

OVERBERG

DISTRICT MUNICIPALITY



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT 31 DECEMBER 2024

*Compiled in terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003
(Act 56 of 2003)*

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1. REPORT OF THE EXECUTIVE MAYOR

1.1 Implementation of the of the Municipality's budget in accordance with the service delivery and budget implementation plan

There are 38 active projects registered on the capital budget programme for 2024/2025, after the previous two adjustment budgets amended the projects list to the current position (replacing and adding projects). With a total adjusted budget of R 14 001 889 of which an amount of R1 500 000 is financed from previous borrowing and R3 800 000 from grant funding. The grant funding exists of a portion which was funded for this financial year and a portion rolled forward from the previous financial year. See the schedule below for the details of the projects.

Capital programme 2024/2025

DEPARTMENT	DESCRIPTION	FUNDING TYPE	TOTAL ADJUSTED BUDGET 2024/25	SPENDING YTD AS PER TB DEC 2024	VAT, Retention	TOTAL SPENDING UP TO DEC 2024	% SPENDING	COMMITMENTS DEC 2024	TOTAL YTD INCL COMMIT	BALANCE UNSPEND	
1	COMMITTEE, RECORDS, COUNCIL SUPPRT	DC3_Furniture and Office equipment	1	R35 000.00	R1 645.00	R0.00	R1 645.00	4.70%	R21 361.00	R23 006.00	R11 994.00
2	CORPORATE SERVICES : SUPPORT SERV	DC3_Alarm System Replacement	1	R200 000.00	R165 850.02	R0.00	R165 850.02	82.93%	R0.00	R165 850.02	R34 149.98
3	CORPORATE SERVICES : SUPPORT SERV	DC3_Head Office Fencing project	1	R250 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R250 000.00
4	CORPORATE SERVICES : SUPPORT SERV	DC3_Furniture and Office equipment	1	R30 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R30 000.00
5	CORPORATE SERVICES : SUPPORT SERV	DC3_Aircons	1	R90 000.00	R69 565.22	R0.00	R69 565.22	77.29%	R0.00	R69 565.22	R20 434.78
6	EMERGENCY SERVICES	DC3_Vehide Replacement	1	R1 800 000.00	R1 400.00	R0.00	R1 400.00	0.08%	R1 639 675.28	R1 641 075.28	R158 924.72
7	EMERGENCY SERVICES	DC3_Bunker Gear (PPE)	1	R1 440 000.00	R185 691.60	R0.00	R185 691.60	12.90%	R279 450.00	R465 141.60	R974 858.40
8	EMERGENCY SERVICES	DC3_Machinery and Equipment Rescue equipment	1	R100 000.00	R18 726.76	R0.00	R18 726.76	18.73%	R7 609.80	R26 336.56	R73 663.44
9	EMERGENCY SERVICES	DC3_Vehide Refurbishment	1	R400 000.00	R98 945.78	R0.00	R98 945.78	24.74%	R0.00	R98 945.78	R301 054.22
10	EMERGENCY SERVICES	DC3_Water Truck	4	R1 800 000.00	R0.00	R24 332.74	R24 332.74	0.00%	R1 175 667.26	R1 200 000.00	R600 000.00
11	EMERGENCY SERVICES	DC3_Fire Service Capacity Grant	4	R1 500 000.00	R0.00	R0.00	R0.00	0.00%	R1 079 322.00	R1 079 322.00	R420 678.00
12	ENVIRONMENTAL MANAGEMENT SERVICES	DC3_Furniture and Office equipment	1	R16 000.00	R6 295.65	R0.00	R6 295.65	39.35%	R0.00	R6 295.65	R9 704.35
13	ENVIRONMENTAL MANAGEMENT SERVICES	DC3_Machinery and Equipment	1	R5 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R5 000.00
14	ENVIRONMENTAL MANAGEMENT SERVICES	DC3_Vehicles	1	R524 114.00	R0.00	R4 249.00	R4 249.00	0.00%	R455 751.00	R460 000.00	R64 114.00
15	FINANCIAL SERVICES	DC3_Furniture and Office equipment	1	R25 000.00	R24 210.52	R0.00	R24 210.52	96.84%	R0.00	R24 210.52	R789.48
16	FINANCIAL SERVICES:EXECUTIVE	DC3_Furniture and Office equipment	1	R5 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R5 000.00
17	HUMAN RESOURCES	DC3_Furniture and Office equipment	1	R18 500.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R18 500.00
18	ICT SERVICES	DC3_Anti Virus Software	1	R250 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R250 000.00
19	ICT SERVICES	DC3_Computers and Computer Equipment	1	R1 160 000.00	R239 500.00	R0.00	R239 500.00	20.65%	R0.00	R239 500.00	R920 500.00
20	ICT SERVICES	DC3_Security Hardware	1	R0.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R0.00
21	IDP AND COMMUNICATION	DC3_Furniture and Office equipment	1	R15 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R15 000.00
22	LED, TOURISM, RESORTS AND EPWP	DC3_Furniture and Office equipment	1	R100 000.00	R0.00	R0.00	R0.00	0.00%	R81 895.44	R81 895.44	R18 104.56
23	LED, TOURISM, RESORTS AND EPWP	DC3_Access control - Die Dam	1	R100 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R100 000.00
24	LED, TOURISM, RESORTS AND EPWP	DC3_Land and Buildings - Security Structure	1	R30 000.00	R25 345.74	R0.00	R25 345.74	84.49%	R0.00	R25 345.74	R4 654.26
25	LED, TOURISM, RESORTS AND EPWP	DC3_Infrastructure- Electrical DB Boxes	1	R150 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R150 000.00
26	LED, TOURISM, RESORTS AND EPWP	DC3_Upgrade Chalets	1	R250 000.00	R20 086.96	R0.00	R20 086.96	8.03%	R0.00	R20 086.96	R229 913.04
27	LED, TOURISM, RESORTS AND EPWP	DC3_Machinery and Equipment-Electricity Back-up	1	R70 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R70 000.00
28	LED, TOURISM, RESORTS AND EPWP	DC3_Machinery and Equipment	1	R15 000.00	R7 849.98	R0.00	R7 849.98	52.33%	R4 173.88	R12 023.86	R2 976.14
29	LED, TOURISM, RESORTS AND EPWP	DC3_Access control - Uilenkraalsmond	1	R100 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R100 000.00
30	LED, TOURISM, RESORTS AND EPWP	DC3_Vehicles - People Carrier	1	R523 975.00	R0.00	R0.00	R0.00	0.00%	R523 975.00	R523 975.00	R0.00
31	MUNICIPAL HEALTH SERVICES	DC3_Furniture and Office equipment	1	R100 000.00	R25 501.09	R0.00	R25 501.09	25.50%	R0.00	R25 501.09	R74 498.91
32	MUNICIPAL HEALTH SERVICES	DC3_Tablets	1	R180 000.00	R0.00	R0.00	R0.00	0.00%	R89 228.50	R89 228.50	R90 771.50
33	MUNICIPAL HEALTH SERVICES	DC3_ESRI MHS system software	1	R250 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R250 000.00
34	SOLID WASTE MANAGEMENT	DC3_Construction of Cell 5A	3	R1 500 000.00	R464 123.49	R0.00	R464 123.49	30.94%	R0.00	R464 123.49	R1 035 876.51
35	CORPORATE SERVICES : SUPPORT SERV	DC3_Septic tank	1	R160 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R160 000.00
36	EMERGENCY SERVICES	DC3_Training Center (furniture and office equipme	1	R114 000.00	R99 539.89	R0.00	R99 539.89	87.32%	R0.00	R99 539.89	R14 460.11
37	LED, TOURISM, RESORTS AND EPWP	DC3_Gas installation at ablation facilities	1	R195 300.00	R195 300.00	R0.00	R195 300.00	100.00%	R0.00	R195 300.00	R0.00
38	EMERGENCY SERVICES	DC3_Capacity Project	4	R500 000.00	R0.00	R0.00	R0.00	0.00%	R0.00	R0.00	R500 000.00
				R14 001 889.00	R1 649 577.70	R28 581.74	R1 678 159.44		R5 358 109.16	R7 036 268.60	R6 965 620.40

Funding Sources	Type
Capital Replacement Reserve	1
Revenue	2
External Loans	3
Grants	4
Private Contributions	5
TOTAL	

SUMMARY	DESCRIPTION	BUDGET 2023/24
COMMITTEE, RECORDS, COUNCIL SUPPRT	1 Project/s	R35 000.00
CORPORATE SERVICES : SUPPORT SERV	5 Project/s	R730 000.00
EMERGENCY SERVICES	8 Project/s	R7 654 000.00
ENVIRONMENTAL MANAGEMENT SERVICES	3 Project/s	R545 114.00
FINANCIAL SERVICES	1 Project/s	R25 000.00
FINANCIAL SERVICES:EXECUTIVE	1 Project/s	R5 000.00
HUMAN RESOURCES	1 Project/s	R18 500.00
ICT SERVICES	3 Project/s	R1 410 000.00
IDP AND COMMUNICATION	1 Project/s	R15 000.00
LED, TOURISM, RESORTS AND EPWP	10 Project/s	R1 534 275.00
MUNICIPAL HEALTH SERVICES	3 Project/s	R530 000.00
SOLID WASTE MANAGEMENT	1 Project/s	R1 500 000.00
		R14 001 889.00

To date, R1 649 578 (11.78%) was spent by 31 December 2024. However, it should be noted that there were committed cost already allocated towards identified projects, not included in this figure and the recalculated inclusive acquisition cost will jointly amounts to R7 036 269 (50.25%). The committed costs will realise into actual spending during the remainder of the financial year and reflect on future reporting. This progress is well received since the 50% mark for the 6-month period has been achieved.

As illustrated in the table above, some projects have zero spending to date. These projects will commence in the second six months of the fiscal year as per the Capital procurement plan. If not executable, the projects will be evaluated to be considered for removal during the adjustment budget process. Some of the zero spending projects already commenced with the SCM processes, while others need to be revisited/reprioritized. A project coordinating forum assist with the SCM/Finance and user department collaboration in executing capital projects.

As illustrated on the table, it is evident that a few projects were completed already or is close to completion. During the adjustment budget, identified capital projects and their "sub-project's" acquisitions in the categories will be re-assessed and amended to ensure optimal capital acquisitions takes place in each project area.

It should be noted that some capital items changed to a zero budget. These will remain on the project list to ensure that our capital projects align to our SDBIP for that specific period, however amended afterwards.

As referred to above, some projects are more urgent than others such as:

- Emergency Services vehicle replacement
- Emergency Services Bunker Protective Clothing

- All grant related capital acquisitions

It should be noted that 25 of the 38 projects R11 763 389 (84%) of the capital budget are allocated directly to service delivery of the municipality to improve services directly in the community.

Additional priority projects may be added on the capital project programme due to the urgency. Some of the savings on the Capital Budget could be utilized to finance these new needs prioritised. This will be formalized during the adjustment budget processes scheduled for February and June 2025.

OPERATING EXPENDITURE

By end of December 2024 an amount of R 155 857 340 (51.13%) of the total operational budget (expenditure) of R 304 805 399 was spent. This percentage is considered good expenditure management as it is relatively close to the threshold of 50%.

OPERATING EXPENDITURE PER DEPARTMENT

COST CODE	DIRECTORATE	DEPARTMENT	ORIGINAL BUDGET 2024/25	ADJUSTMENT BUDGET 2024/25	YTD ACTUAL	% TO DATE
3000	MUNICIPAL MANAGER	Executive (Municipal Manager)	2 249 933.00	2 251 633.00	1 016 568.90	45.15%
3001	MUNICIPAL MANAGER	Executive Support	836 467.00	838 167.00	416 163.51	49.65%
3002	MUNICIPAL MANAGER	Internal Audit	2 200 907.00	2 208 907.00	1 051 927.72	47.62%
3003	MUNICIPAL MANAGER	Council Expenditure	8 296 159.00	8 301 659.00	3 785 089.49	45.59%
3004	MUNICIPAL MANAGER	Idp & Communication	1 765 938.00	1 774 338.00	895 367.34	50.46%
3005	MUNICIPAL MANAGER	Performance & Risk Management	1 885 260.00	1 893 660.00	777 343.33	41.05%
Sub-Total			17 234 664.00	17 268 364.00	7 942 460.29	45.99%
4000	CORPORATE SERVICES	Executive (Corporate Services)	1 352 812.00	1 354 662.00	594 590.41	43.89%
4001	CORPORATE SERVICES	Corporate Support	5 098 682.00	5 104 232.00	2 132 308.86	41.78%
4002	CORPORATE SERVICES	Human Resources	5 337 595.00	5 864 595.00	2 424 532.60	41.34%
4003	CORPORATE SERVICES	Committee, Records & Councillor Support	4 816 062.00	4 527 812.00	1 772 243.89	39.14%
4004	CORPORATE SERVICES	Information Services	3 430 250.00	3 431 600.00	3 195 091.63	93.11%
Sub-Total			20 035 401.00	20 282 901.00	10 118 767.39	49.89%
5000	FINANCE	Executive (Finance)	1 344 556.00	1 345 656.00	399 111.48	29.66%
5001	FINANCE	Financial Support	451 378.00	456 078.00	233 689.02	51.24%
5002	FINANCE	Financial Services	18 962 193.00	19 675 126.00	8 158 053.97	41.46%
5003	FINANCE	Revenue	20 000.00	20 000.00	20 888.69	104.44%
5004	FINANCE	Expenditure	3 550 902.00	3 556 202.00	1 789 663.13	50.33%
5005	FINANCE	Supply Chain Management	4 619 098.00	4 624 398.00	1 861 266.19	40.25%
Sub-Total			28 948 127.00	29 677 460.00	12 462 672.48	41.99%
6000	COMMUNITY SERVICES	Executive (Community Services)	2 026 923.00	2 029 023.00	884 248.67	43.58%
6001	COMMUNITY SERVICES	Community Services Support	186 700.00	187 800.00	40 551.11	21.59%
6002	COMMUNITY SERVICES	Municipal Health	22 115 205.00	22 220 205.00	9 128 253.81	41.08%
6003	COMMUNITY SERVICES	Comprehensive Health	182 333.00	182 333.00	87 246.90	47.85%
6004	COMMUNITY SERVICES	Environmental Management	3 759 473.00	3 764 773.00	1 725 948.99	45.84%
6005	COMMUNITY SERVICES	Solid Waste	9 287 391.00	9 287 391.00	3 512 817.62	37.82%
6006	COMMUNITY SERVICES	Emergency Services	44 963 031.00	45 269 159.00	20 337 300.62	44.93%
6007	COMMUNITY SERVICES	Led, Tourism, Resorts & Epwp	21 828 635.00	22 146 035.00	10 948 759.76	49.44%
6008	COMMUNITY SERVICES	Roads Function	132 489 955.00	132 489 955.00	78 668 311.99	59.38%
Sub-Total			236 839 646.00	237 576 674.00	125 333 439.47	52.75%
TOTAL OPERATING EXPENDITURE			303 057 838.00	304 805 399.00	155 857 339.63	51.13%

Total Operating Expenditure are above the 50% mid-way for the first six months of the financial year with all directorates ranging between 41.99% and 52.75% spending. In the Community Services Directorate however, Road's function exceeded the 50% average amounting to 59.38%, hence being a large department, shifting the overall expenditure of the directorate to over 50%.

Some of the underspending in the municipality can be due to contributing factors such as vacancies, which needs to be filled and/or in the process of filling, another area delaying actual expenditure is contracts and tender's management which are still in the process or have been awarded closer to the end of the first half year, hence spending commenced later in the financial period.

These summations provide a good indication for the setting/compilation of the adjustment budget for the remainder of the fiscal year going forward. Areas of concern as well as saving opportunities are identified when analysing the results to date.

OPERATING REVENUE PER DEPARTMENT

COST CODE	DIRECTORATE	DEPARTMENT	ORIGINAL BUDGET 2024/25	ADJUSTMENT BUDGET 2024/25	YTD ACTUAL	% TO DATE
3003	MUNICIPAL MANAGER	Council Expenditure	42 938 094.00	42 938 094.00	14 923 424.78	34.76%
Sub-Total			42 938 094.00	42 938 094.00	14 923 424.78	34.76%
4001	CORPORATE SERVICES	Corporate Support	42 200.00	42 200.00	20 450.83	48.46%
Sub-Total			42 200.00	42 200.00	20 450.83	48.46%
5002	FINANCE	Financial Services	76 350 500.00	78 698 061.00	62 336 890.08	79.21%
5003	FINANCE	Revenue	70 000.00	70 000.00	19 751.22	28.22%
5004	FINANCE	Expenditure	35 000.00	35 000.00	18 422.21	52.63%
Sub-Total			76 455 500.00	78 803 061.00	62 375 063.51	79.15%
6002	COMMUNITY SERVICES	Municipal Health	4 079 202.00	4 079 202.00	1 814 445.94	44.48%
6003	COMMUNITY SERVICES	Comprehensive Health	182 333.00	182 333.00	87 944.88	48.23%
6004	COMMUNITY SERVICES	Environmental Management	130 000.00	130 000.00	8 136.00	6.26%
6005	COMMUNITY SERVICES	Solid Waste	14 950 000.00	14 950 000.00	8 383 282.97	56.08%
6006	COMMUNITY SERVICES	Emergency Services	13 357 554.00	13 857 554.00	5 442 988.03	39.28%
6007	COMMUNITY SERVICES	Led, Tourism, Resorts & Epwp	21 133 000.00	21 133 000.00	11 602 593.50	54.90%
6008	COMMUNITY SERVICES	Roads Function	132 489 955.00	132 489 955.00	50 224 343.64	37.91%
Sub-Total			186 322 044.00	186 822 044.00	77 563 734.96	41.52%
TOTAL REVENUE (INCLUDING CAPITAL GRANTS)			305 757 838.00	308 605 399.00	154 882 674.08	50.19%

Revenue to date is 50.19%, however will even be higher with the Roads Agency invoices still to be reimbursed for the previous two month's expenses, which will increase the revenue receivables to date. Some of the identified revenue streams which did not realise to date, is property to be disposed of for the current financial year. Adjustments for revenue which will not realise in the current fiscal period needs to be amended in the adjustment budget. Other revenue streams which overperformed was interest on investments for the period, which will also be adjusted accordingly in the adjustment budget.

Equitable share had been received in advance as scheduled in the gazette, hence no matters to report in the finance directorate.

It should be noted that the roads revenue not accounted for, is currently off set against the equitable share in advance. To correctly account for the revenue received from the Roads agency expenses, the outstanding claims can in future be billed as a debtor to recognize the revenue due. The equitable share received in advance, should only be recognized in equal monthly instalments.

1.2 Any financial problems or risk facing the Municipality.

Overberg District Municipality

2024/2025 Risks

Risk Item	Risk Category	Risk Description	Risk Background	Cause of risk	Consequences	Impact
R770	Financial Environment	Risk of not being able to give reasonable assurance on the adequacy and effectiveness on all the major control processes.	Not being able to give assurance all business processes.	<ol style="list-style-type: none"> Capacity constraints. Not comprehensive risk assessment. Dependent on risk assessments not adequately performed. 	<ol style="list-style-type: none"> Not adding value. Not giving assurance. 	Immaterial
R781	Financial Environment	Incomplete disclosure of SCM information in Annual Financial Statements.	<ol style="list-style-type: none"> Received a COMAF from the AG regards to incomplete information in AFS. Not Adhering to SCM Regulation 45. 	Lack of proper monitoring and business process flow.	<ol style="list-style-type: none"> Audit finding. Incorrect disclosure of information in AFS. 	Moderate
R784	Financial Environment	Inaccurate Asset register.	Asset register is currently managed manually on excel spreadsheet. COMAF 07 2022/2023.	Asset register not embedded into the financial system.	<ol style="list-style-type: none"> Financial misstatements Audit findings Fraud. Asset register not aligned with financial transactions. 	Marginal

R791	Financial Environment	Inaccurate pay to staff.	Wrong payments can be made to staff.	Inaccurate payments can result from the following: 1. Wrong categorization of employees. 2. Inaccurate information submitted by user departments. 3. Incorrect capturing of information without verification. 4. Early detection of errors.	1. Audit query. 2. Resulting in financial misstatements. 3. Over and under payment of staff.	Immaterial
R793	Financial Environment	Inadequate managing of Surplus funds.	Not properly managing surplus funds. Received COMAF 09 2022/2023.	1. COMAF received from AG on not following proper procedure to open new investment. 2. Not receiving optimal revenue from surplus funds. 3. Staff do not adhere to ODM Policies and procedures.	1. Fraudulent activities. 2. Not receiving optimal interest.	Marginal
R807	Financial Environment	VAT treatment of roads function.	VAT claimed for the road function not in accordance with AG opinion.	According to AGSA the district municipalities can claim the input vat but must also pay the output vat. COMAF received from AG on the treatment of VAT claim.	1. Loss of reserves. 2. Possible staff retrenchments. 3. Loss of roads agency and agency fee.	Catastrophic

R814	Financial Environment	Compromise Financial Sustainability of the municipality. (757)	The financial sustainability performance factor of the municipality is being threatened by an outdated national funding model, rising expenditure and costs, narrowing revenue base, ageing infrastructure, and the possible withdrawal of the road agency function.	<p>1. Insufficient equitable share allocation to fund allocated functions due to an outdated national funding model for the ODM.</p> <p>2. The increase in expenditure is higher than the increase in revenue/grants.</p>	<p>1. Limited ability to address the institutional capacity demands of the organisation and more specifically staff, fleet and equipment related requirements</p> <p>2. Inability to meet its financial obligations.</p> <p>3. Inability to address the sustainability, reliability, functionality, and capacity of infrastructure</p> <p>4. Placing the health and safety of its community at risk</p> <p>5. Poor service delivery</p> <p>6. Non-compliance of Norms and Standards to service delivery.</p> <p>7. Lack of maintenance on infrastructures.</p>	Critical
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1.3 Annual Report and Audit Report

In terms of Sec 72(1)(a)(iii) of the MFMA, the following is submitted regarding progress on resolving problems identified in the annual report. The Municipality is encouraged to strengthen its internal monitoring by assessing the fundamentals of internal controls on a frequent basis to obtain audit and administration. An action plan (OPCAR) has been implemented to address and monitor unsolved audit findings.

Auditor-General Report on Financial Performance Year 2023/24

Audit Report Status*

Non-Compliance Issues	Remedial Action Taken
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No material non-compliance with selected legislative requirements were identified.	None
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Internal Control Deficiencies	Remedial Action Taken
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No significant deficiencies in internal control were identified	None
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Emphasis of matters	Remedial Action Taken
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<u>Restatement of correspondence figures</u> As disclosed in note 40 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in die financial statements of the municipality at, and for the year ended, 30 June 2024.	This was rectified in the adjusted annual financial statements.
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Auditor-General Report on Service Delivery Performance 2023/24

Audit Report Status

Non-Compliance Issues	Remedial Action Taken
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There were no material findings on the reported performance information for the selected strategic goal (Strategic goal 1). Achievement of planned targets – refer to the annual performance report on pages 80-82 for information on the achievement of audited planned targets for the year.	
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Audit Outcome: Overberg District Municipality received an Unqualified without findings Audit Opinion for 2023/24

COMAF 2023/24		DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
1	<p>Expenditure: Repairs and maintenance per AFS do not agree with the supporting schedule.</p>	<p>Conduct reconciliations between final supporting schedules and AFS note figures.</p>	BTO officials	Before submission of final AFS 30 August 2025	100%	
2	<p>Property, Plant and Equipment: Disposal of more than R500 000 not authorized by Council.</p>	None	N/A	N/A	100%	
3	<p>Procurement and contract management: Reason for deviation not valid – Security Services.</p>	<p>Management do not agree with this finding as there was a SCM process followed (T23-2023/24) to renew this contract. Refer to Tender register and Contract register.</p>	SCM Manager	None	0%	
4	<p>Taxes: VAT on the roads function.</p>	<p>Further legal guidance to be obtained on 28 October 2024.</p>	BTO Officials	None	0%	

Audit Outcome: Overberg District Municipality received an Unqualified without findings Audit Opinion for 2023/24

COMAF 2023/24		DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
5	<p>Procurement and Contract Management:</p> <p>Reason for deviation not valid – Security Services</p>	<p>Liaise with PT (SCM Unit) and other municipalities to develop a standard format and SOP on deviations that will be acceptable to the auditors.</p> <p>Management is still of the view that the reasons why the AG Found the said deviations invalid is not substantiated above any reasonable doubt and the ongoing dispute resolution remains and need to be escalated if it cannot be resolved at ASC level.</p>	<p>SCM Manager</p> <p>Municipal Manager and AG Team</p>	<p>ASAP</p> <p>30 November 2024</p>	<p>0%</p> <p>0%</p>	
6	<p>Resorts revenue:</p> <p>Incomplete</p>	<p>Revisit the entire population of both resorts to identify all discounts that needs to be accounted for</p> <p>Submit a report to Council to investigate and condone the additional discounts given, over and above the discounts as reflected in the tariffs for 2023/24 financial year.</p> <p>The AFS will be corrected by restating the resorts revenue and receivables form exchange to account for the identified revenue forgone (discount).</p>	<p>Resorts Manager</p> <p>Resorts Manager</p> <p>Acting CFO</p>	<p>Already actioned</p> <p>December 2024</p> <p>30 November 2024</p>	<p>100%</p> <p>0%</p> <p>100%</p>	
7	<p>Internal Control Deficiency:</p> <p>Quotations register not maintained</p>	<p>Already implemented a register for informal quotations >R2000 - <R30 000</p>	<p>Manager: SCM</p>	<p>01 March 2024</p>	<p>100%</p>	

Audit Outcome: Overberg District Municipality received an Unqualified **without** findings Audit Opinion for 2023/24

COMAF 2023/24	DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
8	<p>Procurement and Contract Management: The performance of the contractor/provider is not monitored monthly.</p>	<p>The department of Transport be informed of ODM's lack of technical capacity to manage the RAMS grant going forward and proposals provided going forward.</p>	<p>Director: Community Services</p>	<p>ASAP</p>	<p>100%</p>
9	<p>User Account Management Weakness in management of user access for Active Directory (AD) Security management Weakness in management of user access for Payday Security management Inadequate firewall management control Third parties unable to share SOC reports</p>	<p>Investigate the feasibility and cost effectiveness of an audit and reporting tool for active Directory. Review of ICT policies Review of ICT policies Review ICT Policies Add the SOC 2 requirement to future relevant contracts.</p>	<p>Pieter Britz Pieter Britz Pieter Britz Pieter Britz</p>	<p>May 2025 May 2025 May 2025 When current contract expires</p>	<p>0% 0% 0% 0%</p>

Audit Outcome: Overberg District Municipality received an Unqualified without findings Audit Opinion for 2023/24

COMAF	DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
2023/24	IT Governance Lack of benefit plan and monitoring	Bi-annual performance assessment of realization plan and post implementation benefits realization assessment. Both ICT Technical and Human resources functional evaluation shall be conducted when evaluating vendor performance of the PAYDAY system.	Manager: Corporate support C Domingo Manager: Human Resources	January and July for duration of the tender	0% 0%
10	Statement of comparison of budget and actual amounts Casting differences	Improve review processes to eliminate errors such as the casting error identified in the finding. Update financial statements.	W Crafford (Acting CFO)	Error to be corrected in current audit cycle when afforded the opportunity by AG	100%
11	Non-compliance in procurement processes Fuel purchases	None required.	N/A	N/A	100%
12	Utilisation of service providers appointed on a panel	Review the SCM policy to include the utilization of panels to ensure that there are rules in place to facilitate the rotation of panel service providers fairly and cost-effective manner, if it is not included in the bid specifications.	SCM Manager User departments BSC	With immediate effect	0%

Audit Outcome: Overberg District Municipality received an Unqualified without findings Audit Opinion for 2023/24

COMAF 2023/24		DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
13	Limitation on payables from non-exchange transactions	Delivery note document will accompany the expenditure document, which is paid after year end.	Senior Manager Finance	30 June 2025	0%	
14	Non-compliance no procurement processes for telecommunication service Telkom	<p>National Treasury be requested to update the CSD database to re-classify Telkom as a private company.</p> <p>The SCM policy of the municipality be amended (section 2(3) and 11(2))</p> <p>Prioritize the implementation of the appropriate procurement process for telecommunications services for those services which are still hosted by Telkom.</p>	<p>SCM Manager</p> <p>SCM Manager</p> <p>User departments SCM Manager</p>	<p>Immediately</p> <p>After CSD update</p> <p>After SCM policy amendment</p>	<p>0%</p> <p>0%</p> <p>0%</p>	
15	Procurement process not started within 6 months before contract ends	Notifications to user-departments will be more "enforced" for compliance to the Procurement plan deliverables and investigate consequence management alternatives needs to be enacted on from the Directors responsible for the user department.	SCM Manager Municipal Manager and Directors	With immediate effect	0%	
16	Internal Control Deficiency	Internal audit to be conducted to assess the successful implementation of Fuel Card Directive. Internal audit outcomes to be used to determine	Internal Audit	31 March 2025	0%	

Audit Outcome: Overberg District Municipality received an Unqualified **without** findings Audit Opinion for 2023/24

COMAF	DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
2023/24	Monitoring of fuel usage on Fleet Vehicle	control improvement options that will inform an appropriate SOP. A Clear and documented process (SOP) to be developed, based on the internal audit outcomes.	SCM User departments	30 June 2025	0%
17	Revenue Incorrect amount recorded on the Roads Services disclosure note	Journal entry to be passed when afforded the opportunity by the AG.	W Crafford (Acting CFO)	November 2024 when afforded opportunity to adjust the AFS	100%
18	Employee Benefits: Leave provision not accurate	Management investigates the differences in the leave balance to provide proper explanations and corrections if necessary. Management follows the recommendations as set out in the audit finding.	HR Manager HR Manager	31/12/2024 30/06/2025	0% 0%
19	AFS disclosure: Capital commitments.	Capital commitment detail to be added.	W Crafford (Acting CFO)	November 2024	100%

1.4 National and Provincial adjustments budgets

The following adjustments to certain unspent and additional grants which had an impact on the Municipality's budget.

- (a) The unspent grants on 30 June 2024 for the following grants have been submitted to Provincial and National Treasury for roll over and was successful, hence was already included in the **adjustment budget approved in August and December 2024:**

FIRE SERVICES CAPACITY BUILDING GRANT	R 500 000
WHOLE OF SOCIETY APPROACH (WOSA) (PT)	R 109 000
WESTERN CAPE FINANCIAL CAPACITY GRANT	R 79 128
WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT	R 366 355
COMMUNITY DEVELOPMENT WORKS	R 3 078
TOTAL	R 1 057 561

- (b) Additional funding awarded for the 2024/2025 financial year includes.

WESTERN CAPE CAPACITY BUILDING GRANT	R 700 000
WATER RESILIENCE GRANT	R 600 000
WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT	R 200 000
TOTAL	R 1 500 000

All these funds were already incorporated in the August and December 2024 Adjustment Budgets

The main reasons/purpose for this year's Mid-year report and the upcoming budget is to:

- Review the projected versus actual revenue for the prior period; and anticipated expected revenue for the remainder of the financial year.
- Perform a reassessment on the expenditure budgeted versus incurred as well as the projected anticipated expenditure for the latter six months to be determined and tabled to ensure a realistic, credible, and executable implementation plan and budget to be approved by Council.
- Performance indicators and achievements
- Reprioritisation of projects
- Capital budget execution and outlook for the financial year going forward versus the procurement plan.
- Overall assessment on the track of activities for the year to be achieved.

1.5 Necessity of an adjustments budget for the Municipality

Section 28 of the MFMA read as follow:

An adjustments budget referred to in section 28(2)(b), (d) and (f) of the MFMA will be tabled in the municipal council after the mid-year budget and performance assessment.

A municipality may revise an approved annual budget through an adjustments budget.

Apart from the unspent and additional grants as mentioned in 1.4 above, there are also other adjustments in operational and capital expenditure that had been identified.

Accordingly, a report on adjustments to the budget will be submitted for consideration by Council on in February 2025.

1.6 Non-financial performance – See part 2 (9)

1.7 Future Financial Sustainability

The Financial Management section under the CFO conducted sessions with the Mayoral Committee, Budget Steering Committee, and all Directors/Managers in the municipality on a frequent basis.

Focus areas during these sessions included major and minor opportunities in the following areas:

- BUDGET MANAGEMENT
- GRANT FUNDING
- OWN REVENUE STREAMS (Review current, potential and expansion of services)
- EXPENDITURE (Cuts, synergies, and collaboration with Local B-municipalities)

The municipality is continuously revising the long-term financial sustainability plan, to assist in compiling SWOT analysis going forward.

2. RESOLUTIONS

2.1 Mid-year budget and performance assessment

- a) That cognisance be taken of the mid-year budget and performance assessment in respect of the first half of the 2024/2025 financial year;
- b) That the assessment report be submitted to Council on 27 January 2025 in terms of Section 54(1)(f) of the MFMA;
- c) That the proposed amendments to the KPI's and targets (SDBIP) be submitted to council in terms of Section 54(1)(c) for approval;

3. EXECUTIVE SUMMARY

3.1 Introduction

In accordance with Section 72(1) of the Municipal Finance Management Act (MFMA) the Accounting Officer is required to-

- (a) Assess the performance of the municipality during the first half of the financial year, taking into account-
 - (i) The monthly statements referred to in Section 71 for the first half of the financial year;
 - (ii) The municipality's service delivery performance during the first half of the financial year, and the service delivery target and performance indicators set in the service delivery and budget implementation plan;
 - (iii) The past year's annual report, and progress on resolving problems identified in the annual report. -
 - (iv) The performance of every municipality entity under the sole or shared control of every municipality, considering reports in terms of Section 88 from any such entities; and
- (b) Submit a report on such assessment to-
 - (i) The Mayor of the municipality;
 - (ii) National Treasury; and
 - (iii) The relevant Provincial Treasury

It should be noted that additional funds were received from National and Provincial Treasury, but Overberg District Municipality does not anticipate the national adjustments budget and the relevant provincial adjustments budget to influence the Municipality's budget towards the end of the financial year.

3.2 Consolidated performance

The following table summarises the overall position on the capital and operating budgets:

	Capital Expenditure	Operating Expenditure	Operating Revenue
Budget	R 14 001 889	R304 805 399	R304 805 399
Budget to date (BTD)	R 6 097 722	R160 235 244	R148 434 278
Year to date (YTD)	R 1 649 578	R155 857 340	R153 682 674
Variance to SDBIP	-R 4 448 145	-R 4 377 904	R 5 248 396
YTD% Variance to SDBIP	-73%	-3%	4%
% of Annual Budget	12%	51%	50%

As per the above performance budget table revenue and expenditure are close to the anticipated percentages for the period to date. Capital expenditure is below anticipated with 12% spend to date. The percentage spending against the annual budget will increase to over **50%** if the committed cost of **R5 358 109** is also included in the calculation.

4. IN-YEAR BUDGET STATEMENT TABLES

The in-year budget statement tables are presented below. Supporting information and explanations of are given for each table where such information will assist with understanding the information contained in the tables.

4.1 Monthly Budget Statement summary

DC3 Overberg - Table C1 Monthly Budget Statement Summary - M06 December

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
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	15 170	15 170	1 603	8 782	8 116	666	8%	15 170
Investment revenue	-	7 600	7 600	736	3 807	3 588	219	6%	7 600
Transfers and subsidies - Operational	-	96 796	98 254	29 128	69 211	72 046	(2 835)	(0)	98 254
Other own revenue	-	183 492	183 782	1 483	71 883	64 684	7 199	11%	-
Total Revenue (excluding capital transfers and contributions)	-	303 058	304 805	32 949	153 683	148 434	5 248	4%	304 805
Employee costs	-	168 688	164 267	12 389	81 325	87 990	(6 665)	-8%	164 267
Remuneration of Councillors	-	6 796	6 796	585	3 487	3 209	278	9%	6 796
Depreciation and amortisation	-	3 681	3 681	294	1 766	1 790	(25)	-1%	3 681
Interest	-	2 422	2 422	60	759	780	(21)	-3%	2 422
Inventory consumed and bulk purchases	-	47 075	53 048	5 468	40 210	38 924	1 286	3%	53 048
Transfers and subsidies	-	-	200	-	-	-	-	-	200
Other expenditure	-	74 386	74 392	6 759	28 312	27 542	770	3%	74 382
Total Expenditure	-	303 058	304 805	25 555	155 857	160 235	(4 378)	-3%	304 805
Surplus/(Deficit)	-	-	-	7 394	(2 175)	(11 801)	9 626	-82%	-
Transfers and subsidies - capital (monetary allocations)	-	2 700	3 800	-	1 200	3 400	(2 200)	-65%	3 800
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	2 700	3 800	7 394	(975)	(8 401)	7 426	-88%	3 800
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	2 700	3 800	7 394	(975)	(8 401)	7 426	-88%	3 800
Capital expenditure & funds sources									
Capital expenditure	-	11 505	14 002	450	1 650	6 098	(4 448)	-73%	14 002
Capital transfers recognised	-	2 700	3 800	-	-	1 700	(1 700)	-100%	3 800
Borrowing	-	1 500	1 500	66	464	282	182	64%	1 500
Internally generated funds	-	7 305	8 702	383	1 185	4 115	(2 930)	-71%	8 702
Total sources of capital funds	-	11 505	14 002	450	1 650	6 098	(4 448)	-73%	14 002
Financial position									
Total current assets	91 455	76 587	74 132		102 304				74 132
Total non current assets	115 311	129 546	132 044		115 195				132 044
Total current liabilities	33 144	43 569	42 511		43 707				42 511
Total non current liabilities	56 522	59 047	59 047		58 251				59 047
Community wealth/Equity	117 100	103 519	104 619		115 541				104 619
Cash flows									
Net cash from (used) operating	-	(425)	(382)	22 433	16 400	10 011	(6 389)	-64%	(382)
Net cash from (used) investing	-	(1 605)	(4 102)	(450)	(1 650)	(4 654)	(3 004)	65%	(4 102)
Net cash from (used) financing	-	(3 206)	(3 206)	(468)	(2 404)	(2 444)	(40)	2%	(3 206)
Cash/cash equivalents at the month/year end	-	66 290	63 835	89 931	89 931	74 439	(15 492)	-21%	69 895
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	2 983	1 685	58	38	32	44	230	2 264	7 334
Creditors Age Analysis									
Total Creditors	11 053	56	997	5	16	195	-	1	12 324

4.2 Monthly Budget Statement – Financial Performance (Standard classification)

DC3 Overberg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

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 - Functional										
<i>Governance and administration</i>		-	119 436	121 783	30 917	77 319	80 246	(2 927)	-4%	121 783
Executive and council		-	42 938	42 938	1 153	14 923	27 544	(12 621)	-46%	42 938
Finance and administration		-	76 498	78 845	29 764	62 396	52 702	9 694	18%	78 845
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	38 752	39 252	1 830	18 948	22 866	(3 918)	-17%	39 252
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	21 133	21 133	1 718	11 603	11 595	7	0%	21 133
Public safety		-	13 358	13 858	10	5 443	8 769	(3 326)	-38%	13 858
Housing		-	-	-	-	-	-	-	-	-
Health		-	4 262	4 262	102	1 902	2 502	(599)	-24%	4 262
<i>Economic and environmental services</i>		-	132 620	132 620	(1 326)	50 232	40 902	9 331	23%	132 620
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	132 490	132 490	(1 326)	50 224	40 872	9 352	23%	132 490
Environmental protection		-	130	130	-	8	30	(22)	-73%	130
<i>Trading services</i>		-	14 950	14 950	1 528	8 383	7 820	563	7%	14 950
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	14 950	14 950	1 528	8 383	7 820	563	7%	14 950
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	305 758	308 605	32 949	154 883	151 834	3 048	2%	308 605
Expenditure - Functional										
<i>Governance and administration</i>		-	66 666	67 681	3 967	30 553	31 679	(1 126)	-4%	67 681
Executive and council		-	11 383	11 391	839	5 218	5 252	(34)	-1%	11 391
Finance and administration		-	53 082	54 081	2 967	24 284	25 343	(1 059)	-4%	54 081
Internal audit		-	2 201	2 209	161	1 052	1 084	(33)	-3%	2 209
<i>Community and public safety</i>		-	89 089	89 808	9 294	40 502	40 531	(29)	0%	89 808
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	21 829	22 146	4 560	10 949	9 013	1 935	21%	22 146
Public safety		-	44 963	45 259	3 476	20 337	21 168	(831)	-4%	45 259
Housing		-	-	-	-	-	-	-	-	-
Health		-	22 298	22 403	1 259	9 216	10 349	(1 133)	-11%	22 403
<i>Economic and environmental services</i>		-	138 015	138 029	11 698	81 290	84 519	(3 229)	-4%	138 029
Planning and development		-	1 766	1 774	141	895	899	(3)	0%	1 774
Road transport		-	132 490	132 490	11 300	78 668	81 803	(3 134)	-4%	132 490
Environmental protection		-	3 759	3 765	257	1 726	1 817	(91)	-5%	3 765
<i>Trading services</i>		-	9 287	9 287	596	3 513	3 507	6	0%	9 287
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	9 287	9 287	596	3 513	3 507	6	0%	9 287
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	303 058	304 805	25 555	155 857	160 235	(4 378)	-3%	304 805
Surplus/ (Deficit) for the year		-	2 700	3 800	7 394	(975)	(8 401)	7 426	-0.883982	3 800

Table C2 highlights the operating budget in the standard functional classifications which are the Government Finance Statistics Functions and Sub-Functions. These are used by National Treasury to assist the compilation of accounts for comparison purposes, regardless of the unique structures used by different institutions.

The main functions include Governance and administration; Community and public safety; Economic and environmental services; and trading services.

To obtain a better comprehensive understanding on the Financial Performance of Overberg District Municipality the above tabled standard classification, in Table C2, are reclassified as per Municipal vote, Table C3.

4.3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

DC3 Overberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

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 - Municipal Manager		-	42 938	42 938	1 153	14 923	27 544	(12 621)	-45.8%	42 938
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	42	42	4	20	20	0	1.7%	42
Vote 4 - Finance		-	76 456	78 803	29 761	62 375	52 682	9 693	18.4%	78 803
Vote 5 - Community Services		-	186 322	186 822	2 032	77 564	71 588	5 976	8.3%	186 822
Total Revenue by Vote	2	-	305 758	308 605	32 949	154 883	151 834	3 048	2.0%	308 605
Expenditure by Vote	1									
Vote 1 - Municipal Manager		-	17 235	17 268	1 333	7 942	8 020	(77)	-1.0%	17 268
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	20 035	20 293	1 014	10 119	11 120	(1 002)	-9.0%	20 293
Vote 4 - Finance		-	28 948	29 677	1 579	12 463	12 447	15	0.1%	29 677
Vote 5 - Community Services		-	236 840	237 567	21 630	125 333	128 648	(3 314)	-2.6%	237 567
Total Expenditure by Vote	2	-	303 058	304 805	25 555	155 857	160 235	(4 378)	-2.7%	304 805
Surplus/ (Deficit) for the year	2	-	2 700	3 800	7 394	(975)	(8 401)	7 426	-88.4%	3 800

The operating revenue and expenditure budget is approved and managed at a municipal vote level in 4 main vote directorates. The municipal votes reflect the organisational structure of the municipality which consist of: Municipal Manager, Corporate Services, Financial Services, and Community Services separately.

4.4 Monthly Budget Statement – Financial Performance (revenue and expenditure)

DC3 Overberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		220	220	19	60	70	(10)	-15%	220	
Service charges - Waste management		14 950	14 950	1 584	8 722	8 046	676	8%	14 950	
Sale of Goods and Rendering of Services		142 994	142 994	(1 050)	56 123	47 628	8 495	18%	142 994	
Agency services		13 825	13 825	1 153	6 918	6 539	379	6%	13 825	
Interest		-	-	-	-	-	-	-	-	
Interest earned from Receivables		300	300	15	113	134	(20)	-15%	300	
Interest from Current and Non Current Assets		7 600	7 600	736	3 807	3 588	219	6%	7 600	
Dividends		-	-	-	-	-	-	-	-	
Rent on Land		-	-	-	-	-	-	-	-	
Rental from Fixed Assets		14 062	14 062	1 222	7 343	7 242	101	1%	14 062	
Licence and permits		1 250	1 250	88	640	436	203	47%	1 250	
Operational Revenue		1 161	1 451	55	747	706	41	6%	1 451	
Non-Exchange Revenue										
Property rates		-	-	-	-	-	-	-	-	
Surcharges and Taxes		-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	
Licence and permits		-	-	-	-	-	-	-	-	
Transfers and subsidies - Operational		96 796	98 254	29 128	69 211	72 046	(2 836)	-4%	98 254	
Interest		-	-	-	-	-	-	-	-	
Fuel Levy		-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	
Gains on disposal of Assets		9 900	9 900	-	-	2 000	(2 000)	-100%	9 900	
Other Gains		-	-	-	-	-	-	-	-	
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)										
		-	303 058	304 805	32 949	153 683	148 434	5 248	4%	304 805
Expenditure By Type										
Employee related costs		168 688	164 267	12 389	81 325	87 990	(6 665)	-8%	164 267	
Remuneration of councillors		6 796	6 796	585	3 487	3 209	278	9%	6 796	
Bulk purchases - electricity		-	-	-	-	-	-	-	-	
Inventory consumed		47 075	53 048	5 468	40 210	38 924	1 286	3%	53 048	
Debt impairment		-	-	-	-	-	-	-	-	
Depreciation and amortisation		3 681	3 681	294	1 766	1 790	(25)	-1%	3 681	
Interest		2 422	2 422	60	759	780	(21)	-3%	2 422	
Contracted services		38 158	38 511	1 950	11 690	12 995	(1 305)	-10%	38 511	
Transfers and subsidies		-	200	-	-	-	-	-	200	
Irrecoverable debts written off		-	-	-	-	-	-	-	-	
Operational costs		35 962	35 605	4 810	16 621	14 547	2 074	14%	35 605	
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	
Other Losses		276	276	-	-	-	-	-	276	
Total Expenditure										
		-	303 058	304 805	25 555	155 857	160 235	(4 378)	-3%	304 805
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		-	-	-	7 394	(2 175)	(11 801)	9 626	(0)	-
Transfers and subsidies - capital (in-kind)		-	2 700	3 800	-	1 200	3 400	(2 200)	(0)	3 800
Surplus/(Deficit) after capital transfers & contributions		-	2 700	3 800	7 394	(975)	(8 401)	7 426	(0)	3 800
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		-	2 700	3 800	7 394	(975)	(8 401)	7 426	(0)	3 800
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	2 700	3 800	7 394	(975)	(8 401)	7 426	(0)	3 800
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		-	2 700	3 800	7 394	(975)	(8 401)	7 426	(0)	3 800

Reasons for variances:

Revenue

- Year to date operating revenue amounts to 50% of the total budgeted for the financial year.
- Revenue to date recognised is close to than anticipated however a significant Roads Agency invoice still needs to be settled, which will increase the revenue.

Expenditure

- Expenditure to date amount to 51% with a variance of 3%. This is considered good expenditure management as we are halfway through the financial year.

4.5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification, and funding)

DC3 Overberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Finance		-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	1 750	1 750	66	484	372	112	30%	1 750
Total Capital Multi-year expenditure	4,7	-	1 750	1 750	66	484	372	112	30%	1 750
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		-	15	15	-	-	5	(5)	-100%	15
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	2 034	2 194	70	477	860	(384)	-45%	2 194
Vote 4 - Finance		-	30	30	6	24	15	9	61%	30
Vote 5 - Community Services		-	7 676	10 013	307	665	4 845	(4 180)	-86%	10 013
Total Capital single-year expenditure	4	-	9 755	12 252	383	1 165	5 725	(4 560)	-80%	12 252
Total Capital Expenditure		-	11 505	14 002	450	1 650	6 098	(4 448)	-73%	14 002
Capital Expenditure - Functional Classification										
Governance and administration		-	2 064	2 224	76	501	875	(375)	-43%	2 224
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	2 064	2 224	76	501	875	(375)	-43%	2 224
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	7 445	9 718	307	678	4 924	(4 245)	-86%	9 718
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	1 315	1 534	195	249	879	(630)	-72%	1 534
Public safety		-	5 600	7 654	112	404	4 004	(3 600)	-90%	7 654
Housing		-	-	-	-	-	-	-	-	-
Health		-	530	530	-	26	41	(15)	-37%	530
Economic and environmental services		-	496	560	-	6	16	(10)	-61%	560
Planning and development		-	15	15	-	-	5	(5)	-100%	15
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	481	545	-	6	11	(5)	-44%	545
Trading services		-	1 500	1 500	66	464	282	182	64%	1 500
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	1 500	1 500	66	464	282	182	64%	1 500
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	11 505	14 002	450	1 650	6 098	(4 448)	-73%	14 002
Funded by:										
National Government		-	-	-	-	-	-	-	-	-
Provincial Government		-	2 700	3 800	-	-	1 700	(1 700)	-100%	3 800
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov		-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises,		-	-	-	-	-	-	-	-	-
Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	2 700	3 800	-	-	1 700	(1 700)	-100%	3 800
Borrowing	6	-	1 500	1 500	66	464	282	182	64%	1 500
Internally generated funds		-	7 305	8 702	383	1 185	4 115	(2 930)	-71%	8 702
Total Capital Funding		-	11 505	14 002	450	1 650	6 098	(4 448)	-73%	14 002

4.6 Monthly Budget Statement – Financial Position

DC3 Overberg - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		77 585	66 290	63 835	89 931	63 835
Trade and other receivables from ex change transactions		9 503	5 485	5 485	8 389	5 485
Receivables from non-ex change transactions		560	548	548	560	548
Current portion of non-current receivables		2 040	2 168	2 168	2 040	2 168
Inventory		1 767	1 571	1 571	1 384	1 571
VAT		–	526	526	–	526
Other current assets		–	–	–	–	–
Total current assets		91 455	76 587	74 132	102 304	74 132
Non current assets						
Investments		–	–	–	–	–
Investment property		12 797	12 769	12 769	12 797	12 769
Property, plant and equipment		81 620	93 981	96 478	81 504	96 478
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		74	373	373	74	373
Trade and other receivables from ex change transactions		–	–	–	–	–
Non-current receivables from non-ex change transactions		20 820	22 424	22 424	20 820	22 424
Other non-current assets		–	–	–	–	–
Total non current assets		115 311	129 546	132 044	115 195	132 044
TOTAL ASSETS		206 766	206 134	206 176	217 499	206 176
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		4 704	5 291	5 291	2 300	5 291
Consumer deposits		8	8	8	8	8
Trade and other payables from ex change transactions		5 407	6 736	6 736	13 932	6 736
Trade and other payables from non-ex change transactions		5 118	13 478	12 420	8 255	12 420
Provision		17 591	18 055	18 055	17 591	18 055
VAT		317	–	–	1 621	–
Other current liabilities		–	–	–	–	–
Total current liabilities		33 144	43 569	42 511	43 707	42 511
Non current liabilities						
Financial liabilities		6 519	2 727	2 727	6 519	2 727
Provision		50 003	56 319	56 319	51 732	56 319
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		56 522	59 047	59 047	58 251	59 047
TOTAL LIABILITIES		89 666	102 615	101 558	101 958	101 558
NET ASSETS	2	117 100	103 519	104 619	115 541	104 619
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		96 100	82 519	83 619	94 541	83 619
Reserves and funds		21 000	21 000	21 000	21 000	21 000
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	117 100	103 519	104 619	115 541	104 619

4.7 Monthly Budget Statement – Cash Flow

DC3 Overberg - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		15 170	15 170	1 603	10 782	9 484	1 299	14%	15 170	
Other revenue		173 292	173 582	16 863	83 004	91 990	(8 986)	-10%	173 582	
Transfers and Subsidies - Operational		96 796	97 696	28 854	72 162	66 412	5 751	9%	97 696	
Transfers and Subsidies - Capital		2 700	3 300	-	3 700	2 200	1 500	68%	3 300	
Interest		7 900	7 900	738	3 845	3 754	91	2%	7 900	
Dividends		-	-	-	-	-	-	-	-	
Payments										
Suppliers and employees		(294 783)	(296 330)	(25 565)	(156 335)	(163 129)	(6 794)	4%	(296 330)	
Interest		(1 500)	(1 500)	(60)	(759)	(699)	60	-9%	(1 500)	
Transfers and Subsidies		-	(200)	-	-	-	-	-	(200)	
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	(425)	(382)	22 433	16 400	10 011	(6 389)	-64%	(382)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		9 900	9 900	-	-	2 000	(2 000)	-100%	9 900	
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	
Payments										
Capital assets		(11 505)	(14 002)	(450)	(1 650)	(6 654)	(5 004)	75%	(14 002)	
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(1 605)	(4 102)	(450)	(1 650)	(4 654)	(3 004)	65%	(4 102)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	
Borrowing long term/refinancing		1 500	1 500	-	-	-	-	-	1 500	
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	
Payments										
Repayment of borrowing		(4 706)	(4 706)	(468)	(2 404)	(2 444)	(40)	2%	(4 706)	
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(3 206)	(3 206)	(468)	(2 404)	(2 444)	(40)	2%	(3 206)
NET INCREASE/ (DECREASE) IN CASH HELD		-	(5 235)	(7 690)	21 516	12 346	2 913			(7 690)
Cash/cash equivalents at beginning:		71 525	71 525	68 415	77 585	71 525				77 585
Cash/cash equivalents at month/year end:		66 290	63 835	89 931	89 931	74 439				69 895

Although the cash balance is adequate, more attention should be focussed to ensure long-term sustainable cash management through strong financial management and discipline. This cash surplus includes grants received to date; hence the cash flow position will decline towards the end of the financial year. VAT claims in investments contribute largely to this current situation. Possible contingent liabilities can easily absorb the municipality's cashflow, therefore it is crucial to plan for each scenario effective, efficient, and economically.

PART 2: SUPPORTING DOCUMENTATION

1. Debtor's Analysis (Table SC3)

DC3 Overberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2024/25										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts L to 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	9	4	3	3	4	5	32	42	103	86			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	84	6	2	1	1	2	5	7	107	15			
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-			
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-			
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-			
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	0	0	0			
Interest on Arrear Debtor Accounts	1810	-	15	1	1	1	0	7	247	272	256			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-			
Other	1900	2 890	1 661	51	33	27	38	186	1 967	6 852	2 251			
Total By Income Source	2000	2 983	1 685	58	38	32	44	230	2 264	7 334	2 608			
2023/24 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	1 652	-	-	-	-	-	-	1 296	2 948	1 296			
Commercial	2300	100	12	4	4	2	-	3	351	476	360			
Households	2400	1 231	138	53	33	31	44	227	617	2 375	853			
Other	2500	-	1 535	-	-	-	-	-	-	1 535	-			
Total By Customer Group	2600	2 983	1 685	58	38	32	44	230	2 264	7 334	2 608			

2. Creditor's Analysis (Table SC4)

DC3 Overberg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2024/25									
		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	11 035	-	-	-	-	-	-	-	-	11 035
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	18	56	997	5	16	195	-	-	-	1 288
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	1	1
Medical Aid deductions	950	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	11 053	56	997	5	16	195	-	1	12 324	

3. Investment portfolio analysis (Table SC5)

DC3 Overberg - Supporting Table SC5 Monthly Budget Statement - investment po

Investments by maturity Name of institution & investment ID	Ref	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands							
Municipality							
Nedbank - 037881714042		Call Account	8 530	258	(79 600)	73 000	2 187
Nedbank - 037881183454		Call Account (KWK Rehab)	5 564	111	-	310	5 984
Nedbank - 037881185767		Call Account (CRRF)	898	18	-	-	916
Absa Bank - 9358892970		Investment Tracker (Main)	46 294	1 022	(26 000)	24 000	45 316
Absa Bank - 9374585345		Investment Tracker (Special)	31 454	685	-	-	32 140
			-	-	-	-	-
			-	-	-	-	-
Municipality sub-total			92 740	2 094	(105 600)	97 310	86 543
TOTAL INVESTMENTS AND INTEREST	2		92 740	2 094	(105 600)	97 310	86 543

4. Allocation and grant receipts and expenditure (Tables SC6 and SC7)

DC3 Overberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

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										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		–	92 989	92 989	28 854	68 355	61 623	6 733	10.9%	92 989
Local Government Equitable Share			86 644	86 644	28 854	64 956	59 780	5 176	8.7%	86 644
Finance Management			1 000	1 000	–	1 000	1 000	–		1 000
EPWP Incentive			1 265	1 265	–	317	843	(526)	-62.4%	1 265
Rural Roads Asset Management Grant			2 974	2 974	–	2 082	–	2 082	#DIV/0!	2 974
Municipal Systems Improvement Grant (MSIG)			1 106	1 106	–	–	–	–		1 106
Other transfers and grants [insert description]										
Provincial Government:		–	3 807	4 707	–	3 807	3 233	574	17.8%	4 707
CDW Operational Support Grant			57	57	–	57	57	–		57
Human Capacity Building Grant			1 000	1 700	–	1 000	426	574	135.0%	1 700
Fire Safety Plan			2 750	2 950	–	2 750	2 750	–		2 950
Other transfers and grants [insert description]										
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]										
Total Operating Transfers and Grants	5	–	96 796	97 696	28 854	72 162	64 855	7 307	11.3%	97 696
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
Other capital transfers [insert description]										
Provincial Government:		–	2 700	3 300	–	3 700	1 500	2 200	146.7%	3 300
Fire Service Capacity Building Grant			1 500	1 500	–	2 500	300	2 200	733.3%	1 500
MUNICIPAL WATER RESILIANCE GRANT			1 200	1 800	–	1 200	1 200	–		1 800
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]										
Total Capital Transfers and Grants	5	–	2 700	3 300	–	3 700	1 500	2 200	146.7%	3 300
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	–	99 496	100 996	28 854	75 862	66 355	9 507	14.3%	100 996

DC3 Overberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

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:		–	92 989	92 989	29 045	65 721	67 264	(1 543)	-2.3%	92 989
Local Government Equitable Share			86 644	86 644	28 854	64 956	64 402	554	0.9%	86 644
Finance Management			1 000	1 000	76	299	153	145	94.6%	1 000
EPWP Incentive			1 265	1 265	115	467	627	(160)	-25.6%	1 265
Rural Roads Asset Management Grant			2 974	2 974	–	–	2 082	(2 082)	-100.0%	2 974
Municipal Systems Improvement Grant (MSIG)			1 106	1 106	–	–	–	–	–	1 106
Other transfers and grants [insert description]			–	–	–	–	–	–	–	–
Provincial Government:		–	3 807	5 265	82	3 489	4 782	(1 293)	-27.0%	5 185
CDW Operational Support Grant			57	60	2	4	11	(7)	-60.9%	60
Human Capacity Building Grant			1 000	1 700	81	510	1 345	(835)	-62.1%	1 700
Fire Safety Plan			2 750	3 425	–	2 975	3 426	(450)	-13.1%	3 425
Municipal Interventions			–	79	–	–	–	–	–	–
Other transfers and grants [insert description]			–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]			–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]			–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		–	96 796	98 254	29 128	69 211	72 046	(2 836)	-3.9%	98 175
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	–	–	–	–	–	–
Other capital transfers [insert description]			–	–	–	–	–	–	–	–
Provincial Government:		–	2 700	3 800	–	1 200	3 400	(2 200)	-64.7%	3 800
Fire Service Capacity Building Grant			1 500	2 000	–	–	1 000	(1 000)	-100.0%	2 000
MUNICIPAL WATER RESILIANCE GRANT			1 200	1 800	–	1 200	2 400	(1 200)	-50.0%	1 800
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		–	2 700	3 800	–	1 200	3 400	(2 200)	-64.7%	3 800
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	99 496	102 054	29 128	70 411	75 446	(5 036)	-6.7%	101 975

5. Councillor allowances and employee benefits (Table SC8)

DC3 Overberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

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		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages			4 811	4 811	409	2 458	2 253	205	9%	4 811
Pension and UIF Contributions			62	62	8	37	30	7	23%	62
Medical Aid Contributions			-	-	-	-	-	-	-	-
Motor Vehicle Allowance			1 453	1 453	128	760	692	68	10%	1 453
Cellphone Allowance			470	470	39	231	233	(1)	-1%	470
Housing Allowances			-	-	-	-	-	-	-	-
Other benefits and allowances			-	-	-	-	-	-	-	-
Sub Total - Councillors			6 796	6 796	585	3 487	3 209	278	9%	6 796
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages			4 545	4 545	242	1 794	2 428	(634)	-26%	4 545
Pension and UIF Contributions			491	491	41	244	245	(1)	0%	491
Medical Aid Contributions			-	-	-	-	-	-	-	-
Overtime			-	-	-	-	-	-	-	-
Performance Bonus			-	-	-	-	-	-	-	-
Motor Vehicle Allowance			258	258	15	114	120	(6)	-5%	258
Cellphone Allowance			78	78	5	34	37	(3)	-7%	78
Housing Allowances			2	2	0	2	2	0	27%	2
Other benefits and allowances			-	-	-	-	-	-	-	-
Payments in lieu of leave			-	-	-	-	-	-	-	-
Long service awards			-	-	-	-	-	-	-	-
Post-retirement benefit obligations			-	-	-	-	-	-	-	-
Entertainment			-	-	-	-	-	-	-	-
Scarcity			-	-	-	-	-	-	-	-
Acting and post related allowance			76	76	-	19	32	(13)	-40%	76
In kind benefits			-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality			5 451	5 451	303	2 207	2 863	(656)	-23%	5 451
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages			114 656	110 235	7 785	54 394	60 745	(6 351)	-10%	110 235
Pension and UIF Contributions			19 258	19 258	1 435	8 697	9 022	(324)	-4%	19 258
Medical Aid Contributions			6 910	6 910	495	2 990	3 148	(158)	-5%	6 910
Overtime			1 850	1 850	246	1 192	947	245	26%	1 850
Performance Bonus			-	-	-	-	-	-	-	-
Motor Vehicle Allowance			5 277	5 277	370	2 439	2 554	(115)	-5%	5 277
Cellphone Allowance			538	538	35	216	235	(19)	-8%	538
Housing Allowances			370	370	25	151	163	(12)	-7%	370
Other benefits and allowances			10 344	10 344	776	4 689	4 853	(163)	-3%	10 344
Payments in lieu of leave			200	200	133	537	428	109	26%	200
Long service awards			250	250	48	289	235	55	23%	250
Post-retirement benefit obligations			3 018	3 018	503	3 017	2 514	503	20%	3 018
Entertainment			-	-	-	-	-	-	-	-
Scarcity			-	-	-	-	-	-	-	-
Acting and post related allowance			565	565	237	506	284	223	78%	565
In kind benefits			-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff			163 237	158 816	12 087	79 117	85 127	(6 009)	-7%	158 816
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality			175 484	171 063	12 974	84 812	91 199	(6 387)	-7%	171 063
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS			175 484	171 063	12 974	84 812	91 199	(6 387)	-7%	171 063
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
TOTAL MANAGERS AND STAFF			168 688	164 267	12 389	81 325	87 990	(6 665)	-8%	164 267

6. Material variances to the service delivery and budget implementation plan

SUMMARY INCOME & EXPENDITURE 2024/2025 EXCLUDING ROADS AGENCY				
Revenue by Source	Budget	Month Actual	YTD Actual	YTD Budget
SERVICES CHARGES - ELECTRICITY	R -	R -	R -	R -
SERVICES CHARGES - REFUSE	R 14 950 000.00	R 1 584 180.13	R 8 721 682.97	R 8 045 824.46
SERVICES CHARGES - SEWERAGE	R 220 000.00	R 18 806.04	R 59 900.73	R 70 099.64
SERVICES CHARGES - WATER	R -	R -	R -	R -
SALE OF GOODS AND SERVICES	R 10 504 056.00	R 276 122.62	R 5 898 963.91	R 6 755 901.05
RENT OF FACILITIES&EQUIPMENT	R 14 062 000.00	R 1 222 207.56	R 7 342 637.98	R 7 241 758.55
INTEREST EARNED-EXTERNAL INVES	R 7 600 000.00	R 735 585.65	R 3 806 982.91	R 3 587 923.73
INTEREST EARNED-OUTST DEBTORS	R 300 000.00	R 14 656.31	R 113 297.34	R 133 535.36
LICENSES & PERMITS	R 1 250 000.00	R 87 500.64	R 639 770.94	R 436 361.06
INCOME FOR AGENCY SERVICES	R 13 825 039.00	R 1 152 989.13	R 6 917 934.78	R 6 538 968.42
GRANT&SUBSIDIES (OPERATING)	R 98 253 816.00	R 29 127 873.99	R 69 210 616.16	R 72 046 374.69
GRANT&SUBSIDIES (CAPITAL)	R 3 800 000.00	R -	R 1 200 000.00	R 3 400 000.00
OTHER REVENUE	R 1 450 533.00	R 55 088.15	R 746 542.72	R 705 409.38
PROFIT ON SALE	R 9 900 000.00	R -	R -	R 2 000 000.00
	R 176 115 444.00	R 34 275 010.22	R 104 658 330.44	R 110 962 156.33
Expenditure by Type	Budget	Month Actual	YTD Actual	YTD Budget
EMPLOYEE COSTS-WAGES&SALARIES	R 96 241 917.00	R 7 186 219.94	R 46 137 856.02	R 48 389 163.16
REMUNERATION OF COUNCILLORS	R 6 795 959.00	R 584 561.03	R 3 486 963.45	R 3 208 538.86
BAD DEBTS	R -	R -	R -	R -
DEPRECIATION	R 3 680 586.00	R 294 265.50	R 1 765 593.07	R 1 790 493.05
BULK PURCHASES	R -	R -	R -	R -
OTHER MATERIAL	R 5 260 978.00	R 411 653.41	R 1 946 859.17	R 2 127 907.29
INTEREST EXPENSE - EXTERNAL	R 2 117 236.00	R 34 167.00	R 606 365.54	R 625 165.36
CONTRACTED SERVICES	R 34 230 691.00	R 1 776 851.34	R 9 709 667.62	R 11 524 227.30
GRANTS & SUBSIDIES PAID	R 200 000.00	R -	R -	R -
GENERAL EXPENSES - OTHER	R 23 788 077.00	R 3 967 611.47	R 13 535 722.77	R 10 766 995.06
LOSS ON DISPOSAL OF ASSETS	R -	R -	R -	R -
	R 172 315 444.00	R 14 255 329.69	R 77 189 027.64	R 78 432 490.08
Total	R 3 800 000.00	R 20 019 680.53	R 27 469 302.80	R 32 529 666.25
Revenue by source				
Reasons for variance:				
Total income to date is lower than anticipated with a variance of 5.68%.				
Refuse increased as a result of seasonal increase in use particularly in Overstrand Municipality.				
Sales of Goods and Services' variance results from the fire services contracts with the B municipalities paying bi-annually.				
Interest on external investment variance is largely due to VAT monies claimed.				
Operating Grants' variance arises from new grant allocations from Provincial Treasury as well as grant funding only being recognised when expenditure is incurred.				
Profit on disposal for selling of property closing date fro bids was 20 December 2024.				
Expenditure by type:				
Reasons for variance:				
Total expenditure is 1.59% lower than anticipated .				
Employee cost is lower as the office of the compensation commissioner still needs to be paid.				
Contracted Services has a variance as a result of RRAMS grant not being utilised as well as the Auditor General accounts to be paid for the December period.				
General expense results for municipal accounts with a R 3000 000.00 payment to Overstrand.				

AGENCY ROADS

SUMMARY INCOME & EXPENDITURE 2024/2025 ROADS AGENCY					
Revenue by Source	Budget	Month Actual	YTD Actual	YTD Budget	
SERVICES CHARGES - ELECTRICITY	R -	R -	R -	R -	R -
SERVICES CHARGES - REFUSE	R -	R -	R -	R -	R -
SERVICES CHARGES - SEWERAGE	R -	R -	R -	R -	R -
SERVICES CHARGES - WATER	R -	R -	R -	R -	R -
SALE OF GOODS AND SERVICES	R 132 489 955.00	R -1 325 757.50	R 50 223 727.42	R 40 871 678.45	
RENT OF FACILITIES&EQUIPMENT	R -	R -	R -	R -	R -
INTEREST EARNED-EXTERNAL INVES	R -	R -	R -	R -	R -
INTEREST EARNED-OUTST DEBTORS	R -	R -	R -	R -	R -
LICENSES & PERMITS	R -	R -	R -	R -	R -
INCOME FOR AGENCY SERVICES	R -	R -	R -	R -	R -
GRANT&SUBSIDIES (OPERATING)	R -	R -	R -	R -	R -
GRANT&SUBSIDIES (CAPITAL)	R -	R -	R -	R -	R -
OTHER REVENUE	R -	R 87.28	R 616.22	R 443.24	
GAINS	R -	R -	R -	R -	R -
	R 132 489 955.00	R -1 325 670.22	R 50 224 343.64	R 40 872 121.69	
Expenditure by Type	Budget	Month Actual	YTD Actual	YTD Budget	
EMPLOYEE COSTS-WAGES&SALARIES	R 68 025 055.00	R 5 203 276.84	R 35 186 703.40	R 39 600 856.17	
REMUNERATION OF COUNCILLORS	R -	R -	R -	R -	R -
BAD DEBTS	R -	R -	R -	R -	R -
DEPRECIATION	R -	R -	R -	R -	R -
BULK PURCHASES	R -	R -	R -	R -	R -
OTHER MATERIAL	R 47 786 873.00	R 5 056 171.21	R 38 262 976.23	R 36 796 243.35	
INTEREST EXPENSE - EXTERNAL	R 305 000.00	R 25 417.00	R 152 502.00	R 155 001.33	
CONTRACTED SERVICES	R 4 280 000.00	R 172 860.30	R 1 980 498.91	R 1 470 600.15	
GRANTS & SUBSIDIES PAID	R -	R -	R -	R -	R -
GENERAL EXPENSES - OTHER	R 11 817 027.00	R 842 165.39	R 3 085 631.45	R 3 780 052.78	
LOSS ON DISPOSAL OF ASSETS	R 276 000.00	R -	R -	R -	R -
	R 132 489 955.00	R 11 299 890.74	R 78 668 311.99	R 81 802 753.79	
Total	R -	R -12 625 560.96	R -28 443 968.35	R -40 930 632.10	
Revenue by source					
Reasons for variances:					
Total revenue actual versus budgeted varies 22.88% higher than anticipated to date.					
Sale of goods and services has a big difference as a result of Roads spending a big portion of their budget in the first half on the financial year resulting actual revenue far exceeding the budget.					
An amount of R14 223 260.08 was received but not quoted against income.					
Expenditure by type					
Reasons for variances:					
Total expenditure is 3.83% lower than anticipated .					
Salary adjustments as per bargaining council agreement is on a phased approach this year.					
Other material variance stems from disaster reparations that was required after flooding resulting in large material purchases.					
Variance on contracted services amounts to invoice for R880 000.00 payment of the Auditor General.					

7. Capital programme performance

	DEPARTMENT	DESCRIPTION	FUNDING TYPE	TOTAL ADJUSTED BUDGET 2024/25	SPENDING YTD AS PER TB DEC 2024
1	COMMITTEE, RECORDS, COUNCIL SUPPRT	DC3_Furniture and Office equipment	1	R35 000.00	R1 645.00
2	CORPORATE SERVICES : SUPPORT SERV	DC3_Alarm System Replacement	1	R200 000.00	R165 850.02
3	CORPORATE SERVICES : SUPPORT SERV	DC3_Head Office Fencing project	1	R250 000.00	R0.00
4	CORPORATE SERVICES : SUPPORT SERV	DC3_Furniture and Office equipment	1	R30 000.00	R0.00
5	CORPORATE SERVICES : SUPPORT SERV	DC3_Aircons	1	R90 000.00	R69 565.22
6	EMERGENCY SERVICES	DC3_Vehicle Replacement	1	R1 800 000.00	R1 400.00
7	EMERGENCY SERVICES	DC3_Bunker Gear (PPE)	1	R1 440 000.00	R185 691.60
8	EMERGENCY SERVICES	DC3_Machinery and Equipment Rescue equipment	1	R100 000.00	R18 726.76
9	EMERGENCY SERVICES	DC3_Vehicle Refurbishment	1	R400 000.00	R98 945.78
10	EMERGENCY SERVICES	DC3_Water Truck	4	R1 800 000.00	R0.00
11	EMERGENCY SERVICES	DC3_Fire Service Capacity Grant	4	R1 500 000.00	R0.00
12	ENVIRONMENTAL MANAGEMENT SERVICES	DC3_Furniture and Office equipment	1	R16 000.00	R6 295.65
13	ENVIRONMENTAL MANAGEMENT SERVICES	DC3_Machinery and Equipment	1	R5 000.00	R0.00
14	ENVIRONMENTAL MANAGEMENT SERVICES	DC3_Vehicles	1	R524 114.00	R0.00
15	FINANCIAL SERVICES	DC3_Furniture and Office equipment	1	R25 000.00	R24 210.52
16	FINANCIAL SERVICES:EXECUTIVE	DC3_Furniture and Office equipment	1	R5 000.00	R0.00
17	HUMAN RESOURCES	DC3_Furniture and Office equipment	1	R18 500.00	R0.00
18	ICT SERVICES	DC3_Anti Virus Software	1	R250 000.00	R0.00
19	ICT SERVICES	DC3_Computers and Computer Equipment	1	R1 160 000.00	R239 500.00
20	ICT SERVICES	DC3_Security Hardware	1	R0.00	R0.00
21	IDP AND COMMUNICATION	DC3_Furniture and Office equipment	1	R15 000.00	R0.00
22	LED, TOURISM, RESORTS AND EPWP	DC3_Furniture and Office equipment	1	R100 000.00	R0.00
23	LED, TOURISM, RESORTS AND EPWP	DC3_Access control - Die Dam	1	R100 000.00	R0.00
24	LED, TOURISM, RESORTS AND EPWP	DC3_Land and Buildings - Security Structure	1	R30 000.00	R25 345.74
25	LED, TOURISM, RESORTS AND EPWP	DC3_Infrastructure- Electrical DB Boxes	1	R150 000.00	R0.00
26	LED, TOURISM, RESORTS AND EPWP	DC3_Upgrade Chalets	1	R250 000.00	R20 086.96
27	LED, TOURISM, RESORTS AND EPWP	DC3_Machinery and Equipment-Electricity Back-up	1	R70 000.00	R0.00
28	LED, TOURISM, RESORTS AND EPWP	DC3_Machinery and Equipment	1	R15 000.00	R7 849.98
29	LED, TOURISM, RESORTS AND EPWP	DC3_Access control - Uilenkraalsmond	1	R100 000.00	R0.00
30	LED, TOURISM, RESORTS AND EPWP	DC3_Vehicles - People Carrier	1	R523 975.00	R0.00
31	MUNICIPAL HEALTH SERVICES	DC3_Furniture and Office equipment	1	R100 000.00	R25 501.09
32	MUNICIPAL HEALTH SERVICES	DC3_Tablets	1	R180 000.00	R0.00
33	MUNICIPAL HEALTH SERVICES	DC3_ESRI MHS system software	1	R250 000.00	R0.00
34	SOLID WASTE MANAGEMENT	DC3_Construction of Cell 5A	3	R1 500 000.00	R464 123.49
35	CORPORATE SERVICES : SUPPORT SERV	DC3_Septic tank	1	R160 000.00	R0.00
36	EMERGENCY SERVICES	DC3_Training Center (furniture and office equipme	1	R114 000.00	R99 539.89
37	LED, TOURISM, RESORTS AND EPWP	DC3_Gas installation at ablution facilities	1	R195 300.00	R195 300.00
38	EMERGENCY SERVICES	DC3_Capacity Project	4	R500 000.00	R0.00
				R14 001 889.00	R1 649 577.70

**Please note that these figures exclude the commitments to date of R 5 358 109 amounting to a total commitment and spending for the year of 50.25%.*

8. Capital budget expenditure (SC12)

DC3 Overberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

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		-	-	-	-	-	-	-	0%
August		-	-	-	0	-	(0)	#DIV/0!	0%
September		320	331	331	331	331	(0)	0.0%	3%
October		1 260	683	683	1 014	1 014	(0)	0.0%	9%
November		1 400	1 400	186	1 200	2 414	1 214	50.3%	10%
December		4 240	4 240	450	1 650	6 654	5 004	75.2%	14%
January		1 194	1 194			7 847	-		
February		1 831	1 831			9 678	-		
March		525	525			10 203	-		
April		735	3 799			14 002	-		
May		-	-			14 002	-		
June		-	-			14 002	-		
Total Capital expenditure		-	11 505	14 002	1 650				

9. Non-financial performance

The assessment on the performance of the Top Layer SDBIP for the first six months of the financial year (01 July 2024 – 31 December 2024) includes a detail review of:-

- The actual and year-to-date performance on the Top Layer SDBIP against the service delivery targets contained in the approved Top Layer SDBIP for 2024/2025 financial year (Annexure A). The report includes performance comments, corrective measures, and the outcome on the KPI's performed.

The graphs that follow indicate the year-to-date performance on the Top Layer SDBIP on 31 December 2024.

During this period, 18 (49%) of the 37 KPI's were measured in the first six months of the financial year.

The report indicates that 11 (61.11%) of the 18 KPI's measured during the period were met, 3 (16.67%) KPI's well met, 2 (11.11%) KPI's extremely well met and 2 (11.11%) KPI's were almost met. Reasons were provided why targets were not met. During the semester corrective measures were put in place where targets were not performed as planned.

Considering the 19 (51%) KPI's not yet measured, with target dates set in the second semester, the Municipal Manager must ensure that appropriate measures are in place by the Directors and responsible Officials to meet the targets as per timeframe. If targets are not closely monitored, it can be a significant risk for the Municipality to execute its core mandate and implementation of the IDP.

■ KPI's not met during the period:-

None

■ KPI's almost met during the period:-

TL28 – Sewerage samples.

TL34 – KM of road re-gravelled

TL 28 was impacted by the resignation of staff. TL 34 was impacted by extensive flood damages occurred on several roads in the Overberg Area during April to July 2024. Re-gravel work was put on hold until all roads are repaired and opened to ensure the safety road users and the public.

■ KPI's well met during the period:-

- TL26 – Drinking water samples
- TL27 – Food samples.
- TL44 – Roads bladed.

■ KPI'S that were extremely well met during the period:-

- TL1 – Appointment of employees on the 3 highest levels of management.
- TL5 – Internal audits executed.

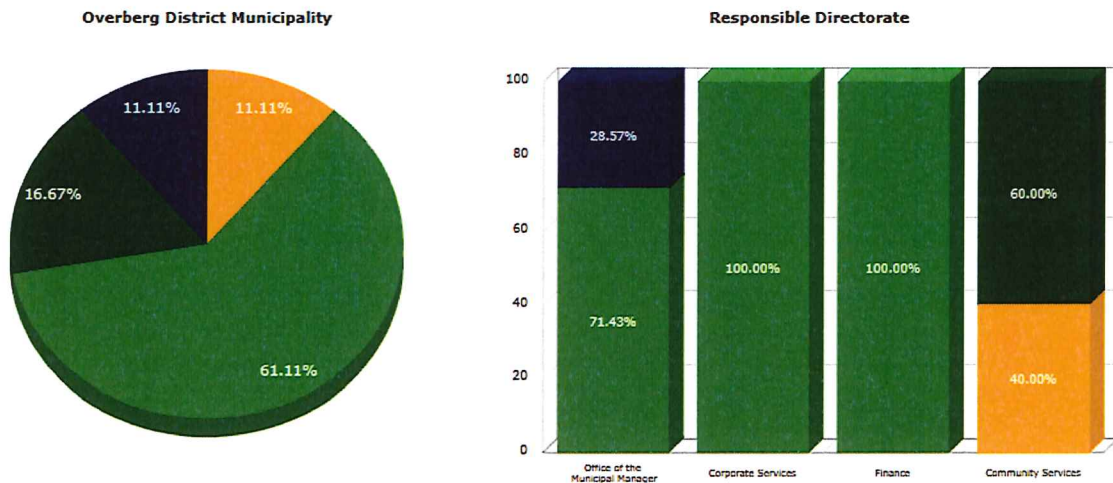
The report (Annexure A) indicates which KPI's need to be amended and the reason for the amendments.

It is also necessary to review the capital projects and time periods after the re-evaluation of the Capital Budget needs.

Conclusion:

It is recommended that the 2024/2025 SDBIP be amended after the approval of the adjustments budget.

Top Layer SDBIP for the first six months of the financial year – ending December 2024.



**OVERBERG DISTRICT MUNICIPALITY
HALF-YEARLY REPORT BY THE AUDIT AND PERFORMANCE AUDIT COMMITTEE:
1 JULY TO 31 DECEMBER 2024**

1. Introduction

The Audit Committee of the Overberg District Municipality, appointed in terms of section 166 of the Municipal Finance Management Act, no 56 of 2003 was also appointed by the Council to serve as the Performance Audit Committee in accordance with Regulation 14(2)(a) published in Government Notice R796 of 24 August 2001 in terms of the Local Government Municipal Systems Act, no 32 of 2000. In accordance with regulation 14(4)(a)(iii) of the same Regulations an audit and performance audit committee must at least twice during the financial year submit an audit report to the municipal council concerned. This report is submitted in compliance with the requirement and covers the period 1 July to 31 December 2024.

2. Membership

The Audit and Performance Audit Committee consists of four members:

DH Smith (Chairperson)
T Blok
J Steyl
J Fairbairn

3. Meetings

<u>Dates</u>	<u>Topic</u>	DH Smith	T Blok	J Steyl	J Fairbairn
27/8/2024	Special meeting to review the draft AFS and Performance Report	√	√	√	√
10/9/2024	Discussion of AGSA Audit Strategy and Plan	√	√	√	√
27/9/2024	Quarterly Meeting	√		√	√
26/11/2024	Quarterly Meeting	√	√	√	√
29/11/2024	Discussion of Draft AGSA Audit Report and Final Management Report.	√	√	√	√

4. Quarterly reports

Section 45 of the Municipal Systems Act, 32 of 2000 provides that the results of performance measurements must be audited as part of the Council's internal auditing processes. In terms of regulation 14(1)(b) of the Municipal Planning and Performance Management Regulations the auditing must include assessments of the following:

- (i) The functionality of the municipality's performance management system;
- (ii) Whether the performance management system complies with the Act; and
- (iii) The extent to which the performance measurements are reliable in measuring performance.

In compliance with the above-mentioned requirements the Council's Internal Audit Services performed an audit on the Municipality's performance management system, also referred to as Predetermined Objectives for the first quarter of 2024/2025 financial year, including the Top Level SDBIP reports. The Committee considered the Internal Audit reports. Any comments and recommendations were recorded and if needed submitted to the Council.

The following reports have been reviewed by the Committee during the reporting period:

- Review of Annual Financial Statements prior to submitting to AGSA.
- Review Performance Report.
- Review AGSA Strategic Plan and Engagement letter.
- Financial Report for August 2024.
- Internal Audit Report on Performance Management for 4th quarter of 2023/2024.
- Internal Audit Report on New Tariffs.
- Risk Management Activities for the 4th quarter of 2023/2024.
- OPCAR Report for 2022/2023 as at 30 June 2024.
- Internal Audit Report on SCM PPR compliance.
- Internal Audit follow-up report on other revenue – Resorts.
- Internal Audit Report on ICT General Controls.
- Internal Audit Findings Status Reports.
- Progress Reports on RBAP.
- Internal Audit Report on Stock Take Procedures.
- Implementation of the new financial web-based system.
- Quarterly Financial Report for September 2024.
- Monthly Financial Report for October 2024.

- OPCAR Report for 2023/2024.
- Risk Management activities for the 2nd quarter of 2024/2025.
- Internal Audit Report on Performance Management for 1st quarter of 2024/2025.
- Internal Audit Reports on Performance Assessment Reports.

5. Annual Internal Audit Report on Performance Management

- a) The committee considered the Internal Audit reports on the audit of the municipality's performance assessment, also referred to as Predetermined Objectives for the 4th quarter of 2023/2024 and the 1st quarter of 2024/2025. The objectives of the Internal Audit reviews were to ensure that the performance information was adequate, complete, correct and reliable, that the relevant laws and regulations were complied with in the overall performance management system, processes and procedures and that the performance measurements were reliable in measuring the performance of the municipality.
- b) The Chairperson attended the Performance Evaluations of the Section 56/57 employees for the period 1 July 2023 to 30 June 2024. Possible improvements to consider were recommended.
- c) Based on the review it was concluded that the system complied with MFMA, Circular no 63 and MSA S45(a) and that, based on the samples selected, performance information was adequately reliable.

6. Areas of Concern

- a) The risks associated with the implementation of a new financial web-based system.
- b) Non-compliance to supply chain management regulations regarding Procurement and Contract management.
- c) Prevention of irregular expenditure required by section 62(1)(d) of the MFMA.
- d) VAT situation regarding the Road Agency Function.
- e) Uilenkraalsmond ownership.

7. Areas of Satisfaction

- a) Filling of key positions. All senior management positions are filled.

b) AGSA audit outcomes.

8. Continuous monitoring required

The following areas need continuous monitoring by Council and Management:

- a) Supply chain and supply chain practices.
- b) Clearing of audit findings and resolving of outstanding matters.

9. Audit outcomes for the 2023/2024 Financial Year.

The Municipality received an unqualified audit opinion with no material findings (clean audit) for the third consecutive financial year.

10. Conclusion

We want to thank the Executive Mayor, MAYCO and Management for their cooperation and trust that the Committee will continue to assist the Council in providing the best services to the public of the Overberg.

DH Smith
Chairperson
January 2025

11. **Municipal Manager's Quality Certification**

QUALITY CERTIFICATE

I, R Bosman, the Municipal Manager of Overberg District Municipality, hereby certify that-

- the monthly budget statements**
- quarterly report on the implementation of the budget and financial state affairs of the municipality**
- mid-year budget and performance assessment**

For the month of December 2022 has been prepared in accordance with the Municipal Finance Management Act and regulation made under that Act.

Print Name Richard Bosman

Municipal Manager of Overberg District Municipality –DC3

Signature *RB*

Date 2025/01/22

ODM - 2024/2025: Top Layer KPI Report: Mid-year report ending December 2024

Annexure A

Ref	Responsible Directorate	KPI Name	Description of Unit of Measurement	Source of Evidence	Original Annual Target	Quarter ending September 2024				Quarter ending December 2024				Overall Performance for Quarter ending September 2024 to Quarter ending December 2024	Corrective Measures	Corrective Comment	Overall Performance for Quarter ending September 2024 to Quarter ending December 2024	Corrective Measures	Corrective Comment	Overall Performance for Quarter ending September 2024 to Quarter ending December 2024
						Target	Actual	R	Performance Comment	Target	Actual	R	Performance Comment							
TL1	Office of the Municipal Manager	People from employment equity target groups employed in vacancies arise in the three highest levels of management in compliance with the approved Employment Equity Plan for the financial year. (Reg)	Number of people from employment equity target groups employed in vacancies that arise in the three highest levels of management per annum.	Appointment letter/signed Service Contract	2	1	2	B	Manager: Iced, Tourism and Resorts and Manager: Contract, Legal, ICT and Building appointed with effect from September 2024	0	0	N/A				1	2	B	Non required	
TL2	Office of the Municipal Manager	Percentage Capital budget actually spend on capital projects by 30 June. (Reg)	% of capital budget actually spent on capital projects for the annum (Actual spent on capital projects/Total capital budget).	Annual Financial Statements	80%	0%	0%	N/A		0%	0%	N/A				0%	N/A		Non required	
TL3	Office of the Municipal Manager	Coordinate the functioning of the Audit & Performance Audit Committee during the financial year.	Number of quarterly meetings held per annum.	Minutes of the Audit and Performance Audit Committee meetings	4	1	1	G	Meeting held on 27/09/2024	1	1	G	Meeting held on 26/11/2024			2	2	G	Non required	
TL4	Office of the Municipal Manager	Develop a Risk-based Audit Plan for the next financial year and table to the Audit & Performance Audit Committee by 30 June.	Risk-based audit plan developed and tabled.	Minutes of the Audit and Performance Audit Committee meeting where RBAP was tabled	1	0	0	N/A		0	0	N/A				0	0	N/A	Non required	
TL5	Office of the Municipal Manager	Execute audit projects in terms of the Risk Based Audit Plan (RBAP).	Number of audits executed per annum.	Internal Audit Reports signed by action power/Audit report e-mailed to action owners	16	4	6	B	Audits executed: New Traffic, SCM Complies PPF Follow up other revenue Year end stock Performance management DPDR	4	6	B	Audits executed: Constant Price Service PPS quarter 1 POE Performance MM, CFO and POE Performance Dir Comm Services			8	12	B	Comment: Annual targets to be align with the approved Risk Base Audit Plan.	
TL6	Office of the Municipal Manager	Facilitate IDP Awareness initiatives in the district.	Number of IDP awareness initiatives facilitated per annum.	Attendance registers	2	0	0	N/A		1	1	G	IDP Awareness was held on 1 November 2024			1	1	G	Non required	
TL7	Office of the Municipal Manager	Facilitate District IGR (IDP Managers & PPComm) engagement with Local Municipalities.	Number engagements facilitated per annum.	Attendance register	8	2	2	G	IDP Managers Forum - 6/09/2024 PPComm - 10/09/2024	2	2	G	District IDP Managers Forum (Strategic) was held on 24-25/10/2024. District PPComm was held on 03/12/2024.			4	4	G	Non required	
TL8	Office of the Municipal Manager	Publishing quarterly External Newsletter to stakeholders.	Number External Newsletters published per annum.	E-mail where Newsletters were distributed	4	1	0	R	Updates to the newsletter were requested with results a delay in publication.	1	2	B	Newsletter were published on 01/10/2024			2	2	G	Non required	
TL9	Office of the Municipal Manager	Prepare Top Layer Service Delivery budget implementation plan for approval by the Mayor within 28 days after the adoption of the Budget.	Top Layer SDBIP Submitted to the Mayor for approval.	Approved Top Layer SDBIP	1	0	0	N/A		0	0	N/A				0	0	N/A	Non required	
TL10	Office of the Municipal Manager	Review annually the TL SDBIP to inform Council should a revised TL SDBIP be necessary and table the report to Council.	Report (Sec 72) tabled to Council by January.	Minutes of Council meeting where Sec. 72 (Mid-year report) was tabled	1	0	0	N/A		0	0	N/A				0	0	N/A	Non required	
TL11	Office of the Municipal Manager	Compilation and submission of Draft Annual Performance Report to the AG by 31 August.	Annual Performance Report submitted.	Confirmation of submission	1	1	1	G	Report was submitted on 30/08/2024	0	0	N/A				1	1	G	Non required	
TL12	Corporate Services	Review and update the Staff Establishment as per the MSA and table to Council by 31 March.	Number of reviewed staff establishment tabled per annum.	Council minutes where Staff Establishment was tabled	1	0	0	N/A		0	0	N/A				0	0	N/A	Comment: Target date to be amended to 31 May to align with IDP planning process.	
TL13	Corporate Services	Interact quarterly with staff on strategic HR related matters.	Number of staff interactions held per annum.	Attendance register	4	1	1	G	Interactions were conducted during September 2024	1	1	G	Interactions were conducted during November and December 2024.			2	2	G	Non required	

TL14	Corporate Services	Percentage of Municipal budget to be spent on the implementation of the Workplace Skills Plan by 30 June. (Reg).	% of Municipal Budget spent per annum on the WSP (Actual spend on Training/Total Expenditure Budget).	Project Report on Financial system	0.41%	0%	0%	0%	N/A										0%	N/A	Comment: Annual target to be aligned with adjustment budget.			
TL15	Corporate Services	Create temporary work opportunities through the municipality's EPWP programme by 30 June.	Number of temporary EPWP work opportunities created per annum.	EPWP Report at year-end	122	0	0	0	N/A										0	N/A	Comment: Annual target to be aligned with adjustment budget.			
TL16	Corporate Services	Conduct annual sexual harassment awareness campaigns with staff.	Number of awareness campaigns per annum.	Attendance registers	1	0	0	0	N/A										1	G	Non required			
TL17	Corporate Services	Table quarterly progress report on Electronic Document Management System to Corporate Services Portfolio Committee.	Number of progress reports tabled per annum.	Minutes of Portfolio meeting where reports were tabled	4	1	1	1	G	Report was tabled on 09/10/2024, Item 6.2.2									2	G	Non required			
TL18	Corporate Services	Bi-annual submission of updated Remedial Action Plan to WC Archives & Record Services.	Number of updated plans submitted per annum to WCARS.	E-mail of submission	2	0	0	0	N/A										1	G	Non required			
TL19	Corporate Services	Percentage Capital budget actually spend on building maintenance capital projects by 30 June.	% of building maintenance capital budget actually spent on capital projects. (Actual spend on capital projects/Total building capital budget).	Project Report on Financial system	80%	0%	0%	0%	N/A										0%	N/A	Non required			
TL20	Corporate Services	Review and quarterly table ICT Remediation Plan to ICT Steering Committee.	Number of reviewed plans tabled per annum.	Minutes of ICT Steering Committee where reviewed plans were tabled.	4	1	1	1	G	Reviewed plan tabled on 26/09/2024, Item 7.4									2	G	Non required			
TL21	Finance	Measured financial viability in terms of the municipality's ability to meet its service debt obligations by 30 June. (Debt coverage) (Reg)	The number of times the municipality was able to meet its debt obligation. ((Total operating revenue received - operating grants)/debt service payments).	Annual Financial Statements	7	0	0	0	N/A										0	N/A	Non required			
TL22	Finance	Measured financial viability in terms of the available cash to cover fixed operating expenditure by 30 June. (Cost coverage) (Reg)	Number of months cash were available to cover fixed operating expenditure (All available cash at a particular time + investments)/monthly fixed operating expenditure).	Annual Financial Statements	1.5	0	0	0	N/A										0	N/A	Non required			
TL23	Finance	Measured financial viability in terms of percentage outstanding service debtors by 30 June. (Service Debtors) (Reg)	% Outstanding service debtors per annum (Total outstanding service debtors/Annual revenue received for services).	Annual Financial Statements	20%	0%	0%	0%	N/A										0%	N/A	Non required			
TL24	Finance	Report bi-annually to Council on the performance of service providers for quotations and tenders above R30000.	Number of reports submitted to Council per annum.	Minutes of Council meeting where reports were tabled	2	0	0	0	N/A										1	G	Non required			
TL25	Finance	Invite service providers to register on the suppliers database by 30 June.	Invitation placed on ODM website and in external media.	Print screen of advertisement on ODM Web and media	1	0	0	0	N/A										0	N/A	Non required			
TL26	Community Services	Take domestic drinking water samples in towns and communities to monitor water quality.	Number of samples taken per annum.	Laboratory results/ submission forms	1 056	264	268	264	G	268 Samples were taken during the quarter. Overperformance was due to a private request received to test drinking water at a milking shed.									264	G	264 samples taken during the quarter.	528	G2	Non required
TL27	Community Services	Take food samples to monitor the quality of Food to the FED Act and legislative requirements.	Number of samples taken per annum.	Laboratory results/ submission forms	576	144	147	G2	G2	147 Samples were taken during the quarter. Additional samples were taken due to food poisonings risk identified and a private request for a food sample.									144	G2	151 Samples taken. Additional samples were taken due to a private request for a food sample (oppitener).	288	G2	Non required

TL37	Community Services	Submit feasibility study report on the resort function to Council.	Number of reports tabled per annum.	Council agenda where report was submitted	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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