

BLUE CRANE ROUTE MUNICIPALITY (EC102)



ANNUAL REPORT 2024/2025

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COMPONENT A: MAYOR’S FOREWORD

Circular 63 of the Municipal Finance Management Act (MFMA) 56 of 2003 enjoins the Mayor to table to the municipal Council the Draft Annual Report for a financial year under review. It is for this purpose that the Annual Report for 2024/25 financial year is prepared for the Council and the community of Blue Crane Route Municipality. The purpose of such a report is to provide a record of the activities of the municipality during the financial year in which it relates. This report is prepared in recognition of our obligation as an accountable and transparent government. It reflects how we fared in the implementation of our Integrated Development Plan (IDP) and Budget for 2024/2025 financial year.

The municipality subscribes to the sustainable growth of the eastern cape province which rests on the people centred development that seek to achieve 5 goals which are the following:

- An inclusive, equitable and growing economy for the province (through Local Economic development)
- An educated, innovative and empowered citizenry (through public participation and stakeholder engagement)
- A healthy population (through environmental management)
- Vibrant, equitably enabled communities (through accessibility to the IDP, Budget and Annual Report)
- Capable agents across government and other institutional partners committed to the development of the province (through Intergovernmental Relations)

During the year under review, collective efforts of both Political and Administration strived to achieve the outcomes of service delivery for all residents of Blue Crane Route Municipality. Although there were many impediments in providing service delivery such as aging infrastructure, theft and vandalism, service delivery protests and heavy rains, the municipality strove to ensure its objectives were achieved.

Amongst the planned projects for the year under review, the few selected couldn’t be achieved.

The municipality has, however, developed action plans to address nonperformance of the previous financial year. Most of the projects will be completed by December 2025. The municipality is actively addressing water supply challenges in Pearston, specifically at the Khanyiso booster pump. The removal of the booster pump has been successfully completed. However, during the process it was discovered that certain pipes were missing. To resolve this, the municipality has submitted an application to the

district for additional funding to enable the installation of the required pipes to complete the project in the next financial year. The Council has also approved additional funding of R2.9m for the completion of Glen Avon project and took note of the slow progress on the Glen Avon Paving project and has resolved to investigate the reasons behind these delays. This decision reflects our commitment to accountability and transparency. It should also be noted that implementation of paving projects across wards has been slower than anticipated. This is due to financial constraints that limit the speed and scale of delivery. The municipality used to clear the dumpsites on a quarterly basis and that has since been changed. The dumpsites are now cleared as they develop.

In terms of improving public participation, accountability and transparency inline with the municipal values; the municipality approved an organizational structure December 2024. In advancing transparency, accountability and public participation, municipality appointed Communications Officer in September 2025 to formally establish a Communications Department within the Municipality. This decision has significantly strengthened the flow of information between the Municipality and the residents of Blue Crane Route Municipality.

In line with the Constitution of the Republic of South Africa, the Municipal Systems Act and the Municipal Finance Management Act (MFMA), the Communications Department supports participatory governance by ensuring that communities are regularly informed about service delivery programmes, infrastructure projects, financial matters and Council resolutions. Information is disseminated through the Municipality's official Facebook page, WhatsApp Channel and the Official Municipal Notices WhatsApp Group. These platforms have enhanced accessibility to municipal information, improved responsiveness during service disruptions and reinforced public trust. The establishment of a dedicated Communications Department reflects Council's commitment to transparent governance, strengthened stakeholder engagement and improved service delivery to all residents.

BCRM has consistently received Unqualified Audit Opinions over the past 8 years, however, during 2024/25 financial year the Municipality received a Qualified Audit opinion. Despite the huge financial constraints, the municipality managed to keep afloat and was able to meet the third-party obligations.

It is therefore a pleasure to present the Annual Report for 2024/2025 financial year.

**CLLR B.A MANXOWENI
MAYOR**

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

This 2024/25 Annual Report is prepared in terms of Section 121 of the MFMA of 2003, Section 46 of the Municipal Systems Act No. 32 of 2000 and National Treasury Circular No. 63, which seeks to give effect to BCRM legislative and constitutional mandate.

Blue Crane Route Municipality is a Category B municipality entrusted with discharging Section 155 and 156 of the Constitution of RSA (Act 108 of 1996) and Section 83 and 84 of the Municipal Systems Act.

The following services are performed on a shared basis: Fire and Disaster Management, Environmental Health (SBDM), Housing Development (DHS), Rural Roads (Dept. Of Roads & Transport), Library Services (DSRAC).

From a governance and Institutional Arrangement perspective the municipality is functional. The municipality has made progress in filling Senior Management positions, with all roles filled except for the Director Technical Service, who resigned in March 2025. Recruitment processes are underway to fill this vacancy. Additionally, the Audit and Performance Committee has been appointed, and the Internal Audit Unit is fully functional, fulfilling their statutory obligations.

The Auditor-General of South Africa (AGSA) issued a qualified opinion on the Annual Financial Statements, citing material concerns relating to property, plant and equipment, debt impairment, and the accuracy of net cashflows from operating activities. This indicates that while the financial statements are largely reliable, these specific areas contain misstatements or limitations that prevent full assurance. In contrast, the Annual Performance Report received an unqualified opinion with no material findings, confirming that reported performance information is credible, consistent, and fairly presented. On compliance with legislation, AGSA raised an emphasis of matter due to instances of non-compliance, highlighting governance and regulatory shortcomings that require urgent attention. Overall, the audit outcomes reflect strong performance reporting but also underscore the need for improved financial management and strengthened compliance practices to ensure accountability and sustainability.

The going concern of the municipality is under threat, the cashflow ratio is 1:002. The municipality does not collect revenue as required by the legislation due to high indigency rate. The budget of the municipality is unfunded, which has been exacerbated by the Eskom debt and Municipal Workers Provident Fund. The municipality is largely grant dependent. Revenue is collected through rates, electricity sales, water and sanitation, traffic licenses and fines, business licenses, building plans and other surcharges.

During the reporting period, the Municipality maintained one active loan related to the acquisition of vehicles, undertaken to strengthen service delivery capacity. This borrowing remains within manageable levels and is being repaid in line with approved terms, with no additional loans incurred. Revenue performance reflected modest overall growth, driven by increases in property rates and government grants, while service charges experienced a slight decline due to payment challenges in certain wards. To address this, the Municipality has committed to strengthening billing systems, enhancing debt collection, and expanding community awareness initiatives. These corrective measures, together with prudent loan management, demonstrate the Municipality's commitment to transparency, accountability, and sustainable financial practices in accordance with Circular 63 of the MFMA. The revenue sources of the municipality (water, electricity, waste management, waste water management and other services) are not cost reflective whereby costs need to be balanced against the need for transparency, good governance practice and accountability, the capacity of the municipality and the need for an effective process within the time allowed due to high indigency rate as a result each service is not profitable at the end of the financial year. Please refer to chapter 5 for the performance of the municipality.

The municipality conducted risk assessment workshop, Risk Register was reviewed and updated to reflect any emerging risk and evolving operational conditions, evaluate the effectiveness of existing control measures and identify any gaps that require remediation; engage relevant stakeholders to ensure comprehensive risk assessment, including municipal officials, oversight bodies, and community representatives where applicable; develop and implement risk treatment plans to address identified risks and strengthen governance frameworks; submit a detailed report on the outcomes of the assessment, including key findings and proposed risk mitigation strategies, to the relevant oversight authorities and develop and maintain adequate monitoring mechanisms to ensure periodic monitoring and review of risk treatment plans.

The following are the top 5 strategic risks the municipality has identified during the year under review:

Top 5 strategic risks	Action Plan
Going concern under threat	<ul style="list-style-type: none"> • Implementation of the approved revenue enhancement strategy. • Implementation of the approved credit and debt collection policy • Review Property rates policy • Development of Voluntary Financial Recovery Plan (FRP)
Funding reverting to the national Treasury due to under spending	<ul style="list-style-type: none"> • Quarterly reporting of the progress on the implementation of the procurement plan • Develop SOP manual for SCM and BID Committees • Enhancement and continuous training of BID Committees
Inaccuracies in the system generated report (SAMRAS)	<ul style="list-style-type: none"> • Resuscitate the MScoa committee • Ensure that relevant versions of latest SAMRAS are implemented by engaging system vendors • Periodic attendance of user group meetings by system administrators and users
Aging infrastructure	<ul style="list-style-type: none"> • Development and implementation of Asset management strategy and plans • Utilise the Asset Management module in SAMRAS system
Increased vulnerability to evolving cyber security threats	<ul style="list-style-type: none"> • Perform cyber security awareness • Perform vulnerability assessment

It is important that I take this opportunity to thank our Municipal Council, Directors, Managers, and all staff members for their contribution towards the stability of the municipality even during difficult times.

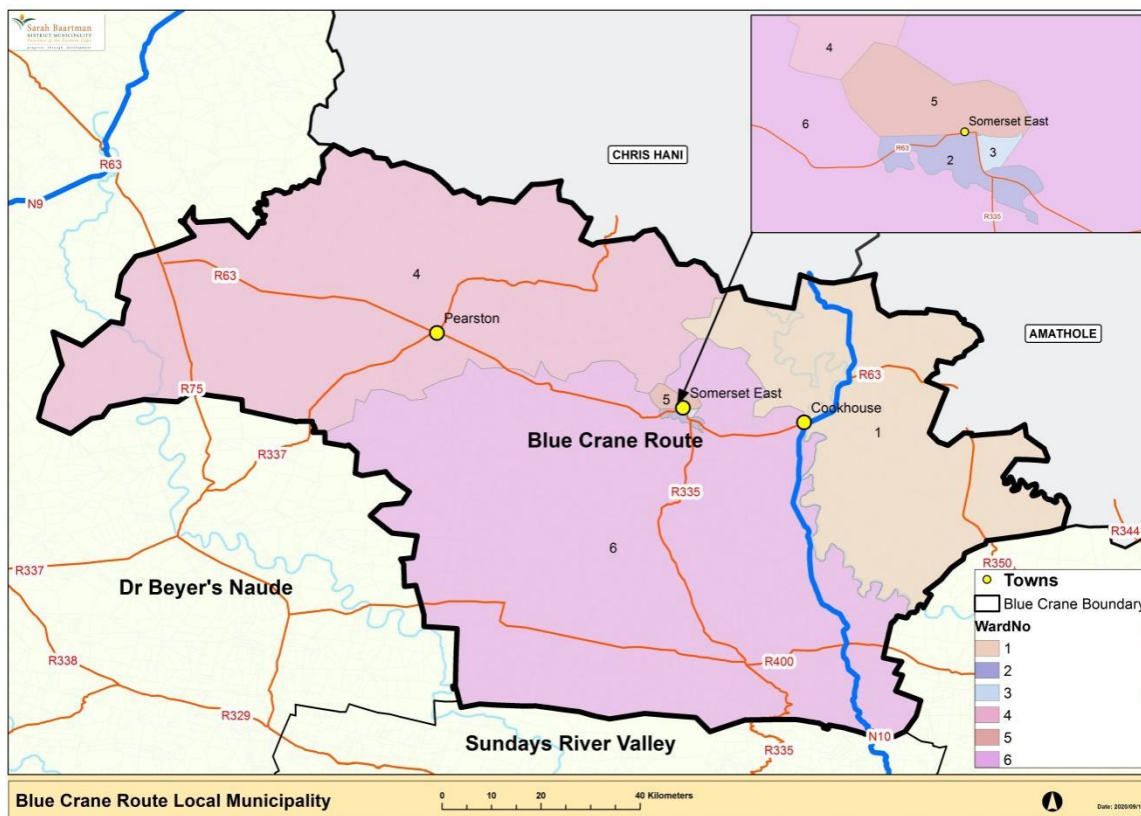
MR M.P NINI
MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 INTRODUCTION TO BACKGROUND DATA

This section includes an analysis of the demographic, socio-economic and infrastructure development dimensions. The statistical information was sourced from StatsSA 2022. The district perspective is presented to provide a better understanding of the context within which the BCR municipality operates.

1.2.2 POPULATION AND ENVIRONMENTAL OVERVIEW

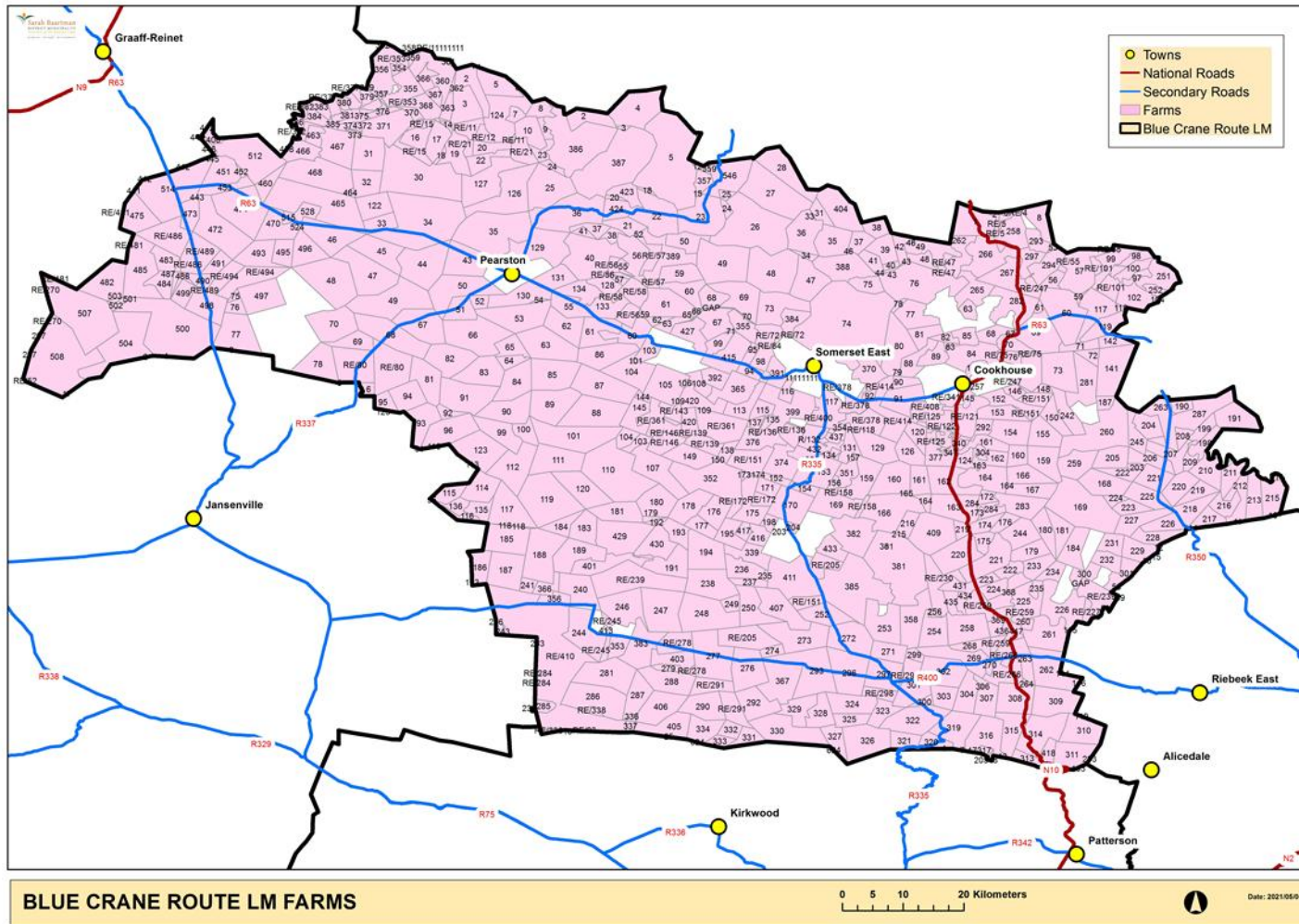


The Blue Crane Route Municipality falls within the jurisdiction of the Sarah Baartman District Municipality. The Municipality's area is bordered on the North-east of Raymond Mhlaba Municipality (Amathole DM), North-west of Inxuba Yethemba municipality (Chris Hani DM), South of Makana Municipality and the

South-west of Sundays River Valley municipality. The Blue Crane Route Municipality is located at 67 Nojoli Street, KwaNojoli.

The Blue Crane Route Municipality comprises of the primary node of KwaNojoli, which is the main commercial hub, two secondary service centres i.e. Pearston and Cookhouse, and vast rural commercial farmlands. According to Census conducted by StatsSA 2022, the population of Blue Crane Route Municipality has increased to 49 883 compared to Census 2011 which was 36 002. This therefore indicates that the growth rate of the population is very slow due to number of issues flowing from migration, death and birth rate.

KwaNojoli is a political and administrative seat of the municipality and is situated at the foot of the Boschberg Mountain. Blue Crane Route Municipality has 6 Wards and eleven (11) Councillors who constitute Council. In terms of the population per ward, Census 2022 reflects the overall growth of the area not at ward level.



1.2.3 DEMOGRAPHIC PROFILE

Table 1: Population and extent of Area km² - EC, SBDM and BCRM

Population figures	Province of the Eastern Cape	Sarah Baartman District Municipality	Blue Crane Route Local Municipality
Total Population Census (2011)	6 562 053	450 584	36 002
Total Population (Community Survey 2016)	6 996 976	479 923	36 063
Total Population Census (2022)	7 230 204	533 253	49 883
Area km ²	168 966 km ²	58 243.3 km ²	11 068.56 km ²

Source: StatsSA 2011 and StatsSA 2022

As indicated by the statistical information above, Blue Crane Route accounts for 8% of the Sarah Baartman District and 0.5% of the Provincial population. Geographically Blue Crane Route makes up 19% of the District municipality's landmass with a population density of 3.25 per km².

1.2.4 DEMOGRAPHIC TRENDS

Table 2: Age distribution, Gender, Population Grouping and Head of Household

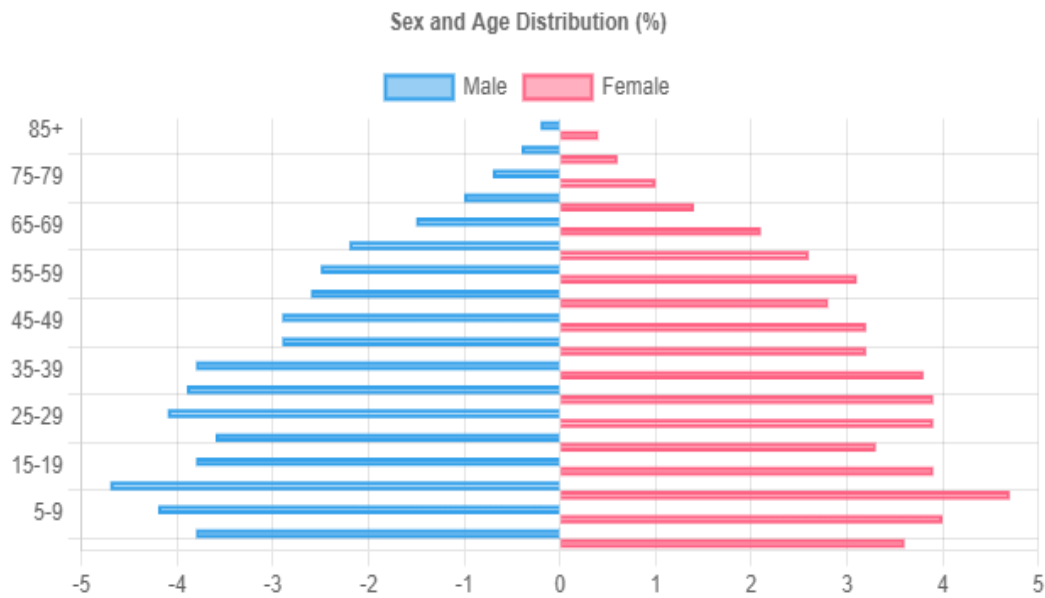
DEMOGRAPHICS	STATSSA CENSUS 2011	%	GROWTH % p.a.	COMSUR VEY2016	%	STAT SSA CENS US 2022
Blue Crane Route Total Population	36002		0.17	36063		49 883
Age distribution	36 002			36063		49 883
0-14	10517	29.2	0.2	11824	32.8	12 471
15-64	22962	63.8	0.2	20471	56.8	32 823
65+	2524	7.0	1.3	37 68	10.5	4 589
Gender	36 002			36063		
Male	17680	49.1	0.5	17841	49.5	24 193
Female	18322	50.9	0.1	18223	50.5	25 690
Population Grouping	36 002					
Black	21247	59.0	0.19	21283	59.0	25 889
Coloured	11888	33.0	0.32	13283	36.8	17 217
White	2453	6.8	-0.6	1448	4.0	5 542
Indian/Asian	118	0.3	46.2	50	0.1	342
Other	295	0.8	-	-		891
Head of Household: Gender	9 761					16 117
Male	5 927	60.7	-0.9	-		

Female	3 834	39.3	2.3			
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Source: StatsSA 2011/ Com Survey 2016/ StatsSA 2022

Census 2022 reflects that the population is dominated by young people between the age of 15 and 39, which requires intergovernmental planning efforts to jointly focus on improved education system, creation of employment opportunities and provision of sports and recreation facilities. The high number of children could also be an indication of a dependency on child support grants.

Figure 1. Population by gender and age in 2022 (% of total population).



Source: Statistics South Africa, Census 2022

1.2.5 WATER AND SANITATION PROVISION

Table 3: Water and Sanitation Provision

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (CS 2016)	%	Stats SA (2022)
Total number of households	9 595	9 761		1.7%	9876		16 117
Sanitation	9 470	9 760		3.06%		91.2	
Flush toilets	4439	7856	80.5	7.7	8731	88.4	14056
Flush septic tank	390	395	4.0	0.1	-	-	
Chemical	244	25	0.3	-9.0	12	0.1	799
VIP	127	83	0.9	-3.5	-	-	
Pit latrines without ventilation	752	327	3.4	-5.7	403	4.1	
Bucket latrine	1921	277	2.8	-8.6	286	2.9	347
None	1597	617	6.3	-6.1	347	3.5	679
Other		180	1.8	-	-	-	155
Water – Access to piped water	8 530	9 740		12.4%	9003	91.2	9195
Household	2289	5022	51.5	11.94	-	-	9195
In yard	5027	3903	40.0	-2.24	-	-	4977
Community Stand >200m	688	172	1.7	-7.50	-	-	351

No access to piped (tap) water		340	3.5	-	873	8.8	1673
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1.2.6 ELECTRICITY

Energy for Lighting

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (CS 2016)	%	Stats SA 2022
Total number of households	9 595	9 761			9876		16 117
Energy (Access)	9 470	9 760		3.06%			
Electricity	6 161	8 486	86.9	3.8	8759	88.9	11708
Gas	23	17	0.2	-2.6		-	3283
Paraffin	2 135	306	3.1	-8.6		-	358
Candles	1 057	876	9.0	-1.7		-	-
Solar	34	36	0.4	0.6		-	50
Other	60	0	0.0	-10.0	1247	12.1	24
None		39	0.4			-	28

1.2.7 SOLID WASTE MANAGEMENT

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	BLUE CRANE ROUTE AREA (CS 2016)	%	Stats SA (2022)
Total number of households	9 595	9 761		9876		16117
Refuse Removal	9 467	9 761	%		%	
How often by municipality?						
a) @ least once a week	6351	7842	80.3	8505	86.1	12 252
b) Less often	28	51	0.5	37	0.4	78
How often is refuse bags provided	Once in 3 months	Once in 3 months		Once in 3 months. Each household is supplied with 18 refuse bags during that period.		
Mode Disposal						
i) Communal dumping	59	78	0.8	426	4.3	228
ii) Own dump	2440	1444	14.8	637	6.4	2 947
iii) No disposal	589	195	2.0	258	2.6	224
Other	0	151	1.5	-	0.1	90

No of Licensed Landfill sites		3				
No of un-licensed landfill sites		0				

1.2.8 ECONOMIC ANALYSIS

Local economic development is vital to the future development of the BCRM; the economy of this Municipality is based primarily on agriculture and Tourism. In essence the activities that dominate are Agriculture: Intensive Farming operations (Cash crops/ Lucerne production, dairy's, etc) Extensive farming operations: Cattle & Goat farming, game farming. Agriculture dominates the district's economy, contributing 28% of all value added and amounting to 41% of formal employment.

Summary of the Economic Sector:

Agriculture: Farming (livestock abattoir), Game hunting, Exotic Fruits, Citrus Fruits and Manufacturing (dairy)

Agro - processing: Mohair

Tourism: Museum, Art gallery, game reserves, hiking trails with waterfall, B&B's and Hotels and Bestershoek Lodge

Renewable energy: Wind Farms and potential Hydro- energy and solar panels

Largest threats: Climate change, droughts, cheap imports, changing economic climate in South Africa, Disasters (floods), unemployment and crime rate, vandalism.

The Municipality appointed a Local Economic Development (LED) Manager in August 2023. The LED Unit's primary responsibility is to create a supportive environment for stakeholders to strengthen the Municipality's economic capacity, enhance the socio-economic conditions of the area, and collectively drive sustainable economic growth and employment creation.

An action plan developed by the Unit was adopted by the Council, leading to the implementation of several support programs. These include:

- Workshops on SMME compliance
- Suppliers Day
- Local and Regional Economic Development (LRED) funding workshop
- SMME Digital Transformation training

To further advance its objectives, the Municipality has established partnerships with institutions such as the Global Leadership Institution and the Cookhouse Windfarm Development Trust. These collaborations aim to support and capacitate both SMMEs and cooperatives, while also contributing to the professionalization of the local economic movement.

The LED Unit has established forums, including business forums and local tourism organizations. The purpose of these forums is to promote inclusivity, foster a sense of ownership within the BCRM community, and ensure that residents actively participate in development initiatives that directly affect them. To support and capacitate SMMEs, the Unit has implemented several programs in partnership with relevant stakeholders. Examples include:

- Business start-up support: Informal traders received vouchers valued at R3,000 each to strengthen their businesses.
- Bee-keeping project: In collaboration with the Mineworkers Development Agency (MDA), 10 emerging businesses were equipped with 100 bee hives and personal protective equipment (PPEs) as part of the project's first phase.
- Food and beverage incubator program: Through a partnership between the Eastern Cape Development Corporation (ECDC) and the CDA, R1.7 million was allocated to fund a pilot incubator program. Participants from across BCRM have been selected, and CDA and ECDC are currently preparing learning materials for the initiative.

Furthermore, the Municipality, in partnership with SALGA, CoGTA, and other stakeholders, has developed a comprehensive LED strategy. This document was crafted within the broader framework of small-town regeneration, poverty alleviation, investment promotion, and the development of agriculture and tourism. Central to the strategy is the identification of LED strategic areas and the formulation of a detailed action plan.

The Municipality has signed a pre-lease agreement with Scion Energy Company, based in George in the Western Cape, to construct a hydropower storage facility dam between KwaNojoli and Pearston. Scion Energy specializes in renewable energy projects across Southern Africa. The proposed project has the potential to create more than 3,000 job opportunities while addressing the Municipality's water-related challenges.

In addition, approximately 10 SMMEs are participating in an incubation program facilitated by Human Settlement in BCRM around KwaNojoli. Each SMME will receive 15 housing units and is being capacitated in various construction disciplines, including construction management and financial management.

The Municipality has also negotiated the purchase of land between the Cookhouse Windfarm Development Trust and farm owners along the N10 corridor between Golden Valley and Cookhouse. The Trust has successfully acquired the land and plans to establish a tourism-focused one-stop shop, which will include outlets such as Steers, Fishaways, and Debonairs. This initiative is designed to promote tourism development and stimulate local economic growth.

Furthermore, the Petroleum Agency SA, in collaboration with the Eastern Cape Department of Cooperative Governance and Traditional Affairs (EC COGTA), is working to educate communities and raise awareness about sustainable development in the oil and gas industry across the district. Within the Sarah Baartman District, Blue Crane Route Municipality and Dr Beyers Naudé have been identified for potential oil and gas exploration.

An awareness programme on oil and gas was conducted in July 2025 at the KwaNojoli Town Hall, engaging stakeholders and community members on the opportunities and challenges associated with exploration activities.

BCRM and Cacadu District Development Agency signed a Memorandum of Understanding (MoU) for the Agency to undertake the following catalytic projects

1. KwaNojoli Industrial Park

This project has the potential to become a key economic driver for the municipal economy. The launch and handover of bulk infrastructure at the Industrial Park have been completed, supported by funding of R28 million. In partnership with the CDA, the municipality has appointed TIYISO Consulting as a strategic investor to spearhead the development of the Industrial Park. Their role includes mobilising resources, attracting investment, and creating sustainable employment opportunities aimed at transforming the economic outlook of the area. A comprehensive masterplan has also been developed for both the Industrial Park and the Aerodrome. This masterplan outlines the projects, timelines, and projections required to achieve the municipality's long-term economic objectives.

2. KwaNojoli Aerodrome

The construction of the KwaNojoli Aerodrome was completed in 2016 and subsequently registered with the South African Civil Aviation Authority (SACAA). During a visit, SACAA advised the CDA to temporarily de-license the Aerodrome while repairs were undertaken to address vandalism, including the replacement of fencing, restoration of hangars, and installation of runway lights. The Aerodrome was reopened for the hunting season in June 2024, with the first flight landing on 26 June 2024. At present, three casual workers are employed on six-month contracts to manage and oversee flight landings.

3. Boschberg Tourism Hub

The Boschberg Tourism Hub currently falls under the responsibility of the CDA. The primary challenge facing the Hub is the lack of security, which has resulted in vandalism of the building. To address this, the Service Level Agreement (SLA) between the CDA and the municipality has been renewed. In addition, a Project Steering Committee (PSC) has been established, and the process of appointing a service provider to conduct costing for renovations is underway, with completion targeted for the next financial year. Expression of Interest (EOI) will be issued inviting professional developers to submit proposals for the development of the Tourism Hub. The objective of this initiative is to ensure the Tourism Hub's development, renovations, and eventual operationalisation.

Other LED beneficiation projects

1. R355 Road Project

The R355 road project is underway. The local SMME's and local communities are participating in the project.

2. Renewable Energy (Wind farms)

The Eastern Cape province is a significant hub for renewable energy in South Africa, with approximately 23 operating windfarms. Within the Blue Crane Route Local Municipality, six of these windfarms are in the Cookhouse area. Their presence has positioned the region as a contributor to both sustainable energy generation and community upliftment. The Cookhouse windfarms have gone beyond their core function of electricity generation by investing in social development projects that directly benefit local communities. Key areas of contribution include:

- **Early Childhood Development (ECD):** Support for programmes that enhance access to quality early learning and care for young children.
- **Capacity Building:** Provision of structured opportunities such as learnerships and internships, equipping youth with practical skills and workplace readiness.
- **Education Support:** Awarding of bursaries to deserving students, enabling access to tertiary education and professional training.

3. Revitalisation of the railway

The project was implemented in Cookhouse by Transnet and +- 100 job opportunities were created.

4. South African National Roads Agency SOC Ltd (SANRAL) projects

The project is for maintenance of roads (N10 and R63). The local SMME's and local communities are participating in the project.

1.2.9 SOCIO ECONOMIC DIMENSION

Table 6: Socio Economic

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
No disability/Unspecified	32292	28152	87.85	-1.28
Sight	571	2294	7.16	30.18
Hearing	221	350	1.09	5.84
Communication	78	82	0.26	0.51
Physical / Walking	1118	465	1.45	-5.84
Intellectual / Remembering	133	265	0.83	9.92
Emotional / Self Care	298	438	1.37	4.70
Multiple disability	300	0	0.00	-10.00
Not applicable		3956		
	35 011	36 002		

Source: StatsSA 2011

StatsSA indicates that there has been an overall decline of -1.28% p.a. in the number of population with disabilities. People with a sight disability have increased drastically by 5.6% from 1.6% in 2001 to 7.2 in 2011.

Table 7: Income Category

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Income 15 to 65				
No Income	180	10 504	46.09	573.6
R1 – R400	3 454	1 254	5.50	-6.4
R401 – R800	1 557	1 198	5.26	-2.3
R801 - R1600	929	4 924	21.61	43.0
R1601 – R3200	794	1 582	6.94	9.9
R 3 201 - R 6 400	566	933	4.09	6.5
R 6 401 - R 12 800	239	763	3.35	21.9
R 12 801 - R 25 600	58	489	2.15	74.3
R 25 601 - R 51 200	27	101	0.44	27.4
R 51 201 - R 102 400	32	30	0.13	-0.6
R 102 401 - R 204 800	7	28	0.12	30.0
R 204 801 or more	3	12	0.05	30.0
Unspecified	0	973	4.27	
	7 846	22 791		

Source: StatsSA 2011

Table 8: Labour Status

BLUE CRANE ROUTE AREA (STATSSA 2011)			%	GROWTH % p.a.
Employed	7839	7434	34.3	-0.52
Unemployed	5355	3300	15.2	-3.84
Non-economically active	9471	10935	50.5	1.55
	22665	21669		

Source: StatsSA 2011

Table 9: Education Levels 20 year +

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (Community Survey 2016) %
Level of education 20 +					
No schooling	4 088	2 592	8.24	-3.7	6.3
Some primary	5 956	10 895	34.65	8.3	21.7
Complete primary	1 977	2 516	8.00	2.7	9.9
Some secondary	5 361	9 577	30.46	7.9	38.9
Std 10/Grade 12	2 437	4 420	14.06	8.1	20.7
Higher	1 075	1 392	4.43	2.9	2.5
Unspecified	0	49	0.16		0

Source: StatsSA and CS 2016

1.2.10 POWERS AND FUNCTIONS OF THE MUNICIPALITY

The municipal mandate stems from the section 155 and 156 of the Constitutions (Act 108 of 1996) which assigns powers and functions drawing from the schedules 4b & 5b. In terms of the Part B of schedule 4 and 5 of the Constitution, Blue Crane Route Municipality has the following powers & functions:

Schedule 4 Part B	Schedule 5 Part B
Powers exercised by the BCRM	Powers exercised by the BCRM
<ul style="list-style-type: none"> ○ Air pollution ○ Building regulations ○ Electricity and gas reticulation ○ Firefighting services ○ Local tourism ○ Municipal planning ○ Municipal public works ○ Stormwater management systems in built-up area ○ Trading regulations ○ Water and sanitation services 	<ul style="list-style-type: none"> ○ Amusement facilities ○ Billboards and the display of advertisements in public places ○ Cemeteries ○ Cleansing ○ Control of public nuisances ○ Control of undertakings that sell liquor to the public ○ Facilities for the accommodation, care and burial of animals ○ Fencing and fences ○ Licensing and control of undertakings that sell food to the public ○ Local amenities ○ Local sport facilities ○ Municipal abattoirs ○ Municipal parks and recreation ○ Municipal roads ○ Noise pollution ○ Pounds ○ Public places ○ Refuse removal, refuse dumps and solid waste disposal ○ Street trading

	<ul style="list-style-type: none">○ Street lighting○ Traffic and parking
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1.3 FINANCIAL OVERVIEW

The Municipality is largely dependent on the Equitable Share and other grant funding. In addition the Municipality has a fair consumer base, however shows signs of deterioration with Services Charges are evident. An under collection of Service Charges have been experienced during the year under review.

The following material uncertainties may cast doubt on the going concern assumption:

- National ESKOM electricity load shedding, which impacted electricity sales severely. This seriously impacted the previous financial years as well.
- NERSA also did approve Council's 11.6% approved tariffs for the 2024/25 financial year, however, it is not enough to cover the inflation increases for the ESKOM increase.
- Debt payment ratio's not in the norm
- Credit payment ratio's not in the norm
- High level of electricity losses that occur
- High level of poverty within the BCRM's municipal area
- Contingent liabilities as disclosed in this set of financial statements may impact future cash flows negatively if the court rulings are not in the favour of the municipality
- Liquidity ratios are not within the norm: 1:0.55
- The municipality incurred a deficit of R 74 805 069 during the 2024/25 financial year and is an increase in deficit from 2023/24 financial year of R 55 220 776. This is mainly due to the increase on inflation for costs across and the attribution of non-cash flow item such as impairment on assets, as a detailed conditional assessment was performed during the year.

The following revenue enhancement strategies are currently in place to ensure that the municipality address the above listed concerns:

- Debt collection interventions, including services restrictions if bills are not paid and issuing of summonses.
- Implementation of an electronic meter reading system to ensure accurate and timely issuing of accounts.
- Meter audits, to establish if all service usages are accounted for.
- Installation of bulk electricity and water meters to track and monitor losses
- Replacement of old electricity and water infrastructure to curb electricity and water losses.
- Developing of cost covering tariffs to ensure that consumers are paying for the services rendered by the municipality.
- Cost containing measures to prevent unnecessary expenditure.

- Implementation of a general valuation roll and interim rolls to ensure that the new market values of property are accounted for.
- Establishing a LED unit to attract business opportunities for local business
- It is therefore important to note that Blue Crane Route Municipality is well geared to absorb the additional pressure.

In line with the under collection of Services rendered, Debt Impairment increased as a result of debtors not being able to pay their Municipal accounts. It was highlighted by the Auditor General (SA) in the 2024/25 financial report that consumers of municipal services are the biggest contributors of the municipality's going concern being under threat.

It should be noted that the Municipality has an indigent rate of 57% and this by itself is a major contributing factor to the Financial sustainability of the Municipality and remains a challenge in the current year. Management have embarked on approaches to implement the revenue enhancement approaches that were developed to address the challenges faced by the Municipality in this regard.

Financial Overview: Year 2024/2025			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	137 726	165 512	155 572
Taxes, Levies and tariffs	263 751	247 447	221 754
Sub Total	401 477	412 959	377 326
Less: Expenditure	375 268	371 180	452 131
Net Total*	26 210	41 779	(74 805)

Operating Ratios: 2024/2025	
Detail	%
Employee Cost	25%
Repairs & Maintenance (Inventory consumed)	3%
Finance Charges	5%
Depreciation and Impairment charges	20%
Bulk Purchases	31%
Other	16%
	100%

Employee Related costs are within the norm with 25%. Repairs and Maintenance are below norm at 3% as the Municipality’s budget is severely under constraint and not being able to fund the repairs and maintenance of assets in the vicinity of R1, 3 billion (cost value). This filters through to the fact that Depreciation and Impairment is at 18%.

Total Capital Expenditure: Year 2022/2023 to 2024/2025			
			R'000
Detail	2022/2023	2023/2024	2024/2025
Original Budget	22 276	34 519	51 354
Adjustment Budget	45 613	71 625	76 202
Actual	32 869	77 362	64 475

The Capital budget increased from R 51 million to R76 million from the Original Budget to the latest Adjustment Budget done in June 2025. A roll over on disaster funding to the value of R 11.4 million was allocated the Municipality in October 2025. Own funds were also allocated to the capital budget to increase the efficiency of operations.

INTRODUCTION TO GOVERNANCE

In terms of the Municipal Structures Act, Blue Crane Route Municipality is a Collective Type, which means it has an Executive Committee (EXCO) led by The Mayor. EXCO has the role of processing all items for consideration by the Council which is led by The Speaker.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Blue Crane Route Municipality derives its authority from Section 151(3) of the Constitution of the Republic of South Africa, which empowers municipal councils to govern, on their own initiative, the local government affairs of their communities. In fulfilling this mandate, the Municipality has established a structured system of Council and Committees to ensure effective governance, accountability, and service delivery. The Council is comprised of eleven (11) Councillors, six (6) of whom are ward Councillors directly elected to represent their communities, and five (5) proportional representative Councillors who provide party-based support across wards. The Speaker, elected from among the proportional representative Councillors, presides over Council meetings, which are convened quarterly and supplemented by special meetings when resolutions are required. Four standing committees, aligned to the four directorates of the Municipality, meet quarterly and as necessary, with attendance by Councillors, Management, and relevant staff members. The structure of Council constituted as follows:

- 1 Cllr B.A Manxoweni – Mayor: ANC
- 2 Cllr E. Miggels – Speaker: EFF
- 3 Cllr N. Yantolo -Nkonyeni – Chief Whip ANC
- 4 Cllr Z. S Baskiti- Ward 1 (ANC)
- 5 Cllr A. Heynse- Ward 2 (DA)
- 6 Cllr A. Dyantyi- Ward 3 (ANC)
- 7 Cllr H. Davenport - Ward 4(DA)
- 8 Cllr Smith Johnson - Ward 5 (DA)
- 9 Cllr P. Sonkwala- Ward 6 (ANC)
- 10 Cllr J. Martin – DA: PR
- 11 Cllr F. Brown – DA: PR

Oversight and accountability are further reinforced through the establishment of the Municipal Public Accounts Committee (MPAC), which is comprised of both ward and proportional representative Councillors and is chaired by Councillor Z.S. Baskiti. MPAC plays a critical role in strengthening transparency by providing Council with comments and recommendations on the Annual Report. During the year under review, MPAC convened at least one meeting as part of its oversight responsibilities. In

addition, the Municipality maintained a functional Audit and Performance Committee, which provided independent assurance on financial management, performance, and compliance. The Committee's charter was reviewed during the financial year and submitted to Council for consideration and approval, thereby ensuring alignment with governance best practices. Collectively, these structures demonstrate the Municipality's commitment to sound governance, accountability, and the promotion of public trust in its operations.

The Blue Crane Route Municipality continues to strengthen its governance and accountability mechanisms in line with legislative requirements and best practices. In addition to its Council and Standing Committees, the Municipality has established a Disciplinary Board, which also functions as the MFMA Section 32 Committee. The primary role of this Committee is to assist Council in the investigation of unauthorized, irregular, fruitless, and wasteful expenditure. During the year under review, no matters were referred to the Disciplinary Board, reflecting the Municipality's commitment to prudent financial management and compliance with applicable legislation.

The Municipality also maintained a functional Internal Audit Unit, which plays a critical role in providing independent assurance and supporting oversight structures. The Unit is comprised of a Manager: Internal Audit, an Internal Auditor, and one Internal Audit Intern, ensuring adequate capacity to perform its responsibilities. During the financial year, the Internal Audit Charter was reviewed to align with governance standards and submitted to the Audit and Performance Committee for approval. This process reinforced the Municipality's dedication to transparency, accountability, and continuous improvement in its internal control environment.

2.1 POLITICAL GOVERNANCE

POLITICAL STRUCTURE

Cllr B. A Manxoweni: **MAYOR**

CHAIRPERSON: TECHNICAL SERVICE STANDING COMMITTEE, FINANCE & LED STANDING COMMITTEE.

Cllr L Miggels: **SPEAKER OF THE COUNCIL**

Cllr N Yantolo Nkonyeni: **CHIEF WHIP**

Cllr Z.S Baskiti: **MPAC CHAIRPERSON**

Cllr J Martin: **CHAIRPERSON COMMUNITY SERVICES STANDING COMMITTEE**

Cllr F Brown: **CHAIRPERSON CORPORATE SERVICES STANDING COMMITTEE**

POLITICAL DECISION-TAKING

The decision-making process of the Blue Crane Route Municipality is structured to ensure accountability, transparency, and adherence to legislative requirements. Council decisions originate at the Standing Committee level, where recommendations are formulated and subsequently tabled before the Executive Committee (EXCO). These recommendations are then passed for adoption or approval by the full Council. Once adopted, all Council resolutions are final and binding, reflecting the authority vested in the Council by the Constitution. Political decisions and resolutions are taken during Council meetings, which are chaired by the Speaker, and decisions are reached either through consensus or by a majority vote of the Councillors present. To strengthen oversight and institutional memory, a Resolution Register is maintained, capturing all decisions taken by Council. This register is continuously monitored and tabled at ordinary Council meetings to facilitate tracking, accountability, and effective oversight of implementation.

2.2 ADMINISTRATIVE GOVERNANCE

The BCRM has the following Directorates in its organizational structure. These are; Office of the Municipal Manager, Corporate Services, Community Services, Financial and Technical Services

TOP ADMINISTRATIVE STRUCTURE	Function
MUNICIPAL MANAGER (Mr M.P Nini)	Oversee the functioning and performance of the following Directorates, i.e <ul style="list-style-type: none">• Corporate Services• Finance• Community Services• Technical and Infrastructure Services• Office of the Municipal Manager
DIRECTOR CORPORATE SERVICES: (Mr Simlindile Nodo)	<ul style="list-style-type: none">• Administration• Human Resources• ICT• Stakeholder Engagement
DIRECTOR: FINANCIAL SERVICES (Mr Nigel Delo)	<ul style="list-style-type: none">• Income and Expenditure• Budget and Financial Reporting• Assets and Supply Chain Management
DIRECTOR: COMMUNITY SERVICES (Mrs Yolisa Mniki)	<ul style="list-style-type: none">• Parks and Recreation• Environmental Health and cleansing• Fire and Rescue Services• Traffic Services• Environmental Management• Library Services
DIRECTOR: TECHNICAL SERVICES (Vacant)	<ul style="list-style-type: none">• Roads and Stormwater• Projects Management Unit• Electro-Mechanic• Water Services• Human Settlements• Town Planning and Land Use Management

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The concept of Integrated Development Planning (IDP) is embedded on the principle of co-operation amongst various spheres of government for the purpose of providing better co-ordination and services to the community. It is in this context that co-operative governance and inter-governmental relations becomes of utmost importance. Blue Crane Route Municipality has no functional Inter-Governmental Relations Forum (IGR) due to poor attendance by other stakeholders.

2.3 INTERGOVERNMENTAL RELATIONS

The municipality continues to foster positive relations with the following stakeholders and associations, though greater emphasis is needed on strengthening the IGR forum.

Attending departments	Non attending department
<ul style="list-style-type: none">• Provincial Treasury• COGTA• Department of Human Settlements• Dept of Social Development• South African Police Service• Independent Electoral Commission (IEC)• Cacadu Development Agency (CDA) and• Sarah Baartman District Municipality (SBDM)• DSRAC• DEDEAT• Dept of Agriculture	<ul style="list-style-type: none">• South African Local Government Association (SALGA)• Dept of Co-operative and Traditional Affairs (COGTA)• DEDEAT (SBDM)• Department of Health• Department of Education• Department of Public Works• Department of Home Affairs• Dept of Water and Sanitation

2.3.2 RELATIONSHIP WITH THE DISTRICT MUNICIPAL ENTITY

RELATIONSHIP WITH THE DISTRICT MUNICIPAL ENTITY

The Blue Crane Route Municipality (BCRM) maintains strong working relations with the Cacadu Development Agency (CDA). These relations were further strengthened following the BCRM Council's strategic decision to dis-establish its former entity, the Blue Crane Development Agency (BCDA). This restructuring ensured that local economic development responsibilities were streamlined under a single, regionally aligned agency.

At present, the CDA is responsible for the coordination and implementation of BCRM Local Economic Development (LED) mega projects. This arrangement provides consistency in planning, execution, and monitoring of development initiatives across the municipality. The partnership between BCRM and CDA is formally governed through a Service Level Agreement (SLA) signed between the two parties.

2.3.3 DISTRICT INTERGOVERNMENTAL STRUCTURES

The municipality maintains positive relations with the Sarah Baartman District Municipality. Councillor Phandulwazi Sonkwala serves as the BCRM representative in the District Municipality. In addition, the municipality actively participates in the following district structures:

- District Mayor's Forum
- District Speakers' Forum
- District Women Commission
- District Municipal Managers' Forum
- District Wide Infrastructure Forum
- District IDP Rep Forum
- District Disaster Advisory Forum
- District Legal Advisors Forum
- District Internal Audit & Risk Management Forum
- District Corporate Services Forum
- District Health Council
- District Community Safety Forum
- District Environmental Forum
- District Spatial Planning Forum
- Municipal Planning Tribunal
- District Chief Financial Officer's Forum

- District Tourism Forum
- District Business Forum
- District Communicators' Forum
- District Records Management Forum

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Public accountability and participation are central to promoting democracy in local government. To facilitate meaningful engagement, the municipality applies the Ward-Based Planning model, which enables communities to contribute to discussions on Performance Management, the Integrated Development Plan (IDP), and the Budget. This approach ensures that accountability and participation occur at the most fundamental level of community interaction.

The municipality has established a public participation system that guides and strengthens communication between the municipality and its communities. Throughout the year, public engagements were conducted through various platforms, including forums, meetings, events, media outlets, and the official BCRM website.

To further enhance public participation, the following structures have been established:

- **IDP/BUDGET/PMS REPRESENTATIVE FORUM**

The IDP/Budget/PMS Representative Forum convenes quarterly and is chaired by the Mayor, Councillor B. Manxoweni. The forum is attended by Councillors, government departments, organized community structures, Community Development Workers (CDWs), and BCRM Management. It serves as the primary structure for facilitating and coordinating participation in the IDP, Budget, and PMS processes.

- **WARD COMMITTEES**

Ward Committees are intended to deepen public participation in municipal governance and to encourage active involvement by communities. The primary responsibility of ward committee members is to serve as a communication channel between the municipality and its communities, ensuring that residents are informed of upcoming Council activities. At the same time, they play a vital role in bringing genuine community interests and concerns to the attention of the municipality. However, ward committee meetings are not convening as regularly as required.

- **PUBLIC/COMMUNITY MEETINGS**

Public meetings are convened in two ways. At times, they are initiated by the community through petitions submitted to the Office of the Speaker, typically to address service delivery concerns such as water and electricity crises. Alternatively, meetings may be called by the municipality to engage communities on broader communal issues.

- **IDP/BUDGET PUBLIC PARTICIPATION MEETINGS**

Mayoral outreach (Imbizo) and ward-based planning meetings are conducted twice annually to provide feedback to communities on municipal performance against ward-based priorities implemented in the previous financial year. These engagements also serve as platforms for gathering community inputs to inform the review and planning processes for the upcoming financial year. Through these mechanisms, communities are actively involved in the drafting and finalization of the Integrated Development Plan (IDP) and the municipal Budget.

2.4 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and be calculated into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMPONENT D: CORPORATE GOVERNANCE

2.5 RISK MANAGEMENT

The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial control, risk management and internal control...” The purpose of the Risk Management is to:

- Advance the development and implementation of modern management practices and to support innovation throughout the municipality.
- Contribute to building a risk-smart workforce and environment that allows for innovation and responsible risk-taking while ensuring legitimate precautions are taken to protect the public interest, maintain public trust, and ensure due diligence.
- BCRM has an Enterprise Risk Management Framework policy in place that guided Council and management in identifying, rating, responding, monitoring and evaluating as well communicating risks within the municipality. A strategic risk assessment workshop was held during the beginning of the financial year with the assistance of Internal Audit Unit. High risks, medium and low risks were identified within the risk appetite of the municipality and actions to mitigate risks were identified and captured on a risk register.
- Mitigation plans were developed to curb the level and impact of risks on achieving municipal objectives. The plans were regularly reviewed on a quarterly basis. Reports on the quarterly reviewed were regularly tabled to Audit Committee. Departments are also appraised of the status of their risks quarterly.

2.6 ANTI-CORRUPTION AND FRAUD

All actual or suspected incidents should be reported without delay to the immediate line manager. Should an employee be concerned that the immediate line manager is involved; the report can be made to any other member of management, the Municipal Manager and/or the Chairperson of the Audit Committee. The Municipal Manager will initiate an investigation into the matter.

A whistle-blowing facility is one of the most effective tools in identifying fraud occurring within an organization. The fraud prevention plan indicates that employees and other parties are encouraged to report their suspicions of fraud without fear of reprisal.

The following general provisions apply to whistle-blowing facilities:

- All employees and suppliers can contact the hotline to voice any concern that they have relating to fraudulent behavior that has a bearing on Blue Crane Route Municipality;

- Trained operators will respond to calls in most of the official languages in South Africa;
- Operators will probe callers for specific facts to record as much information and understand the incident as clearly as possible; and
- Although callers may choose to tell the whistleblowing consultants who they are, the call report will never reveal their identity unless the caller specifically allows this, thereby protecting the caller's anonymity.

If employees or the community wish to report allegations of fraud and corruption anonymously, they can contact the whistleblowing hotline operated by the Public Services Commission on 0800 701 701, all calls to this number are through a secured answering service and are treated with utmost confidence. Employees or the community can also make use of the presidential hotline 17737.

Duties of Internal and external auditor

The MFMA stipulates that a Municipality must maintain a system of internal audit under the control and direction of an audit committee. Furthermore, the internal audit function of Blue Crane is required to report on matters relating to:

- Internal Control:
- Accounting procedures and practices.
- Risk and risk management thereof.
- Loss control; and
- Compliance with applicable legislation.

Blue Crane Route Municipality has an Internal Audit unit that reports to the Accounting Officer administratively and to the Audit Committee functionally. In terms of the Audit Committee Charter, the primary role of the Audit Committee is to:

- Evaluate the performance of internal audit unit
- Review the internal audit function compliance with its mandate as approved by the Audit Committee.
- Review and approve the internal audit charter, internal audit plans and internal audit unit conclusions on internal control;
- Review significant difference of opinion between management and internal audit function;
- Evaluate the independence and effectiveness of internal auditors; and
- Review the co-operation and co-ordination between the internal and external audit function

2.7 SUPPLY CHAIN MANAGEMENT

The Municipality has a Supply Chain Management Policy, SCM Policy for Infrastructure Procurement and Delivery Management as per the requirements of the National Treasury Standard for Procurement Delivery Infrastructure Management. The objective of these policies is to provide a policy framework within which the Municipal Manager, Chief Financial Officer and other Senior Managers must institute and maintain a Supply Chain Management System which is transparent, efficient, equitable, and competitive. The policies also ensure the principles of best value for money for the municipality are outlined; applies the highest possible ethical standards; and promotes local economic development. By adopting the policies, the Council further pledged itself and the municipal administration to the full support of the Proudly South African campaign and to the observance of all applicable national legislation, including specifically the:

- Constitution of Act 108 of 1996
- Municipal Finance Management Act No 56 of 2003
- Preferential Procurement Policy Framework Act No. 5 of 2000 and its regulations;
- Broad Based Black Economic Empowerment Act. No. 53 of 2003 and any applicable code of practice promulgated in terms of that Act; and
- Where applicable, the Council also pledges itself to observe the requirements of the Construction Industry Development Board (CIDB) Act No. 38 of 2000 and its regulations.

Reports on the implementation of the SCM policy are submitted quarterly to the Accounting Officer; the Mayor; and Council. The unit has full staff compliment, and the staff are aware of the SCM Code of Conduct. Service Provider Performance is regularly monitored with the help of Project Managers / End Users. Tax matters for all transactions above R15 000 were confirmed to be in order through the Central Supplier Database.

Declarations of interest are checked for all transactions; a register of Related Parties is kept and forms part of the Annual Financial Statement Notes. The municipality has a functional Bid Committee system. Challenges were experienced during the year leading to delays in the procurement of some service delivery projects. There were tenders that had to be re-advertised due to non-responsiveness of bidders and contract management is also one of the issues that have been highlighted by the Office of the Auditor General. Transformation to pro-activeness of the unit is one of the improvements that the municipality is working on.

2.8 BY-LAWS

Section 11 (3) of the Municipal Systems Act, 2000 empowers Municipal Council to exercise executive and legislative authority to pass and implement by-laws and policies. By-laws were reviewed in the year under review. The workshop for Councilors, Senior Management and Middle Management was conducted.

By-laws Introduced during Year 0					
Newly Developed	Reviewed	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
Standard by-laws for development of electronic communication facilities		No		Yes	2006
	Commonage By-Law	Yes		Yes	2006
	Impoundment of animals By-Law	No		Yes	2006
	Liquor Trading Hours By-Law	Yes		Yes	2006

2.9 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	19 Sept 2025
All current budget-related policies	Yes	21 July 2025
The previous annual report (Year -1)	Yes	21 July 2025
The annual report (Year 0) published/to be published	Yes	Feb 2025
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	24 Nov 2024
All service delivery agreements	Yes	22 July 2025
All long-term borrowing contracts (Year 0)	Yes	22 July 2025
All supply chain management contracts above a prescribed value (give value) for Year 0	Yes	29 October 2025
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	Not Applicable	

Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Not Applicable	
Public-private partnership agreements referred to in section 120 made in Year 0	Not Applicable	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	28 October 2025

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The municipal website serves as a key communication tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. All the required information is regularly updated on the municipal website and its official address is <https://www.bcrm.gov.za>. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the:

- Annual and adjustment budgets and all budget related documents;
- Budget related policies;
- Annual Report;
- Performance Agreements;
- Service Delivery Agreements;
- Long – Term borrowings
- Supply Chain Management Contracts above a prescribed value;
- Information statement containing a list of assets over a prescribed value that have been disposed in terms of Section 14(2) or (4) during the previous quarter;
- Contracts in terms of Section 33;
- Public – Private partnership agreements in terms of Section 120
- Quarterly reports in terms of Section 52 (d) and

2.9 PUBLIC SATISFACTION ON MUNICIPAL SERVICE

Customer satisfaction surveys were not previously conducted; however, the municipality is now developing a questionnaire to be distributed across all wards and returned for analysis. In addition, the municipal website is being revamped to include a customer portal where the public can submit comments. Suggestion boxes will be installed and comment books at municipal offices to capture feedback from visitors and callers. Alongside these initiatives, community outreaches continue to serve as a vital platform where the public engages directly with municipal representatives to participate in planning and to receive updates on progress.

INTRODUCTION

COMPONENT A: BASIC SERVICES

This component includes water; wastewater (sanitation); electricity; waste management; housing services; and a summary of free basic services.

3.1 WATER AND WASTE WATER SERVICES

This section includes – water reticulation, sewer reticulation, and water regulation

The Blue Crane Route Municipality is the Water Services Authority (WSA) and the Water Services Provider (WSP). According to Stats SA - Census 2011 & 2022. The municipality's population has moved from 36 002 to 49 886. BCRM has three towns: Cookhouse, Somerset East and Pearston. Indigent population: 60%. BCRM has less than 1% Operations & Maintenance budget against norm of 10% (direct for actual maintenance) – all services. Financial non-viable municipality – grant dependent.

The average number of people per household is 3.4. BCRM has an estimated water availability of ± 6000 kl/day

3.1. 1 WATER

BULK WATER SUPPLY

In terms of water sources in the towns, it is found that:

- Cookhouse is dependent on water from Great Fish River Water User Association Water Canal and has no surface or borehole sources.
- Pearston obtains its water solely from boreholes, there is no surface water available.
- KwaNojoli water is obtained from surface water, which is seasonal and dependent on rainfall, as well as water from the Orange Fish River irrigation scheme which is the only reliable source in town.

The table below indicates the water resources that supply kwaNojoli and Cookhouse.

Table 1: DAM LEVELS

NO.	DAM	AREA	VOLUMES (ML)	
			Storage capacity (x 1000 m3)	Current Storage (x 1000 m3)
1.	Cookhouse	Cookhouse	40	32
2.	Bestershoek	Somerset East	117	94
3.	Van der Walt	Somerset East	69	55
4.	Lake Bertie	Somerset East	270	216
5.	Mountain	Somerset East	unknown	Unknown

Table 2: DEMAND VS SUPPLY AND SHORTFALL

NO.	TOWN	TOTAL WATER SUPPLY (DESIGN CAPACITY)	TOTAL WATER DEMAND	SHORTFALL
1.	Cookhouse	22 ML/Month	16.8 ML/Month	0
2.	Pearston	25.3 ML/Month	29.8 ML/ Month	4.5 ML/Month
3.	Somerset East	71.1 ML/Month	85 ML/Month	13.9 ML/Month

Boreholes:

- Pearston Area: The town of Pearston heavily relies on ground water for the purpose of portable and irrigational use. Currently the town has 7 existing boreholes and 5 production boreholes that are in operation. The existing 5 x production boreholes has a potential of supplying 1.27 MI/day. The current 5 x production borehole delivers a safe sustainable yield of 1.829 MI per day. The municipality is currently in the process of drilling additional two boreholes.
- KwaNojoli Area: KwaNojoli has 3 production boreholes, 2 in operation. The town of SE current yield is 0.159 ML/day (Emergency).
- Cookhouse Area: No boreholes.

Water Reticulation:

- 187 km water pipelines.
- 2 of 4 Water Treatment Works operating beyond design capacity (Bestershoek & Cookhouse).
- 14x Raw Water Reservoirs in all three towns.
- The municipality water and sanitation budget for Operations & Maintenance is less than 2% for this current 2023/2024 FY. This is less than the norm of 10%. This adversely affects the Operational and Maintenance plans implementation.
- 52% of water complaints attended to.
- Replacement of asbestos pipe in progress

Water Quality

Water sampling is done according to SANS 10041

System	Year	% Compliance: Microbiological
Somerset East	2023	74.1
	2024	57.6
	2025	43.8
Cookhouse	2023	43.8
	2024	60.0
	2025	42.1
Pearston	2023	64.7
	2024	73.3
	2025	7.4

Intervention on Non-Compliance Water Quality

- Water and Sanitation By-Laws in place dated 2022
- Blue Drop is partially compliant also the next audit will be conducted on the month of May 2026
- Treatment – Chemicals / Chlorine room
- System reporting
- Chemical (quarterly) and Biological (monthly) sample collection and testing.
- BCRM has signed a memorandum of understanding (M.O.U) with East London Industrial Development Zone (ELIDZ) as an external accredited Lab to assist the BCRM in compliance of a long-term project to ensure monitoring of Treatment Plants in compliance to Blue and green Drop requirements. Also ELIDZ to take water samples on a monthly basis so that BCRM can find the root cause of the water quality failure.
- Also BCRM has partnered with Water Research Commission (WRC) to assist Process Controllers to perform duties using new technology.

3.1.2 SANITATION

WASTE WATER SYSTEMS, DESIGN CAPACITY AND OPERATING CAPACITY

TOWN (WWTW's)	DESIGN CAPACITY (Kl/day)	OPERATING CAPACITY (Kl/day)
Somerset East	820	200
Cookhouse	2137	1537
Pearston	2137	1846

Please note both Pearston and Cookhouse are oxidation ponds. The municipality and the Department of Water and Sanitation is attending to secure Water Use licenses (WULA) for all plants

Sewer Reticulation & Regulation Operational Matters:

- 3x Waste Water Treatment Works partially functional for all three towns (some have Operational and Maintenance issues).
- Theft and vandalism becomes culture in the Municipality.
- 5x Sewer pump station need to be upgraded in KwaNojoli.
- The refurbishment of the 5 x Sewer pump station is underway , the Contractors are on site.
- Water and sanitation By-Laws in place dated 2022
- 92% of sewer and water complaints attended to.

- The municipality water and sanitation budget for Operations & Maintenance is less than 2% for this current 2023/2024 FY. This is less than the norm of 10%. This adversely affects the Operational and Maintenance plans implementation.
- 9 process controllers managing 4x WTW and 3x Waste Water Treatment Works
- Chemical (quarterly) and Biological (monthly) sample collection and testing.

3.2 ELECTRICITY SERVICES: – PLANNING, DISTRIBUTION, PROTECTION, AND PROJECTS

INTRODUCTION TO ELECTRICITY

Blue Crane Route Municipality is the electricity distribution licence holder with licence number NER/D/EC102, and supplies electricity to KwaNojoli, Cookhouse and Pearston. It has one bulk supply point with an installed capacity of 18 MVA and a maximum demand of 17.2 MVA. The network consists of 28 km of medium voltage (MV) underground cable, 928 km of low voltage (LV) underground cable, 2 600 km of MV overhead lines and 128 km of LV overhead lines.

The Municipality has approximately 8 411 customers, which are categorised as follows: 6 696 prepaid domestic; 768 domestic credit meters; 354 commercials; 572 agricultural and 21 industrial customers.

Overhead Lines:

In general, the overhead network of the Blue Crane Route Local Municipality is old and most of it has been in service for more than 50 years. However, certain 22 kV distribution lines, particularly the ones transmitting from the Main Substation to farmers at Zuurberg, were installed in 1965 and an urgent replacement programme was needed to ensure continuous supply of power. The Swaershoek and Pearston are partially maintained.

Planning, Distribution, Protection, and Projects Operational Matters:

- Dilapidated infrastructure.
- Prolonged lead time on fault findings due to geographical and extent of the areas.
- Ineffective customer care system.
- 8 x vehicles in our possession: 50% is not in good condition.
- Substation capacity: 2 x 10MVA transformers = 20MVA.
- 2nd largest overhead lines after ESKOM.
- Approx. 1400km electrical network.
- Outdated lifespan of the electrical lines +/- 45 years.
- Insufficient resources a to attend to electrical faults

GRANTS RECEIVED FOR ELECTRICITY INFRASTRUCTURE

Project Name	Amount	Expenditure	Comments
Millenium Park Extension 11 Services Connections	R 100,000.00	R 151,000.00	INEP funded and completed
Retro – fitting of streetlights and high mast	R 4,000,000.00	R 4,000,000.00	EEDSM funded and completed
Disaster Management Grant Projects	R 30,480,000.00	R 28 000 000.00	Disaster Management Grant funded, projects in progress

3.3 HUMAN SETTLEMENTS

3.3.1 INTRODUCTION

The Human Settlements Unit of Blue Crane Route Local Municipality operates within the Technical Services Department and is responsible for facilitating, coordinating, and supporting the delivery of sustainable human settlements within the municipal area. The Unit plays a critical role in addressing housing needs, upgrading informal settlements, and ensuring access to basic services in alignment with national and provincial human settlements priorities.

During the reporting period, the Unit focused on strengthening intergovernmental coordination, supporting the implementation of housing and upgrading projects led by the Eastern Cape Department of Human Settlements, and responding to community needs related to housing demand and informal settlement conditions.

3.3.2 Strategic Mandate

The Human Settlements Unit functions primarily as a facilitator and coordinator, as housing delivery is a provincial competence. The Unit ensures that municipal planning, land availability, bulk infrastructure provision, and community engagement processes are aligned with provincial housing programmes.

3.3.3 Key Roles and Responsibilities

The core roles and responsibilities of the Human Settlements Unit include, but are not limited to, the following:

- Facilitating housing development and human settlements projects in collaboration with the Eastern Cape Department of Human Settlements and other implementing agents
- Coordinating the Upgrading of Informal Settlements Programme (UISP) and supporting project planning, implementation, and reporting
- Identifying and assessing land suitable for human settlements development in alignment with the Spatial Development Framework (SDF) and Integrated Development Plan (IDP)
- Supporting beneficiary administration processes, including community verification and liaison
- Coordinating intergovernmental and stakeholder engagements, including provincial departments, entities, service providers, and affected communities
- Managing community engagements and feedback sessions related to housing projects and informal settlement upgrading
- Monitoring project progress and escalating implementation challenges to relevant authorities
- Ensuring alignment between housing projects, municipal infrastructure planning, and service delivery programmes
- Providing technical input into Council reports, Standing Committee submissions, and intergovernmental forums

3.3.4 Key Focus Areas During the Reporting Period

During the year under review, the Human Settlements Unit prioritised the following focus areas:

- Support to ongoing and pending housing and UISP projects within the municipal area
- Engagement with communities in informal settlements to manage expectations and provide updates on project status
- Strengthening coordination with the Department of Human Settlements and implementing agents following changes in project implementation arrangements

- Supporting transitional arrangements to ensure continuity of services and institutional knowledge within the Unit

3.3.5 Challenges and Risks

The Unit continued to operate within a complex environment characterised by high housing demand, limited municipal land availability, infrastructure constraints, and reliance on external implementing authorities. These challenges required increased coordination, communication, and risk management to minimise service delivery disruptions.

3.3.6 Conclusion

The Human Settlements Unit remains a critical function within Blue Crane Route Local Municipality, contributing to the creation of sustainable, integrated, and inclusive human settlements. Through continued intergovernmental collaboration, community engagement, and strategic planning, the Unit will continue to support the Municipality's developmental objectives and service delivery mandate in the coming financial year.

The Informal Settlements Upgrading Programme (ISUP) areas require urgent intervention due to mushrooming of informal settlement and that's puts pressure on the demand for bulk infrastructure supply. During the reporting period, the Municipality recorded a marked increase in unlawful land occupation across various areas, including municipal and privately owned land.

HUMAN SETTLEMENTS PROJECTS:

Human Settlements Operational Matters:

(a) Registration of unregistered properties

The registration of unregistered properties within the BCRM it's an on-going project that is funded by the DHS to restore the dignity of all beneficiaries that benefited in the olden days and were never given ownership of their benefited properties. The programme includes only those pre 1994 housing projects. (Old Mnandi, Aeroville, West View, Francisvale, Old Location, New Brighton, Khanyiso in Pearston, Bongweni Location in Cookhouse.) The Unit encourages all the above-mentioned location to visit the office if their said properties are still unregistered for their application or registration for title/ ownership.

b) Department Support

The Department of Human Settlement has appointed an Acting Senior Regional Director, Chief Construction Project Manager, Construction Project Manager and the Control Works Inspector to assist the Blue Crane Route Municipality to manage, evaluate and monitor the planning and operating projects. The Administrative Staff of the Department of Human Settlements are also involved on all the projects

on an ongoing basis. The Department of Human Settlements has also allocated 1(one) Control Works Inspector to assist the Blue Crane Route LM to monitor progress and quality on site. The Department has an institutional arrangement of working together through Housing Delivery by monitoring and tripartite accountability in certification of work done (Value created).

PROJECT STATUS

Effective communication and cooperative support between the Municipality and the Department have led to human settlements matters resolved under delivery, solution to insitu-upgrading and transfers. The status of all the projects in the Blue Crane Route Municipality is summarised as follows:

Management Area	Projects Completed	Projects Cancelled	Projects Running	Projects on Procurement	Projects Blocked
Blue Crane Route LM	17	0	9	0	0
TOTAL	17	0	9	0	0

a) *Projects Completed*

In the Blue Crane Route area, a total of twenty fifteen (17) projects have been identified as completed in terms of infrastructure and housing construction. Although some of these projects are completed in terms of the above there are still some administrative issues (beneficiaries, transfers, etc) to be dealt with in order for these projects to be closed off.

b) *Projects on Running*

PROJECT NAME	PSP	CONTRACTOR	IMPLEMENTATION
Millenium Park 500 Bulk Services Funding	Human Settlement	Human Settlement	Department of Human Settlements has taken over the project as the implementation Agency. GIC appointed by ECDHS for internal reticulation (Water, sewer and Roads).
Millenium Park 500 (228) internal Bulk Services Funding 2023/24	GIC consulting Engineers	AGISA (Pty) Ltd	Project completed September 2025 Phase 2: approval of budget for 228 top structures
Aeroville 261 Rectification Project	Sagient Consulting Engineers	10 local incubator programme	The project is driven by both the Department of Human Settlements and the Dept of Public works through the SMME implementing programme. Dept of

			Public works will provide mentorship to the SMMEs (each SMME's is allocated 15 units) 150 Beneficiaries registered and approved; Construction to commence 2026/2027 Human Settlements Project still in progress
KwaNojoli 140 rectification project	Bosch projects	Rencor PTY LTD	Nojoli 140 status and progress: Beneficiaries 101 registered and approve; 30 houses built and completed by October 2025, project still in progress
Old Mnandi MPCC	Human Settlements	BNN Construction	The project is under construction 90 % work done to be completed this financial year 2025/2026
Blue Crane Destitutes 55 (KwaNojoli 41, Pearston 8 and Cookhouse 6)	Lilitha consultants and Engineers	SBOSHY TRADING	The project in progress under construction, 14 houses built and completed 2025/26 Financial year, 41 houses under enrolment stage construction to continue 2026/27 Human Settlements financial year
KwaNojoli Westview 300	Lilitha consultants and Engineers	IZIQHAMO ZETHU CIVILS N CONSTRUCTION	The project is included in the Procurement plan and Panel Framework of Contractors the contractor anticipated to start in September 2024—Contactors not started on site 2024/2025 financial year. Project still in progress, 244 beneficiaries registered houses under enrolment stage construction to continue 2026/27 Human Settlements financial year
Somerset East Project 700	GIC consulting Engineers	AGISA (Pty) Ltd	
Marikana Informal Settlement	MDS Consulting Engineers	Bazakhe (Pty) Ltd	Electrification of 136 units Completed

CHALLENGES IN THE BLUE CRANE ROUTE MUNICIPALITY

General challenges in the BCR Municipality:

- Old Projects not yet closed out.
- Delays with registration of individual transfers and signing up of beneficiaries.
- Titles deeds registration: Pre-1994 and post-1994 registration projects.
- Upgrading of Bulk Infrastructure is a BIG challenge for new development specially Pearston and KwaNojoli, Cookhouse is land locked
- Un-Surveyed land
- During the 2024/2025 financial year, the Human Settlements Unit experienced significant operational pressures arising from increasing informal settlement expansion, mushrooming land invasions, and infrastructure backlogs. The demand for serviced sites and adequate housing continues to exceed available resources and approved project allocations.
- Expansion of existing informal settlements.
- Emergence of new informal occupation sites.
- Densification within already established ISUP areas.

CHALLENGES AND RISKS

The primary challenges during the 2024/2025 financial year include:

- Rapid increase in land invasions.
- Expanding informal settlements.
- Inadequate funding for ISUP upgrades.
- Infrastructure backlogs.
- Capacity constraints within technical departments.

These challenges pose risks to:

- Sustainable spatial planning.
- Public health and safety.
- Financial sustainability.
- Service delivery stability.

FUTURE OUTLOOK (2025/2026)

The Municipality has identified the following strategic priorities:

- Acceleration of ISUP upgrading projects.
- Identification and acquisition of suitable land for housing.
- Strengthening land invasion monitoring and prevention.

- Enhancing community awareness programmes.
- Improved coordination with Provincial and National Human Settlements.

c) **INTERVENTIONS IN MEETING CHALLENGES**

- Departmental inspector involved in the construction stage to do quality monitoring of houses but also planning to have recently appointed graduates to assist directly in the municipal area projects.
- Planning to have monthly meetings where we shall discuss the following items:
 - Project Management Plans and Project Implementation Plans
 - Registrations and Beneficiary Administration
 - Quality Monitoring and Evaluation
 - Processing of claims timeously
 - Planning and survey of municipal land parcels

3.4 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

As a developmental institution, the municipality needs to commit to supporting measures that assist and empower its community. It is accepted that large sections of the community cannot exist without intervention, and it is therefore the duty of the municipality to support and to ensure that citizens are able to access their constitutional right to have access to a basic level of services.

The municipality therefore adopts an indigent support policy which embodies an indigent support programme not only providing procedures and guidelines for the subsidization of service charges to indigent households in its area of jurisdiction, but also to increase the quality of life of the beneficiaries by assisting them to exit from indigence.

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The extent of the monthly indigent support granted to indigent households is based on budgetary allocations for a particular financial year and the tariffs determined for each financial year. Within the above framework, the following assistance and support is granted:

1.1. Water

Each registered indigent household shall receive a maximum of 6 kl per month; when the consumption exceeds 6kl per month the household is expected to pay for the excess kl. In the event that the indigent consumer does not pay for the excess kl the municipality shall block the electricity to the property and the applicant is expected to pay or make an arrangement so that 25% of his electricity bought can be taken off on the account. The municipality may, subject to budget availability, consider repairing minor water leakages on properties belonging to indigent household beneficiaries.

1.2. Electricity

Each registered indigent household shall receive electricity to a maximum of 50 kWh per month. Where Indigent households are residing on farms, a credit of 50kWh for each qualifying household is given to the primary meter of the farm owner where the indigent households supply is obtained from. The municipality may, subject to budget availability, provide:

- An electricity connection to the network in the event where an Indigent Beneficiary has no connection.
- The replacement of the electricity prepaid meter in the event of fire damage.

1.3. Refuse removal

Each registered indigent household shall be subsidized for refuse removal as provided for in the annual budget.

1.4. Sanitation

Each registered indigent household shall be subsidized for sanitation as provided for in the annual budget.

1.5. Property Rates

Each registered indigent household shall be subsidised for an amount equal to the value of a RDP house as provided for in the annual budget.

1.6. Rental (Dwellings and Sites)

100% subsidy will be granted in respect of all dwellings or sites belonging to the municipality.

1.7. Short-term assistance

An indigent person in incidental distress may be assisted for a shorter period not exceeding six months. Incidental distress will mean a person that is:

- Temporarily unemployed.
- People who are hospitalised.

Such persons qualify for assistance if they are not in receipt of any assistance from any other source. Indigent people falling within this category will be re-assessed on a three-monthly basis.

3.5 ROADS & STORMWATER SERVICES: (POTHOLE PATCHING, AND STORMWATER MAINTENANCE)

INTRODUCTION TO ROADS & STORMWATER SERVICES

The road network within the Blue Crane Route Local Municipal Area falls under the jurisdiction of three (3) authorities, namely:

- South African National Roads Agency Limited (SANRAL), who is responsible for National Route R63, R67 and N10 for maintenance.
- Eastern Cape Department of Transport, who is responsible for provincial trunk, main, district and minor roads for maintenance and construction. The Department of Transport (DOT) has a paving project on the R 355 near Aeroville, and
- The BCRLM, who is responsible for all municipal roads for maintenance and construction.

BCRM road network is above 147km road in length (municipal roads). ± 30% of the municipal road is in poor state. Different categories of roads needs various maintenance options such as Routine Maintenance, Event Driven Maintenance, Responsive Maintenance, Condition Responsive Maintenance etc.

The road network within BCRM is composed as follows:

Category	Road Length (km)	Percentage
National (SANRAL)	278.9	10.0%
Provincial	2 367.6	84.7%
Sub-Total	2 646.5	94.7%
Municipal (Blue Crane Route LM)		
Cookhouse	19.6	0.7%
Pearston	28.6	1.0%
KwaNojoli	97.5	3.5%
Other	2.2	0.1%
Sub-Total	147.8	5.3%
Total	2794.3	100.0%

The total road network within the Blue Crane Route Local Municipal Area and under the jurisdiction of the municipality consists of 147.8km, of which 68.7km (or 46.5%) are paved roads.

It be noted that: Paved roads comprise flexible (tar), block and concrete roads. Unpaved roads comprise gravel and earth (in-situ) roads as well as tracks.

The below table shows different town road category and their length:

Road Length (km) per Surface Category by Town

Town	Paved	Unpaved	Total
Cookhouse	9,5	10,0	19,6
Pearston	8,4	20,2	28,6
KwaNojoli	50,8	47,4	98,2
Total	68,7	77,7	146,4

Maintenance plans:

Every five years, the municipality requests five streets per ward and do proper planning for construction. Depending on the available budget (MIG), some streets are not implemented due to limited budget, length, width and other factors.

Stormwater management plan in place for KwaNojoli, it is still pending for other two Towns/areas (Pearston & Cookhouse). The municipality has roads maintenance plan for all the three towns. The condition of each town is depicted as follows:

Town	Paved Road Condition: Road Length (km)					Total Length
	Very Good	Good	Fair	Poor	Very Poor	
Cookhouse	0.0	4.4	4.1	0.4	0.0	8.9
Pearston	0.1	1.6	5.9	0.0	0.0	7.6
Somerset East	4.7	24.1	16.2	4.2	0.1	49.2
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total	4.8	30.1	26.1	4.5	0.1	65.7
Percentage	7.3%	45.9%	39.8%	6.9%	0.2%	100.0%

Roads projects

Project Name	Budget	Expenditure	Comments
Disaster Management Grant Total Allocation: R 3 200 000.00			
Consulting fees for internal streets	R 553 360	R797 613.00	Disaster Management Grant
Norman Street	R 653 406.13	R 255 127.00	Disaster Management Grant
Douglas	R 751 764.14	R 751 764.14	Disaster Management Grant
Belgravia	R 1 241 470.13	R 1 395 496.00	Disaster Management Grant
Municipal Infrastructure Grant Total Allocation for Streets: R 15 388 261			
Glen Avon	R 6 377 748.00	R 6 455 051.25	MIG Funded
Nono Street	R 1,250,000.00	R 1,250,000.00	MIG Funded
Potgieter Street	R 1,956,856.36	R 1,956,856.36	MIG Funded
Van De Vywer	R 1,956,856.36	R 1,956,856.36	MIG Funded
Jansen and Duplessis Street	R 2,596 765.00	R 2,596 765.00	MIG Funded
Carnation Street	R 1,250,000.00	R 1,250,000.00	MIG Funded

3.6 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

Refuse collection services are provided as per the collection schedule to all the household and businesses of Blue Crane Route Municipality in Somerset East, Cookhouse and Pearston. Household and Business waste is collected at least once per week on different days in residential areas of Somerset East. Household and business refuse is collected in Cookhouse on a Tuesday and Pearston on a Monday.

Illegal dumping sites is a challenge within the municipality. There is no fixed collection schedule for the collection of garden waste due to a lack of resources. The municipality has 3 landfill sites; The Cookhouse and Somerset East landfill sites permits are still valid only Pearston that has expired landfill site as at May 2025.

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

1. Funding was received from DEDEA and the municipality implemented the following projects:
 - Fencing of the Cookhouse Landfill Site.
 - Access Control has been maintained at the Cookhouse and Somerset East Landfill Site.
 - Greening and beautification have been completed.
 - Monuments were constructed at the entrances to Pearston, Somerset East and Cookhouse
 - Reduction of illegal dumping sites.
 - 63 Job opportunities was created for a period of seven months.
2. The Department of Forestry, Fisheries and Environment assisted the Municipality with the development of the Integrated Waste Management Plan.
3. The Municipality established a Environmental and Waste Management Forum which meet on a quarterly basis.
4. The Municipalities launched a recycling capacitation program to capacitate the local recyclers namely: CAN B Recycling, COCA Recycling, Green Waste, RC Recycling and Taylor Recycling.
5. A Memorandum of Understanding was signed between POLYCO and the Municipality to enhance recycling in the municipal area.
6. A total of 328 Illegal dumps were cleaned during the financial year.
7. A total of 16 Awareness campaigns was conducted during the financial year.

The Somerset East Landfill site has reached its useful life, a new site needs to be established, and the old site must be closed.

INTRODUCTION TO TRANSPORT

<p>Overview:</p>	<p>Include Traffic Law Enforcement, Motor vehicle Licensing, Driver’s License tests and renewals, Learners License tests, Roadworthy tests and Technical Services (Street painting)</p>
<p>Description of activities: Traffic Law Enforcement</p>	<p>The key function of the Traffic Dept. is to provide safer roads for all stakeholders within the BCRM area:</p> <p>The Municipality has a mandate to:</p> <ol style="list-style-type: none"> 1. Conduct preventative traffic patrols and enforce traffic legislation 2. Enforce speed limits 3. Attend to traffic accidents 4. Enforce parking legislation 5. Enforce municipal by laws <p>The key objective of this function is to ensure safe and free flow of traffic within BCRM Municipal area</p>
<p>Driving Licenses</p>	<p>These services include all drivers testing functions.</p> <p>The Municipality has a responsibility to:</p> <ul style="list-style-type: none"> • Test applicants and issue learner license • Test applicants and issue driver’s license • Renew driving license • Renew and issue Professional driving permits <p>The key objective of this function is to ensure safety on the roads by ensuring a high level of competency amongst vehicle drivers.</p>
<p>Roadworthy Testing</p>	<p>This service includes all vehicles testing functions. The Municipality has a responsibility to:</p>

	<ul style="list-style-type: none"> • Test vehicles • Issue roadworthy certificates <p>The key objective of this function is to ensure safety on our roads by ensuring roadworthy vehicles</p>
Pound	<p>The pound started to operate from May 2025.</p> <p>Since the opening of the pound there is a decrease in the number of stray animals, which contribute positively to road safety.</p>

A Community Safety Forum was established, and the meetings are held once per quarter.

Staff Complement:

1. 1 Chief Traffic Officer and 3 Examiner Driver's License / Traffic Officers (Law Enforcement).
2. 1 E-natis Supervisor & 2 E-natis Clerks (Registering Authority). One E-Natis Clerk was trained by the department of transport on registering authority functions.
3. VTS – Position Vacant (Roadworthy Centre).
4. Technical Service 1 General worker (Road marking)
5. Commonage & Pound - A Pound Master & 1 Assistances. Two general workers' positions are vacant.

Challenges:

1. Staff shortage and lack of equipment and resources hamper services delivery.
2. Vacant positions could not be filled due to financial constraints.
3. Superintendent Traffic Officer post is vacant. (Management Representative)
4. High accident rates with fatalities on both the R63 and N10 routes

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: Planning; and Land Use

3.8 INTRODUCTION TO PLANNING AND DEVELOPMENT

1. Function Overview

In terms of Section 46 of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA), this section provides a concise overview of the performance of the Town Planning function at Blue Crane Route Local Municipality for the financial year under review.

The Town Planning function is responsible for the administration and regulation of land use management and land development in accordance with the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA), the approved Spatial Development Framework (SDF), and the Municipal Land Use Management By-law.

2. Governance and Institutional Arrangements (SPLUMA Sections 35–45)

In compliance with Sections 35 to 45 of SPLUMA, Blue Crane Route Local Municipality participates in a **Joint Municipal Planning Tribunal (JMPT)** with the **Sarah Baartman District Municipality**. This arrangement is governed by a formal **five (5) year service level contract**, approved by Council to strengthen decision-making capacity and ensure lawful and consistent land use decisions.

Council **resolved and approved the joint tribunal arrangement in December 2024**, thereby confirming the institutional mechanism for land use decision-making in line with SPLUMA requirements.

3. Land Use and Land Development Application Categories

Land use and land development applications are processed in accordance with Council-approved delegations and are categorised as follows:

- **Category A Applications:** Applications of a complex or strategic nature, including major rezoning, subdivision, consent use, and township establishment applications. These applications are considered and decided upon by the **Joint Municipal Planning Tribunal**, in line with SPLUMA Section 35.
- **Category B Applications:** Applications of a less complex and routine nature. In terms of Council-approved delegations, **Category B applications are considered and approved by an Authorised Official**, contributing to improved turnaround times and administrative efficiency.

4. Performance Indicators and Statistics

During the reporting period, the Town Planning Unit achieved the following performance outcomes:

- Total Land use and land development applications received: **49 applicants**
- Category A applications processed by the Joint Municipal Planning Tribunal: **3 applications**
- Category B applications processed and approved by the Authorised Official: **10 Applications**
- Average turnaround time for Category B applications: **31 Days**
- Average turnaround time for Category A applications (Tribunal decisions): **62 Days**

These indicators demonstrate improved efficiency in application processing while maintaining compliance with statutory requirements.

5. Oversight, Compliance and Risk Management

The Town Planning function operates within an established governance framework that promotes fairness, transparency, and accountability. Decisions are aligned with the SDF, zoning schemes, Council delegations, and SPLUMA provisions. The joint tribunal arrangement further mitigates institutional capacity risks and strengthens compliance and audit outcomes.

Type of Land Use Application	Number of Applications Received FY 2024/2025	Number of Applications Received FY 2025/2026	Total No. of Land Use Applications Received
Rezoning	5	8	13
Consent Use	0	3	3
Subdivision	5	4	9
Consolidation	5	2	7
Departure Permanent or Temporal (For land use change) Relaxation	0	8	8
Departure Relaxation of building line etc.	2	2	4
Removal of Restrictive Conditions	0	3	3
Road closure or Closure of Public Open Space	0	0	0
Exemption Certificate	0	2	2
Grand Total of Applications received for FY 2024/2025 and 2025/2026	49 Land Use Applications		

6. Conclusion: Audit Committee Perspective

The Town Planning function made satisfactory progress during the year under review in strengthening governance arrangements, improving administrative efficiency, and ensuring compliance with SPLUMA and MFMA requirements. The continued implementation of the Joint Municipal Planning Tribunal with Sarah Baartman District Municipality remains a key mechanism for sustainable spatial development and sound land use management within Blue Crane Route Local Municipality.

7. Spatial Development

According to the BCRM SDF, 2022-2027, the municipality is underdeveloped and in order to assist the municipality in its task to prioritize spatial planning and investment decisions, the following Spatial Structuring Elements, adopted from the BCRMSDF (2023) are applicable: -

- (a) Development nodes.
- (b) Development corridors.
- (c) Special priority development areas.
- (d) Strategic development zones.

The sub-directorate for Town Planning and Land Use is responsible for spatial development and land use planning and management. Its functions and activities are guided by various plans and statutes which are summarized in the following table: -

#	Structure/Sector Plan	Status
1	Town Planning Tribunal 5ys	The municipality is part of the Sarah Baartman District tribunal.
2	BCRM SDF	BCRM SDF has been adopted by the Council in 2023 and Gazetted November 2023
3	By-laws on National Building Regulations	Developed and adopted by Council
4	By-laws on Town Planning/Land Use	Developed and adopted by Council
5	By-laws on Outdoor Advertising	Developed and adopted by Council
6	National Building Regulations	Municipality is guided by the National Building Act
7	Land Use Management Scheme	Developed and adopted by Council
8	Geographical Information System	Municipality has a licensed GIS
9	Small towns Revitalisation Programme	Needs analysis completed and awaiting application approval from the Premiers Office.
10	BCRM Land Audit	Developed and adopted by Council August 2025
11	Human Settlements Plan	Developed and adopted by Council August 2025

8. Building Control

Building control and maintenance works In terms of the National Building Regulations Act 107 of 1977 stipulates that a Local Authority must approve buildings plans and also control the erection of buildings or additions. The building control strives to maintain and administer compulsory specifications and regulations.

The submission fee differs on activities and depending on the proposed square meter, the potential revenue income generated from the submission of building plans from April to June 2025.

Below is the recently updated building plans registered recorded by building control and maintenance:

1. Residential buildings completed (excluding dwelling-houses)

Owned by the *Private Sector*

	Residential buildings	Total construction area	Estimated cost (excluding land value)
	Number of buildings/ units	m ²	R'000
1. Townhouses	0.00	0.00	R 0.0
2. Blocks of flats	0.00	0.00	R 0.00
3. Tourism accommodation and casinos	2.00	4 834.00	R 257 293.49
4. Other residential buildings	28.00	3691.45	R 178 779.30
Total	30.00	8 525.45	R 436 072.79

PART 2 – NON-RESIDENTIAL BUILDINGS COMPLETED

2. Owned by the *Private Sector*

Type of building/space predominantly intended for:	Non-residential buildings	Total construction area	Estimated cost (excluding land value)
	Number of buildings	m ²	R'000
1. Office and banking space	1.00	231.75	R 10 268.43
2. Shopping space	0.00	0.00	R 0.00
3. Industrial and warehouse space and workshops	3.00	855.90	R 53 313.76
4. Churches, sports and recreation clubs	1.00	100.00	R 5 353.44
5. Schools, crèches, hospitals and libraries	0.00	0.00	R 0.00
6. All other space (specify)	0.00	0.00	R 0.00
Total	5.00	1 187.65	R 68 935.63

3. Owned by the *Public Sector*

1. Hospitals and clinics	0.00	0.00	R 0.00
2. Schools, crèches, universities, Technicon's and libraries	0.00	0.00	R 0.00
3. All other space (specify)	0.00	0.00	R 0.00
Total	0.00	0.00	R 0.00

3.9 INTRODUCTION OF LOCAL ECONOMIC DEVELOPMENT

Local economic development is a key cordial strategy that is explored by all spheres of government, in particularly local government to address socio economic challenges faced by communities namely, poverty, high unemployment rate and inequality to mention the few. The approach received a lot of attention globally as a mechanism to encourage a collective and inclusive partnerships amongst relevant stakeholders, the intended goal is to work towards achieving common objectives to improve livelihood of local municipalities. It is against this reason that Blue Crane Route Municipality took a conscience decision to prioritize local economic development as a key performance area to change the economic outlook of the area.

In essence, the Municipality has adopted Local Economic development approach within a broader context of Integrated Development Plan, Spatial Development Framework, Spatial Planning and Land Use Management Act 16 of 2013, National Development Plan Vision 2024, Small Town Regeneration, Tourism and agricultural development, Investment promotion, infrastructure development, job creation and sustainable development.

The Municipality has identified Agriculture, Tourism and Small Medium Micro Enterprises development as the economic drivers in the area. Agricultural sector remains the dominant economic activity of the BCRM and contribute immensely to the employment through seasonal job opportunities. Cattle, Goat farming, exotic fruit and game farming dominates the district's economy, contributing 28% of all value added and amounting to 41% of formal employment. The Blue Crane Route Municipality contribute significantly to the global production of mohair fibre as well as wool fibre.

However, more support is needed for emerging farmers particularly black commercial farmers such as access to land or farms, financial and technical support, access to market, mechanisation and mentoring. The Blue Crane Route area have indigenous plants such as thorn trees, aloe, Spek-boom. These plants have a potential to create sustainable job opportunities through Agri-processing and biodiversity projects. The Municipality in partnership with Mineworkers Development Agency handed over 100 bee keeping pollution units and PPEs to 10 SMME's as a project start-up, the primary objective of the

municipality is to develop emerging farmers and cooperatives to ensure that they reach their commercial status.

LED unit has facilitated the development of the draft Local Economic Development strategy. The document was developed in response to the needs of the local communities, fundamental, was to map local resources for future development, to identify economic development strategic areas, and the development of action plan and monitoring tool. The Municipality has developed business Incubation plan to accelerate a successful development of entrepreneurial enterprises through the provision of business support in the form of resources and business networks. The process of reviving Local economic development structures as the key role players in economic growth of the Municipality is in progress.

The unit continues to firmly support the development of SMME's through capacity building programs to ensure that they meet their maximum growth. The SMME's have been assisted with a training on pre – tendering and document calculation in partnership with SANRAL to afford them an equal opportunity during tendering processes. A workshop on compliance was conducted for SMME's in partnership with SARS, Dept of Social Development, DRDAR, CIDB, Dept of Labour, ECDC, DEDEAT, SEDA, and ABSA Bank to ensure that they comply with the required documents. A business start- up and financial management training was conducted for Informal traders were they received vouchers to the value of R3000 each to support their businesses from Wholesale & Retail SETA. The Unit has conducted a digital entrepreneurship (Network basic skills) for youth in business in partnership with Ikhala TVET College.

Tourism is one of the main catalyst drivers for economic growth and development in BCRM. The Municipality pride itself with tourism products such as Museum, Art gallery, game reserves, hiking trails, waterfall, park runs, B n B's and Hotels, tourism hub and Bestershoeek, including Battis Art festival that was held in July 2024. Plans to resuscitate the tourism hub and revival of biltong festival in partnership with Sarah Baartman District Municipality and Cacadu Development Agency respectively are in place. However, a lot needs to be done to promote tourism and profile the municipality as a tourism destination.

LED unit through its action plan that was adopted by the council has prioritized the development of tourism master plan as a mechanism to map and identify other tourism products to create job opportunities and sustainable employment, more importantly, to mobilize financial resources and establish partnership with relevant stakeholders for the development of tourism sector.

Cooperatives are progressing very slowly; the contributing factors have to do with their organisation and lack of information on the importance of cooperatives in the development of local economies. The municipality continues to encourage community's particularly young people to form cooperatives in order to benefit from opportunities that exist within cooperative movement.

Currently there are 6 windfarms operating with the parameters of the municipality namely (Golden Valley, Cookhouse, Nojoli, Mseng'emoyeni, Amakhala and Nxuba) who contribute through their social development programs and skill development. However, more feasibility studies need to be conducted to explore potentials on hydro – energy and solar panels.

The Municipality enjoys unwavering support from Sarah Baartman District Municipality and Cacadu Development Agency. Currently the agency has invested on infrastructure projects within the municipality namely, Borschberg Tourism hub, KwaNojoli Aerodrome and KwaNojoli Industrial Park. All these projects are intended to bring a sustainable employment opportunities and change economic outlook of the area. Both Aerodrome and tourism hub have been vandalised, however, CDA is currently in the process of resuscitating the facilities. A notice of unsolicited bid to investors / developers for the development, expansion and operation of Industrial Park was advertised in June 2024.

3.10 INTRODUCTION TO LIBRARIES

Blue Crane Route Municipal Libraries provide services at 6 public libraries across the Municipal area. Anyone may use these libraries, but only members may loan library material and use the computers. The Library Service aims to provide information resources in various formats including e-books to the Entire BCRM population and to foster a life-long reading culture.

Functions provided by the libraries:

- Provide updated information to scholars and the community.
- All the libraries have computers; 6 libraries have Wi-Fi router. Colour printers and competitive prices for printing help to give good service.
- Some of the libraries have tablets to provide clients with further information.
- Outreach programs are conducted for adults and children.
- Educational programs for pre-scholars and scholars.
- Holiday programs for children.
- Libraries have Jungle gyms
- Libraries have a hall for meetings and other activities

These programs ensure that every interested member of the community is reached and supplied With relevant information. International literacy day Event was held during September 2024. International Literacy Day is an international observance, celebrated each year on 8 September, that Was declared by UNESCO on 26 October 1966 at the 14th session of UNESCO's General Conference.

Since 1967, International Literacy Day (ILD) celebrations have taken place annually around the world. To remind the public of the importance of literacy as a matter of dignity and human rights, and to advance the literacy agenda towards a more literate and sustainable society. All the libraries did different displays according to the theme of this week. During December, all the libraries had Christmas programs and they made Christmas decorations and cards. World Read Aloud day was held during February 2025. The librarians held programs that suited them. During March, the Department of Sport, art and recreation celebrates South African Library Week as one of the campaigns to promote a culture of reading and utilization of libraries as community Hubs for information. Libraries celebrate local, district under the theme "Libraries for Sustainable Communities". The libraries had different activities, and these includes Book Review, Reading in 3 languages, Words within word. World Book Day was held in Tsitsikama (Koukama Municipality) on the 6 March 2025.

DISTRICT EVENT WINNERS:

- Number 3 Winner Afrikaans reading, Grade 6
- Number 1 Winner Word- Play – Grade 10
- Number 3 Winner – Afrikaans Book review- Grade 11

Libraries covered a wide spectrum of activities. During May 2024, World Play day was held during May 2025. Children participated in different games at the different libraries. In June 2025, we celebrated Youth Day, and the libraries had displays depicting this very important day.

3.11 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

The residents are still utilising the old method of burial which is digging of graves. Other methods of burial have not been fully explored especially amongst the black communities. With the increased number of funerals taking place weekly, the cemeteries are reaching full capacity. It will be important for the communities to consider other methods of burial to ensure that cemeteries do not fill quickly.

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

The maintenance of cemeteries is performed by a group of employees who are also responsible for the parks and open spaces. It is difficult to separate expenditure for cemeteries as there is no separate budget for them. This is for both general expenditure and employee expenses. The department will appoint a Community Services Officer for the management of Cemeteries, Public Amenities, parks and Open spaces. Land must be identified for a new cemetery in Cookhouse and all cemeteries need to be fenced.

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes pollution control; biodiversity and landscape; and coastal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental protection is a function that is performed by an Environmental Management. The municipality does not have an Environmental Management Unit yet. A provision for the appointment of the Environmental Management Officer has been made in the organogram. There is no funding for this position as a result some of the functions of this unit are performed by Environmental Health Practitioners.

3.12 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

Since BCRM does not have a unit performing environmental protection, the functions that overlap with those of Environmental Health which are performed by the Environmental Health Practitioners (EHP). Urban areas in the BCRM are primary centres of activity that generate air quality impacts. This includes particulate and other emissions. They are as a result of either concentrated traffic volumes, industrial activities including household fires.

Old infrastructure with insufficient capacity results in sewerage spillages and thus health risks. This also has a potential of water pollution which can lead to a spread of diseases.

SERVICE STATISTICS FOR POLLUTION CONTROL

Currently, the municipality does not have its own Air Quality Management Plan. Ordinarily such plans are prepared by the District Municipality.

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

Pollution control in the form of prevention of nuisances such as illegal dumps is done by the Community Services Department. The department beautified four illegal dumps per quarter which also forms part of the key performance indicators as per the Service Delivery Budget Implementation Plan.

Air pollution is the function of the district municipality and Sarah Baartman District Municipality involved all municipalities in its district to develop an Air Quality Management Plan to deal with issues of air pollution. Pollution control due to nuisance is dealt with in terms of the Health Act, National Norms and Standards for Environmental Health and local Municipal Bylaws.

3.13 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

The Blue Crane Route Municipality is a home to a wide variety of vegetation including Albany Thicket, Azonal vegetation, Fynbos and Grassland. The condition of these habitats varies considerably throughout the municipal area.

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL:

The municipality form part of the District Coastal and Environmental Committee. A climate risk profile and climate change adaption plan was drafted for the Sarah Baartman District.

3.14 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION;

The Environmental Health Practitioners (EHP) are responsible for Health inspections as part of their scope of practice. The scope of work includes;

- Water quality monitoring
- Food control
- Health surveillance of premises
- Surveillance and prevention of communicable diseases
- Waste management

The EHP's perform their functions within the BCRM area of jurisdiction and their reports are submitted to council after being discussed in a council standing committee on monthly basis. The same reports are submitted to the district on a quarterly basis. Towards the end of the financial year under review, the function was taken over by the Sarah Baartman District. Two EHPs are seconded to the municipality.

Water quality monitoring is done monthly in terms of SANS 241 and all deviations are attended to and reported to the Technical Services for further intervention. Food control is done through health inspections on food handling premises in terms of Foodstuffs, Cosmetic and Disinfectant Act and Regulations (i.e. R638). Those food handling premises that are not compliant with the Regulations are given notices to rectify the conditions with a specified timeframe. Health surveillance of premises is also conducted in the same manner.

Waste management is a function of the municipality and EHP's are required to ensure compliance with the Waste Management Act and also to prevent occurrence of diseases that could be as a result of waste not being properly managed. The municipality has teams that do the actual collection,

transportation and disposal of waste. The two units work together to ensure waste is managed in an acceptable manner.

3.15 FIRE

INTRODUCTION TO FIRE SERVICES

Fire and Rescue Service is responsible for responding to all emergency calls which include formal and informal structure fires, motor vehicle accidents, car and truck fires, vegetation fire, mountain fires, fires in dumpsites. The additional eight (8) staff members employed as fire marshals in 2024 played significant role in manning levels as required by SANS 10090 although fully trained firefighters is still a challenge with only 42% is fully trained firefighters.

Fire Awareness campaigns at schools, hospitals, Old age homes, Clinics and Community Centers played a major role in fire services interacting with the community and ensuring their safety.

Continuous shop inspections in KwaNojoli, Cookhouse and Pearston ensured that all business premises are operating as required reducing fire in community business.

Fire safety inspection and Fire Awareness campaign focus on the following areas:

- Prompt reporting of emergencies and disaster center number
- Classes of fire
- Fire behaviour
- Disaster preplanning and resilience
- Extinguishing methods
- What to do in the event of fire and disaster.
- Safe evacuation methods and procedures
- Proper use of portable fire equipment

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

Firefighting equipment, which is the compliant to the fire service including ladders, map sacks, snake handling kit, dividers, floating pumps etc. were procured, totaling to R520 000.

Staff uniform cost R320 000 was procured ensuring compliance to the OHS Act.

There were some challenges that made operations not smooth as expected which include the following:

- Response vehicles
- Staff shortage (Fully qualified firefighters and fire officers)
- No capital budget allocation
- Vandalizing fire hydrants
- Station not fully secured
- Operation of Cookhouse and Pearston satellite stations

Fire and Rescue Service was able to reach the target as per the 2024/2025 SDBIP and below were target areas.

- A fully functional Disaster and Fire Management Forum was established.
- A standard operating procedure for self-contained breathing apparatus was developed.
- A total of 243 fire safety shop inspections were conducted for the financial year.
- A total of 17 fire awareness campaigns were conducted during year.
- Five Firefighters were appointed with the assistance from Sarah Baartman District Municipality Funding.
- One Firefighter attended vehicle extrication training at Rural Metro during June 2025.

CATEGORY	Grand Total 2023/2024	Grand Total 2024/2025	Target for 2025/2026
NUMBER OF FIRES AS FOLLOWS			
BUILDINGS	1	4	2
DWELLINGS (formal - brick & mortar)	9	15	7
INFORMAL DWELLINGS (Shacks/mud/hut etc.)	19	20	10
ELECTRICAL	7	9	5
RUBBISH	29	31	20
VEGETATION	40	151	75
TRANSPORT (Cars/busses/trains/aircraft/ship)	7	3	1
OTHER (not specified above)	3	2	1
Grand Total	110	235	122

NUMBER OF FATALITIES	2024/2025
Fires	2
Accidents	8
Grand Total	10

The staff complement for Fire and Rescue which covers the whole Local Municipality consists of the following.

- 1 x Chief Fire Officer
- 1x Fire Officer

- 8x Fire Fighters
- 4x Retainer fire fighters
- 8x Fire Marshals
- As per approved organogram the following 26 positions are still vacant.
- 3x Platoon Commanders
- 3x Senior Firefighters
- 16x Firefighters
- 4x Control room operators

3.16 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT section under the department of corporate services provides ICT support services to the Municipality. One of the objectives of the ICT section, is to provide a secure IT infrastructure which delivers appropriate levels of data confidentiality, integrity and availability.

This Section has a staff compliment of three (3), Manager ICT, IT Technician, System/Network Administrator, which provides support services to +- 130 users of the municipality.

List of ICT Support Services that are by ICT Section.

- System support - Hardware and Software Support
- Network and System Administration
- Management of printers – File and Print services
- ICT security management
- Business Continuity
- Communication services; Phones, email, Internet access and mobile phones and mobile data access
- Website Management

HIGHLIGHTS

- Procurement of 11 tools of trade (laptops and Cellular phones) for Directors and officials.
- Phase 2 of Upgrading of the two-way radio communication system, seven vehicle antennae and 8 handheld devices were bought to improve communication for electricians who works in rural areas.
- Emails no longer need employees to be in the office to work, they can send and receive from any network.
- Conducted cyber security awareness workshop.

CHALLENGES

- Few challenges that affected ICT operations in this year under review. Small Budget for ICT – Only R580 000 was budgeted for ICT, and additional budget should be prioritized.
- Challenges with sending of emails, however, there was an improvement in the service of sending emails.

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

No major Capital projects were implemented due to limited budget, it was only the procurement of eleven (11) Laptops.

ICT GOVERNANCE & COMPLIANCE

- The functionality of the ICT steering committee was prioritized. This is the committee that oversee the IT functionality and investment priorities. The Committee meets quarterly to discuss matters of concern, challenges and opportunities relating to IT.
- The municipality has reviewed and adopted several ICT policies and ICT Strategy

INTRODUCTION TO SPORT AND RECREATION

Blue Crane Route Municipality has three children parks one for each town. The only park that is complete and fully equipped is the one in Pearston. The other two are incomplete and Technical Services is responsible for their completion. In Somerset East there are three parks utilised by adults. These are Victoria Park, Rest-a-While and Bestershoek Picnic and Caravan Park. Pearston has one park as well as Cookhouse.

3.16 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

Due to financial constraints of the council, none of the parks are well maintained. There is no equipment to maintain the parks. With regards to the sport fields, the same financial situation is affecting sport fields. Very little maintenance is done due to lack of equipment.

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

With regards to the sport fields, the same financial situation is affecting sport fields. Very little maintenance is done due to lack of equipment. Technical Services through MIG grant is busy upgrading the Victoria Park Sportsfield. BCRM has a Multi-Purpose Centre located at Aeroville and a Youth Centre located at Old location in Somerset East. Unfortunately, both centres are not well equipped. The municipality has also 10 camp sites located at Besterhoek. Because of economic downturn, occupancy rate has been very low for the period under review.

**CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE
(PERFORMANCE REPORT PART II)**

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Blue Crane Route Municipality has a total number of 254 permanent employees 103 temporary employees. The turnover rate is 48%, 12 retired and 6 resigned. The municipality prides itself in the low-turnover rate as it is indicative of reasonable levels of staff morale. The municipality has an EAP unit whose mandate is to deal with psycho-social problems of staff provision of counselling services, sporting activities (sports days), Financial Literacy workshops, Prayer days for spiritual comfort and rebuilding and. For consequence Management, the municipality has a Labour Relations unit dealing with implementation of the Collective Agreements on Disciplinary Procedures, Code of conduct and promoting the adherence to the Labour Relations Act ,inclusive of the Code of Good Practice. Local Labour Forum does exist and it sits regularly DC Hearings do get instituted and finalised in time. There are no employees currently on suspension. There is continuous development and review of policies to be in line with the current applicable national and provincial laws.

The policies are implemented through workshops and application by all relevant and affected Human Resources. There is a fully fledged unit which deals with Organisational Design, staff provisioning, Staff benefits and salary information .

ENFORCEMENT OF DISCIPLINARY ACTIONS

Disciplinary actions are enforced effectively according to Disciplinary Procedure Collective Agreement as extended. These cases are reported quarterly on the standing committees

Employees					
Description	Year -1		Year 0		
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Waste Water (Sanitation)	28	45	28	17	62%
Electricity	17	28	17	11	60.%
Waste Management	30	45	30	15	67%

Housing	4	5	4	1	80%
Waste Water (Stormwater Drainage)	16	24	16	8	67%
Roads	10	16	10	6	60%
Planning	1	2	1	1	50 %
Local Economic Development	1	2	1	1	50%
Community & Social Services	95	120	95	25	79 %
Environmental Protection	1	2	1	1	50%
Corporate Policy Offices and Other	24	31	24	7	77%
Financial Services	31	22	31	9	14%
Totals	258	344	258	102	75%

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

In accordance with the requirements of s67 of the MSA 2000 that necessitates municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration. During the year under review the municipal council developed, reviewed, and adopted the following policies.

4.2 WORKFORCE POLICY DEVELOPMENT

HR Policies and Plans				
	Name of Policy	Reviewed	Completed	Date adopted by council or comment on failure to adopt
		%	%	
1	Code of Conduct for employees	20-Jul-21	20-Jul-23	Municipality is applying Schedule 2 of the Municipal Systems Act and Municipality's Labour Relations Policy
2	Disciplinary Code and Procedures	24-Oct-24	24-Oct-24	SALGBC Disciplinary Procedure Collective Agreement was extended until 30 June 2028
3	Grievance Procedures	01 July 2015	31 July 2020	Grievance Procedure is enshrined in the SALGBC

				Main Collective Agreement.
4	Acting Policy	23 July 2024	10 December 2024	10.12.2024
5	Dress Code, Uniform & Protective Clothing	9 March 2021	31 January 2023	31.01.2023
6	Night Shift	9 March 2021	31 January 2023	31.01.2023
7	Overtime	9 March 2021	31 January 2023	31.01.2023
8	Standby	9 March 2021	31 January 2023	31.01.2023
9	Employment Policy	23 July 2024	10 December 2024	10.12.2024
10	Bereavement & Funeral	9 March 2021	31 January 2023	31.01.2023
11	Remuneration	9 March 2021	31 January 2023	31.01.2023
12	Leave Encashment	9 March 2021	31 January 2023	31.01.2023
13	Employee Relocation Policy	9 March 2021	31 January 2023	31.01.2023
14	Termination of Service	9 March 2021	31 January 2023	31.01.2023
15	Employee Assistance Policy	9 March 2021	31 January 2023	31.01.2023
16	HIV & AIDS	9 March 2021	31 January 2023	31.01.2023
17	Smoking	9 March 2021	31 January 2023	31.01.2023
18	Substance Abuse	9 March 2021	31 January 2023	31.01.2023
19	Sexual Harassment	9 March 2021	31 January 2023	31.01.2023
20	Inclement Weather	9 March 2021	31 January 2023	31.01.2023
21	Labour Relations	9 March 2021	31 January 2023	31.01.2023
22	Occupational Health & Safety	23 July 2024	10 December 2024	10.12.2024
23	Employment Equity	9 March 2021	31 January 2023	31.01.2023
24	Training & Development	9 March 2021	31 January 2023	31.01.2023
25	Individual Performance Management	9 March 2021	31 January 2023	31.01.2023
26	Leave Management	23 July 2024	10 December 2024	31.01.2023
27	Placement	23 July 2024	10 December 2024	10.12.2024

INJURIES, SICKNESS AND SUSPENSIONS

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Manager: Revenue and Expenditure	Gross insubordination	2025/01/21	The employee was charged for gross insubordination on 26 February 2025. Disciplinary hearing took place on 13 and 14 March 2025 and 26 May 2025. Disciplinary hearing finding was issued on 23 June 2025 (employee was found guilty on all the charges levelled against him. Sanction is expected on 15 July 2025.	Saction is expected on 15 July 2025

COMMENT ON INJURY AND SICK LEAVE:

In cases of temporal disablement injuries and similar injuries or injuries that happen in the same place more often, investigative inspections are conducted by the OHS Officer and the Department/Business Unit SHE Representative. If the injuries happened due to faulty equipment/tools the use of such is immediately prohibited and Departments are made aware of such actions, as these are some of the measurements taken to minimise injuries at work. SHE Committee meetings are also held regularly/as mandated and safety precautionary measures are discussed, and recommendations made are forwarded to Management for decision taking.

BCRM does not have their own doctors, injured employees are referred to our local hospitals and clinics for immediate attention and some are referred to Specialists that are outside the BCRM jurisdiction but are transported there by the Municipality.

Sick Leave due to an injury on duty is not treated the same as the normal Sick Leave, we use Web System that clearly indicate the IOD Sick Leave and the normal Sick Leave.

COMMENT ON WELLNESS PROGRAMMES

The OHS Office has forged alliance with various Stakeholders (Andries Vosloo Hospital, Department of Social Development, and Private Sector Organisations like Old Mutual and Financial Institutions) and developed OHS Wellness calendar derived from the National Health Calendar to promote Employee Wellbeing.

4.4 PERFORMANCE REWARDS

No Performance bonuses were awarded during the year under review.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

The position of Human Resources Development and Performance Management Officer was filled in August 2023. This is aimed at ensuring continuous identification, introduction and implementation of programs that will give access to employment opportunities and further personal empowerment towards improved service delivery. This is also meant to ensure that the institution embraces and implements performance management holistically.

Capacity building is also implemented through funding from SETA's, Government departments SALGA and Sarah Baartman District Municipality.

The Training function has been stabilised and aligned more closely with the Workplace Skills Plan (WSP), Employment Equity targets, and the municipality's strategic objectives.

The unit has prioritised the coordinated identification of skills gaps, implementation of accredited training programmes (including Water Process Controller NQF levels), improved training budget planning and monitoring, and proactive engagement with internal stakeholders to ensure optimal utilisation of the allocated training budget. Capacity building initiatives have been further enhanced through partnerships and funding support from SETAs, relevant government departments, South African Local Government Association (SALGA), and Sarah Baartman District Municipality.

In addition, greater emphasis has been placed on institutionalising performance management holistically, ensuring compliance with legislative requirements and promoting a culture of accountability and continuous improvement to support improved service delivery.

TRAINING INTERVENTIONS IMPLEMENTED – EMPLOYEES

NO	TRAINING INTERVENTION	NO OF EMPLOYEES ATTENDED	PERIOD	DATES OF TRAINING	TRAINING PROVIDER	AMOUNT PAID
1.	ARFF Training	2	14 days	8 to 19 July 2024	Rural Metro Emergency Services	n/a
2.	Skills Audit Enhanced Gapskills Training	1	1 day	2 September 2024	COGTA	n/a
3.	Job Description Writing	1	2 days	26-27 September 2024	SALGA	n/a
4.	TMS Training	1	3 days	15 to 17 July 2024	Dept of Transport	R 5310.00
5.	SAMRAS Platinum Demonstration (web system)	12	4 days	10 – 14 February 2025	SAMRAS	R 88 000.00
6.	WSP Training (New online system)	1	1 day	11 February 2025	LGSETA	N/A
7.	Record and Document Management Training (virtual)	4	2 days	24-25 February 2025	SALGA	N/A
8.	Records Management Training	17	1 day	11 March 2025	DSRAC	N/A

9.	Records Management and ICT Seminar	2	1 day	12 March 2025	SALGA	N/A
10.	MFMP Training	5	Bi weekly for 5 days	17 Feb 2025 (ongoing)	FACHS	N/A
11.	Managing Misconduct in the workplace	17	1 day	27 March 2025	In-House	R 3700.00
12.	Cascading Performance Management to Lower Levels	96	2 days	19&20 May 2025	COGTA	N/A
13.	SAMRAS Web	60	2 days	9-10 April 2025	IN House	N/A

TRAINING INTERVENTIONS IMPLEMENTED – COUNCILLORS

NO	TRAINING INTERVENTION	NO OF COUNCILLORS ATTENDED	PERIOD	DATES OF TRAINING	TRAINING PROVIDER	AMOUNT PAID
1.	Municipal SCM Executive Development Program for Mayors and Mpac portfolio head	2	2 days	22-23 July 2024	SALGA	n/a
2.	Record and Document Management Training (virtual)	2	2 days	24-25 February 2025	SALGA	N/A

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	3	0	3	3	3	3
<i>Any other financial officials</i>	0	0	0	0	0	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	1	1	1
<i>Supply chain management senior managers</i>	1	0	1	1	1	1
TOTAL	7	0	7	7	7	7

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	9
Highly skilled supervision (Levels 9-12)	Female	3
	Male	1
Senior management (Levels 13-16)	Female	0
	Male	1
MM and S 57	Female	0
	Male	0
Total		14

CHAPTER 5 – FINANCIAL PERFORMANCE

The information of the financial performance is contained on the attached Audited Annual Financial Statement (2024/25).

EC102 Blue Crane Route - Table C1 Financial Summary

Description	2023/24		Budget Year 2025/26						
	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	28 215	28 326	19 638	–	22 662	19 638	3 024	15%	19 638
Service charges	160 301	218 681	208 572	–	173 869	208 572	(34 703)	-17%	208 572
Investment revenue	3 801	1 007	3 500	–	5 332	3 500	1 832	52%	3 500
Transfers and subsidies - Operational	74 254	81 831	82 829	–	84 695	82 829	1 866	2%	82 829
Other own revenue	17 498	15 737	15 737	–	19 891	15 737	4 155	26%	15 737
Total Revenue (excluding capital transfers and contributions)	284 069	345 582	330 276	–	306 449	330 276	(23 827)	-7%	330 276
Employee costs	102 820	105 560	107 575	–	107 538	107 575	(38)	-0%	107 575
Remuneration of Councillors	4 951	5 170	6 048	–	5 196	6 048	(852)	-14%	6 048
Depreciation and amortisation	58 872	59 063	48 154	–	88 343	48 154	40 189	83%	48 154
Interest	13 837	3 660	3 660	–	23 187	3 660	19 527	533%	3 660
Inventory consumed and bulk purchases	132 639	132 871	130 279	2	152 585	130 279	22 307	17%	130 279
Transfers and subsidies	1 089	1 136	1 156	–	1 156	1 156	(0)	-0%	1 156
Other expenditure	75 698	67 808	74 308	50	74 127	74 308	(181)	-0%	74 308
Total Expenditure	389 907	375 268	371 180	53	452 131	371 180	80 952	22%	371 180
Surplus/(Deficit)	(105 837)	(29 685)	(40 904)	(53)	(145 682)	(40 904)	(104 778)	256%	(40 904)
Transfers and subsidies - capital (monetary allocations)	48 219	55 895	82 682	–	70 877	82 682	(11 805)	-14%	82 682
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(57 619)	26 210	41 779	(53)	(74 805)	41 779	(116 584)	-279%	41 779
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(57 619)	26 210	41 779	(53)	(74 805)	41 779	(116 584)	-279%	41 779
Capital expenditure & funds sources									
Capital expenditure	(16 353)	51 354	76 202	59 314	87 116	76 202	10 914	14%	76 202
Capital transfers recognised	(16 448)	48 604	73 746	59 061	85 572	73 746	11 826	16%	73 746
Borrowing	44	–	–	–	–	–	–	–	–
Internally generated funds	246	2 750	2 456	253	1 573	2 456	(883)	-36%	2 456
Total sources of capital funds	(16 158)	51 354	76 202	59 314	87 145	76 202	10 942	14%	76 202
Financial position									
Total current assets	139 017	97 332	87 423		148 146				87 423
Total non current assets	830 857	862 820	897 693		814 080				897 693
Total current liabilities	173 508	79 451	118 214		271 499				118 214
Total non current liabilities	62 439	64 838	65 390		65 745				65 390
Community wealth/Equity	761 695	789 653	800 090		646 241				800 090
Cash flows									
Net cash from (used) operating	221 238	86 800	112 800	(7)	157 063	112 800	(44 263)	-39%	383 705
Net cash from (used) investing	(33 504)	(64 143)	(87 625)	–	(46 904)	87 625	134 529	154%	87 625
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	220 459	39 281	41 799	–	205 984	217 049	11 065	5%	567 155
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	–	–	–	–	–	–	–	–	–
Creditors Age Analysis									
Total Creditors	3 749	2 505	7 172	4 131	1 703	4 212	9 999	28 164	61 634

EC102 Blue Crane Route - Statement of Financial Performance (revenue and expenditure)

Description	2023/24		Budget Year 2024/25					
	Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands								
Revenue								
Exchange Revenue								
Service charges - Electricity	123 161	177 050	166 941	135 906	166 941	(31 035)	-19%	166 941
Service charges - Water	18 287	17 953	17 953	18 614	17 953	661	4%	17 953
Service charges - Waste Water Management	7 251	8 927	8 927	7 548	8 927	(1 380)	-15%	8 927
Service charges - Waste management	11 603	14 751	14 751	11 801	14 751	(2 950)	-20%	14 751
Sale of Goods and Rendering of Services	1 257	637	637	657	637	20	3%	637
Agency services	541	901	901	732	901	(169)	-19%	901
Interest	-	-	-	-	-	-	-	-
Interest earned from Receivables	13 473	9 511	9 511	9 596	9 511	85	1%	9 511
Interest earned from Current and Non Current Assets	3 801	1 007	3 500	5 332	3 500	1 832	52%	3 500
Dividends	-	-	-	-	-	-	-	-
Rent on Land	77	136	136	82	136	(55)	-40%	136
Rental from Fixed Assets	647	610	610	586	610	(24)	-4%	610
Licence and permits	2	-	-	254	-	254	-	-
Operational Revenue	952	3 065	3 065	1 833	3 065	(1 231)	-40%	3 065
Non-Exchange Revenue								
Property rates	28 215	28 326	19 638	22 662	19 638	3 024	15%	19 638
Surcharges and Taxes	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	162	334	334	1 556	334	1 222	366%	334
Licence and permits	387	543	543	208	543	(335)	-62%	543
Transfer and subsidies - Operational	74 254	81 831	82 829	84 695	82 829	1 866	2%	82 829
Interest	-	-	-	1 969	-	1 969	-	-
Other Gains	-	-	-	2 419	-	2 419	-	-
Total Revenue (excluding capital transfers and contributions)	284 069	345 582	330 278	306 449	330 276	-	-	330 276
Expenditure By Type								
Employee related costs	102 820	105 560	107 575	107 538	107 575	(38)	0%	107 575
Remuneration of councillors	4 951	5 170	6 048	5 196	6 048	(852)	-14%	6 048
Bulk purchases - electricity	123 757	123 508	117 953	140 569	117 953	22 616	19%	117 953
Inventory consumed	8 882	9 363	12 326	12 016	12 326	(309)	-3%	12 326
Debt impairment	52 493	28 509	28 509	27 364	28 509	(1 145)	-4%	28 509
Depreciation and amortisation	58 872	59 063	48 154	88 343	48 154	40 189	83%	48 154
Interest	13 837	3 660	3 660	23 187	3 660	19 527	533%	3 660
Contracted services	8 362	11 345	28 084	27 762	28 084	(322)	-1%	28 084
Transfers and subsidies	1 089	1 136	1 156	1 156	1 156	(0)	0%	1 156
Operational costs	14 842	27 954	17 715	17 403	17 715	(312)	-2%	17 715
Losses on Disposal of Assets	-	-	-	102	-	102	-	-
Other Losses	-	-	-	1 495	-	1 495	-	-
Total Expenditure	389 007	375 288	371 180	452 131	371 180	80 952	22%	371 180
Surplus/(Deficit)	(105 837)	(29 685)	(40 904)	(145 682)	(40 904)	(80 952)	0	(40 904)
Transfers and subsidies - capital (monetary allocations)	48 219	55 895	82 682	70 877	82 682	(11 805)	(0)	82 682
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(57 619)	26 210	41 779	(74 805)	41 779			41 779
Income Tax	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	(57 619)	26 210	41 779	(74 805)	41 779			41 779
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(57 619)	26 210	41 779	(74 805)	41 779			41 779
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(57 619)	26 210	41 779	(74 805)	41 779			41 779

5.2 GRANTS (2024/25)

EC102 Blue Crane Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts -

Description	Ref	2023/24		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:	1,2	75 350	75 721	75 678	-	75 678	75 678	-	-	75 678
Operational Revenue:General Revenue:Equitable Share		67 222	71 200	71 200	-	71 200	71 200	-	-	71 200
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 098	1 280	1 280	-	1 280	1 280	-	-	1 280
Local Government Financial Management Grant [Schedule 5B]		2 270	2 400	2 400	-	2 400	2 400	-	-	2 400
Municipal Disaster Grant [Schedule 5B]		3 628	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		1 132	841	798	-	798	798	-	-	798
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		3 698	5 701	5 643	-	4 153	5 701	1 428	25,0%	5 701
Department of economic development tourism and environmental affairs		1 398	3 000	2 942	-	1 572	3 000	1 428	-	3 000
Department of Sports		2 300	2 701	2 701	-	2 581	2 701	-	-	2 701
		-	-	-	-	-	-	-	-	-
District Municipality:		1 300	4 255	4 255	-	4 255	4 255	-	-	4 255
Sarah Baartman District Municipality		1 300	4 255	4 255	-	4 255	4 255	-	-	4 255
		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	80 348	85 677	85 577	-	84 087	85 635	1 428	1,7%	85 635
Capital Transfers and Grants										
National Government:		42 125	55 895	82 280	-	70 877	82 280	11 403	13,9%	40 814
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		182	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		21 513	15 199	15 171	-	15 171	15 171	-	-	15 171
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	22 880	22 880	-	11 477	22 880	11 403	49,8%	11 477
Energy Efficiency and Demand Side Management Grant		4 000	4 000	2 800	-	2 800	2 800	-	-	2 800
Local Government Financial Management Grant [Schedule 5B]		180	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant [Schedule 5B]		16 250	13 816	11 366	-	11 366	11 366	-	-	11 366
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	30 063	-	30 063	30 063	-	-	-
Provincial Government:		-	-	80	-	80	80	-	-	58
Department of economic development tourism and environmental affairs		-	-	58	-	58	58	-	-	58
Department of Sports		-	-	22	-	22	22	-	-	-
District Municipality:		-	-	528	-	528	528	-	-	528
Sarah Baartman District Municipality		-	-	528	-	528	528	-	-	528
Other grant providers:		-	-	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-Profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	42 125	55 895	82 888	-	71 485	82 888	11 403	13,8%	41 400
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	122 473	141 572	168 465	-	155 572	168 523	12 831	7,6%	127 035

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The asset base of the Municipality is integral to the Municipality's ability to provide services to the community in terms of its constitutional Mandate such as the provision of water, electricity, sanitation and maintenance of roads. It is the duty of the Municipality in terms of its asset management policy to ensure that assets are safeguarded and maintained so that they are operating in the manner intended for its use and are not unproductive or idle. Assets that are unproductive, idle or not operating in the manner intended or to sufficient capacity are assessed on an ongoing basis for impairment and written off and replaced if where applicable.

COMMENT ON ASSET MANAGEMENT:

The Municipality assets are managed through an asset register for infrastructure, land and buildings, investment properties and moveable assets. All moveable assets are verified during the year and the life spans adjusted if it is found that the assets are not properly maintained or not in good working condition. Assets are also insured on an annual basis, and the value of all assets are adjusted in the insurance renewal policy each year to match the replacement values. The value of the assets in the Annual Financial statements is according to their original cost less accumulated depreciation.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2024/2025				
Asset 1				
Name	Upgrade of Electrical lines (Phase 1 and Phase 2)			
Description	MDRG Funds utilised to upgrade the electricity lines			
Asset Type	Infrastructure			
Key Staff Involved	Job Creation			
Staff Responsibilities	External			
Asset Value	Year 2023/2024		Year 2024/2025	
	-		34 788 602,00	
Capital Implications	Depreciation and Maintenance			
Future Purpose of Asset	Infrastructure			
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 2				
Name	Refurbishment of Clevedon Pump Station			
Description	WSIG Funds utilised to upgrade the Treatment works			
Asset Type	Infrastructure			
Key Staff Involved	Job Creation			
Staff Responsibilities	External			
Asset Value	Year 2023/2024		Year 2024/2025	
	-		5 734 498,00	
Capital Implications	Depreciation and Maintenance			
Future Purpose of Asset	Infrastructure			
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 3				
Name	Reconstruction of Victoria Park Sports facility - Phase 1			
Description	MIG Funds utilised to upgrade the Treatment works			
Asset Type	Infrastructure			
Key Staff Involved	Job Creation			
Staff Responsibilities	External			
Asset Value	Year 2023/2024		Year 2024/2025	
	-		3 542 944,00	
Capital Implications	Depreciation and Maintenance			
Future Purpose of Asset	Infrastructure			
Describe Key Issues				
Policies in Place to Manage Asset				
Repairs and Maintenance Expenditure: Year 2024/25				
R'000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Inventory Consumed	9 363,00	12 326,00	12016	-309

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and Municipal own funds/surpluses. Component B deals with capital spending, indicating where the funding comes from and whether the municipality is able to spend the available funding as planned.

5.4 CAPITAL EXPENDITURE

The table below depicts the ratio between Capital and Operating budgets as percentages of the total expenditure budget. The municipality is severely constrained with its Capital Budget as there are no cash surpluses to fund Capital Expenditure. The municipality is therefore largely dependent on Grant funding.

Capital Expenditure: Year 2024/25						
R'000						
	Original Budget	Adjustment Budget	Actual	Budget percentage - Original Budget	Budget percentage - Adjustment Budget	Actual percentage - Expenditure
Capital expenditure	51 354	76 202	64 476	12%	17%	12%
Operational budget	375 268	371 180	452 131	88%	83%	88%
Total	426 622	447 382	516 607	100%	100%	100%

5.5 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: Year 2023/24 to 2024/25						
R'000						
Details	2023/24			2024/25		
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Original Budget	Adjustment Budget
Source of Finance						
External Loans	1 425,00	1 425,00	1 425,00	1 425,00	1 425,00	1 425,00
Public Contributions and Donations	-	-	-	-	-	-
Grants and Subsidies	42 125,00	42 125,00	42 125,00	71 485,00	48 604,00	73 237,00
Other	246,00	246,00	246,00	1 400,00	2 750,00	2 456,00
Total	43 796,00	43 796,00	43 796,00	74 310,00	52 779,00	77 118,00
Percentage of Finance						
External Loans	3%	3%	3%	2%	3%	2%
Public Contributions and Donations	0%	0%	0%	0%	0%	0%
Grants and Subsidies	96%	96%	96%	96%	92%	95%
Other	1%	1%	1%	2%	5%	3%
Total	100%	100%	100%	100%	100%	100%

5.6 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects					
Name of Project	2024/25			Variance : 2024/25	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment Variance
Electrical lines rehabilitation - MDRG - Phase 1	-	30 000 000,00	24 456 394,77	82%	82%
Electrical lines rehabilitation - MDRG - Phase 2	19 895 652,17	19 895 652,17	10 332 207,91	52%	52%
Refurbishment of Clevedon Pumpstation	-	5 734 498,00	5 734 498,25	100%	100%
Victoria Park Sportsfield (Fencing, Ablution blocks, Floodlights and Grandstand)	347 826,00	3 614 174,00	3 542 944,08	98%	98%
Refurbishment of Sewer Pump stations	5 926 957,00	2 999 887,00	2 999 886,94	100%	100%

Name of project - A	Electrical lines rehabilitation - MDRG - Phase 1
Objective of project	Better Electricity quality and network stability
Delays	
Future Challenges	High costs of maintenance
Anticipated citizen benefits	
Name of project - B	Electrical lines rehabilitation - MDRG - Phase 2
Objective of project	Better Electricity quality and network stability
Delays	
Future Challenges	High costs of maintenance
Anticipated citizen benefits	
Name of project - C	Refurbishment of Clevedon Pumpstation
Objective of project	Better quality of life for local citizens
Delays	
Future Challenges	High costs of maintenance - Capacity constraints as residential areas expend
Anticipated citizen benefits	
Name of project - D	Victoria Park Sportsfield (Fencing, Ablution blocks, Floodlights and Grandstand)
Objective of project	Stimulation of local sport activities, especially for the youth
Delays	
Future Challenges	
Anticipated citizen benefits	
Name of project - E	Refurbishment of Sewer Pump stations
Objective of project	Better quality of life for local citizens
Delays	
Future Challenges	High costs of maintenance - Capacity constraints as residential areas expend
Anticipated citizen benefits	

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash Flow Outcomes				
R'000				
Description	2023/24	Budget Year 2024/25		
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	143 670	273 092	275 919	167 469
Government - operating	71 485	73 794	78 979	60 281
Government - capital	73 487	55 895	52 097	41 489
Interest	13 830	1 007	3 500	2 957
Dividends	-	-	-	-
Payments				
Suppliers and employees	(218 593)	(316 579)	(297 286)	(200 255)
Interest	(9 489)	(409)	(409)	-
Transfers and Subsidies	(1 090)	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	73 300	86 800	112 800	71 942
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	734	-	-	-
Payments				
Capital assets	(42 438)	(64 143)	(87 497)	(71 904)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(41 704)	(64 143)	(87 497)	(71 904)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing	(1 445)	(1 154)	(1 154)	(1 154)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 445)	-	-	(1 154)
NET INCREASE/ (DECREASE) IN CASH HELD	30 151	22 657	25 303	(1 117)
Cash/cash equivalents at beginning:	9 985	40 136	40 136	40 136
Cash/cash equivalents at month/year end:	40 136	39 281	41 927	39 019

5.7 BORROWING AND INVESTMENTS

Actual Borrowings: Year 2022/2023 to Year 2024/2025			
R' 000			
Instrument	2022/2023	2023/2024	2024/2025
Municipality			
Long-Term Loans (Non-Current)	3 103	1 948	1 266
Long-Term Loans (Current)	1 050	1 155	679
Local registered stock			
Instalment Credit			
Financial Leases	381	0	0
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	4 534	3 103	1 945

Municipal and Entity Investments			
R'000			
Investment type	2022/2023	2023/2024	2024/2025
	Actual	Actual	Actual
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	9 984,00	40 135,00	39 016,00
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - banks			
Municipal Bonds			
Other			
Municipality sub-total	9 984,00	40 135,00	39 016,00

5.8 SUPPLY CHAIN MANAGEMENT (2024/25)

The Blue Crane Route Municipality has a Supply Chain Management Unit as reflected in the Financial Services Organogram. Supply Chain Management (SCM) is up and running within the BCRM and strict control measures are in place according to the MFMA, SCM Regulations, MFMA Circulars and the BCRM SCM Policy.

There are eight (8) posts within the Supply Chain Management section; they have been filled.

The following three (3) Bid Committees have been established and have the relevant meetings when tenders/bids, etc. are placed as per MFMA and Supply Chain Regulations:

- 1) Specification Bid Committee
- 2) Evaluation Bid Committee
- 3) Adjudication Bid Committee

The Supply Chain Management Policy that was adopted by the Blue Crane Route Municipality (BCRM) after the relevant changes were made to comply with the Blue Crane Route Municipality's requirements, keeping the SCM regulations in mind. The policy has been reviewed together with all the budget related policies and tabled to Council for adoption in June 2024. Reports on the implementation of the SCM policy are submitted quarterly to the Accounting Officer; the Mayor; and Council. The SCM Annual report on the implementation of the SCM policy for the 2024/2025 financial year was submitted to the Accounting Officer; Mayor and the Council.

Vendor performance is regularly monitored with the help of Project Manager/ End Users. Tax matters for all transactions were confirmed to be in order through the Central Supplier Database. There were tenders that had to be re-advertised due to non-responsiveness of bidders and also contract management is also one of the issues that have been highlighted by the Auditor General. Transformation to proactiveness of the unit is one of the improvements that the municipality is working on.

CHAPTER 6 :AUDITOR REPORT AND AUDIT FINDINGS

Attached as Appendices:

1. 2024/25 Auditor General Report
2. Audit Action Plan

CHAPTER 7 LOCAL GOVERNMENT KEY PERFORMANCE INDICATORS

Basic Service Delivery (KPA 1)

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Comments
1	Percentage of households with access to potable water	100%	0	0	16177	100%	All household have access to potable water except the rural farms which depend on boreholes.
2	Percentage of indigent households with access to free basic potable water	100%	0	3702	3702	100%	
3	Percentage of clinics with access to potable water	100%	0	0	100%	100%	
4	Percentage of schools with access to potable water	100%	0	0	100%	100%	
5	Percentage of	2.9% (360)	0	0	0	0	The informal settlement

	households in formal settlements using buckets						need bulk infrastructure for these services which BCRM cannot currently afford.
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Key Performance indicators in electricity services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Comments
1	Percentage of households with access to electricity services	100%	1058	276	136	49.2%	Backlog is only in the informal settlement.
2	Percentage of indigent households with access to basic electricity services	100%	0	3702	3707	100%	
3	Percentage of indigent households with access to free alternative energy sources	0	0	0	0	0	

Key performance indicators in sanitation services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year	Comments
1	Percentage of households with access to sanitation services	100%	1026	0	0	0%	Backlog is only in the informal settlement.
2	Percentage of indigent households with access to free basic sanitation services	100%	0	3702	3707	100%	
3	Percentage of clinics with access to sanitation services	100%	0	0	100%	100%	
4	Percentage of schools with access to sanitation services	100%	0	0	100%	100%	

Key performance indicators in road maintenance services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Comments
1	Percentage of households without access to gravel or graded roads	2.9% (360)	360	0	0	0	Backlog is only in the informal settlement.
2	Percentage of road infrastructure requiring upgrade	7.1%	46.1	3251m	7.1%	2401m	
3	Percentage of planned new road infrastructure actually constructed	7.1%	46.1	3251m	7.1%	2401m	
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	R1.2	0	0	100%	100%	

Key Performance indicators in waste management services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to refuse removal services	100%	0	16117	16177	100%
2	Existence of waste management plan	The municipality has an existing Integrated Waste Management Plan				

Key performance indicators in housing and town planning services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	(15%) (Emakhaleni 107 Marikana (136 (X3) Churchs) Ezinyoka x63 Tyokville x 271 Noxolo x 63 7de Laan x 110	776	15%	776	15%

2	Percentage of informal settlements that have been provided with basic services	10% (Marikana electricity)	136	10%	136	10%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	70%	136	0%	0%	0%
4	Existence of an effective indigent policy	The municipality does have indigent policy and indigent register which is updated quarterly				
5	Existence of an approved SDF	The municipality has an existing approved SDF (5-year Plan)				
6	Existence of Land Use Management System (LUMS)	The municipality has an existing approved Land Use Scheme (5 year Plan)				

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT- KPA 2

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;				Budget constraints
2	Percentage of appointment in strategic positions (Municipal Manager and Section 56 Managers)	5	4	80%	Director Technical services position was vacant for 3 months after his resignation.
3	Percentage of Section 56 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	0	0	0	Due to budget limitations
4	Percentage of Managers in Technical Services with a professional qualification	100%	100%	100%	
5	Level of PMS effectiveness in the DM – (DM to report)	Performance is being cascaded to lower levels, person responsible for individual performance has been appointed .			
6	Level of effectiveness of PMS in the LM – (LM to report)				

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term				
8	Percentage of councillors who attended a skill development training within the current 5 year term	100%	100%	100%	
9	Percentage of staff complement with disability	0	0	0	No job applications submitted by people with disability
10	Percentage of female employees				
11	Percentage of employees that are aged 35 or younger				
12	Adoption and implementation of a District Wide/ Local Performance Management System	The municipality has no automated Performance Management System in place.			

LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	1	0	0
2	Percentage of LED Budget spent on LED related activities.	0	0	0
3	Existence of LED strategy	The LED strategy was developed in 2024, and awaiting final adoption by the Council		
4	Number of LED stakeholder forum meetings held	8	8	100%
5	Plans to stimulate second economy	6	4	60%
6	Percentage of SMME that have benefited from a SMME support program	40	120	300%
7	Number of job opportunities created through EPWP	224	169	65%
8	Number of job opportunities created through PPP	0	153	50

MUNICIPAL FINANCIAL VIABILITY (KPA 4)

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	R73 237	R57 202	78%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2	Salary budget as a percentage of the total operational budget	30%	R106 513	29%
		Target set for the year (20% or less) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
3	Trade debtors as a percentage of total actual revenue	11%	20%	23%
		Target set for the year (80% and more) R(000)	Achievement level during the year R(000)	Achievement percentage during the year
4	Total municipal own revenue as a percentage of the total actual budget	80%	R303 422	81%
		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
5	Rate of municipal consumer debt reduction	5%	0	0

6	Percentage of MIG budget appropriately spent	100%	100%	100%
7	Percentage of FMG budget appropriately spent	100%	100%	100%
8	AG Audit opinion	Unqualified Audit Opinion	Qualified Audit Opinion	N/A
9	Functionality of the Audit Committee	100%	100%	100%
10	Submission of AFS after the end of financial year	Submitted on due date	Submitted on due date	Submitted on due date

GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% of ward committees established	100%	60	100%
2	% of ward committees that are functional	100%	100%	100%
3	Existence of an effective system to monitor CDWs	The performance of the CDW's is monitored at a provincial level		
4	Existence of an IGR strategy	No IGR strategy in place		
5	Effectiveness of IGR structural meetings	IGR Forum meetings are held quarterly		
6	Existence of an effective communication strategy	Communication strategy is in place, due for reviewal		
7	Number of mayoral imbizo conducted	12	12	100%
8	Existence of a fraud prevention mechanism	Anti-fraud and corruption strategy in place, due for reviewal		

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
B.A. Manxoweni	FT	EXCO; Finance & LED; Technical Services; Community Services.	ANC	95.65%	4.35%
N.P. Yantolo- Nkonyeni	FT	Finance & LED	ANC	91.30%	8.70%
P. Sonkwala	PT	Corporate Services; Community Services; MPAC.	Ward 6- ANC	82.60%	16.40%
J.M.Martin	PT	EXCO; Corporate; Community Services;	DA	73.91%	26.09%
Z. Baskiti	PT	Finance & LED; Technical Services; MPAC	Ward 1- ANC	95.65%	4.35%
F.P. Brown	PT	EXCO; Finance & LED; Corporate Services; MPAC.	DA	95.65%	4.35%
E. Miggels	PT	N/A	EFF	100%	0,00%
A. Dyantyi	PT	Corporate Services; Technical Services; MPAC	Ward 3- ANC	82.60%	17.40%
L. Smith- Johnson	PT	Finance & LED; Community Services; MPAC	Ward 5 -DA	86.95%	13.05%
A. Heynse	PT	Community Services; Corporate Services	Ward 2- DA	82.60%	17.40%
H. Davenport	PT	Technical Services; MPAC	Ward 4- DA	86.95%	13.05%
<p><i>N/B. The Total Number of Council and Special Council Meetings for 2024/25 FY were 23. Councillors attended as follows: Cllr Manxoweni=22, Cllr Yantolo-Nkonyeni =Cllr 21, Cllr Sonkwala=19; Cllr Martin=17; Cllr Baskiti=22; Cllr Brown=22; Cllr Miggels=23; Cllr Dyantyi=19; Cllr Smith- Johnson=20; Cllr Heynse=19 and Cllr Davenport=20</i></p>					

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Finance & LED	To deliberate on matters relating to finances of the municipality e.g. income, expenditure and Supply Chain Management functions. Also responsible for Local Economic Development issues.
Corporate Services	To deliberate on matters relating to Administration, Human Resources, Information & Communication Technology (ICT) and Records Management.
Community Services	To deliberate on matters relating to Environmental Health, Traffic Services, Parks & Open Spaces, Libraries, Waste Management, Commonage & Pound, Fire & Disaster Management and Protection Services
Technical Services	To deliberate on matters relating to Electricity, Roads & Stormwater, Mechanical, Project Management, Water & Sanitation, Town Planning and Human Settlement.
LLF	To discuss labour related issues
MPAC	Oversight on municipal overall performance and functionality
Internal Audit	Ensures implementation of internal control
Land Committee	Attends to issues related to municipal land and properties.

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director / Manager (State title and name)
Municipal Manager Office	Municipal Manager: Mr M.P Nini
	Chief Audit Executive- Ms Phelokazi Ndumndum
	Manager: IDP/Performance Management- Ms Samela Hanabe
	Manager: Local Economic Development – Mr Nceba Isaac Kapayi
Finance Department	Director Financial Service (CFO)- Mr N.B Delo
	Manager: Revenue and Expenditure- Mr Julius Maputha
	Manager: Financial and Reporting- Mr Khanya Maqashu
	Manager: Supply Chain Management- Ms Ayanda Mbebe
Community Services	Director Community Services- Mrs Y Mniki
	Manager: Environmental Health Services- Mr Francois Trichard
	Chief: Protection Services- Mr Roland Hare
	Chief: Fire and Disaster- Mr Sivuyile Sovita
Technical Services	Director Technical Services – (Vacant)
	Manager: Electrical Services- Mr Vuyani Apollis
	Manager: Project Management Unit -Ms Z Cenya
	Manager: Water Services – Mr Gcobani Ziqu
Corporate Services	Director Corporate Services – Mr Simlindile Nodo
	Manager: ICT- Mr Mzwandile Gush

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Schedule 4 Part B	Schedule 5 Part B
Powers exercised by the BCRM	Powers exercised by the BCRM
<ul style="list-style-type: none"> ○ Air pollution ○ Building regulations ○ Electricity and gas reticulation ○ Firefighting services ○ Local tourism ○ Municipal airports ○ Municipal planning ○ Municipal public works ○ Stormwater management systems in built-up area ○ Trading regulations ○ Water and sanitation services 	<ul style="list-style-type: none"> ○ Amusement facilities ○ Billboards and the display of advertisements in public places ○ Cemeteries ○ Cleansing ○ Control of public nuisances ○ Control of undertakings that sell liquor to the public ○ Facilities for the accommodation, care and burial of animals ○ Fencing and fences ○ Licensing and control of undertakings that sell food to the public ○ Local amenities ○ Local sport facilities ○ Municipal abattoirs ○ Municipal parks and recreation ○ Municipal roads ○ Noise pollution ○ Pounds ○ Public places ○ Refuse removal, refuse dumps and solid waste disposal ○ Street trading ○ Street lighting ○ Traffic and parking

APPENDIX E- WARD COMMITTEE MEMBERS AND ALLOCATION

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr Zamuxolo Baskiti	Yes	3	2	3
	Nomvume Kula				
	Vuyokazi Fani				
	Khanyisa Mbenya				
	Busisiwe Kwatsha				
	Xabiso Maqenge				
	Ngubengwe Dywili				
	Vuyiswa Xhaso				
	Noxolo Mtana				
	Andiswa Sixaxa				
Ward 2	Cllr Archer Heynse	Yes	0	2	0
	Abednego Gegesi				
	Willem Webb				
	Vuyiseka Mbunge				
	Emile Nel				
	Neliswa Toni				
	Joseph Jacobs				
	Michelle Jordaan				
	Kegomoditshwe Sekori				
	Gaywin A. Isaacs				
Mzoxolo Brander					
Ward 3	Cllr Ayanda Dyantyi	Yes	3	0	3
	Asisispho Nywebeni				
	Silumko Lawrence				
	Mandisi Memese				
	Nonceba Heka				
	Nosiphenkosi Mbotya				
	Thuleka Gcume				
	Julia Blouw				
Ntombizanele Mahobe					

Ward 4	Cllr Herbert Davenport	Yes	0	1	0
	Phumzile Danster				
	Gerald Danster				
	Thembakazi Jas				
	Anele Kulati				
	Mandile Afrika				
	Mina Malgas				
Ward 5	Cllr Lorraine Smith-Johnson	Yes	0	5	0
	Sonwabile S. Xaluva				
	Ntombomzi C. Stofile				
	Tamara Reinel Hartzenerg				
	Wellington V. Storm				
	Phumla D. Malambile				
	Deon M. Zoeloe				
	Thembisa E. Memese				
	Rose M. Arends				
	Nonkonzo V. Faku				
	Noluthando J. Gogo				
Ward 6	Cllr Phandulwazi Sonkwala	Yes	0	1	0
	Noma- Afrika Piliso				
	Sindiswa Mjekula				
	Sinazo Silimeni				
	Anneliza Baskiti				
	Ntombizanele Dwane				
	Lungelwa Mtengwana				
	Melisizwe Fani				

APPENDIX F: WARD INFORMATION

Capital Expenditure of 5 largest projects					
Name of Project	2024/25			Variance : 2024/25	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment Variance
Electrical lines rehabilitation - MDRG - Phase 1	-	30 000 000,00	24 456 394,77	82%	82%
Electrical lines rehabilitation - MDRG - Phase 2	19 895 652,17	19 895 652,17	10 332 207,91	52%	52%
Refurbishment of Clevedon Pumpstation	-	5 734 498,00	5 734 498,25	100%	100%
Victoria Park Sportsfield (Fencing, Ablution blocks, Floodlights and Grandstand)	347 826,00	3 614 174,00	3 542 944,08	98%	98%
Refurbishment of Sewer Pump stations	5 926 957,00	2 999 887,00	2 999 886,94	100%	100%

Name of project - A	Electrical lines rehabilitation - MDRG - Phase 1
Objective of project	Better Electricity quality and network stability
Delays	
Future Challenges	High costs of maintenance
Anticipated citizen benefits	
Name of project - B	Electrical lines rehabilitation - MDRG - Phase 2
Objective of project	Better Electricity quality and network stability
Delays	
Future Challenges	High costs of maintenance
Anticipated citizen benefits	
Name of project - C	Refurbishment of Clevedon Pumpstation
Objective of project	Better quality of life for local citizens
Delays	
Future Challenges	High costs of maintenance - Capacity constraints as residential areas expend
Anticipated citizen benefits	
Name of project - D	Victoria Park Sportsfield (Fencing, Ablution blocks, Floodlights and Grandstand)
Objective of project	Stimulation of local sport activities, especially for the youth
Delays	
Future Challenges	
Anticipated citizen benefits	
Name of project - E	Refurbishment of Sewer Pump stations
Objective of project	Better quality of life for local citizens
Delays	
Future Challenges	High costs of maintenance - Capacity constraints as residential areas expend
Anticipated citizen benefits	

AUDIT COMMITTEE ANNUAL REPORT 2024/25

1. OBJECTIVE

The Audit and Performance Committee was appointed 15 August 2024 and its 3-year term ending on 15 July 2027. The Audit Committee has prepared this report in full accordance with the applicable laws and regulations as supplemented by the Audit Committee Charter. The purpose of this report is to present the Audit Committee's progress to date in carrying out its oversight responsibilities, including oversight for the statutory audit process including the Audit Committee's review meetings to 30 June 2025.

2. TERMS OF REFERENCE

The mandate of the Audit Committee is legislated in terms of section 166 of the Municipal Finance Management Act, 2003 (MFMA) which requires the Audit Committee to advise the Accounting Officer and Council. The Audit Committee is also required to fulfil the functions of a Performance Management Committee constituted in terms of sections 38 and 41 of the Municipal Systems Act No 32 of 2000 and Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001: Review and advise in terms of the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers.

The advisory expected from the Audit Committee guided by the above stated tenets of legislation includes the following: Internal Financial Control and Internal Audits; Risk Management; Adequacy, Reliability and Accuracy of Financial Reporting and Information; Accounting Policies; Performance Management and Evaluation; Effective Governance; Compliance with the MFMA, the Annual Division of Revenue Act (DORA) and any other applicable legislation and / or policies and any other issues referred to it by the municipality.

The Audit Committee assists Council in fulfilling its oversight responsibilities in helping to ensure high quality financial and performance management reporting as well as effective internal control. The MFMA also requires the Audit Committee to review the Annual Financial Statements, respond to Council on matters raised by the Auditor General South Africa (AGSA) and carry out investigations into the financial affairs of the Municipality.

3. AUDIT COMMITTEE COMPOSITION AND ATTENDANCE

The Audit Committee is made up of three independent members. The Municipal Manager, Honourable Mayor, MPAC Chairperson, Directors, and the Auditor General South Africa have a standing invitation to all Committee meetings. An independent member appointed by Council chairs the committee. Both the Internal and External Auditors have unrestricted access to the Audit Committee. The Audit Committee have held meetings as outlined below from July 2024 to June 2025:

Name of member	Appointed	Number of Meetings Attended
Mr. M.K. Mafani – Chairperson	15 August 2024	6
Mr. J. Manxiwa – Member	15 August 2024	6
Mr. L. Nyathi – Member	15 August 2024	6

I. INTERNAL FINANCIAL CONTROL AND INTERNAL AUDITS

The Internal Audit unit completed and issued final reports in respect of 100% of its original audit plan for the 2024/25 financial year. This is a remarkable performance achieved under trying conditions and as such the Internal Audit Unit was able to provide the Municipality with some assurance required in the institution’s environment of acceptable risks. The continued risk management activities under the Internal Audit Unit stewardship continue to be a concern for an independent assurance in terms of giving a fair assurance on risk activities.

The Internal Audit Unit continues to be a force to be recon with as most reports for review are dispatched to the Audit Committee on time, there is still room for improvement though. The Internal Audit sub-directorate reports to the Audit Committee on a quarterly basis in respect of the progress achieved in executing the audit plan. Amendments to the audit plan are approved by the Audit Committee.

Internal Audit review:

- The Audit Committee reviewed the adequacy, reliability and accuracy of financial reporting and information.
- The Audit Committee reviewed and agreed to the Accounting Policies in place when reviewing the Annual Financial Statements (AFS) at the Special Audit Committee meeting to review the AFS prior to submission to the AGSA.
- Internal financial controls were considered in reviewing the findings of internal audits.
- Management draw conclusions on the adequacy and effectiveness of the system of internal controls through the review of Internal Audit assurance reports.
- The Audit Committee note a continued lack of attention by management in effectively addressing reported weaknesses in control, deficiencies in systems and recommendations for improvement. A low response rate to addressing reported weaknesses is evident together with a high failure rate to adequately and effectively address noted control weaknesses by Internal Audit and the Auditor General. This is a repeat noted concern by the Audit Committee where the general lack of addressing Internal Audit and Auditor General findings result in continued serious control weaknesses and new

findings by the Auditor General. The lack of capacity within the MPAC has been raised and communicated to the Council by the Audit Committee for consideration.

- In reviewing whether management encourage ethical and lawful behaviour, financial discipline and accountability for the use of public resources, consideration should be given to greater accountability and consequence management being implemented in cases of mismanagement of resources.

- Internal Audit have prepared, in consultation with the Audit Committee and for their approval:

- An Annual Internal Audit Plan

- Internal Audit plans indicate the scope of each audit in the annual internal audit plan.

- The Audit Committee have noted that Internal Audit perform an internal self-assessment on an annual basis.

- The Audit Committee reviewed the Internal Audit Charter and the Audit Committee Charter, with amendments having been made thereto and approved.

- In evaluating the adequacy of performance of the Internal Audit sub-directorate, including the degree of co-operation with External Auditors, the Audit Committee consider the performance of Internal Audit to be at an acceptable level and beneficial to the Blue Crane Route Municipality.

- The assurance reports issued together with recommended remedial action is considered adequate. Effective action by management in addressing high risk findings remains inadequate. The repeat findings, year on year, are the result of management not effectively addressing noted high risk findings.

- Assurance reports are often concerning, indicating 'extreme' findings. The Accounting Officer and Directors should actively work on addressing those agreed upon findings, together with implementing the recommended and agreed-to remedial actions. A close proactive working relationship between Executive Management and Internal Audit is essential. In the absence of such a working relationship, repeat findings are likely to remain unresolved.

- The Audit Committee have noted that no restrictions or limitations are placed on the Internal Audit sub-directorate in the execution of their mandate, and we attest on that the Municipal Manager provides the necessary support to the Unit.

- A review of the quarterly performance reports submitted by Internal Audit takes place and amongst other includes:

- Supply Chain Management, Irregular Expenditure, Financial Management, Compliance with Policies and Regulations, Corporate, compliance with the Division of Revenue Act (DORA), HR effectiveness, Assistance to the Poor programme, and the critically important area of mSCOA implementation.

- Internal Audit conducted guided by its Annual Plan specific reviews of the AG action plan for 2024/25 (Audit Implementation Plan) which show that most directorates achieved limited progress in addressing Auditor General high-risk findings. The Municipality remains exposed to the risk of future qualifications or new emphasis of matters. There is limited evidence of action or lack of appetite taken to address high risk repeat audit findings.
- Only high-risk findings are reported on through the Audit Implementation Plan. With the lack of progress noted in addressing Internal Audit and Auditor General high-risk findings, it must be assumed that similarly, limited progress is being achieved in addressing medium / lower risks identified. This is a repeat observation by the Audit Committee.
- The lack of progress in addressing audit findings may result in the municipality:
 - Conducting operations in a weak control environment,
 - Being exposed to increased high risks of inaccurate information and errors,
 - Management being unable to detect incidents of possible fraud.
- Ideally both Internal Audit and the Audit Committee should review the Annual Financial Statements prior to submission thereof to the Auditor General, the Audit Committee was not provided an opportunity to review the set of AFS on time prior submission to AGSA for the year under review.
- The Committee represented by the Chairperson received copies of all Communications of Audit Findings throughout audit. The final Auditor General Audit Report and Management Report were also considered.

II. AUDITOR GENERAL – EXTERNAL AUDIT

- The Audit Committee met with the Auditor General to review whether the Auditor General felt there were any restrictions placed on the external audit. The Auditor General noted that there were no restrictions.
- The audit plan was provided to the Audit Committee for review by the external Auditors, AGSA.
- No significant disagreements between External Auditors and Management were noted.
- No material unsolved accounting and auditing problems were noted.
- The Audit Committee did not have any significant audit matters to disclose that arose from the audit.

- The Audit Committee did not meet with Internal and External Auditors during the year without management being present to create an opportunity for views and concerns to be raised that may not be appropriate in an open forum.
- The Audit Committee considers the performance of External Auditors to be adequate.

III. FINANCIAL REPORTING

- The Audit Committee have reviewed the expertise, resources and experience of the municipalities finance function which are adequate.
- The Audit Committee is of the view that with the recent court outcome favouring the municipality against the payment of around R30ml; now that there is an indication of the pension fund appealing the court outcome, the financial position of the Municipality would be negatively impacted if the pension fund wins the case. Though this matter is a long outstanding concern, as per the resolution register, this matter has not been resolved. As reflected in the audit outcome, the financial position as a going concern is an indication of revising its stance on revenue collection, different revenue streams amongst other strategies to be considered.
- The Annual Financial Statement review process, the Audit Committee consider them to be of high quality, value and effectiveness of financial information produced together with the Accounting Policies.

IV. PERFORMANCE MANAGEMENT AND EVALUATION

- The Audit Committee is responsible to report to Council, the Political Office Bearers, the Accounting Officer and Management on matters relating to Performance Management:
 - The Audit Committee reviewed the Performance Management Report for the 2024/2025 financial year. The Performance Management Report was considered accurate by the Audit Committee.
- The Audit Committee reviewed the relevance of noted indicators together with their measurability in relation to services performed.
- Where the performance reviews are not scheduled and conducted during the first quarter of a new year, little / no value is secured through relevant noted non-performance and the appropriate remedial actions being taken.
- The Chairperson of the Audit Committee participated in the performance reviews with some Directors, outstanding is the review of Director: Corporate Services and Municipal Manager.

V. ICT GOVERNANCE

ICT governance within the Blue Crane Route Municipality has improved compared to prior years, the Audit Committee is of the view that Management can still improve with a possible resource allocation.

VI. RISK MANAGEMENT AND GOVERNANCE

It must be noted that the Blue Crane Route Municipality does not have a stand-alone sub-directorate entrusted with the risk management function, such work is performed by Internal Audit Unit. The Audit Committee has advised on numerous engagements to separate these two units with the view to improve governance.

- The Audit Committee together with the Management considers that the Internal Audit work carried out will assist in improving the effectiveness of risk management, control and governance processes.
- The Audit Committee continues to review those recommendations made by the Internal Audit Unit.
- The Internal Audit Unit continues to contribute effectively to identifying high risk areas. The Internal Audit Unit remains under capacitated where additional resources would contribute to identifying additional risks providing for an improved control environment.
- The lack of commitment by the service provider developing mSCOA has resulted in the absence of an integrated system, and this might lead to future audit findings and thus reverse to good work performed in improving the control environment. This also compromises credibility of reports and thus exposes the Institution to potential system manipulation. The Audit Committee observed that, no evidence of any consequence management in this matter has been noted.
- The Audit Committee express disappointment that previous concerns noted regarding dysfunctional mSCOA implementation have not been rectified and this remains a material matter in respect of on-going non-compliance.

VII. INVESTIGATIONS

The Audit Committee wishes to register that there has never been any investigation report tabled by both Management and MPAC on our engagements, thus the Committee is of the opinion that, there exist no cases to be considered for further investigation.

4. CONCLUSION

Guided by the reports presented by Internal Audit and deliberations between the Audit Committee, Council and Management there is a high probability of improving on performance and governance in general. It is inevitably that resource allocation will always be the impediment in key set targets and indicators intended to address issues of service delivery, hence it is of utmost importance that the Blue Crane Route Municipality ought to decide on prioritising areas which would portray it as a machinery driving service delivery at a local level.

The Audit Committee note the following areas of concern

- The continued court cases which might have a negative impact on the finances of the Municipality and thus its financial viability should the outcomes find the Municipality liable.
- The separation of Internal Audit function from the Risk Management function
- Addressing high risk repeat findings by the Auditor General and Internal Audit.
- Evaluation of mSCOA compliance and the way forward with the existing service provider.
- Matters relating to continue under performance by Infrastructure Directorate of the Municipality, which poses the risk compromised service delivery and disgruntled communities.



M.K. Mafani, (CFE)

Chairperson: Audit and Performance Committee

AUDIT RESOLUTION REGISTER

No	ITEM	RESOLUTION	IMPLEMENTATION PROGRESS
1.	Game Farms and San Parks	1. Negotiations between the legal representatives to determine if the affected parties are willing to accept the proposal of the Council.	The Revenue Department is currently resolving the matter.
		2. Calculate final figures on how much to be written off.	PT has advised on the accounting treatment of the write – off process.
		3. Update the Litigation Register with Legal Costs on the matter.	The case was concluded and withdrawn.
		Management is considering to change legal representative in order to speed up the process.	The legal representatives withdrew from representing the municipality, the municipality is in the process of procuring legal representative.
2.	Quarterly MFMA Section 52(d) Report	Management to draft the key roadmap with milestones to implement the other modules in the system.	Not yet developed.
		Meeting with SAMRAS Financial System.	On the 26 th of May 2025, a meeting took place between BCRM and SOLVEM
		Testing of data that has been imported from SAMRAS server to the new server that is in-house.	The municipality has moved from SAMRAS and running the server on-site. Running back – ups onsite and with SAMRAS
3.	Distribution losses	Development of the Infrastructure Asset Management Plan including the Maintenance Plan.	In the Approved 3 Year Capital Plan for the MIG there is an allocation for Integrated Infrastructure Asset Management Plan for 2026/27 and 2027/28
		Issue RFQ to the PSPs for the development of the Plan.	
		Advertise for the procurement of energy efficiency globes be installed for the High mast lights and streetlights.	Only one SP submitted a quotation and the municipality has deviated from the normal procurement processes for LED Lights and Retrofitting of existing airconditioners with inverter type.
		Advertise for the procurement of conventional airconditioners to be installed in the Municipal offices.	
		Repairing of electricity networks	Procured Contractors through Section 116
		There is a project that is underway funded by WSIG for water distribution, purification and sanitation. There project is nearing the completion stage and will be practically complete on the 29 th of October 2024	Project Completed, there is a Completion Certificate.
		Source funding for the refurbishment of old and ageing infrastructure	The 10% of MIG for Maintenance and Refurbishment, will be unlocked after the implementation of the IIAMP in 2028/29 FY.

No	ITEM	RESOLUTION	IMPLEMENTATION PROGRESS
		Clevedon Pumpstation – is underway	Procured through Section 116
4.	Irregular Expenditure	Chief Financial Officer to develop the UIWF Reduction Strategy with milestones and measures in place as required by MFMA Circular 111 to Treasury.	The Draft UIWF Strategy to be customised to suit the municipal circumstances.
		Monthly procurement meetings to be held to curb deviating from normal procurement which results to UIWF.	The meetings are not taking place.
5.	Risk Appetite and Tolerance Statements	Risk Strategy to be updated.	Not done
			Not done
			The Riks Assessment took place per department.
6.	2023/24 Mid Year Performance Information	Mid Year Performance Assessments including CCRs to be conducted for the Municipal Manager.	Not conducted
		2023/24 Annual Performance Assessment be conducted after tabling the Annual Report to Council	Not conducted.
7.	SDBIP Circular 88 Indicators	Manager IDP PMS to populate the MFMA Circular 88 indicators in the 2024/25 Adjusted SDBIP	The Circular 88 Indicators not populated in the Adjusted SDBIP.
8.	Leave Management	Consultation with the LLF.	The item was tabled to LLF.
		Populate the organogram on the web based leave module.	The organogram has been uploaded on the systems and employees are able to use the ESS system.
		Training of employees on the leave management systems	Users were trained on the Leave Management System in on the 09 th – 10 th of April.
9.	2023/24 AFS	That the reconciliations be performed on: Assets Debtors Creditors	<ol style="list-style-type: none"> 1. Movables and immovables verification is in progress. 2. PT has advised on the accounting treatment of the write – off process. 3. The restatement of creditors has not been processed in the system. 4. Expenditure – the reports are not aligning (grant register, General Ledger and report to the funder) .

No	ITEM	RESOLUTION	IMPLEMENTATION PROGRESS
			5. The Bank Reconciliation is Reconciled as at May
10.	SAMWU Provident Fund	The court application is scheduled to take place in April 2025 for the R22m the fund is claiming.	The Municipality is awaiting for the appeal process of the court to unfold.
13.	Financial Recovery Plan	Classify debtors from highest to lowest debtors, government departments, businesses and agriculture,	The detailed report will be tabled by the CFO
12.	3 rd Quarter Performance Information Report	Table a report reflecting planned and achieved targets	Implemented
		Adjusted SDBIP to be corrected as per IA Report	The Adjusted SDBIP not yet corrected

APPENDIX H – LONGTERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

The municipality does not have long-term contracts and Public Private Partnerships

APPENDIX I – MUNICIPAL ENTITY /SERVICE PROVIDER PERFORMANCE SCHEDULE

The performance schedule of the service providers is attached as an annexure in the Annual Performance Report

APPENDIX J – DISCLOSURE OF FINANCIAL INTEREST

There are no financial disclosures signed by councillors during the year under review, only directors and MM of which there are no financial interests found.

APPENDIX K –REVENUE COLLECTION PERFORMANCE BY VOTE

Appendix K (i) Revenue Collection Performance by Vote

EC102 Blue Crane Route - Revenue Collection Performance by Vote

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 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		67 222	27 160	27 160	-	71 200	27 160	44 040	162,2%	27 160
Vote 3 - ACCOUNTING OFFICER		-	-	-	-	381	-	381		-
Vote 4 - BUDGET & TREASURY		49 475	42 512	36 317	-	41 264	36 317	4 947	13,6%	36 317
Vote 5 - TECHNICAL SERVICES		197 804	303 676	319 767	-	243 735	319 767	(76 033)	-23,8%	319 767
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		17 572	27 777	29 363	-	20 491	29 363	(8 872)	-30,2%	29 363
Vote 7 - CORPORATE SERVICES		215	352	352	-	256	352	(95)	-27,1%	352
Total Revenue by Vote	2	332 288	401 477	412 958	-	377 326	412 958	(35 632)	-8,6%	412 958

Appendix K (ii) Revenue Collection Performance by Source

EC102 Blue Crane Route - Statement of Financial Performance (revenue and expenditure)

Description	2023/24		Budget Year 2024/25					
	Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands								
Revenue								
Exchange Revenue								
Service charges - Electricity	123 161	177 050	166 941	135 906	166 941	(31 035)	-19%	166 941
Service charges - Water	18 287	17 953	17 953	18 614	17 953	661	4%	17 953
Service charges - Waste Water Management	7 251	8 927	8 927	7 548	8 927	(1 380)	-15%	8 927
Service charges - Waste management	11 603	14 751	14 751	11 801	14 751	(2 950)	-20%	14 751
Sale of Goods and Rendering of Services	1 257	637	637	657	637	20	3%	637
Agency services	541	901	901	732	901	(169)	-19%	901
Interest	-	-	-	-	-	-	-	-
Interest earned from Receivables	13 473	9 511	9 511	9 596	9 511	85	1%	9 511
Interest earned from Current and Non Current Assets	3 801	1 007	3 500	5 332	3 500	1 832	52%	3 500
Dividends	-	-	-	-	-	-	-	-
Rent on Land	77	136	136	82	136	(55)	-40%	136
Rental from Fixed Assets	647	610	610	586	610	(24)	-4%	610
Licence and permits	2	-	-	254	-	254	-	-
Operational Revenue	952	3 065	3 065	1 833	3 065	(1 231)	-40%	3 065
Non-Exchange Revenue								
Property rates	28 215	28 326	19 638	22 662	19 638	3 024	15%	19 638
Surcharges and Taxes	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	162	334	334	1 556	334	1 222	366%	334
Licence and permits	387	543	543	208	543	(335)	-62%	543
Transfer and subsidies - Operational	74 254	81 831	82 829	84 695	82 829	1 866	2%	82 829
Interest	-	-	-	1 969	-	1 969	-	-
Other Gains	-	-	-	2 419	-	2 419	-	-
Total Revenue (excluding capital transfers and contributions)	284 069	345 582	330 276	306 449	330 276	-	-	330 276
Expenditure By Type								
Employee related costs	102 820	105 560	107 575	107 538	107 575	(38)	0%	107 575
Remuneration of councillors	4 951	5 170	6 048	5 196	6 048	(852)	-14%	6 048
Bulk purchases - electricity	123 757	123 508	117 953	140 569	117 953	22 616	19%	117 953
Inventory consumed	8 882	9 363	12 326	12 016	12 326	(309)	-3%	12 326
Debt impairment	52 493	28 509	28 509	27 364	28 509	(1 145)	-4%	28 509
Depreciation and amortisation	58 872	59 063	48 154	88 343	48 154	40 189	83%	48 154
Interest	13 837	3 660	3 660	23 187	3 660	19 527	533%	3 660
Contracted services	8 362	11 345	28 084	27 762	28 084	(322)	-1%	28 084
Transfers and subsidies	1 089	1 136	1 156	1 156	1 156	(0)	0%	1 156
Operational costs	14 842	27 954	17 715	17 403	17 715	(312)	-2%	17 715
Losses on Disposal of Assets	-	-	-	102	-	102	-	-
Other Losses	-	-	-	1 495	-	1 495	-	-
Total Expenditure	389 907	375 268	371 180	452 131	371 180	80 952	22%	371 180
Surplus/(Deficit)	(105 837)	(29 685)	(40 904)	(145 682)	(40 904)	(80 952)	0	(40 904)
Transfers and subsidies - capital (monetary allocations)	48 219	55 895	82 682	70 877	82 682	(11 805)	(0)	82 682
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(57 619)	26 210	41 779	(74 805)	41 779			41 779
Income Tax	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	(57 619)	26 210	41 779	(74 805)	41 779			41 779
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(57 619)	26 210	41 779	(74 805)	41 779			41 779
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(57 619)	26 210	41 779	(74 805)	41 779			41 779

APPENDIX L –CONDITIONAL GRANTS RECEIVED : EXCLUDING MIG

EC102 Blue Crane Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts -

Description	Ref	2023/24			2024/25					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		74 218	74 880	74 880	-	74 880	74 880	-		74 880
Operational Revenue:General Revenue:Equitable Share		67 222	71 200	71 200	-	71 200	71 200	-		71 200
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-		-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 098	1 280	1 280	-	1 280	1 280	-		1 280
Local Government Financial Management Grant [Schedule 5B]		2 270	2 400	2 400	-	2 400	2 400	-		2 400
Municipal Disaster Grant [Schedule 5B]		3 628	-	-	-	-	-	-		-
Water Services Infrastructure Grant		-	-	-	-	-	-	-		-
Integrated Urban Development Grant		-	-	-	-	-	-	-		-
Provincial Government:		3 698	5 701	5 643	-	4 153	5 701	1 428		5 701
Department of economic development tourism and environmental affairs		1 398	3 000	2 942	-	1 572	3 000	1 428		3 000
Department of Sports		2 300	2 701	2 701	-	2 581	2 701	-		2 701
		-	-	-	-	-	-	-		-
District Municipality:		1 300	4 255	4 255	-	4 255	4 255	-		4 255
Sarah Baartman District Municipality		1 300	4 255	4 255	-	4 255	4 255	-		4 255
		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Departmental Agencies and Accounts		-	-	-	-	-	-	-		-
Foreign Government and International Organisations		-	-	-	-	-	-	-		-
Households		-	-	-	-	-	-	-		-
Non-profit Institutions		-	-	-	-	-	-	-		-
Private Enterprises		-	-	-	-	-	-	-		-
Public Corporations		-	-	-	-	-	-	-		-
Higher Educational Institutions		-	-	-	-	-	-	-		-
Parent Municipality / Entity		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	79 216	84 836	84 779	-	83 288	84 836	1 428		84 836
Capital Transfers and Grants										
National Government:		20 612	40 696	67 109	-	55 706	67 109	11 403		25 643
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		182	-	-	-	-	-	-		-
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-		-
Municipal Disaster Relief Grant		-	22 880	22 880	-	11 477	22 880	11 403		11 477
Energy Efficiency and Demand Side Management Grant		4 000	4 000	2 800	-	2 800	2 800	-		2 800
Local Government Financial Management Grant [Schedule 5B]		180	-	-	-	-	-	-		-
Water Services Infrastructure Grant [Schedule 5B]		16 250	13 816	11 366	-	11 366	11 366	-		11 366
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-		-
Municipal Disaster Relief Grant		-	-	30 063	-	30 063	30 063	-		-
Provincial Government:		-	-	80	-	80	80	-		58
Department of economic development tourism and environmental affairs		-	-	58	-	58	58	-		58
Department of Sports		-	-	22	-	22	22	-		-
District Municipality:		-	-	528	-	528	528	-		528
Sarah Baartman District Municipality		-	-	528	-	528	528	-		528
Other grant providers:		-	-	-	-	-	-	-		-
Departmental Agencies and Accounts		-	-	-	-	-	-	-		-
Foreign Government and International Organisations		-	-	-	-	-	-	-		-
Households		-	-	-	-	-	-	-		-
Non-Profit Institutions		-	-	-	-	-	-	-		-
Private Enterprises		-	-	-	-	-	-	-		-
Public Corporations		-	-	-	-	-	-	-		-
Higher Educational Institutions		-	-	-	-	-	-	-		-
Parent Municipality / Entity		-	-	-	-	-	-	-		-
Transfer from Operational Revenue		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	20 612	40 696	67 171	-	56 315	67 717	11 403		26 230
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	99 828	125 532	152 496	-	139 603	152 554	12 831		111 066

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

Appendix M (i) Capital Expenditure-New Assets Programme

EC102 Blue Crane Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding)

Vote Description	Ref	Budget Year 2024/25					
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	Full Year Forecast
R thousands	1						
Multi-Year expenditure appropriation	2						
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	17	-
Vote 5 - TECHNICAL SERVICES		2 144	43 896	66 601	1 855	33 446	66 601
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		851	-	522	-	-	522
Vote 7 - CORPORATE SERVICES		9	360	661	-	919	661
		-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	3 003	44 256	67 783	1 855	34 381	67 783
Single Year expenditure appropriation	2						
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		-	20	12	-	125	12
Vote 4 - BUDGET & TREASURY		(16)	20	23	-	-	23
Vote 5 - TECHNICAL SERVICES		(19 405)	6 443	6 083	57 451	29 653	6 083
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		45	375	2 093	-	317	2 093
Vote 7 - CORPORATE SERVICES		20	240	209	9	-	209
		-	-	-	-	-	-
Total Capital single-year expenditure	4	(19 356)	7 098	8 419	57 460	30 095	8 419
Total Capital Expenditure	3	(16 353)	51 354	76 202	59 314	64 476	76 202
Capital Expenditure - Functional Classification							
Governance and administration		13	955	1 291	9	1 069	1 291
Executive and council		-	20	12	-	125	12
Finance and administration		13	935	1 279	9	945	1 279
Internal audit		-	-	-	-	-	-
Community and public safety		1 251	739	6 092	45	3 905	6 092
Community and social services		896	46	2 328	-	317	2 328
Sport and recreation		356	348	3 614	45	3 588	3 614
Public safety		-	171	149	-	-	149
Housing		-	174	-	-	-	-
Health		-	-	-	-	-	-
Economic and environmental services		463	10 033	9 137	-	9 668	9 137
Planning and development		-	-	-	-	-	-
Road transport		463	10 033	9 137	-	9 668	9 137
Environmental protection		-	-	-	-	-	-
Trading services		(18 081)	39 627	59 682	59 261	49 833	59 682
Energy sources		1 894	24 629	49 126	1 810	38 019	49 126
Water management		(19 963)	6 424	6 884	57 451	8 436	6 884
Waste water management		(45)	6 678	3 048	-	3 000	3 048
Waste management		33	1 896	625	-	379	625
Other		-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	(16 353)	51 354	76 202	59 314	64 476	76 202
Funded by:							
National Government		(16 675)	48 604	71 458	59 061	62 585	71 458
Provincial Government		227	-	1 270	-	64	1 270
District Municipality		-	-	1 019	-	253	1 019
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-
Transfers recognised - capital		(16 448)	48 604	73 746	59 061	62 903	73 746
Borrowing	6	44	-	-	-	-	-
Internally generated funds		246	2 750	2 456	253	1 573	2 456
Total Capital Funding	7	(16 158)	51 354	76 202	59 314	64 476	76 202

Appendix M (ii) Capital Expenditure-Upgrade/Renewal Programme

EC102 Blue Crane Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding)

Vote Description	Ref	2023/24	Budget Year 2024/25				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	Full Year Forecast
R thousands	1						
Multi-Year expenditure appropriation	2						
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	17	-
Vote 5 - TECHNICAL SERVICES		2 144	43 896	66 601	1 855	33 446	66 601
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		851	-	522	-	-	522
Vote 7 - CORPORATE SERVICES		9	360	661	-	919	661
		-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	3 003	44 256	67 783	1 855	34 381	67 783
Single Year expenditure appropriation	2						
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		-	20	12	-	125	12
Vote 4 - BUDGET & TREASURY		(16)	20	23	-	-	23
Vote 5 - TECHNICAL SERVICES		(19 405)	6 443	6 083	57 451	29 653	6 083
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		45	375	2 093	-	317	2 093
Vote 7 - CORPORATE SERVICES		20	240	209	9	-	209
		-	-	-	-	-	-
Total Capital single-year expenditure	4	(19 356)	7 098	8 419	57 460	30 095	8 419
Total Capital Expenditure	3	(16 353)	51 354	76 202	59 314	64 476	76 202
Capital Expenditure - Functional Classification							
Governance and administration		13	955	1 291	9	1 069	1 291
Executive and council		-	20	12	-	125	12
Finance and administration		13	935	1 279	9	945	1 279
Internal audit		-	-	-	-	-	-
Community and public safety		1 251	739	6 092	45	3 905	6 092
Community and social services		896	46	2 328	-	317	2 328
Sport and recreation		356	348	3 614	45	3 588	3 614
Public safety		-	171	149	-	-	149
Housing		-	174	-	-	-	-
Health		-	-	-	-	-	-
Economic and environmental services		463	10 033	9 137	-	9 668	9 137
Planning and development		-	-	-	-	-	-
Road transport		463	10 033	9 137	-	9 668	9 137
Environmental protection		-	-	-	-	-	-
Trading services		(18 081)	39 627	59 682	59 261	49 833	59 682
Energy sources		1 894	24 629	49 126	1 810	38 019	49 126
Water management		(19 963)	6 424	6 884	57 451	8 436	6 884
Waste water management		(45)	6 678	3 048	-	3 000	3 048
Waste management		33	1 896	625	-	379	625
Other		-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	(16 353)	51 354	76 202	59 314	64 476	76 202
Funded by:							
National Government		(16 675)	48 604	71 458	59 061	62 585	71 458
Provincial Government		227	-	1 270	-	64	1 270
District Municipality		-	-	1 019	-	253	1 019
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-
Transfers recognised - capital		(16 448)	48 604	73 746	59 061	62 903	73 746
Borrowing	6	44	-	-	-	-	-
Internally generated funds		246	2 750	2 456	253	1 573	2 456
Total Capital Funding	7	(16 158)	51 354	76 202	59 314	64 476	76 202

APPENDIX N –CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2024/2025		
Asset 1		
Name	Upgrade of Electrical lines (Phase 1 and Phase 2)	
Description	MDRG Funds utilised to upgrade the electricity lines	
Asset Type	Infrastructure	
Key Staff Involved	Job Creation	
Staff Responsibilities	External	
Asset Value	Year 2023/2024	Year 2024/2025
	-	34 788 602,00
Capital Implications	Depreciation and Maintenance	
Future Purpose of Asset	Infrastructure	
Describe Key Issues		
Policies in Place to Manage Asset		
Asset 2		
Name	Refurbishment of Clevedon Pump Station	
Description	WSIG Funds utilised to upgrade the Treatment works	
Asset Type	Infrastructure	
Key Staff Involved	Job Creation	
Staff Responsibilities	External	
Asset Value	Year 2023/2024	Year 2024/2025
	-	5 734 498,00
Capital Implications	Depreciation and Maintenance	
Future Purpose of Asset	Infrastructure	
Describe Key Issues		
Policies in Place to Manage Asset		
Asset 3		
Name	Reconstruction of Victoria Park Sports facility - Phase 1	
Description	MIG Funds utilised to upgrade the Treatment works	
Asset Type	Infrastructure	
Key Staff Involved	Job Creation	
Staff Responsibilities	External	
Asset Value	Year 2023/2024	Year 2024/2025
	-	3 542 944,00
Capital Implications	Depreciation and Maintenance	
Future Purpose of Asset	Infrastructure	
Describe Key Issues		
Policies in Place to Manage Asset		

APPENDIX O –CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

PROJECT DESCRIPTION	FUND	WARD	Status	Total 2024	Additions	Completed	Total 2025
New Pounds	Own Funds	Ward 2	Completed	756 530,54	124 669,71	- 881 200,25	-
Upgrade of Cookhouse Water Treatment Works	Water Services Infrastructure Grant	Ward 6	Completed	16 170 116,92	1 149 093,10	- 17 319 210,02	-
Refurbishment of Khanyiso Water Booster Pump	Water Services Infrastructure Grant	Ward 4	Completed	1 557 850,80	-	- 1 557 850,80	-
Paving of Gravel Roads: Somerset East	Municipal Infrastructure Grant	Ward 2	Completed	-	1 810 890,71	- 1 810 890,71	-
Paving of Gravel Roads: Cookhouse	Municipal Infrastructure Grant	Ward 6	Completed	-	2 244 980,36	- 2 244 980,36	-
Beatification of Entrance and Monuments(Welcome to KwaNojoli sign monuments)	EPWP DEDEA	All Wards	Completed	-	44 594,78	- 44 594,78	-
Refurbishment of Sewer Pump stations	Water Services Infrastructure Grant	All Wards	WIP	2 301 182,01	-	-	2 301 182,01
Refurbishment of Glen Avon Street	Municipal Infrastructure Grant	Ward 2	WIP	6 104 751,74	3 654 965,46	-	9 759 717,20
Construction of Khanyiso & Nelsig Bridges	Non-funding Transactions	Ward 4	WIP	806 863,44	432 117,22	-	1 238 980,66
REFURBISHMENT OF ELECTRICAL NETWORK THROUGH MUNICIPAL DISASTER RELIEF GRANT	Municipal Disaster Recovery Grant	All Wards	WIP	850 827,30	1 582 877,80	-	2 433 705,10
REFURBISHMENT OF SURFACE ROADS IN ALL 6 WARDS	Municipal Infrastructure Grant	All Wards	WIP	100 691,53	497 956,70	-	598 648,23
Installation of Street Lights and Hish Mast Lights	Energy Efficiency and Demand Side Management Grant	All Wards	WIP	387 306,73	379 430,00	-	766 736,73
Reconstruction of Victoria Park Sports facility phase 1	Municipal Infrastructure Grant	Ward 2	WIP	-	3 542 944,09	-	3 542 944,09
Reconstruction of Somerset East/ Cookhouse 11KV feeder line phase 1	Municipal Disaster Recovery Grant	Ward 1,2,3,5 and 6	WIP	-	4 262 255,07	-	4 262 255,07
Reconstruction of Pearston/ Graaf-Reinet 22KV feeder line phase 1	Municipal Disaster Recovery Grant	Ward 4	WIP	-	3 338 856,70	-	3 338 856,70
Reconstruction of Somerset East/ Middleton 22KV feeder line phase 1	Municipal Disaster Recovery Grant	Ward 1,2,3,5 and 6	WIP	-	5 716 001,50	-	5 716 001,50
Reconstruction of Somerset East/ Pearston 22KV feeder line phase 1	Municipal Disaster Recovery Grant	Ward 2,3, 4, and 5	WIP	-	3 338 262,26	-	3 338 262,26
Reconstruction of Pearston/ Melkierveier 22KV feeder phase 1	Municipal Disaster Recovery Grant	Ward 4	WIP	-	6 881 732,76	-	6 881 732,76
Refurbishment of Clevedon Pumpstation	Water Services Infrastructure Grant	Ward 2	WIP	-	5 734 498,26	-	5 734 498,26
Supply Delivery and Install Power Correction (PFC) Equipment	Municipal Disaster Recovery Grant	Ward 2	WIP	-	2 538 832,28	-	2 538 832,28
Reconstruction of Melkierveier/Graaf Reinet Phase 2 Section 2	Municipal Disaster Recovery Grant	Ward 4	WIP	-	3 733 116,51	-	1 443 850,00
Reconstruction of Melkierveier/Graaf Reinet Phase 2 Section 2 22KV Feeder Line	Municipal Disaster Recovery Grant	Ward 4	WIP	-	1 971 170,00	-	1 971 170,00
Refurbishment of Aeroville, Lifting station and Riverland pump station	Municipal Disaster Recovery Grant	Ward 2	WIP	-	2 999 886,95	-	2 999 886,95
Maintenance and repairs of Somerset East / Middleton 22KV Line MDRG Rollover	Municipal Disaster Recovery Grant	Ward 1,2,3,5 and 6	WIP	-	2 459 155,26	-	2 459 155,26
Overhead Lines Pearston Dissaster Management Projects (MDRG ROLLOVER)	Municipal Disaster Recovery Grant	Ward 4	WIP	-	1 469 145,78	-	1 469 145,78
Supply Delivery and Install Power Correction (PFC) Equipment - Phase 1	Municipal Disaster Recovery Grant	Ward 2	WIP	-	1 148 874,28	-	1 148 874,28
				29 036 121,01	61 056 307,53	- 23 858 726,92	63 944 435,11

APPENDIX P –SERVICE CONNECTION BACKLOG AT SCHOOLS AND CLINICS

There are no service connections backlogs for schools and clinics

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

WARD	SERVICE BACKLOG
Ward 1&6	<ul style="list-style-type: none"> • Construction of Netball field • Upgrading of a local tax rank • Provision of a satellite police station for rural areas • Appointment of security guards for schools • Construction of TVET College • Construction of new houses • Rectification of houses • Formalisation of informal settlement
Ward 2	<ul style="list-style-type: none"> • Installation of water tanks • Installation of tourist signs • Renewable energy projects • Construction of lower primary school Aeroville • Construction of school for children with disability • Provision of satellite police station • Numbering of houses • Construction of new houses • Rectification of houses • Formalisation of informal settlement
Ward 3	<ul style="list-style-type: none"> • Construction of TVET College • Construction of new houses • Rectification of houses • Demolishing of old and vandalised houses • Formalisation of informal settlement
Ward 4	<ul style="list-style-type: none"> • Construction of new houses

	<ul style="list-style-type: none"> • Rectification of houses • Construction of rehabilitation centre for young people • Renewable energy projects
Ward 5	<ul style="list-style-type: none"> • Installation of Jojo Tanks • Construction of new houses • Rectification of houses • Formalisation of informal settlement • Upgrading of mountain drive • Resuscitation of Worcester Taxi Rank • Renewable energy projects

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

No loans and grants received by and organisation from the municipality.

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

No declaration made that were non-compliant with s71 of the MFMA. All returns were submitted on time.

APPENDIX T –NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services	<ol style="list-style-type: none"> 1. Provision of water through upgrading of water and sanitation infrastructure: Water Treatment works, Sewer Pumpstation station. 2. Access to roads: Paving of streets. 3. Access to electricity: Electrification of houses, Installation of streetlights and retrofitting of LED lights 4. Refuse collection 	80%
Output: Implementation of the Community Work Programme	Job creation through CWP and EPWP (All wards)	100%
Output: Deepen democracy through a refined Ward Committee model	All ward committees have been established and functioning	70%
Output: Administrative and financial capability	The municipality is not financially viable, low revenue base and grant dependent	80%