regulations that this property is not required by the Municipality for its own purposes or for the provision of a basic level of municipal services.
4. That the Municipal Manager be delegated to dispose of Erf 14, Kurland through a SCM process.
5. That the Council notes the status of the process to alienate the following properties:
  - (a) Erf 226, Nature's Valley (municipal house / St Georges Avenue);
  - (b) Erf 2244, New Horizons (municipal house / Bitou Crescent);
  - (c) Erf 2324, Plettenberg Bay (municipal house / Park Lane);
  - (d) Erf 2668, Plettenberg Bay (municipal house / Oriental Place);
  - (e) Units 11 & 12, Erf 2941, Plettenberg Bay (municipal flats / Shoprite Centre).
6. That the Municipal Manager be instructed to re-advertise the proposed alienation of the properties mentioned in 5. above through a supply chain management process.

## Section 6: Planning and Development

### **RECOMMENDED BY THE STRATEGIC SERVICES AND OFFICE OF THE MUNICIPAL MANAGER**

1. That the Council notes the status of the process to alienate the following properties:
  - (a) *Erf 1496, Kranshoek;*
  - (b) *Erf 993, Kranshoek;*
  - (c) *Erven 8766, 8767, 8768, 8774, 8775, 8778, 8779, 8781, 8783, and 8785, Plettenberg Bay (New Horizons);*
  - (d) *Portion A of Erf 1725, Plettenberg Bay;*
  - (e) *Portion of Portion 41 of the Farm Hillview No. 437;*
  - (f) *Remainder of Portion 3 of the Farm Hillview No. 437.*
2. That it be accepted as a principle that if a land allocation is made through a tender process and the beneficiary fails to pay the purchase price and fail to take transfer of the land within a period of 5 years the allocation to that beneficiary be cancelled.
3. That Council notes the outcome of the public participation process in relation to the proposed alienation of Erf 14, Kurland, and that it be confirmed for the purposes of Section 14 (2) of the MFMA and Section 7 (a) of the Asset Transfer Regulations that this property is not required by the Municipality for its own purposes or for the provision of a basic level of municipal services.
4. That the Municipal Manager be delegated to dispose of Erf 14, Kurland through a SCM process.
5. That the Council notes the status of the process to alienate the following properties:
  - (a) Erf 226, Nature's Valley (municipal house / St Georges Avenue);
  - (b) Erf 2244, New Horizons (municipal house / Bitou Crescent);
  - (c) Erf 2324, Plettenberg Bay (municipal house / Park Lane);
  - (d) Erf 2668, Plettenberg Bay (municipal house / Oriental Place);
  - (e) Units 11 & 12, Erf 2941, Plettenberg Bay (municipal flats / Shoprite Centre).
6. That the Municipal Manager be instructed to re-advertise the proposed alienation of the properties mentioned in 5. above through a supply chain management process.









## Legend

- Public Place
- Parent Farms
- Farm Portions
- Erf

0 0.02 0.04 0.09 km

**Map Center:** Lon: 23°19'52.2"E  
Lat: 34°2'49.8"S

**Scale:** 1:2 380





**Date created:** October 4, 2022



**Western Cape  
Government**  
250  
**FOR YOU**

Agriculture



-  Public Place
-  Parent Farms
-  Farm Portions
-  Erf

**Map Center:** Lon: 23°20'18.1"E  
Lat: 34°2'50.1"S

**Scale:** 1:4 514

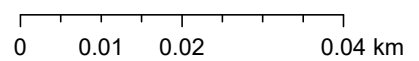
**Date created:** October 6, 2022





### Legend

- ☐ Public Place
- ☐ Erf



**Map Center:** Lon: 23°20'45.8"E  
Lat: 34°3'S

**Scale:** 1:1 128

**Date created:** October 6, 2022



Western Cape  
Government  
252  
FOR YOU

## Agriculture





# New Horizons, farm R-41-437

## Legend

- Public Place
- Parent Farms
- Farm Portions
- Erf

## Annexure E

**Map Center:** Lon: 23°20'18.1"E  
Lat: 34°2'50.1"S

**Scale:** 1:4 514

**Date created:** October 6, 2022



**Western Cape  
Government**  
253  
**FOR YOU**

Agriculture

© OpenStreetMap (and) contributors. CC-BY-SA  
Department of Rural Development and Land Reform: Chief Surveyor-General  
Surveyor General WC, Department of Rural Development and Land Affairs  
Department of Rural Development & Land Reform, Chief Directorate: Cadastral  
Spatial Information Branch: Cadastral Surveys Management



KURLAND TOEKENNINGSGEBIED

T. P.

ALGEMENE PLAN NR. 10020

van die dorp

KURLAND

Administratiewe Distrik Knysna

Skaal 1:750



Annexure F

L. G. Nr. 3684/78

Goedgekeur

*[Signature]*

M. Landmeter - Generaal  
13-6-1979.

Vel Nr. 2 van 3 Velle.

Restant Lot Solway Nr. 240



Opgemeet in: November 1965; en  
Junie tot Julie 1973

*[Signature]*  
en  
Januarie tot Maart 1978  
Julie 1978 en Mei 1979  
*[Signature]* Landmeters

Nota: Tensy anders gemeld is alle afstande  
wat hoeke stomp sny 5,00 meter.

Oorspronklike Kaart Nr. 11410/1965  
M. S. Nr. E 896/78  
Leer Nr. S/144/11/3  
Kompilase BM - 7 DDB (4183) m 3941  
m 3942  
m 3943  
m 3944

Vel Nr. 3 sluit hier aan.

# Valuation Report

**'VACANT LAND'**

**UNREGISTERED ERF 14 KURLAND,  
BITOU LOCAL MUNICIPALITY,  
WESTERN CAPE**

**Reference number  
DDPMUN4659**

# Table of Contents

1. CONTACT DETAILS .....	3
2. SUMMARY OF KEY FACTS .....	4
3. INTRODUCTION .....	5
4. TITLE DEED INFORMATION .....	7
5. ZONING INFORMATION AND LOCAL AUTHORITY VALUATION .....	7
6. LOCATION AND SITUATION .....	8
7. HIGHEST AND BEST USE <sup>1</sup> .....	10
8. DESCRIPTION OF IMPROVEMENTS .....	10
9. MARKET COMMENTARY .....	11
10. MOTIVATION .....	18
11. VALUE SUMMARY .....	18
12. CONDITIONS AND RECOMMENDATIONS .....	19
DECLARATION .....	20
APPENDIX A: BRIEF/ INSTRUCTION .....	21
APPENDIX B: TITLE DEED INFORMATION .....	22
APPENDIX C: MUNICIPAL VALUATION .....	22
APPENDIX D: LOCALITY .....	23
APPENDIX E: SURVEYOR GENERAL DIAGRAM .....	24
APPENDIX F: PHOTOGRAPHS .....	25
CAVEATS .....	26

**Property Valuation Experts**



## 1. CONTACT DETAILS

<b>Client / Instructing Party</b>	Bitou Local Municipality
Name	Ludolph Gericke
Title	Manager: Planning and Building Control
Organisation	Bitou Local Municipality
Address	Private Bag X1002 Plettenberg Bay 6600
Phone	+27 (44) 501 3313
Fax	Unknown
Mobile	+27 (72) 135 4082
Email	lgericke@plett.gov.za
Website	www.bitou.gov.za

<b>Valuer / Company</b>	DDP Valuers (Pty) Ltd
Name	Adele Locker
Title	Professional Valuer
Address	Modena Building, Suite 5 21d Durbanville Avenue Bella Rosa Village Rosendal, Bellville 7530
Phone	+27 (21) 910 2300
Fax	+27 (86) 675 8242
Mobile	+27 (73) 556 0488
Email	adele.locker@ddp.co.za
Website	<a href="http://www.ddp.co.za">www.ddp.co.za</a>

## 2. SUMMARY OF KEY FACTS

Subject Property	Unregistered Erf 14 Kurland, Bitou, Western Cape Province
Physical Address	Cnr. Redford Crescent and Church Street, Kurland, Bitou Municipality, Western Cape
Registered Owner	Unregistered – Bitou Municipality
Date of Inspection	21 August 2023
Effective Date of Valuation	21 August 2023
Method of Valuation	Market Approach (Comparable Sales)
Property Type	Vacant Land
Erf Extent	1 220.00m <sup>2</sup>
Improved Extent	Vacant
Quality of Accommodation Offered	Not Applicable
Rate/m <sup>2</sup>	R400.00/m <sup>2</sup>
Value	<b>R490 000.00 (Excl. VAT)</b>

**Property Valuation Experts**

### 3. INTRODUCTION

#### 3.1. INSTRUCTION

Ludolph Gericke, representing Bitou Municipality, has instructed DDP Valuers (Pty) Ltd to determine the property's fair market value as described in this report.

#### 3.2. PURPOSE OF VALUATION

The purpose of this valuation report is to determine the fair market value of the subject property for disposal purposes.

#### 3.3. METHOD OF VALUATION

##### Market Approach

The market approach is based on comparing the subject asset with identical or similar assets (or liabilities) for which price information is available, such as a comparison with market transactions in the same, or closely similar, type of asset (or liability) within an appropriate time horizon.

The International Valuation Standards 2020 defines the sales comparison method as: "The comparable transactions method, also known as the guideline transactions method, utilises information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value."

#### 3.4. DEFINITION OF OPEN MARKET VALUE

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

#### 3.5. DATE OF INSPECTION

21 August 2023

#### 3.6. EFFECTIVE DATE OF VALUATION

22 August 2023



### 3.7. INFORMATION SOURCES

Ludolph Gericke – Bitou Municipality  
Office of the Surveyor General  
Deeds Office – Cape Town  
Lightstone Data  
Own Records

### 3.8. ASSUMPTIONS

We assume the current zoning is Business Zone II – Minor Business. This information was made available by Mr Gericke.

An assumption was made that the information provided in the Bitou/Plettenberg Bay Town-planning Scheme provides the necessary guidelines towards land use restrictions.

An assumption was made that the subject property will be registered and rezoned and this cost will be incurred by the current owner.

An assumption is made where it is reasonable for the valuer to accept that something is true without the need for specific investigation or verification. Any such assumption must be reasonable and relevant having regard to the purpose for which the valuation is required – refer RICS Valuation Global Standards 2020 for examples of assumptions.

### 3.9. SPECIAL ASSUMPTIONS

The subject property is not currently registered. We assume the current owner is the Bitou Municipality.

A special assumption is made by the valuer where an assumption either assumes facts that differ from those existing at the valuation date or that would not be made by a typical market participant in a transaction on that valuation date – refer RICS Valuation Global Standards 2020 for examples of special assumptions.

#### 4. TITLE DEED INFORMATION

Deed Description	Erf 14 Kurland
LPI Codes	Not registered
Registered Owners	Not registered
Erf Extent	1 220.00m <sup>2</sup>
Historical Purchase Price	Not registered
Historical Purchase Date	Not registered
Title Deed Numbers	Not registered
Date of Transfer	Not registered
Endorsements	Not registered
Servitudes	Unknown

#### 5. ZONING INFORMATION AND LOCAL AUTHORITY VALUATION

Name of Local Authority	Bitou Municipality	
	Permissible	Actual
Zoning	Business Zone II – Minor Business	Vacant Land
Coverage	75%	Vacant Land
Height	2 storeys	Vacant Land
FAR, FSR, Bulk	1.5	Vacant Land
Setback	As per Scheme	Vacant Land
Building Line	As per Scheme	Vacant Land
Parking Ratio	As per Scheme	Vacant Land
Comments	Mr Gericke indicated the proposed zoning as Business Zone II – Minor Business. The Town Planning Scheme for Plettenberg Bay was consulted to obtain the necessary guidelines. No zoning certificate was provided.	
Local Authority Valuation	Unknown	
Category	Unknown	
Date of Implementation	Unknown	
Comments	The property is currently not registered.	



## 6. LOCATION AND SITUATION

### 6.1. LOCATION

The subject property is located in Kurland, approximately 21 km (as the crow flies) northeast of Plettenberg Bay CBD. Kurland forms a small low-income village some 300 metres east of the N2 between Plettenberg Bay and Port Elizabeth.

Kurland, also often referred to as Kurland Village, is a rural township in the Garden Route located within the jurisdiction of the Bitou Municipality. Located in the Crags area on the edge of the Tsitsikamma Nature Reserve, it is affected by high levels of unemployment. The township consists of mainly low-cost housing with several backyard informal structures.

Various tourist attractions, inclusive of Birds of Eden, Tenikwa, Monkeyland Primate Sanctuary and Elephant Sanctuary, along with guest houses and B&Bs, provide most job opportunities to the locals. The Crags Primary School, built in 1981, is the only school in the village. Furthermore, the only amenities noted were a Post Office (closed) and Library.

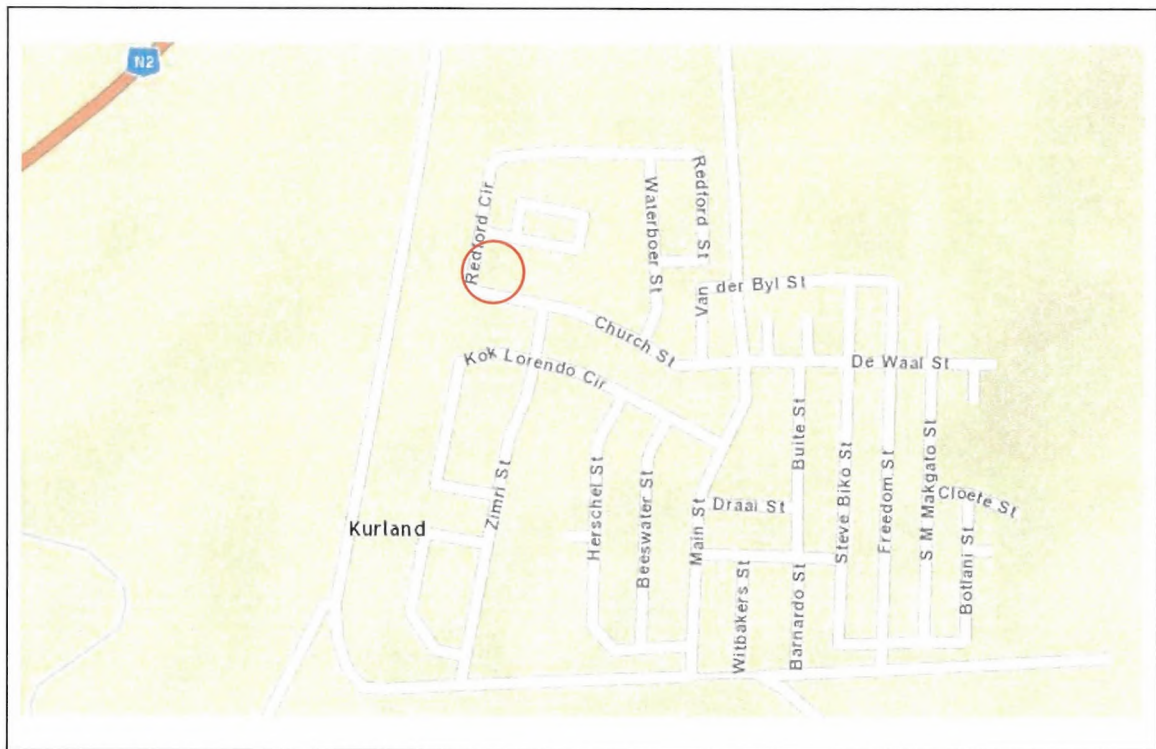


Figure 1 Location of the subject property.  
Sourced from Cape Farm Mapper



Figure 2 Aerial view of the approximate location of the subject property  
Sourced from Cape Farm Mapper

## 6.2. ACCESS

The subject property is located directly east of the N2, turning right at the Engen Garage towards the Birds of Eden, Elephant Sanctuary and Tenikwa. The subject property is located within the north-western corner of the Village and accessed via Zimri Street towards the north. At the T-junction turn left into Church Street. The subject property is located some 20 metres on the right-hand side where Church Street turns into Redford Crescent.

## 6.3. TOPOGRAPHY

The subject property is slightly triangular in shape, with an even elevation of 243 metres above sealevel. The subject property is currently partly vacant with several informal structures encroaching on the northern boundary.



## 7. HIGHEST AND BEST USE<sup>1</sup>

(<sup>1</sup>A term meaning the reasonable, probable and permissible use that will support the highest present value, as of the effective date of valuation).

The highest and best use for the subject property is **Business** because of:

- The proposed zoning;
- The size and shape of the properties;
- The subject property's location within the Kurland township;
- The surrounding residential properties;
- In line with the development objectives as provided within the SPLUMA principles, the Bitou Spatial Development Framework 2019 makes provision of a mixed of different kinds of land uses, e.g. residential, retail, business and recreational opportunities within existing urban settlements in order to create and sustain human settlements.

## 8. DESCRIPTION OF IMPROVEMENTS

### Structural Improvements

The subject property is currently vacant. During inspection several informal structures were noted along the northern boundary. Since the erf is not clearly demarcated, some of these structures might have encroached over the boundary.

### Parking

Not applicable at present.

### Site Improvements

Not applicable at present.

### Security

Not applicable as the site has not yet been developed.

### Construction Material and Finishes

Not applicable as the site has not yet been developed.

### Construction Areas

No immovable structures were noted.

## 9. MARKET COMMENTARY

### 9.1. MACRO

#### GDP

After contracting by a revised 1.1% in the fourth quarter of 2022, real gross domestic product edged higher by 0.4% in the first quarter of 2023. Manufacturing and finance industries were major drivers of growth on the supply side of the economy. The demand side was lifted by exports, with smaller positive contributions for household, government, and investment spending.

#### Loadshedding

According to the central bank, the key reason for the downward revision is the scale and extended duration of load shedding in the country, adding that rolling blackouts have knocked out two percentage points from the annual growth outlook. Households and firms are not sufficiently protected against power cuts at stage 4 and above. The bad news is that Eskom has been unable to keep load shedding below stage 4 for very long, and 2023 has already seen the worst stage 6 levels on record. Alarms have been sounding across all sectors in South Africa in the face of non-stop load shedding, from small businesses facing collapse to massive, critical industries spending millions of rands each month trying to escape the blackouts. Major production companies have warned of the toll load shedding is taking on business – affecting food supplies, mining and shopping malls.

#### Consumer Price Index (CPI) - Inflation

Despite the ongoing stresses of rising prices and escalating costs of debt, there were some hopeful signs from the latest inflation data. Annual consumer inflation eased to an 11-month low in April, declining to 6.8% from 7.1% in March.

The poorest households experienced the highest inflation rate: in the 12 months to April the cost of living for households for poor households increased by 11.3%. These households spend half of their annual budgets on food and non-alcoholic beverages. Increases in fuel prices affect the wealthier households.

The average annual consumer price inflation was 6.9% in January 2023, down from 7.2% in December 2022. The average annual inflation was:

Year	Annual Average
2019	4.1%
2020	3.3%
2021	4.5%
2022	6.9%
<b>2023 – June</b>	<b>5.4%</b>

(Source: Statistics South Africa)

#### Interest Rates

The interest rate stimulated residential transfers, positively influencing the residential market during the low prime interest rates. However, prime interest rates have taken a sharp upturn, currently at 11.75%.

# Property Valuation Experts



Date	Increase	Prime Interest Rate
28 January 2022		7.50%
24 March 2022	+0.25%	7.75%
May 2022	+0.50%	8.25%
July 2022	+0.75%	9.00%
September 2022	+0.75%	9.75%
November 2022	+0.75%	10.50%
February 2023	+0.25%	10.75%
March 2023	+0.50%	11.25%
April 2023	+0.25%	11.50%
<b>June 2023</b>	<b>+0.25%</b>	<b>11.75%</b>

(Source: South African Reserve Bank)

### Conclusion

The severe economic slowdown also has implications for the valuation of property. The practical problem is that all evidence of value is in the past. Furthermore, leases that come up for renewal will see sharp rental reversions as most landlords aim to keep tenants as the risk of finding suitable new tenants in this market is high. As of the valuation date, we are of the opinion that we can place less reliance on previous market evidence for comparison purposes prior to the pandemic to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances to base a judgement.

### 9.2. MICRO

Several factors affect suburb demand, including rental rates and sales rates, transport costs, proximity to labour and workforce, proximity to ports of entry, growth potential, supply chain, and local environmental factors.

The subject property is located within the Kurland Township, approximately 20km northeast of Plettenberg Bay CBD.

The formal Kurland township consists of approximately 930 formal dwellings and an informal settlement, Xawa Xawa in the north-western part of the village. Many backyard dwellings are included in the urban fabric. Within a specialist study that formed part of the Bitou Spatial Development Framework (BSDF), the socio-economic profile of the community was described as 58% of the working community works in Kurland and surrounding area and 18% works in Plettenberg Bay.

Since most of the population residing within Kurland earns less than R3 500, most households qualify for subsidy housing. This was also noted during the inspection that most of the housing typology relates to low-income housing.

The area noted the following registered transactions over the past 5 years, however, these include agricultural properties much larger in extent with inferior land use right:

- 11 freehold properties registered during 2019;
- 4 freehold properties registered during 2020;
- 26 freehold properties registered during 2021;
- 1 freehold property registered during 2022; and

# Property Valuation Experts

- 9 freehold properties registered during 2023 thus far.

Research has been undertaken to establish what buyers are willing to pay for comparable sites or similar land use in the property market. The comparison was made on the basis of proximity to amenities, facilities, accessibility and other relevant factors. Although demand for residential properties within the Kurland area is considered fair, no transactions occurred of larger parcels of vacant land earmarked for business development. We have therefore opted to extend our search to the Plettenberg Bay, Kranshoek, New Horizons and Kwanokuthula townships.

Comparable transactions were researched to indicate a range of values in which the subject property's value can be determined. The subject property is then measured against the comparable sales, in various elements of comparison, which might influence and ultimately determine the value of the subject property. Both the current use and potential of the subject property was considered.

### 9.3. COMPARABLE SALES

The comparable sales listed below are comparable transactions located either in proximity to the subject property or within Plettenberg Bay/Bitou jurisdiction – with similar attributes. These sales are noted as they all compare favourably with the subject property in terms of location and extent on offer. The necessary adjustments for time, market conditions, slight improvements and extent will be made when determining a final rate for the subject properties.



### Comparable Sale One



<b>Deed Description</b>	Erf 7210 Plettenberg Bay, Bitou, Western Cape Province
<b>Address</b>	7210 Sishuba Street, Kwanokuthula, Plettenberg Bay, Western Cape
<b>Date of Sale</b>	21 January 2022
<b>Purchase Price</b>	R3 737 500.00 (Incl VAT) R3 250 000.00 (Excl VAT)
<b>Accommodation Offered</b>	Vacant Land – Business Zone 1
<b>Erf Extent</b>	7 013.00m <sup>2</sup>
<b>Selling Rate</b>	R533.00/m <sup>2</sup>
<b>Special Conditions</b>	Unknown
<b>Additional Comments</b>	

This comparable sale is located in Ward 5 within the Kwanokhuthula suburb. The comparable was purchased as vacant land from Just Jasmine 145 Pty Ltd. The property is larger in extent, with superior accessibility and visibility being located adjacent to a major arterial route within the suburb. The zoning is indicated as Business Zone I and therefore considered superior to the subject property.

The demand for vacant land within this suburb is much higher than in the Kurland node, being closer to the Plettenberg Bay CBD and various amenities.

Due to the economic conditions, the current demand for larger portions of vacant land use in Kwanokhuthula suburb, the location of the comparable property within the residential node with excellent visibility, a lower selling rate is expected for the subject property.



### Comparable Sale Two



<b>Deed Description</b>	Erf 376 Kranshoek, Bitou, Western Cape Province
<b>Address</b>	Bobbejaan Street, Kranshoek, Western Cape
<b>Date of Sale</b>	01 November 2019
<b>Purchase Price</b>	R300 000.00
<b>Accommodation Offered</b>	Vacant Land – Industrial Zone 1
<b>Erf Extent</b>	600.00m <sup>2</sup>
<b>Selling Rate</b>	R500.00/m <sup>2</sup> R600.00/m <sup>2</sup> - CPI adjusted 2023
<b>Special Conditions</b>	Unknown
<b>Additional Comments</b>	

The comparable property is located towards the south-eastern periphery of Kranshoek, and offers a vacant portion of land suitable for industrial development.

The comparable property is considered similar in terms of accessibility taking into consideration the location of the Kranshoek township. The comparable is smaller size, but favour an inferior zoning with higher demand.

Taking all contributing aspects into consideration, adjustments are required in terms of location, zoning and demand, and therefore a lower selling rate is advised for the subject property.

## Property Valuation Experts



### Comparable Sale Three



<b>Deed Description</b>	Erf 3909 Plettenberg Bay, Bitou, Western Cape Province
<b>Address</b>	3909 Mimosa Street, New Horizons, Plettenberg Bay, Western Cape
<b>Date of Sale</b>	13 October 2022
<b>Purchase Price</b>	R600 000.00
<b>Accommodation Offered</b>	Vacant Land – Business Zone II (Minor Business)
<b>Erf Extent</b>	634.00m <sup>2</sup>
<b>Selling Rate</b>	R946.00/m <sup>2</sup>
<b>Special Conditions</b>	Unknown
<b>Additional Comments</b>	<p>This comparable sale is located in New Horizons and was purchased as vacant land from 23 Plett Property Pty Ltd. The property is smaller in extent, with superior accessibility and visibility within the township and easier access to the N2 towards Plettenberg Bay CBD. The zoning is similar to the subject property.</p> <p>The demand for vacant land within this township is much higher than in the Kurland node, being closer to the CBD and various amenities.</p> <p>Due to the economic conditions, the current demand for larger portions of vacant land use in New Horizons, the location of the comparable property within the residential node with excellent visibility, a lower selling rate is expected for the subject property.</p>

## Property Valuation Experts

### Comparable Sales Conclusion

The registered sale transactions were considered most comparable to the subject property in terms of land use right as well as development potential where applicable.

All comparable sales are located in similar neighbourhoods, however distance to amenities are considered better with Comparable 1 and 3. The major differences in value featured by the comparable sales are primarily represented by the size of the stand, positioning, location, land use rights applicable, and whether the site is serviced or not. A variety of these factors influences selling prices.

Based on the comparable sales noted above it is possible to establish market norms of sales rates. The following summary is provided for ease of reference:

Comparable	Extent	Rate/m <sup>2</sup>	Comment
Sale 1	7 013.00m <sup>2</sup>	R533.00/m <sup>2</sup>	Vacant land with available services, being much larger in extent than the proposed subject property within the Kwanokuthula suburb. Closer to amenities with much higher demand. Superior land use rights are in place. Downward adjustment required
Sale 2	600.00m <sup>2</sup>	R500.00/m <sup>2</sup> <i>R600.00/m<sup>2</sup> - CPI adjusted 2023</i>	Vacant land with available services, being smaller in extent than the proposed subject property. Industrial land use rights are in place. Demand is considered higher within this node. Superior zoning, similar location, smaller in extent. Downward adjustment required
Sale 3	634.00m <sup>2</sup>	R946.00/m <sup>2</sup>	Vacant land with available services, being smaller in extent than the subject property. Similar land use rights, and located closer to Plettenberg Bay CBD. Downward adjustment required.

Comparable sale 1 & 3 are considered most comparable in terms of land use rights but both are located in areas with higher demand. Comparable 3 is the only transaction that transacted higher than the trend for vacant land in the vicinity but also located within a neighbourhood that showed higher demand.

A similarity in the socio-economic demographic and distance to amenities were noted between Kranshoek township and the Kurland Village, both being somewhat isolated but accessible via the N2. Comparable sale 2 therefore, compares favourably in terms of location with inferior land use rights in place. Taking into consideration comparable sales 1 & 2 then, a land selling range of between R500.00/m<sup>2</sup> (larger extent) and R600.00/m<sup>2</sup> (smaller extent) could be considered.



Based on the above, taking into consideration the larger extent at a selling rate of say R500.00/m<sup>2</sup>, minus a percentage for current demand (say 10% equals a rounded average of R450.00/m<sup>2</sup>), minus distance from Plettenberg Bay CBD (say R2.50/m<sup>2</sup> per km equals 20km x R2.50 = R50.00/m<sup>2</sup>). Thus a selling rate of R400.00/m<sup>2</sup> is considered fair and market related.

Applying then a land selling rate of R400.00/m<sup>2</sup> based on the land extent of 1 220.00m<sup>2</sup> the result is R488 000.00 or **R490 000.00 (Rounded - Excl VAT)**.

## 10. MOTIVATION

Looking at the comparables, vacant properties achieve rates of between R500.00/m<sup>2</sup> and R900.00/m<sup>2</sup>. Comparable sale 1 and 3 have land use rights similar to the subject property. Comparable 1 & 3 are located in neighbourhoods with stronger demand. Comparable 2 is considered to be located in a similar socio-economic neighbourhood.

We are of the opinion that a selling rate of R400.00/m<sup>2</sup> is a realistic and achievable rate for the subject property.

## 11. VALUE SUMMARY

The following are important factors that need to be considered when determining the fair market value of the subject property:

- The access, shape, location and zoning of the property;

After due consideration of the comparable sales listed, the condition, size, and location, as well as the current market conditions, a sales rate of R400.00/m<sup>2</sup> has been selected, indicating a value of:

1.) Erf 14: 1 220.00m<sup>2</sup> @ R400.00/m<sup>2</sup>, equating to R488 000.00, or rounded R490 000.00 (Rounded) to the nearest ten thousand.

Therefore, the market value for the subject property was concluded at **R490 000.00 (Four Hundred and Ninety Thousand Rand Only)** and considered market-related for the subject property.

MARKET VALUE OF THE SUBJECT PROPERTY AS-IS:  
**R490 000.00 (Four Hundred and Ninety Thousand Rand Only)**

## 12. CONDITIONS AND RECOMMENDATIONS

This valuation is subject to the following conditions and recommendations:

- This valuation report is based on the assumption that no onerous conditions exist on the title deed. Should any such onerous conditions exist, this office reserves the right to amend this valuation report accordingly.
- This valuation is further based on all the assumptions as stipulated and discussed under paragraphs 3.8 & 3.9 within this report.

## DECLARATION

Having inspected the above-mentioned property and after taking due consideration of all the relevant factors, I **Adele Locker** in my capacity as a **Professional Valuer**, consider the above valuation to be a true reflection and a fair assessment of the subject property's market value, as at the date of valuation.

A handwritten signature in black ink, appearing to read "Adele Locker", is positioned above the printed name.

**Adele Locker**  
**Professional Valuer (South Africa)**  
SACPVP Reg. No 7405

DATE: 22 August 2023

## APPENDIX A: BRIEF/ INSTRUCTION

From: Dudolph Genckle <[dgenckle@ddp.gov.za](mailto:dgenckle@ddp.gov.za)>  
Sent: Saturday, 5 August, 2023 19:14  
To: Corne Louw <[corne.louw@ddp.co.za](mailto:corne.louw@ddp.co.za)>  
Cc: Felix Martin Lötter <[flotter@ddp.gov.za](mailto:flotter@ddp.gov.za)> - Mbulole Mmamane <[mmmamane@ddp.gov.za](mailto:mmmamane@ddp.gov.za)>  
Subject: EXTERNAL JERF 14 KURLAND

**CAUTION:** This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Corne

The Municipal Manager has indicated that he has discussed the abovementioned matter with you.

We fairly urgently need the market valuation of unregistered Erf 14, Kurland to be determined.

I hereby attach the General Plan showing the erven and the General Plan Sheet showing the erf sizes.

You can assume that the zoning is Business Zone II (i.e. Minor Business) which basically (and theoretically) allows for a double storey building and shops / offices.

Dudolph Genckle  
Manager: Planning and Building Control  
Brixou Municipality  
Tel: 044 – 501 3313  
Cell: 072 135 4082

# Property Valuation Experts

#### APPENDIX B: TITLE DEED INFORMATION

Not available – the subject property is not registered.

#### APPENDIX C: MUNICIPAL VALUATION

Not available.

**Property Valuation Experts**



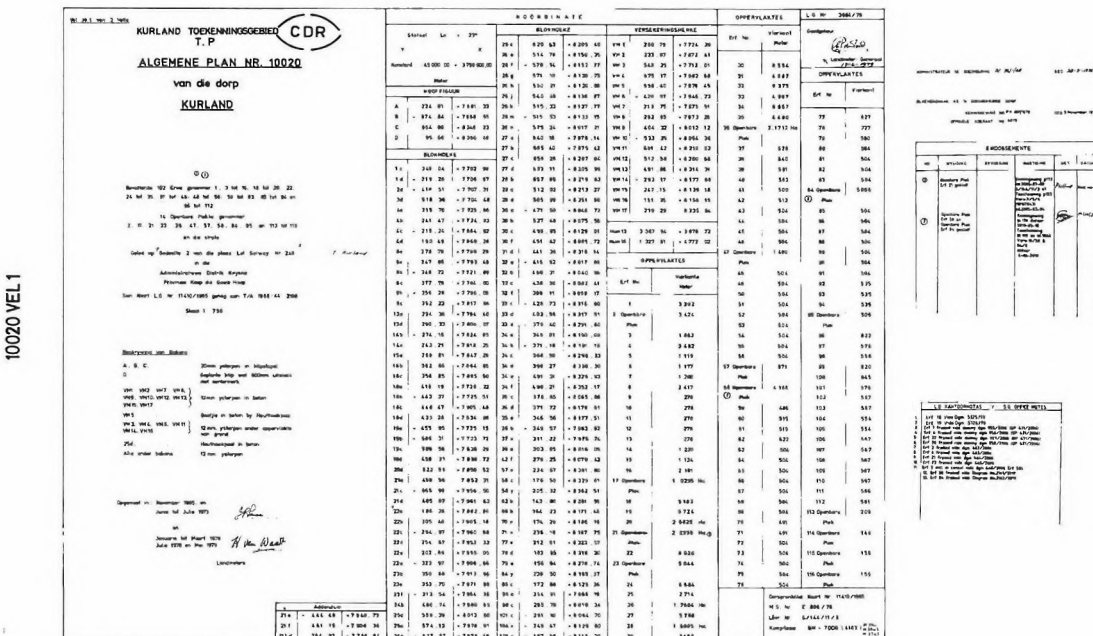
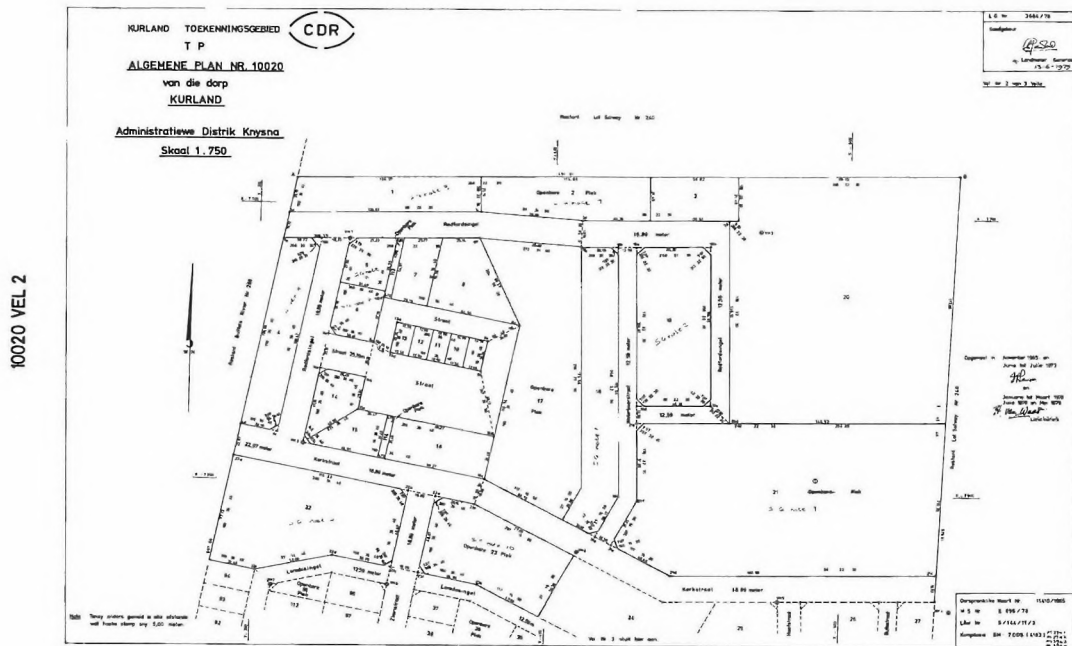
## APPENDIX D: LOCALITY



# Property Valuation Experts



## APPENDIX E: SURVEYOR GENERAL DIAGRAM



## APPENDIX F: PHOTOGRAPHS



Viewed from Church Street



Viewed from Corner of Church Street and Redford Crescent



View along Redford Crescent



Viewed from northern boundary



## **CAVEATS**

### **1. FULL DISCLOSURE**

This valuation has been prepared on the basis that full disclosure of all information and factors that could affect the valuation ('all relevant factors') have been made to us. We accept no liability or responsibility whatsoever for the valuation if it should transpire that a full disclosure of all relevant factors was not made.

### **2. THIRD PARTY INVOLVEMENT**

Where reliance was placed on information supplied by third parties in undertaking the evaluation, we have assumed such information to be substantially correct. We accept no liability or responsibility whatsoever for the valuation if it should transpire that the information supplied was substantially incorrect.

### **3. VALUATION STANDARD**

This valuation has been prepared in accordance with the International Valuation Standards Committee requirements as adopted by the South African Council for the Property Valuers Profession and the South African Institute of Valuers.

### **4. FREEHOLD PROPERTY**

In the case of freehold properties, we have inspected the relevant Title Deed documents when available. Whenever perusal of the Title Deed caused concern, we made specific reference to this in the Valuation Report. Where the Title Deeds were not available, we have assumed that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings.

### **5. MORTGAGE BONDS, LOANS OR OTHER CHARGES**

The property has been valued as if wholly owned with no allowance made for any outstanding monies due in respect of mortgage bonds, loans or other charges. No deductions have been made in our valuation for the cost of acquisition, such as legal or transfer fees, or the costs involved in the disposal of the assets.

### **6. CALCULATION OF AREAS**

Where the client (or his/her representative) has provided all surface, areas quoted within the Valuation Report, we assume such surface areas have been calculated in accordance with the SAPOA standard method of measurement. Where a valuer on site measures the surface areas, the SAPOA standard method of measurement shall be employed.

## **7. PLANS**

All plans included in the Valuation Report are supplied for the purpose of identification and orientation only and are not necessarily to scale.

## **8. PROPERTY BOUNDARIES**

The farm or property boundaries, as indicated to the Valuer by the instructing client or his appointed agent, or the boundaries as indicated by plans supplied by the client, are assumed to be the legal extent of the property. Any variation of these boundaries by extension or omission, and the resultant inclusion or omission of any improvements because of this or these variations, cannot therefore be regarded as the responsibility of the Valuer. We accept no liability or responsibility whatsoever for the valuation should it transpire that any boundaries were incorrectly pointed out.

## **9. OUTGOINGS**

It is assumed, except where otherwise stated, that the property is subject to the normal property owner's outgoings and that there are no onerous restrictions or unusual covenants of which we have no knowledge. In preparing our valuation, we have formed our opinion of outgoings, having had reference to the various schedules of outgoings supplied by the client or a representative thereof.

## **10. STRUCTURAL CONDITION**

The property has been valued in its existing state. In the event of its ownership or use changing in such a manner that the local authority will require the upgrading of the premises to comply with fire protection and other regulations, it may be necessary to reduce the valuation by the amount covering the cost of such compliance. We have had regard to the apparent state and condition of the property but have not carried out a structural survey, nor inspected those areas, which were covered, unexposed or inaccessible, neither have we arranged for the testing of electrical, heating or other services. The valuation assumes that the services and structures are in a satisfactory state of repair and condition, unless otherwise stated in our report. The valuation further assumes that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations as well as the Local Authority by-laws. We have not inspected woodwork or other parts of the structure, and we are therefore unable to report that such parts of the property are free from rot, beetle or other defects. We have assumed that no deleterious or hazardous materials or techniques were used in the construction of the property nor have since been incorporated.

## **11. CONTAMINATION**

Our valuation assumes that a formal environmental assessment is not provided and further that the property is not environmentally impaired nor contaminated, unless otherwise stated in our report.



## **12. VACANT LAND**

No soil or substratum tests on the property have been undertaken and it is assumed that the property is suitable for the intended purpose, without having to provide excessive reinforcement to any structure built thereon.

## **13. STATUTORY NOTICE AND UNLAWFUL USE**

We have assumed that the property and its value are unaffected by any statutory notice, and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful.

## **14. INDIVIDUAL PROPERTIES**

The values reported are for the individual properties. No allowance is made for any premium, which may be applicable for an assembled portfolio of properties, nor is a discount allowed for any flooding of the market, which might exist if all, or a majority of the properties were offered for sale simultaneously.

## **15. CONFIDENTIALITY**

This valuation is produced exclusively for the client and for the specific purposes to which it refers. It may be disclosed to other professional advisers assisting you in respect of that purpose. We accept no responsibility whatsoever to any parties other than yourselves who make use of this valuation.

DDP Group\* values your privacy. Please note that by providing your personal information, you are giving DDP Group permission to process and store your personal information according to our PoPI Compliance Manual. The information that we process concerning our users is only used for the sole purpose that it is given for. Your information will only be shared with third parties as mandated by legislation. If you have any objections or questions, please contact our Information Officer ([io@ddp.co.za](mailto:io@ddp.co.za)).

DDP Group accepts no liability for any loss, damages and/or expenses of any nature which may arise as a result of, or which may be attributable directly or indirectly from information made available to us, or actions or transactions resulting therefrom. Please refer to our Privacy Policy for more information (<https://ddp.co.za/legal/>).

In the event of any changes to your personal information, you have an obligation to inform DDP Group within 30 days.

For more information regarding DDP Group, please refer to our website (<https://ddp.co.za/legal/>).

## **16. NON-PUBLICATION**

Neither the whole nor any part of this valuation report or certificate, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way without the written approval of the Valuer, as to the form or context in which it may appear and acknowledgement that the Valuer are professional valuers.

# Property Valuation Experts

#### **17. INDEPENDENT VALUERS CLAUSE**

Neither the Valuer, nor any employee, have any present or contemplated interest in this or any other properties or any other interests, which could affect the statements or values, contained in this valuation report. The valuation enclosed herewith was therefore undertaken on a completely independent basis by a valuer employed the Valuer, a company which specialises in valuation and which does not trade in these assets.

#### **18. VALUE ADDED TAX**

All figures quoted are exclusive of Value Added Tax.

#### **19. COURT CASES**

Please note that if this report or any portions of the report are used in a court case, additional fees will be applicable.

#### **20. LIABILITY**

It is agreed that the maximum aggregate liability of DDP to the Client in respect of any loss or damage that may result from this engagement will be limited to a maximum of 300% of the fees paid or payable under this quotation.



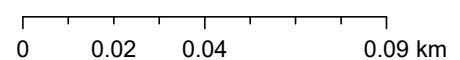
## Plettenberg Bay, erf 1725



### Legend

- ☐ Public Place
  - ☐ Erf

## Annexure H



**Map Center:** Lon: 23°22'7.8"E  
Lat: 34°4'14.8"S

**Scale:** 1:2 257

**Date created:** October 6, 2022



Western Cape  
Government  
284  
FOR YOU

## Agriculture